

MINERVA S.A.

Independent auditors' report

Individual and Consolidated Financial
statement as of December 31, 2023

MINERVA S.A.

Financial statement Individual and Consolidated
December 31, 2023

Content

Earnings release

Independent auditors' report on the individual and consolidated financial statements

Balance sheet individual and consolidated

Income statements individual and consolidated

Statement of comprehensive income individual and consolidated

Statement of changes in equity individual and consolidated

Statement of cash flows individual and consolidated – indirect method

Statement of Added Value individual and consolidated – additional information

Notes to the financial statements individual and consolidated

minerva
foods



EARNINGS RELEASE 4Q23 & 2023

Earnings Release

Minerva (**BEEF3**)

Price on March 22, 2024:
R\$ 7.10

Market Cap: R\$4.3 billion
Shares: 607,283,407
Free Float: 43.7%

Conference Call

March 26, 2024

Portuguese and English:

9:00 a.m. (Brasília)

8:00 a.m. (US EDT)

[Webcast](#)

IR Contacts:

Edison Ticle

Danilo Cabrera

Luiza Puoli

Gustavo Ityanagui

Marcelo Reis

Phone: (11) 3074-2444

ri@minervafoods.com

Barretos, March 25, 2024 – 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 4Q23. The financial and operational information herein is presented in BRGAAP and Brazilian reais (R\$), under International Financial Reporting Standards.

4Q23 & 2023 Highlights

- Free cash flow in 4Q23, after financial expenses, Capex, working capital and adjusted for the disbursement related to the acquisition of ALC in the period, totaled R\$149.2 million. In 2023, recurring free cash flow, adjusted by the acquisitions of ALC and BPU, totaled R\$535.7 million. Since 2018, the Company's free cash generation has totaled R\$ 6.5 billion.
- Consolidated gross revenue reached R\$6.5 billion in 4Q23, with exports accounting for 67.2% of this amount. In 2023, gross revenue totaled R\$ 28.6 billion, with exports reaching 65.0% of revenues, reinforcing our position as the leading beef exporter in South America, with a market share of approximately 20%. It is worth mentioning that 4Q23 and 2023 reflect the accounting and non-cash effect of CPC 02 and CPC 42 (exchange rate and inflation) on the subsidiaries located in Argentina, with an impact of R\$ 1.5 billion on net revenue and the consequent impact on nominal EBITDA and net income.
- EBITDA came to R\$ 605.9 million in 4Q23, with an EBITDA Margin of 9.8%, 0.9 p.p. higher than in 4Q22. In 2023, EBITDA totaled R\$ 2.6 billion, with an EBITDA margin of 9.5%.
- Net income was R\$ 19.8 million in 4Q23, totaling R\$ 395.5 million in 2023.
- Net financial leverage – measured by the Net Debt/LTM EBITDA ratio – ended 2023 at 2.8x, adjusted by BPU's pro-forma EBITDA, and the amount of R\$ 1.5 billion relating to the initial payment for the acquisition of Marfrig's assets in South America.
- Fighting illegal deforestation:** progress in geomonitoring of direct suppliers in accordance with the Commitment to Sustainability. At present, all of our direct suppliers in Brazil, Paraguay, and Colombia are being monitored against social and environmental criteria. In Argentina, monitoring is in place for around 90% of direct suppliers, and more than 60% in Uruguay.
- MyCarbon:** sole Brazilian company approved for the DFM/Nasdaq carbon trading pilot project, a landmark achievement announced at COP28 in Dubai, United Arab Emirates.
- Remove Program:** presentation of the project to generate carbon credits in the Minerva Foods value chain to Verra.
- Institutional:** the Company has been included in the 2023/2024 portfolios of the Corporate Sustainability Index (ISEB3) and the Carbon Efficient Index (ICO2B3) for the fourth consecutive year. Furthermore, the Company has made notable progress in external evaluations conducted by the Carbon Disclosure Project (CDP) and the Collier Fairr Producer Index.



Click or scan

Message from Management

Minerva Foods' performance in 2023 reinforces our leading position in South America and strengthens our corporate strategy as one of the main players in the global animal protein market. We ended the year with a net revenue of R\$ 26.9 billion, an EBITDA Adjusted by the pro-forma effects of ALC and BPU of R\$ 2.6 billion, and a net income of R\$ 395.5 million. Free cash generation totaled R\$ 149.2 million in the quarter and R\$ 535.7 million in the year, contributing to the maintenance of a solid capital structure, ending 2023 with a Net Debt/Adjusted EBITDA ratio of 2.8x. Since 2018, the Company's free cash generation has amounted to approximately R\$ 6.5 billion.

Adjusted EBITDA
R\$ 2.6 billion

EBITDA Margin
9.5%

Net Income
R\$ 395.5 million

Minerva Foods ended 2023 with a consolidated gross revenue consisting of 65% from exports, showing that the international beef market is solid and buoyant, creating opportunities for South-American exporters. The imbalance between supply and demand in the global beef protein market continues providing new access to important markets, such as Paraguay's authorization to export to the USA, the recent opening of China to Colombian exports, and the new Brazilian plants authorized to access the Chinese market in early 2024. The global beef supply is increasingly restricted, especially in the USA, which continue to see a negative livestock scenario that worsened throughout 2023 and is expected to further deteriorate in the 2024-2025 period. In contrast, the South-American livestock cycle stands out with the strong availability of animals ready for slaughter, especially in Brazil, but also with herds favorably growing in other countries of the continent, such as Uruguay and Paraguay. In this context, in addition to better competitiveness, Minerva Foods ends up benefiting from its geographical diversification and arbitration strategy in the global beef market, which are essential pillars for the stability and consistency of the Company's results. Besides our international performance, I would like to highlight our performance in the domestic market – gross revenue reached R\$ 10.0 billion in the year. The domestic market is rebounding, particularly in Brazil, benefiting from a positive livestock cycle, coupled with a favorable macroeconomic scenario, factors which naturally encourage local consumption. It is worth noting that such positive performance is reflected in the strengthening of our brands and the maximization of our commercial capillarity, bringing Minerva Foods and its products even closer to end consumers, thereby expanding the Company's opportunities in the domestic market.

4Q23 Cash Generation
R\$ 149.2 million

2023 Cash Generation
R\$ 535.7 million

Leverage
2.8x

Still in 2023, in line with our strategic positioning, in August the Company announced the acquisition of Marfrig's selected assets in South America, which when integrated and after the approval of regulatory procedures, will singularly contribute to our business model, increasing our commercial capillarity, particularly in the international markets and further improving Minerva Foods's arbitration capacity. Another highlight for the year was the newly acquired BPU, in Uruguay, maximizing our access to premium markets like Europe, the USA, Japan, South Korea and China, and increasing operational and commercial synergies in Uruguay. Finally, we must mention the operational consolidation of ALC, our sheep platform in Australia, which achieved excellent results last year. Said initiatives help ratify our geographical diversification strategy, further expanding our arbitration capacity in the global animal protein market.

In the past year, we continued to improve in the sustainability agenda, one of our corporate values and an indispensable component of our business model. Minerva Foods recognizes the crucial role of sustainability in the development of agribusiness and its impact on the importance of global food security. In 2023, advancements in supplier chain monitoring, focusing on combating illegal deforestation, were essential for positioning our products in strategic markets. We invested in engaging partner cattle breeders through the Renove program, implementing regenerative practices that increase the productivity of our partner producers, as well as the positive environmental impact through low carbon emissions and sustainable intensification of livestock activities. Through these initiatives, in partnership with MyCarbon, we add value to beef by neutralizing emissions associated with its production and distribution in the new 'Zero Carbon Impact' product line.

On an institutional level, for the fourth consecutive year, Minerva Foods was listed in the 2023/2024 portfolios of the Corporate Sustainability Index (ISE) and the Efficient Carbon Index (ICO2). Our efforts and investments for the Company's sustainable development, and support for the communities where we operate, ultimately reflect consistent improvements in external sustainability assessments, validating our strategy and contributions to this global challenge. We are confident that we are building a business model with resilient operations adapted to the demands of a responsible and low-carbon economy.

Still in 2023, our corporate integrity program advanced, as we disclosed our 1st Annual Compliance Report, enhancing our risk management processes. Moreover, we successfully concluded another annual integrity training in ethics, the fight against corruption, conflict of interests and money laundering provided for over 3,900 employees. We highlight that we were active in the Agribusiness Collective Anti-corruption Action promoted by the Global Compact Network Brazil, joined the Ethos Institute, and became a signatory to the Business Pact for Integrity and against Corruption (Clean Company).

We end 2023 with a special thanks for all the effort and dedication showed by Minerva Foods' staff, consisting of over 22,000 employees, for the results achieved and challenges faced. Also, we will remain together with consistency, ethics and discipline in 2024. Our management remains committed to ethically running our business, confident of the good prospects of the global beef protein market in 2024, respecting our 5 corporate values, i.e. innovation, commitment, results orientation, sustainability, and recognition, as we believe this is the best way to create consistent value for our shareholders.

Minerva Foods – making connections between people, food and nature.

Fernando Galletti de Queiroz

Chief Executive Officer

In late 2023, the performance of the subsidiaries located in Argentina was impacted by the macroeconomics of the country, especially inflation and exchange rate. Thus, accounting standards (IAS 29 - CPC 42 – hyperinflationary economy and IAS 21 – CPC 02 (R2) – changes in foreign exchange rates and translation of financial statements), which require financial information of subsidiaries located in Argentina to be restated by the closing exchange rate, correcting it based on the inflation index of said country and then translating all financial statements into Brazilian Real, using the closing exchange rate for the year, with the impact on the result concentrated in 4Q23.

As a result of this effect, net revenue from the Argentinian operation had a negative impact of R\$ 1.5 million in the period, with a direct consequence on nominal EBITDA and net income. It is worth noting that it is an accounting adjustment, with no cash effect.

Results Analysis

Key Consolidated Indicators

R\$ million	4Q23	4Q22	Var. %	3Q23	Var. %	2023	2022	Var. %
Total Slaughter ('000 head)	1,078.3	855.3	26.1%	938.1	14.9%	3,873.8	3,749.3	3.3%
Total Sales Volume ('000 metric tons)	354.2	303.2	16.8%	333.8	6.1%	1,290.3	1,223.7	5.4%
Gross Revenue	6,510.7	7,328.3	-11.2%	7,562.5	-13.9%	28,642.5	32,898.0	-12.9%
Export Market	4,376.8	4,573.1	-4.3%	4,871.0	-10.1%	18,617.1	22,553.6	-17.5%
Domestic Market	2,133.9	2,755.3	-22.6%	2,691.4	-20.7%	10,025.4	10,344.3	-3.1%
Net Revenue	6,166.0	6,839.2	-9.8%	7,067.6	-12.8%	26,891.6	30,977.8	-13.2%
EBITDA	605.9	607.5	-0.3%	713.7	-15.1%	2,562.6	2,837.8	-9.7%
EBITDA Margin	9.8%	8.9%	0.9 p.p.	10.1%	-0.3 p.p.	9.5%	9.2%	0.4 p.p.
Net Debt / LTM Adj. EBITDA (x)	2.8 ⁽¹⁾	2.2	0.6	2.8 ⁽²⁾	0.0	2.8	2.2	0.6
Net income	19.8	-25.7	N/A	141.0	-86.0%	395.5	655.1	-39.6%

¹ Adjusted EBITDA per BPU proforma (R\$46.4 million - 8 months) and net debt for the early payment of investments (R\$1.5 billion)

² Adjusted EBITDA per ALC and BPU proforma (R\$97.9 million, being R\$34.2 million referring to the last month of ALC's consolidation and R\$63.7 million referring to the last 11 months of BPU) and net debt for the early payment of investments (R\$1.5 billion)

Operational and financial performance

Slaughter

Consolidated slaughter volume totaled 1,078 thousand head of cattle, up by 26% year on year and by 15% quarter on quarter in 4Q23. In 2023, 3,874 thousand head of cattle were slaughtered, up by 3% over 2022.

The consolidated sheep slaughter volume, from the Company's operations in Australia, reached 1.1 million head in 4Q23, up by 5% quarter on quarter, totaling over 3.9 million head of sheep slaughtered in the full year of 2023.

Figures 1 and 2 – Consolidated Cattle Slaughter (thousand)

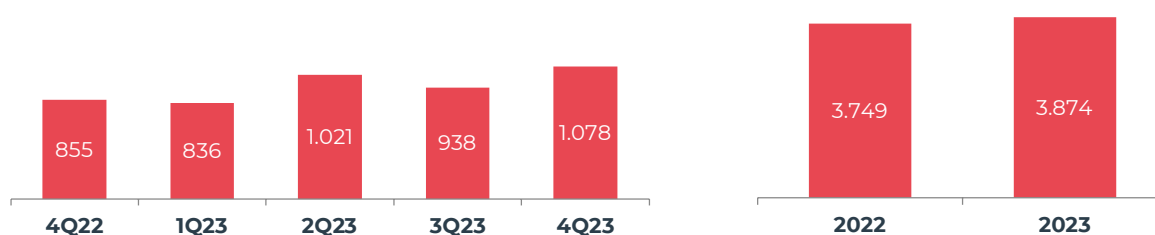
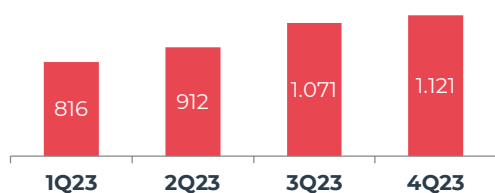
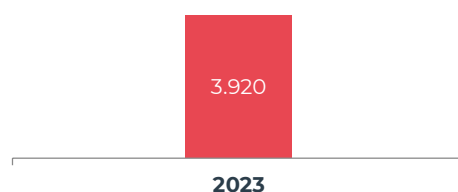


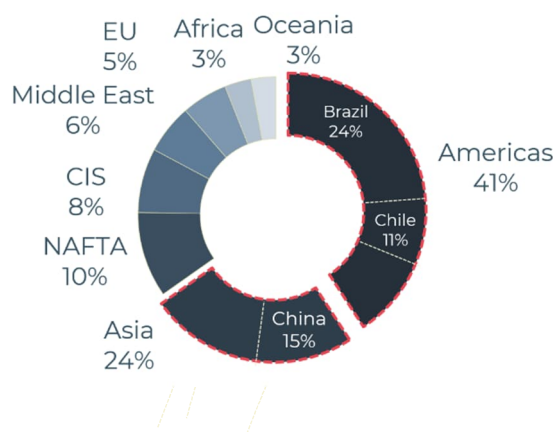
Figure 3 – Sheep Slaughter (thousand)

Figure 4 – Sheep Slaughter (thousand)


Gross Revenue

In 4Q23, the Company's consolidated gross revenue reached R\$ 6.5 billion. In 2023, gross revenue totaled R\$ 28.6 billion. In Figure 5 below, we have a more detailed breakdown of gross revenue composition, with the Americas region representing 41%, Asia corresponding to 24%, NAFTA reaching 10% of quarterly gross revenue, followed by the CIS at 8%, the Middle East representing 6%, Europe at 5% of revenue, and finally, Africa and Oceania totaling 3% each.

Gross Revenue (R\$ million)	4Q23	4Q22	Var. %	3Q23	Var. %	2023	2022	Var. %
Brazil	3,227.7	3,460.4	-6.7%	3,765.3	-14.3%	13,519.0	16,229.7	-16.7%
Argentina	-328.8	734.3	N/A	927.0	N/A	2,492.5	4,388.1	-43.2%
Colombia	275.6	329.0	-16.2%	245.3	12.4%	1,114.1	1,475.5	-24.5%
Paraguay	1,234.6	1,112.3	11.0%	947.7	30.3%	4,270.8	4,910.6	-13.0%
Uruguay	1,286.3	768.8	67.3%	807.0	59.4%	3,711.8	3,516.9	5.5%
Australia	441.1	0.0	N/A	497.6	-11.4%	1,968.7	0.0	N/A
Others ⁽¹⁾	374.3	923.5	-59.5%	372.6	0.5%	1,565.6	2,377.1	-34.1%
Total	6,510.7	7,328.4	-11.2%	7,562.5	-13.9%	28,642.5	32,898.0	-12.9%

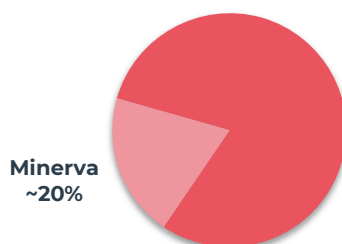
⁽¹⁾ consists of the result from live cattle exports, protein trading, energy trading, and resale of third-party products.

Figure 5 – Breakdown by Gross Revenue by Destination - 4Q23


Exports - Market Share

Minerva Foods remained the leading beef exporter on the continent. The Company accounted for approximately 20% of South American beef exports in the period.

Figure 6 – 2023 Market Share



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

Export Market – 67.2% of Gross Revenue in 4Q23 | 65.0% in 2023

In 4Q23, export gross revenue was R\$ 4.4 billion, totaling R\$ 18.6 billion in 2023.

The export market accounted for 62.3% of gross revenue of the Brazil division in 4Q23, and 59.4% of its total volume. As for the operations in South America ex-Brazil (Argentina, Colombia, Paraguay and Uruguay), exports reached 74.0% of gross revenue and 66.6% of volume. As for sheep operations in Australia, exports accounted for 63.8% of gross revenue and 50.6% of volume in the period.

In 2023, exports from the Brazil division reached 65.4% of gross revenue and 60.8% of volume, while exports of the operation in South America ex-Brazil totaled 68.1% of gross revenue and 63.9% of volume. As for the sheep operations in Australia, exports accounted for 68.1% of gross revenue and 64.0% of volume in the period.

Below is a more detailed description of exports share in gross revenue and volume by origin:

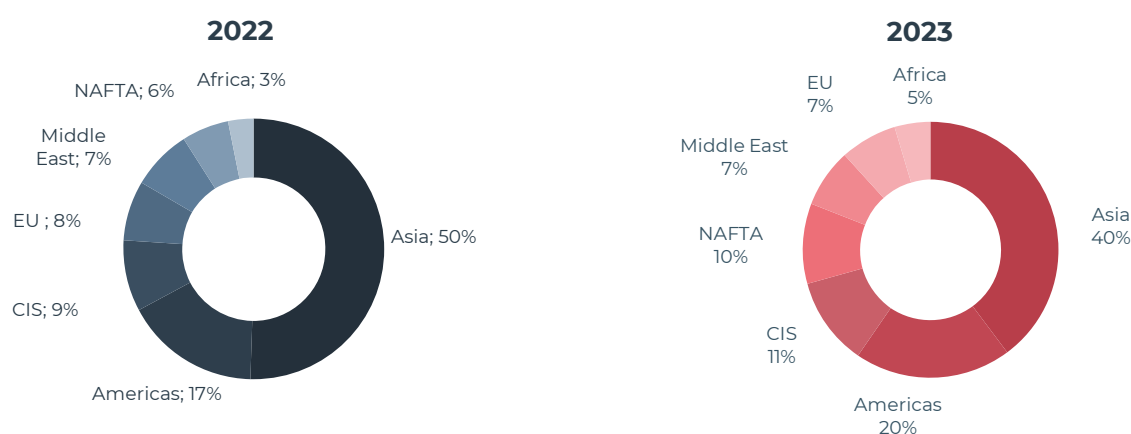
Exports (% of Gross Revenue)*	4Q23	4Q22	3Q23	2023
<i>Brazil</i>	62.3%	62.1%	67.6%	65.4%
<i>South America ex-Brazil</i>	74.0%	68.0%	62.2%	68.1%
<i>Sheep</i>	63.8%	-	67.7%	68.1%
Total	67.1%	62.4%	65.4%	66.8%
*Excluding "Others"				
Exports (% of Volume)*	4Q23	4Q22	3Q23	2023
<i>Brazil</i>	59.4%	62.7%	62.4%	60.8%
<i>South America ex-Brazil</i>	66.6%	63.1%	61.6%	63.9%
<i>Sheep</i>	50.6%	-	74.4%	64.0%
Total	62.5%	62.9%	62.7%	62.5%
*Excluding "Others"				

Below is the export revenue evolution by region between 2022 and 2023:

- **Africa:** The region accounted for 5% of exports in 2023, up by 2 p.p. over 2022.
- **Americas:** In 2023, the Americas accounted for 20% of total exports, up by 3 p.p. over 2022, being the second main destination of Minerva Foods' exports.
- **Asia:** Asia accounted for 40% of total exports in the year, down by 10 p.p. over 2022, but remained as the main destination for our exports, particularly China, which represented 32% of the Company's exports in the period.

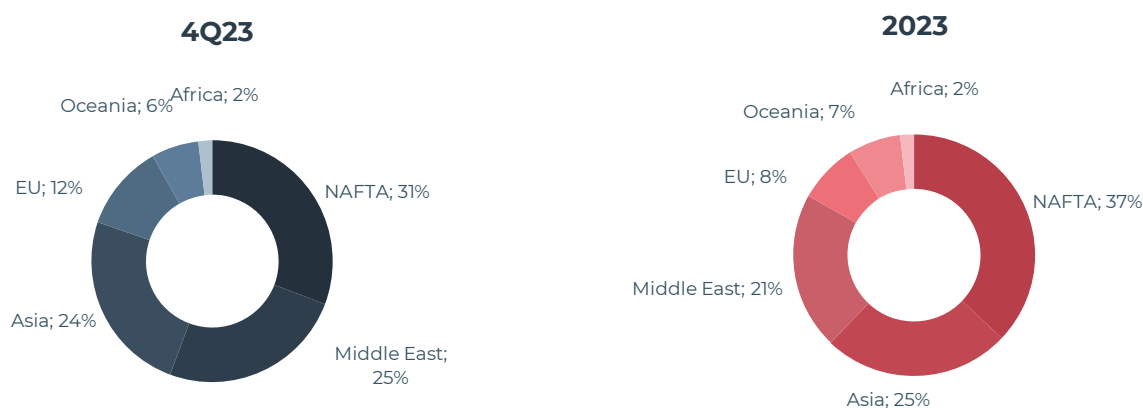
- **CIS (Commonwealth of Independent States):** The share of the Commonwealth of Independent States, essentially represented by Russia, remained flat, at 11% of exports in 2023.
- **European Union:** In 2023, the European Union accounted for 7% of the Company's exports, flat over the previous year.
- **NAFTA:** The region accounted for 10% of exports in 2023, a substantial increase from just 6% last year. It is worth noting that the USA continues to be the largest driver of demand in the region.
- **Middle East:** The Middle East accounted for 7% of total exports, flat year on year in 2023.
- The export revenue from sheep operations in **Australia** was broken down as follows: NAFTA accounting for 37%, followed by Asia with 25%, the Middle East with 21%, the European Union with 8%, Oceania with 7%, and Africa with a 2% share of exports.

Figures 7 and 8 – Breakdown of Export Revenue by Region ex-Australia



Source: Minerva

Figure 9 and 10 – Breakdown of Export Revenue in Australia



Source: Minerva

Domestic Market – 32.8% of Gross Revenue in 4Q23 | 35.0% in 2023

Gross revenue from the domestic market reached R\$ 2.1 billion in 4Q23 and R\$ 10.0 billion in 2023. Export volumes totaled 132.7 thousand metric tons (up by 18%) in the quarter and 484.5 thousand metric tons (up by 13%) in the year, ratifying the recovery of the domestic market, especially Brazil.

The breakdown of gross revenue, sales volume, and average price is as follows:

Gross Revenue (R\$ million)	4Q23	4Q22	Var. %	3Q23	Var. %	2023	2022	Var. %
Export Market	4,376.8	4,573.1	-4.3%	4,871.0	-10.1%	18,617.0	22,553.6	-17.5%
Domestic Market	2,133.9	2,755.3	-22.6%	2,691.4	-20.7%	10,025.4	10,344.4	-3.1%
Total	6,510.7	7,328.4	-11.2%	7,562.5	-13.9%	28,642.4	32,898.0	-12.9%

Sales Volume ('000 metric tons)	4Q23	4Q22	Var. %	3Q23	Var. %	2023	2022	Var. %
Export Market	221.5	190.6	16.2%	209.2	5.9%	805.8	794.2	1.5%
Domestic Market	132.7	112.6	17.9%	124.6	6.5%	484.5	429.5	12.8%
Total	354.2	303.2	16.8%	333.8	6.1%	1,290.3	1,223.7	5.4%

Average Price	4Q23	4Q22	Var. %	3Q23	Var. %	2023	2022	Var. %
Export Market (US\$/Kg)	4.0	4.6	-12.6%	4.8	-16.4%	4.6	5.5	-15.9%
Domestic Market (R\$/Kg)	16.1	24.5	-34.3%	21.6	-25.6%	20.7	24.1	-14.1%
Average Dollar (source: BACEN)	4.96	5.26	-5.7%	4.88	1.5%	5.00	5.16	-3.2%

Breakdown by Origin

To increase the disclosure and transparency of the Company's information, a more detailed breakdown of performance by country is provided below:

	Brazil	4Q23	4Q22	Var. %	3Q23	Var. %	2023	2022	Var. %
	Gross Revenue	3,227.7	3,460.4	-6.7%	3,765.3	-14.3%	13,519.0	16,229.7	-16.7%
	Sales Volume	156.8	154.1	1.7%	178.3	-12.1%	600.5	613.8	-2.2%

	Argentina	4Q23	4Q22	Var. %	3Q23	Var. %	2023	2022	Var. %
	Gross Revenue	-328.8	734.3	N/A	927.0	-135.5%	2,492.5	4,388.1	-43.2%
	Sales Volume	37.3	42.5	-12.2%	41.1	-9.2%	166.2	172.3	-3.5%

	Colombia	4Q23	4Q22	Var. %	3Q23	Var. %	2023	2022	Var. %
	Gross Revenue	275.6	329.0	-16.2%	245.3	12.4%	1,114.1	1,475.5	-24.5%
	Sales Volume	14.2	19.6	-27.3%	9.3	52.8%	53.9	72.3	-25.5%

	Paraguay	4Q23	4Q22	Var. %	3Q23	Var. %	2023	2022	Var. %
	Gross Revenue	1,234.6	1,112.3	11.0%	947.7	30.3%	4,270.8	4,910.6	-13.0%
	Sales Volume	63.6	56.3	12.9%	51.4	23.8%	223.4	232.8	-4.0%

	Uruguay	4Q23	4Q22	Var. %	3Q23	Var. %	2023	2022	Var. %
	Gross Revenue	1,286.3	768.8	67.3%	807.0	59.4%	3,711.8	3,516.9	5.5%
	Sales Volume	62.7	30.8	103.5%	36.5	71.8%	168.7	132.5	27.3%

	Australia	4Q23	4Q22	Var. %	3Q23	Var. %	2023	2022	Var. %
	Gross Revenue	441.1	0.0	N/A	497.6	-11.4%	1,968.7	0.0	N/A
	Sales Volume	19.6	0.0	N/A	17.3	13.7%	77.5	0.0	N/A

	Others	4Q23	4Q22	Var. %	3Q23	Var. %	2023	2022	Var. %
	Gross Revenue	374.3	923.5	-59.5%	372.6	0.5%	1,565.6	2,377.1	-34.1%

Net Revenue

Minerva Foods' net revenue was R\$ 6.2 billion in 4Q23, totaling R\$ 26.9 billion in 2023.

It is worth noting that, at the end of the year, Argentina's accounting results were impacted by the maxi-devaluation occurred in 4Q23, with impacts on the balance sheet for the year, arising from regulatory requirements imposed by CPC 42 (IAS 29) - Accounting in Hyperinflationary Economies, directly affecting the level of revenue, and consequently, EBITDA and profitability, as previously explained. Finally, we highlight that it is merely an accounting impact, with no cash effect.

The Company's net revenue had a negative impact of R\$ 1.5 billion, which if normalized, reached R\$ 7.666 million in the quarter and R\$ 28.4 billion in the year.

R\$ million	4Q23	4Q22	Var. %	3Q23	Var. %	2023	2022	Var. %
Gross Revenue	6,510.7	7,328.3	-11.2%	7,562.5	-13.9%	28,642.5	32,898.0	-12.9%
Deductions and Discounts	-344.7	-489.2	-29.5%	-494.8	-30.3%	-1,750.9	-1,920.2	-8.8%
Net Revenue	6,166.0	6,839.2	-9.8%	7,067.6	-12.8%	26,891.6	30,977.8	-13.2%
% of Gross Revenue	94.7%	93.3%	1.4 p.p.	93.5%	1.2 p.p.	93.9%	94.2%	-0.3 p.p.

Cost of Goods Sold

(COGS) and Gross Margin

COGS corresponded to 78% of net revenue in 4Q23, entailing a gross margin of 22%, up by 3 p.p. year on year. In 2023, COGS corresponded to 79% of net revenue, with a gross margin of 21%, up by 2 p.p. year on year.

R\$ million	4Q23	4Q22	Var. %	3Q23	Var. %	2023	2022	Var. %
Net Revenue	6,166.0	6,839.2	-9.8%	7,067.6	-12.8%	26,891.6	30,977.8	-13.2%
COGS	-4,796.3	-5,504.3	-12.9%	-5,590.1	-14.2%	-21,378.1	-25,240.4	-15.3%
% of Net Revenue	77.8%	80.5%	-2.7 p.p.	79.1%	-1.3 p.p.	79.5%	81.5%	-2.0 p.p.
Gross Profit	1,369.7	1,334.9	2.6%	1,477.5	-7.3%	5,513.5	5,737.4	-3.9%
Gross Margin	22.2%	19.5%	2.7 p.p.	20.9%	1.3 p.p.	20.5%	18.5%	2.0 p.p.

Selling,

General and Administrative Expenses

In 4Q23, selling expenses accounted for 9% of net revenue, while general and administrative expenses accounted for roughly 5%. In 2023, selling expenses accounted for 8% of net revenue, while general and administrative expenses accounted, once again, for 5%.

R\$ million	4Q23	4Q22	Var. %	3Q23	Var. %	2023	2022	Var. %
Selling Expenses	-537.3	-552.3	-2.7%	-585.6	-8.3%	-2,157.1	-2,333.7	-7.6%
% of Net Revenue	8.7%	8.1%	0.6 p.p.	8.3%	0.4 p.p.	8.0%	7.5%	0.5 p.p.
G&A Expenses	-319.4	-295.3	8.1%	-338.9	-5.7%	-1,326.6	-1,026.1	29.3%
% of Net Revenue	5.2%	4.3%	0.9 p.p.	4.8%	0.4 p.p.	4.9%	3.3%	1.6 p.p.

EBITDA

In 4Q23, Minerva Foods' consolidated EBITDA reached R\$ 605.9 million, with an EBITDA margin of 9.8%.

In 2023, EBITDA totaled R\$ 2.6 billion, with an EBITDA margin of 9.5%. Adjusted EBITDA, including BPU's pro-forma performance, totaled R\$ 2.6 billion.

It is worth noting that, at the end of the year, Argentina's accounting results were impacted by the maxi-devaluation occurred in 4Q23, with impacts on the balance sheet for the year, arising from regulatory requirements imposed by CPC 42 and CPC 02 (R2), directly affecting the level of revenue, and consequently, EBITDA and profitability, as previously explained. Finally, we highlight that it is merely an accounting impact, with no cash effect.

R\$ Million	4Q23	4Q22	Var. %	3Q23	Var. %	2023	2022	Var. %
Net Income (Loss)	19.8	-25.7	-177.1%	141.0	-86.0%	395.5	655.1	-39.6%
(+/-) Deferred Income Tax and Social Contribution	21.3	-39.1	-154.6%	-102.2	-120.9%	-54.4	-267.0	-79.6%
(+/-) Financial Result	462.1	562.4	-17.8%	535.9	-13.8%	1,709.0	2,035.1	-16.0%
(+/-) Depreciation and Amortization	102.7	109.9	-6.6%	139.0	-26.1%	512.4	414.5	23.6%
EBITDA	605.9	607.5	-0.3%	713.7	-15.1%	2,562.6	2,837.8	-9.7%
EBITDA Margin	9.8%	8.9%	0.9 p.p.	10.1%	-0.3 p.p.	9.5%	9.2%	0.4 p.p.

Financial Result

The net financial result in 4Q23 was negative by R\$ 462.1 million, reflected in the "Financial Expenses" line, as result of our higher debt position, with the acquisition of Marfrig's selected assets in Latin America.

It is worth noting that, in line with its risk management policy, the Company has been hedging at least 40% of its long-term debt in foreign currency.

R\$ Million	4Q23	4Q22	Var. %	3Q23	Var. %	2023	2022	Var. %
Financial Expenses	-689.2	-337.4	104.3%	-355.4	93.9%	-1,631.2	-1,221.4	33.6%
Financial Revenue	228.2	60.2	278.8%	75.9	200.6%	387.0	185.2	109.0%
Monetary Correction	2.1	-0.3	N/A	-27.0	N/A	-53.1	-155.4	-65.9%
FX Variation	296.3	49.4	500.0%	-289.9	N/A	-79.4	2.1	N/A
Other Expenses	-299.5	-334.3	-10.4%	60.5	N/A	-332.3	-845.5	-60.7%
Financial Result	-462.1	-562.4	-17.8%	-535.8	-13.8%	-1,709.0	-2,035.1	-16.0%
Average Dollar (R\$/US\$)	4.96	5.26	-5.7%	4.88	1.5%	5.00	5.16	-3.2%
Closing Dollar (R\$/US\$)	4.84	5.22	-7.2%	5.01	-3.3%	4.84	5.22	-7.2%

R\$ Million	4Q23	4Q22	Var. %	3Q23	Var. %	2023	2022	Var. %
FX Hedge	-212.6	-198.4	7.2%	121.7	N/A	-75.8	-464.9	-83.7%
Commodities Hedge	2.4	-44.8	N/A	15.1	-84.1%	49.3	-75.7	N/A
Fees, Commissions, and Other	-89.3	-91.1	-2.0%	-76.3	17.0%	-305.8	-304.9	0.3%
Total	-299.5	-334.3	-10.4%	60.5	N/A	-332.3	-845.5	-60.7%

Net Income

Net income was R\$ 19.8 million in 4Q23, reaching an accumulated net income of R\$ 395.5 million in 2023.

R\$ Million	4Q23	4Q22	Var. %	3Q23	Var. %	2023	2022	Var. %
Net income (loss) before Income Tax and Social Contribution	41.1	-64.8	N/A	38.8	6.0%	341.2	388.1	-12.1%
Income Tax and Social Contribution	-21.3	39.1	N/A	102.2	N/A	54.4	267.0	-79.6%
Net Income	19.8	-25.7	N/A	141.0	-86.0%	395.5	655.1	-39.6%
% Net margin	0.3%	-0.4%	0.7 p.p.	2.0%	-1.7 p.p.	1.5%	2.1%	-0.6 p.p.

Cash Flow

Operating Cash Flow

The Company's operating cash flow was positive by R\$ 937.8 million in 4Q23. The variation in working capital requirements was positive by R\$ 318.0 million. Working capital was positively impacted by the Trade Payables line, which positively contributed R\$ 900.4 million; in contrast, the Inventories line was negatively reflected in R\$ 599.1 million, mainly impacted by a less heated demand at the end of the year.

In 2023, operating cash flow totaled R\$ 2.7 billion.

R\$ Million	4Q23	4Q22	3Q23	2023
Net Income	19.8	-25.7	141.0	395.5
(+) Net Income Adjustments	600.0	231.7	467.5	2,182.1
(+) Variation in working capital requirements	318.0	872.0	581.2	119.9
Operating cash flow	937.8	1,078.0	1,189.7	2,697.5

Free Cash Flow

In 4Q23, the Company's free cash flow, after investments, payment of interest, and working capital was positive by R\$ 117.3 million. In 2023, excluding impacts of the acquisition of ALC and BPU and the downpayment for the acquisition of Marfrig South America, free cash flow was positive by R\$ 535.7 million. The Company's free cash generation has totaled R\$ 6.5 billion since 2018.

It is worth noting the impact of the acquisition of ALC, with the initial disbursement in 4Q22, the second installment of R\$ 245.2 million in 1Q23, and the annual installment of R\$ 31.9 million (AUD 10 million) in 4Q23.

R\$ Million	4Q23	3Q23	2Q23	1Q23	2023
EBITDA	605.9	713.7	711.2	531.9	2,562.6
CAPEX	-223.5	-396.7	-187.1	-371.5	-1,178.9
Financial Result (on a Cash Basis)	-583.0	-290.0	-395.0	-172.0	-1,440.0
Variation in working capital requirements	318.0	581.2	62.2	-841.5	119.9
Free cash flow	117.3	608.1	191.3	-853.1	63.6

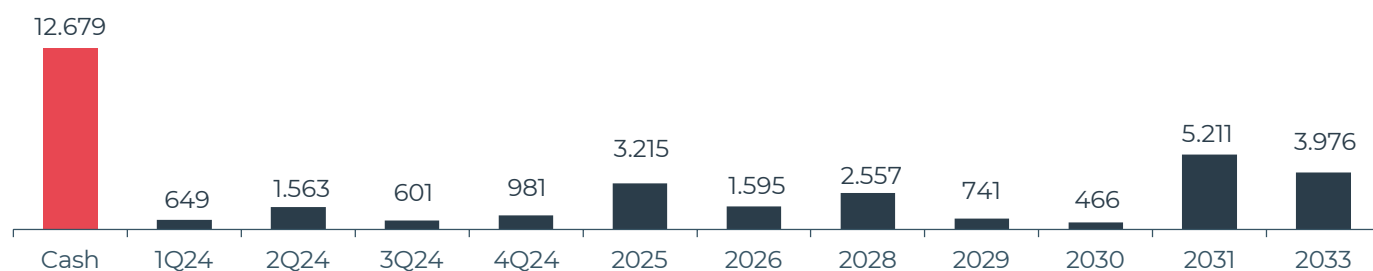
Capital Structure

In 4Q23, the Company's cash position was R\$ 12.7 billion, sufficient to amortize its debt maturity schedule until 2030, and in line with Minerva Foods' conservative cash management and capital discipline.

On December 31, 2023, around 65% of gross debt was pegged to the U.S. dollar and, according to our hedge policy, the Company hedges at least 40% of the long-term FX exposure, protecting its balance sheet at times of high exchange rate volatility. At the end of 4Q23, the debt duration was approximately 4.8 years.

Still this quarter, the Company moved forward with its 13th issue of simple debentures, totaling R\$ 2.0 billion, divided into 4 series, due in 2028 and 2030, with cost ranging from 114% to 118% of the CDI rate after swap, with the issue concluded in early October. Additionally, in March 2024, the Company concluded the issue of its 14th simple debentures, totaling R\$ 2.0 billion, divided into 3 series, and opted to swap the 2nd and 3rd series, pegging them to CDI.

Net leverage, measured by the Net Debt/LTM EBITDA ratio, was flat, ending 4Q23 at 2.8x, adjusted by BPU's pro-forma EBITDA of R\$ 46.4 million, and the prepayment of R\$ 1.5 billion for the acquisition of Marfrig's selected assets in South America.

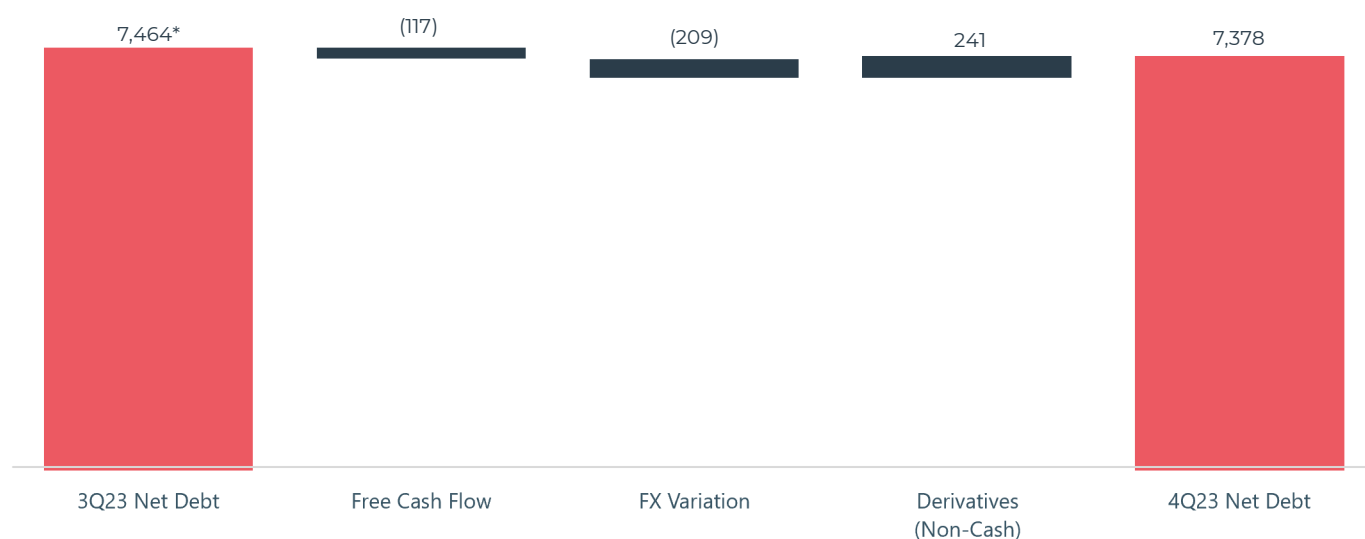
Figure 11 – Debt Amortization Schedule on 12/31/2023 (R\$ million)


R\$ Million	4Q23	4Q22	Var. (%)	3Q23	Var. (%)
Short-term Debt	3,794.6	2,077.9	82.6%	3,324.4	14.1%
% of Short-term Debt	17.6%	15.1%	2.5 p.p.	17.1%	0.5 p.p.
Local Currency	2,889.4	285.0	913.9%	2,303.4	25.4%
Foreign Currency	905.1	1,793.0	-49.5%	1,021.0	-11.3%
Long-term Debt	17,762.3	11,688.5	52.0%	16,097.3	10.3%
% of Long-term Debt	82.4%	84.9%	-2.5 p.p.	82.9%	-0.5 p.p.
Local Currency	4,557.9	5,716.6	-20.3%	3,582.9	27.2%
Foreign Currency	13,204.4	5,971.9	121.1%	12,514.5	5.5%
Total Debt	21,556.9	13,766.5	56.6%	19,421.7	11.0%
Local Currency	7,447.4	6,001.6	24.1%	5,886.3	26.5%
Foreign Currency	14,109.5	7,764.9	81.7%	13,535.5	4.2%
Cash and Cash Equivalents	-12,678.6	-7,071.5	79.3%	-10,457.3	21.2%
Net Debt	8,878.3	6,695.0	32.6%	8,964.4	-1.0%
Net Debt/Adj. EBITDA (x)	2,8*	2.2	0.6	2,8**	0.0

* BPU's Pro-forma Adjusted EBITDA (R\$46.4 million) and net debt for the downpayment of investments (R\$1.5 billion)

** Pro-forma Adjusted EBITDA of ALC and BPU (R\$97.9 million) and net debt for the early payment of investments (R\$1.5 billion)

More details on the net debt variations in the quarter are provided below.

Figure 12 – Net Debt Bridge (R\$ million)


*Net Debt adjusted by the downpayment of investments (R\$1.5 billion)

Capex

Investments totaled R\$ 223.5 million in 4Q23. Of this amount, roughly R\$ 141.8 million went to maintenance. It is worth noting the annual installment from the acquisition of ALC (Australian Lamb Company), totaling R\$ 31.9 million, in the Expansion line. Additionally, investments in other operations in Brazil and Colombia are also recorded under this line.

See below a breakdown of investments (cash effect) by quarter and in 2023:

R\$ Million	4Q23	3Q23	2Q23	1Q23	2023
Maintenance	141.8	141.4	125.4	75.8	484.3
Expansion	81.7	68.5	61.7	295.7	507.7
Investments in Marfrig's Target Assets	-	1,500.0	-	-	1,500.0
Total	223.5	1,709.9	187.1	371.5	2,492.0

ESG

Minerva Foods made significant advances in its ESG (environmental, social, and governance) agenda in 2023, solidifying its position as a leader in the animal protein sector. The Company's initiatives were guided by the targets set out in its Commitment to Sustainability.

Fight against illegal deforestation in the value chain

Minerva Foods successfully achieved its goal of monitoring 100% of its direct suppliers against social and environmental criteria in Brazil and Paraguay in 2020 and 2021, respectively. The Company also surpassed its target in Colombia, achieving 100% monitoring six months ahead of schedule. These impressive results demonstrate the company's commitment to sustainability and responsible sourcing practices. By 2023, Minerva Foods had monitored around 90% of its direct suppliers in Argentina and over 60% in Uruguay. This is a testament to its pioneering spirit.

Minerva Foods' geomonitoring system has once again proven its effectiveness in third-party audits conducted in 2023. The audits, supervised by the Federal Public Prosecutor's Office in the states of Pará, Mato Grosso, and Rondônia, confirmed the Company's 100% compliance with the Monitoring Protocol for Cattle Suppliers in the Amazon, as verified by Grant Thornton Brasil. The Company achieved 100% compliance in its Public Livestock Commitment audit, signed in 2009, with results confirmed by BDO RCS Auditores Independentes. Additionally, for the fourth consecutive year, Minerva Foods achieved 100% socio-environmental compliance in the third-party audit of cattle purchases in Paraguay. All audit reports are publicly available on the company's website.

One of the highlights of the year was the first fully traceable leather export, which resulted from a pilot program that carefully selected partner ranchers capable of tracing the origin of the animals from birth. The product was certified by SBCert, ensuring compliance with the socio-environmental criteria established by the Company. The operation was carried out by Minerva Leather, a business unit specializing in leather, which has become a benchmark in the segment by selling the first 100% traceable product.

The European organization Ecovia Intelligence highlighted advances achieved in the monitoring of the value chain based on socio-environmental criteria. Minerva Foods was the first and only Brazilian company to be recognized in the "Sustainable Food Awards 2023", winning second place in the "Pioneering in Sustainability" category for its important role in building a sustainable food industry.

MyCarbon and Renove Program

MyCarbon, a subsidiary of Minerva Foods, was established in 2021 with the goal of generating and trading carbon credits to address climate change by transforming production chains.

The company has successfully traded over 1.2 million carbon credits and was the sole Brazilian company approved in the pilot project for trading these certificates at DFM/Nasdaq, a noteworthy accomplishment announced at COP28 in Dubai, United Arab Emirates. This outcome positions MyCarbon as a significant player in South America, offering sustainable products of exceptional quality and credibility on the global stage.

The Renove Program, which was established in 2021, seeks to encourage rural producers to adopt regenerative agricultural practices. In 2023, the program was integrated into MyCarbon's operations and entered into technical cooperation agreements with partner ranchers in six Brazilian states to produce carbon credits and certify ranch operations for the production of carbon-neutral goods. In December, the carbon credit development project was submitted to Verra. This represents a notable step in generating carbon credits from good agricultural practices in the Minerva Foods value chain.

Throughout the year, Minerva Foods has continued to export carbon-neutral products, which are now part of the 'Zero Carbon Impact' line. These products are sourced from audited ranches. The greenhouse gas (GHG) emissions of these ranches are measured throughout the production and distribution process. The project includes emission reduction plans for both ranches and industries. MyCarbon offsets residual emissions by purchasing carbon credits from tree planting and forest preservation projects, which adds value to the product.

Minerva Biodiesel

In 2023, Minerva Biodiesel, a business unit focused on the production of biofuel from vegetable and animal fat, received the International Sustainability and Carbon Certification (ISCC). This certification grants the Company access to the international market, helping to decarbonize the world's energy matrix.

Institutional

In 2023, Minerva Foods received recognition for its ESG agenda and transparency in disclosures.

Institutional Investor recognized the company's ESG program, ranking it first in the 'Most Honored Company' category for the Food & Beverages sector, Small Cap segment. Institutional Investor's assessment of Latin America gathered evaluations from buy-side analysts, asset managers, and sell-side analysts at brokerage firms and financial institutions covering the region. The survey reflects the opinions of investment professionals at 361 financial services companies regarding the categories evaluated in their respective fields.

Minerva Foods has been included in the 2023/2024 portfolios of the Corporate Sustainability Index (ISE B3) and the Carbon Efficient Index (ICO2 B3) on the Brazilian stock exchange B3 for the fourth consecutive year.

Minerva Foods' environmental performance was evaluated by the Carbon Disclosure Project (CDP) and achieved consistent results in 2023, maintaining the score obtained in 2022 for the climate change and forests questionnaires (B) and improving the water security questionnaire score from B- to B. The company has been recognized for its Animal Welfare practices in the 'Beef' category of the Collier Fairr Producer Index, with a 48% increase in its score, positioning itself at the 'Low Risk' level. Furthermore, Minerva Foods has demonstrated outstanding performance in the 'Food safety' and 'Working conditions' indicators.

Furthermore, the company was recognized for its outstanding performance in occupational health and safety in the food industry at the "Commendation of Honour for Merit 2023" awards organized by the Commission of Commendators of Occupational Health and Safety in Brazil.

The Company's Brazilian operations were awarded the "Renewable Energy" seal for the third consecutive year. Since 2020, the Company has been acquiring Renewable Energy Certificates (I-REC), which guarantee that the energy consumed is of clean origin and that the energy generating companies have also adopted distinct practices with respect to social aspects and community relations. The seal is issued by the Totum Institute in partnership with the Brazilian Wind Energy Association (ABEEólica) and the Brazilian Clean Energy Association (Abragel). The Totum Institute conducts an audit for certification based on the seal's regulations. Furthermore, the company's Corporate Greenhouse Gas Emissions Inventory has been awarded the 'Gold' seal by the Brazilian GHG Protocol Program for the third consecutive year.

Integrity

In 2023, Minerva Foods joined the Ethos Institute and became a member of the 'Clean Company' (Business Pact for Integrity and Against Corruption). By joining the Ethos Institute, Minerva Foods demonstrates its commitment to ethical business practices and social responsibility. The Ethos Institute for Business and Social Responsibility is a public interest civil society organization that aims to promote social responsibility in companies and contribute to the construction of a sustainable and fair society. The Business Pact for Integrity and Against Corruption is a voluntary commitment aimed at promoting honesty and ethics in the market. These initiatives serve to reinforce the Company's corporate governance practices.

Subsequent Events

14th Debenture Issue

On March 21, 2024, the Company concluded its 14th issue of simple debentures, divided into 3 series, totaling R\$ 2 billion, remunerated as follows:

Series	Amount (million)	Remuneration	Maturity	Swap
1 st Series	R\$ 360	CDI + 1.10% p.a.	03/15/2029	-
2 nd Series	R\$ 612	11.81% p.a.	03/15/2029	CDI + 1.10% p.a
3 rd Series	R\$ 1,028	12.16% p.a.	03/17/2031	CDI + 1.20% p.a

New authorizations - China

On March 12, 2024, the Company announced two new authorizations to export beef to China. The General Administration of Customs of the People's Republic of China (GACC) announced that the plants located in Araguaína (TO) and Janaúba (MG) are authorized to export to China.

As a result, and considering our recent authorizations, our exposure to the Chinese market totaled 10 (ten) production units, with a slaughter capacity of over 13 thousand head of cattle/day, being 5 plants in Brazil, 4 in Uruguay, and 1 in Argentina.

Authorizations from Colombia to China

On March 19, 2024, the Company announced that, following up on the Notice to the Market from September 25, 2023, the Company was notified of the authorization of its 2 (two) productive plants in Colombia, Bucaramanga and Ciénega de Oro, to export Colombian beef to China.

Therefore, considering the recent authorizations, our exposure to the Chinese market totals 12 (twelve) production units, with a slaughter capacity of approximately 14.7 thousand head of cattle per day, comprising 5 plants in Brazil, 4 plants in Uruguay, 1 plant in Argentina, and 2 in Colombia.

About Minerva S.A.

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. Present in Brazil, Paraguay, Argentina, Uruguay, Colombia and Australia, Minerva operates 30 slaughter and deboning plants and 3 processing plants. In 2023, the Company recorded gross sales revenue of **R\$ 28.6 billion**, 13% lower than in 2022.

Relationship with Auditors

Under CVM Resolution 162/22, we announce that our auditors were not engaged in services other than those related to the external audit in 2022, and in the year ended December 31, 2023.

Statement from Management

Under CVM Instructions, Management declares that it has discussed, reviewed and agreed with the individual and consolidated accounting information for the fiscal year ended December 31, 2023, and the opinions expressed in the independent auditors' review report, hereby authorizing their disclosure.



APPENDIX 1 - INCOME STATEMENT (CONSOLIDATED)

(R\$ thousand)	4Q23	4Q22	3Q23	2023	2022
Net operating revenue	6,166,017	6,839,176	7,067,636	26,891,609	30,977,769
Cost of goods sold	-4,796,272	-5,504,312	-5,590,113	-21,378,060	-25,240,352
Gross profit	1,369,745	1,334,864	1,477,523	5,513,549	5,737,417
Selling expenses	-537,270	-552,265	-585,632	-2,157,115	-2,333,667
General and administrative expenses	-319,401	-295,341	-338,884	-1,326,647	-1,026,128
Other operating revenues (expenses)	-9,831	10,368	21,682	20,411	45,613
Result before financial revenues (expenses)	503,243	497,626	574,689	2,050,198	2,423,235
Financial expenses	-689,159	-337,409	-355,379	-1,631,211	-1,222,368
Financial revenue	228,184	60,242	75,911	386,961	185,169
Monetary correction	2,118	-293	-26,992	-53,081	-155,446
FX variation	296,258	49,378	-289,888	-79,354	2,090
Other financial expenses	-299,507	-334,308	60,482	-332,360	-844,571
Financial result	-462,106	-562,390	-535,866	-1,709,045	-2,035,126
Income (loss) before taxes	41,137	-64,764	38,823	341,153	388,109
Income and social contribution taxes - current	-10,121	-26,613	-5,515	-26,243	-64,808
Income and social contribution taxes - deferred	-11,206	65,693	107,719	80,623	331,763
Income (loss) for the period before non-controlling interest	19,810	-25,684	141,027	395,533	655,064
Controlling shareholders	27,765	-28,215	155,496	421,054	652,533
Non-controlling shareholders	-7,955	2,531	-14,469	-25,521	2,531
Profit (loss) for the period	19,810	-25,684	141,027	395,533	655,064

APPENDIX 2 - BALANCE SHEET (CONSOLIDATED)

(R\$ thousand)	4Q23	4Q22
ASSETS		
Cash and cash equivalents	12,678,589	7,071,463
Trade receivables	2,402,072	2,487,540
Inventories	2,017,905	1,658,467
Biological assets	55,210	434,897
Taxes recoverable	545,882	750,670
Other receivables	436,042	583,682
Total current assets	18,135,700	12,986,719
Taxes recoverable	100,326	115,481
Deferred tax assets	910,184	792,811
Other receivables	318,077	146,840
Judicial deposits	13,654	22,013
Advance payment for the acquisition of investments	1,500,000	0
Investments	197,455	242,104
Fixed assets	5,693,291	5,234,666
Intangible assets	1,725,467	1,859,494
Total non-current assets	10,458,454	8,413,409
Total assets	28,594,154	21,400,128
LIABILITIES		
Loans and financing	3,794,555	2,077,939
Leases	10,477	9,677
Trade payables	3,727,546	3,519,543
Labor and tax liabilities	402,835	373,011
Other payables	1,811,090	2,149,571
Total current liabilities	9,746,503	8,129,741
Loans and financing	17,762,327	11,688,535
Leases	17,495	28,688
Labor and tax liabilities	35,219	40,147
Provision for contingencies	36,178	58,886
Other payables	102,378	11,395
Deferred tax liabilities	234,504	380,241
Total non-current liabilities	18,188,101	12,207,892
Shareholders' equity		
Share capital	1,619,074	1,619,074
Capital reserves	156,771	138,711
Revaluation reserves	44,422	45,970
Profit reserves	979,869	671,267
Additional dividend proposed	0	181,314
Treasury shares	-215,699	-235,396
Other comprehensive income (loss)	-2,410,058	-1,914,112
Total shareholders' equity attributed to controlling shareholders	174,379	506,828
Non-controlling interest	485,171	555,667
Total shareholders' equity	659,550	1,062,495
Total liabilities and shareholders' equity	28,594,154	21,400,128

APPENDIX 3 – CASH FLOW (CONSOLIDATED)

(R\$ thousand)	4Q23	4Q22	3Q23	2023	2022
Cash flow from operating activities					
Result for the period	19,810	-25,684	141,027	395,533	655,064
Adjustments to reconcile net income provided by operating activities:					
Depreciation and amortization	102,657	109,881	138,990	512,426	414,525
Estimated loss with doubtful accounts	1,623	2,187	2,623	11,121	3,435
Proceeds from the sale of fixed assets	14,928	2,722	94	15,560	71,241
Fair value of biological assets	0	-7,386	-14,406	38,005	44,438
Net effect from business combination/non-cash transactions	0	0	-264,307	-264,307	0
Deferred income tax and social contribution	11,206	-65,693	-107,719	-80,623	-331,763
Financial charges	691,662	337,773	358,189	1,638,983	1,222,732
FX variation – not realized	-233,544	-191,217	320,310	249,201	-12,654
Monetary correction	-2,118	293	26,992	53,081	155,446
Provision for contingencies	-617	24,831	865	-22,708	15,509
Equity instruments granted	14,244	18,291	5,877	31,366	18,291
Trade receivables and other receivables	-557,942	442,962	278,939	120,188	208,475
Inventories	-599,065	226,156	352,432	-273,492	524,226
Biological assets	156,804	65,600	-61,682	61,380	-11,375
Taxes recoverable	127,701	132,835	60,107	225,854	45,867
Judicial deposits	7,512	-456	662	8,359	189
Trade payables	900,426	-314,186	-251,857	99,057	-283,778
Labor and tax liabilities	-27,904	-66,706	-16,730	213	-70,995
Other payables	310,419	385,752	219,281	-121,709	465,819
Cash flow from operating activities	937,802	1,077,955	1,189,687	2,697,488	3,134,692
Cash flow from investing activities					
Advance payment for the acquisition of investments	0	0	-1,500,000	-1,500,000	0
Acquisition of subsidiary minus availability in the acquisition	0	-802,618	0	0	-802,618
Investment acquisition	-31,917	-42,263	8,175	-268,967	-42,263
Acquisition of intangible assets	-4,032	-15,286	-2,782	-21,581	-49,672
Acquisition of fixed assets	-187,597	-231,651	-207,134	-693,321	-763,591
Cash flow from investing activities	-223,546	-1,091,818	-1,701,741	-2,483,869	-1,658,144
Cash flow from financing activities					
Loans and financing raised	2,705,688	1,514,060	5,789,783	9,532,581	5,745,669
Loans and financing settled	-1,171,416	-2,087,991	-1,139,139	-3,808,357	-6,923,978
Commercial leasing	-3,313	-6,115	-2,316	-10,523	-13,349
Capital payment in cash	0	0	0	0	2,936
Additional dividend proposed	0	0	0	-181,314	-200,000
Interim Dividends	0	0	-114,000	-114,000	-128,078
Sale of treasury shares	0	9,521	-736	6,141	9,521
Non-controlling interest	874	0	-11,787	-70,496	55,357
Cash flow from financing activities	1,531,833	-570,525	4,521,805	5,354,032	-1,451,922
FX variation on cash and cash equivalents	-24,794	-310,298	250,272	39,475	-255,172
Net increase (decrease) in cash and cash equivalents	2,221,295	-894,686	4,260,023	5,607,126	-230,546
Cash and cash equivalents					
Beginning of the period	10,457,294	7,966,149	6,197,271	7,071,463	7,302,009
End of the period	12,678,589	7,071,463	10,457,294	12,678,589	7,071,463
Net increase (decrease) in cash and cash equivalents	2,221,295	-894,686	4,260,023	5,607,126	-230,546

APPENDIX 4 – FOREIGN EXCHANGE

(R\$ thousand)	4Q23	3Q23	4Q22
(US\$ - Closing)			
Brazil (R\$/US\$)	4.85	5.03	5.28
Paraguay (PYG/US\$)	7,275.00	7,287.50	7,339.50
Uruguay (UYU/US\$)	38.87	38.47	39.91
Argentina (ARS/US\$)	808.48	350.00	177.13
Colombia (COP/US\$)	3,875.34	4,077.67	4,852.50
Australia (AUD/US\$)	1.47	1.55	1.48

INDEPENDENT AUDITOR'S REPORT ON THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

To
Shareholders, Advisers and Board of Directors of
Minerva S.A.
Barretos - SP

Opinion on the individual and consolidated financial statements

We have examined the individual and consolidated financial statements of Minerva S.A. ("Company"), identified as the "Parent company" and "Consolidated", respectively, which comprise the statement of financial position as of December 31, 2023 and the related statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, as well as the related explanatory notes, including significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the individual and consolidated financial position of Minerva S.A. as of December 31, 2023, the individual and consolidated performance of its operations and their respective individual and consolidated cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Basis for opinion on the individual and consolidated financial statements

Our audit was conducted in accordance with Brazilian and international auditing standards. Our responsibilities, in accordance with such standards, are described in the following section entitled "Auditor's Responsibilities for the Audit of the Individual and Consolidated Financial Statements." We are independent in relation to the Company and its subsidiaries, in accordance with the relevant ethical principles set forth in the Professional Code of Ethics of the Accountant and the professional standards issued by the Federal Accounting Council, and we comply with the other ethical responsibilities in accordance with these standards. We believe that the audit evidence we have obtained is sufficient and appropriate to substantiate our opinion.

Key audit matter

Key audit matter (KAMs) are those matters that, in our professional judgment, were the most significant in our audit of the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole and in forming our opinion on these individual and consolidated financial statements and therefore, we do not express a separate opinion on these matters.

Derivative Financial Instruments

As disclosed in Notes 4 (h) and 27, the Company uses derivative financial instruments to hedge the risks associated with certain financial exposures related to the business, resulting in financial impacts on its individual and consolidated financial statements.

The Company's Management is responsible for monitoring and managing financial risks, evaluating the exposure to interest rate risks, indices of fluctuation in the bovine arroba price and exchange rate existing in the assets, liabilities and operations that are being covered, as a result of different factors, such as, among others, the differences between the contracting dates and the maturity and settlement dates, or differences in spreads on the financial assets and liabilities to be hedged and the spreads corresponding to the differences between the dates of the transactions. Such derivative financial instruments are measured at fair value through valuation methodologies, which take into account professional judgment. The use of different market information and/or valuation methodologies may have a material effect on the estimated fair value amount and, consequently, on the Company's individual and consolidated financial statements. For these reasons, we considered this matter to be significant in our audit, again in the current year.

Audit response to the matter

Our audit procedures included, among others:

- The evaluation and understanding of the process, operational controls and risk Management strategies adopted by the Company's management in derivative financial instrument contracts, as well as their measurement and accounting recognition;
- We evaluated the adequacy of the documentation supporting the records, the measurement and the form of recognition of derivative financial instruments in the individual and consolidated financial statements;
- Additionally, we analyzed the methodology and the reasonableness of the main assumptions used by the Company's Management, such as rates, terms, among other information. We also examined the adequacy of disclosures on derivative financial instruments and calculation methodology for measurement and recording in the individual and consolidated financial statements;
- We carry out confirmation procedures with counterparties of derivative contracts in order to confirm the existence, completeness and integrity of operations, as well as confirm the main contractual clauses.

Based on the audit approach and the procedures performed, we understand that the balances presented in the individual and consolidated financial statements by the Company related to the measurement and recognition of derivative financial instruments and the corresponding disclosures are reasonable in the context of the individual and consolidated financial statements, taken together, taken as a whole.

Revenue Recognition

According to Explanatory Notes 4 (u) No. 23, the Company's revenues derive essentially from the sales of products to domestic and foreign markets. The Company has significant amounts of revenue recognized for the foreign market, subject to evaluations and judgments in determining the accounting recognition by the Company's Management based on estimates of average delivery terms. Considering the scope of transactions in the foreign market that requires judgment by the Company's management in determining the controls for the identification and measurement of invoiced and undelivered sales at the end of the year, we consider the recognition of sales revenue as one of the main issues of audit again in the current year.

Audit response to the matter

Our audit procedures included, among others:

- The understanding and evaluation of the processes and operational controls aimed at the recognition of revenue from sales to the foreign market, as well as the design of relevant internal controls related to the sales process at the end of the year;
- We carry out substantive procedures for product sales through statistical sampling, with the objective of analyzing and validating the recognition and measurement of revenues;
- Additionally, we analyzed the settlement and realization in subsequent periods, in addition to evaluating the average delivery terms used by the Company to estimate the calculation of invoiced and undelivered sales at the end of the year;
- Review of adequate disclosure in the notes to the individual and consolidated financial statements.

Based on the results of the audit procedures performed, we understand that the criteria and assumptions adopted by the Company for the measurement, recognition and disclosure performed are reasonable in the context of the individual and consolidated financial statements taken as a whole.

Intangible assets with indefinite useful lives (Goodwill) - Impairment

According to Explanatory Notes No. 4 (o) and No. 14, the Company has recorded, on December 31, 2023, goodwill for expected future profitability ("Goodwill") in the amounts of R\$ 259,691 thousand and R\$ 1,104,822 thousand, respectively, parent company and consolidated, resulting from acquisitions of companies, whose recoverable value must be evaluated annually, as required by Technical Pronouncement NBC TG 01 (R4)/IAS 36 - Reduction to the Recoverable Value of Assets.

Determining the recoverable amount of these non-financial assets involves significant judgments in defining the assumptions used to allocate the purchase price of assets and liabilities and in cash flow projections, with a high degree of subjectivity on the part of the Company's Management based on the discounted cash flow method, which considers assumptions such as discount rates, economic growth, inflation projection, among other estimates. In this context, the Company's Management performs impairment test and prepared a specific report on this matter, aiming to comply with the accounting standard. These determinations and measurements are based on assumptions that may change due to future and unexpected conditions, whether due to internal factors, market or macroeconomic conditions, which is why we considered the matter relevant for our audit.

Other matters

Statements of Value Added

The individual and consolidated statements of value added (DVA) for the year ended December 31, 2023, prepared under the responsibility of the Company's Executive Board, and presented as supplementary information for IFRS purposes, were subject to jointly executed auditing procedures with the audit of the Company's financial statements. For the purposes of forming our opinion, we assess whether these statements are reconciled with the financial statements and accounting records, as applicable, and if their form and content comply with the criteria set forth in Technical Pronouncement CPC 09 - Statement of Added Value. In our opinion, these statements of value added have been properly prepared, in all material respects, in accordance with the criteria set forth in this Technical Pronouncement and are consistent with the individual and consolidated financial statements taken as a whole.

Audit response to the matter

Our audit procedures included, among others:

- With the support of our internal valuation experts, we discussed with management and evaluated the methodology used for the cash flow projections of the Cash Generating Units (CGUs), including the comparison with the strategic business plans approved by the Company's Board of Directors;
- ▫ We question the main assumptions adopted by Management, such as the long-term growth rates in the projections, comparing them with economic forecasts for the sector, as well as the discount rates used and other macroeconomic conditions;
- ▫ Additionally, we compared the recoverable amount calculated based on the discounted cash flows of the CGUs with the respective book values and evaluated the disclosures related to the recoverable amount of goodwill arising from business combinations and other non-financial assets recorded in the individual and consolidated;

Based on the audit approach and procedures performed, we consider that the methodology and assumptions used by the Company to assess the recoverable amount of said assets are reasonable, with the information being properly recognized and presented in the individual and consolidated financial statements taken as a whole.

Other information accompanying the individual and consolidated financial statements and the auditor's report

The Company's Executive Board is responsible for such other information that includes the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of audit conclusion on this report.

In connection with the audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in so doing, to consider whether this report is materially inconsistent with the financial statements or with our knowledge obtained in the audit or otherwise appear to be materially misstated. If, based on our work we have performed, we concluded that there is a material misstatement of the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Executive Board and those charged with governance by the individual and consolidated financial statements

The Executive Board is responsible for the preparation and adequate presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and for such internal control which it has determined as necessary to enable the preparation of financial statements free of material misstatement, whether due to fraud or error.

In the preparation of the individual and consolidated financial statements, the Executive Board is responsible for assessing the Company's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using going concern basis of accounting in the preparation of the financial statements, unless Executive Board either intends to liquidate the Company and its subsidiaries or cease its operations, or has no realistic alternative but to do so.

Those responsible for the governance of the Company and its subsidiaries are those responsible for supervising the process of preparing the individual and consolidated financial statements.

Responsibilities of the auditor for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance that the individual and consolidated financial statements as whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that included our opinion. Reasonable assurance is a high level of assurance, but not a guarantee that the audit conducted in accordance with Brazilian and international auditing standards will always detect a material misstatement when it exist. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users take on the basis of these referred financial statements.

As part of the audit conducted in accordance with Brazilian and international auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of the internal controls relevant to the audit to plan audit procedures appropriate to the circumstances, but not, in order to express an opinion on the effectiveness of the Company's and its subsidiaries' internal controls;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Executive Board;
- Conclude on the appropriateness of the Executive Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and its subsidiaries ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of financial statements, including disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities of the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion;

We communicate with those responsible for governance regarding, among others aspects, the planned scope, timing of the audit and significant audit findings, including any significant deficiencies in the internal controls that we have identified during our work.

We also provide those responsible for governance with a statement that we have complied with the relevant ethical requirements, including the applicable requirements for independence, and communicate with them all possible relationships or other matters that may reasonably be thought to bear on our independence, including and where applicable, related safeguards.

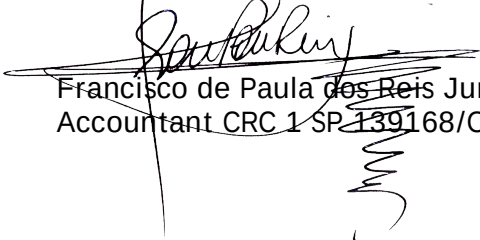


From the matters communicated with those charged with governance, we determine those matters that we were of the most significance in the audit of the individual and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, March 25, 2024.



BDO RCS Auditores Independentes SS
CRC 2 SP 013846/O-1


Francisco de Paula dos Reis Junior
Accountant CRC 1 SP 139168/O-6

MINERVA S.A.

Statements of financial position In December 31, 2023 and 2022 (In thousands of Brazilian Reais - R\$)

ASSETS					
	Notes	Parent company		Consolidated	
		12/31/2023	12/31/2022	12/31/2023	12/31/2022
Current					
Cash and cash equivalents	5	11,046,524	5,454,408	12,678,589	7,071,463
Trade receivables	6	1,390,756	939,304	2,402,072	2,487,540
Inventories	7	678,189	568,418	2,017,905	1,658,467
Biological assets	8	-	291,273	55,210	434,897
Recoverable taxes	9	232,143	370,447	545,882	750,670
Other receivables	-	231,336	217,769	436,042	583,682
Total current assets		13,578,948	7,841,619	18,135,700	12,986,719
Non-current					
Other receivables	-	288,778	122,869	318,077	146,840
Related parties	11	3,701,243	3,770,742	-	-
Recoverable taxes	9	100,326	110,472	100,326	115,481
Deferred assets	19	857,409	764,169	910,184	792,811
Court deposits	-	12,673	14,751	13,654	22,013
Advance for investment acquisition	10	1,500,000	-	1,500,000	-
Investments	12	5,631,273	5,526,842	197,455	242,104
Property, plant and equipment	13	2,529,911	2,268,218	5,693,291	5,234,666
Intangible assets	14	347,554	352,539	1,725,467	1,859,494
Total non-current assets		14,969,167	12,930,602	10,458,454	8,413,409
Total assets		28,548,115	20,772,221	28,594,154	21,400,128

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

MINERVA S.A.

Statements of financial position In December 31, 2023 and 2022 (In thousands of Brazilian Reais - R\$)

LIABILITIES AND EQUITY

	Notes	Parent company		Consolidated	
		12/31/2023	12/31/2022	12/31/2023	12/31/2022
Current					
Loans and financing	15	3,843,523	1,790,633	3,794,555	2,077,939
Leases	13.1(b)	9,859	6,540	10,477	9,677
Trade payables	16	2,741,488	2,504,315	3,727,546	3,519,543
Payroll, related charges and taxes payable	17	141,252	116,306	402,835	373,011
Other payables	18	1,347,980	1,424,881	1,811,090	2,149,571
Total current liabilities		8,084,102	5,842,675	9,746,503	8,129,741
Non-current					
Loans and financing	15	17,116,666	10,788,701	17,762,327	11,688,535
Leases	13.1(b)	16,993	19,603	17,495	28,688
Payroll, related charges and taxes payable	17	35,219	40,147	35,219	40,147
Provisions for tax, labor and civil risks	20	24,470	23,302	36,178	58,886
Allowances for investment losses	12	2,434,139	2,659,604	-	-
Related parties	11	662,147	891,361	-	-
Other payables	18	-	-	102,378	11,395
Deferred taxes	19	-	-	234,504	380,241
Total non-current liabilities		20,289,634	14,422,718	18,188,101	12,207,892
Equity	21				
Capital stock	21.a.	1,619,074	1,619,074	1,619,074	1,619,074
Capital reserve	21.b.	156,771	138,711	156,771	138,711
Revaluation reserve	21.g.	44,422	45,970	44,422	45,970
Profit reserves	21.c.	979,869	671,267	979,869	671,267
Additional proposed dividends		-	181,314	-	181,314
Treasury shares		(215,699)	(235,396)	(215,699)	(235,396)
Other comprehensive income		(2,410,058)	(1,914,112)	(2,410,058)	(1,914,112)
Total equity attributable to Company's shareholders		174,379	506,828	174,379	506,828
Non-controlling shareholders		-	-	485,171	555,667
Total equity		174,379	506,828	659,550	1,062,495
Total liabilities and equity		28,548,115	20,772,221	28,594,154	21,400,128

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

MINERVA S.A.

Statements of income

For the years ended December 31, 2023 and 2022

(In thousands of Brazilian Reais - R\$, excepted when indicated otherwise)

	Notes	Parent company		Consolidated	
		12/31/2023	12/31/2022	12/31/2023	12/31/2022
Net operating revenue	23	13,817,893	15,780,981	26,891,609	30,977,769
Cost of sales	-	(10,456,797)	(12,208,821)	(21,378,060)	(25,240,352)
Gross profit		3,361,096	3,572,160	5,513,549	5,737,417
Operating income (expenses):					
Selling expenses	24	(1,069,246)	(1,078,678)	(2,157,115)	(2,333,667)
General and administrative expenses	24	(665,306)	(548,423)	(1,326,647)	(1,026,128)
Other operating income (expenses)	24	(292,202)	17,219	20,411	45,613
Equity in earnings of subsidiaries	12	552,376	117,942	-	-
Income (loss) before financial income (loss) and taxes		1,886,718	2,080,220	2,050,198	2,423,235
Financial expenses	25	(1,826,315)	(1,922,873)	(1,963,571)	(2,066,939)
Financial revenues	25	326,555	152,459	386,961	185,169
Monetary correction	25	-	-	(53,081)	(155,446)
Exchange rate variation, net	25	(59,144)	46,297	(79,354)	2,090
Net financial result	25	(1,558,904)	(1,724,117)	(1,709,045)	(2,035,126)
Income before taxes		327,814	356,103	341,153	388,109
Income tax and social contribution - current	19	-	-	(26,243)	(64,808)
Income tax and social contribution - deferred	19	93,240	296,430	80,623	331,763
Net income for the year		<u>421,054</u>	<u>652,533</u>	<u>395,533</u>	<u>655,064</u>
Attributable to:					
Company shareholders		421,054	652,533	421,054	652,533
Non-controlling shareholders		-	-	(25,521)	2,531
Net income for the year		<u>421,054</u>	<u>652,533</u>	<u>395,533</u>	<u>655,064</u>
Result per share - R\$:					
Basic earnings per share - R\$	26	0.71754	1.11557	0.71754	1.11557
Diluted earnings per share - R\$	26	0.71754	1.11557	0.71754	1.11557

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

MINERVA S.A.

Statements of comprehensive income

For the years ended December 31, 2023 and 2022

(In thousands of Brazilian Reais - R\$)

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Net income for the year	421,054	652,533	395,533	655,064
Other comprehensive income to be reclassified to income statement in Cumulative translation adjustments	(495,946)	(475,219)	(495,946)	(475,219)
Comprehensive (loss) income for the year	(74,892)	177,314	(100,413)	179,845
Comprehensive (loss) income attributable to:				
Company shareholders	(74,892)	177,314	(74,892)	177,314
Non-controlling shareholders	-	-	(25,521)	2,531
Comprehensive (loss) income for the year	(74,892)	177,314	(100,413)	179,845

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

MINERVA S.A.

Statements of changes in equity - Parent company and consolidated

For the year ended December 31, 2023

(In thousands of Brazilian Reais - R\$)

	Capital stock	Capital reserve	Revaluation reserve	Profit reserves			Additional proposed dividends	Retained earnings	Treasury shares	Other comprehensive income	Total attributable to Company's shareholders	Non-controlling shareholders	Total equity
				Legal reserve	Statutory reserve	Earnings retention - Art.196							
Balances as of January 1st, 2023	1,619,074	138,711	45,970	97,426	455,258	118,583	181,314	-	(235,396)	(1,914,112)	506,828	555,667	1,062,495
Net income for the year	-	-	-	-	-	-	-	421,054	-	-	421,054	(25,521)	395,533
Cumulative translation adjustments	-	-	-	-	-	-	-	-	-	(495,946)	(495,946)	-	(495,946)
Total comprehensive income, net from taxes	-	-	-	-	-	-	-	421,054	-	(495,946)	(74,892)	(25,521)	(100,413)
Legal reserve	-	-	-	21,053	-	-	-	(21,053)	-	-	-	-	-
Statutory reserve	-	-	-	-	287,549	-	-	(287,549)	-	-	-	-	-
Equity instruments granted	-	31,366	-	-	-	-	-	-	-	-	31,366	-	31,366
Granting of treasury shares	-	(13,556)	-	-	-	-	-	-	10,535	-	(3,021)	-	(3,021)
Conversion of treasury shares in ADRs	-	250	-	-	-	-	-	-	9,162	-	9,412	-	9,412
Realization of revaluation reserve	-	-	(1,548)	-	-	-	-	1,548	-	-	-	-	-
Payment of proposed additional dividends	-	-	-	-	-	-	(181,314)	-	-	-	(181,314)	-	(181,314)
Distribution of interim dividends	-	-	-	-	-	-	-	(114,000)	-	-	(114,000)	-	(114,000)
Non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	(44,975)	(44,975)
Balances as of December 31, 2023	1,619,074	156,771	44,422	118,479	742,807	118,583	-	-	(215,699)	(2,410,058)	174,379	485,171	659,550

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

MINERVA S.A.

Statements of changes in equity - Parent company and consolidated

For the year ended December 31, 2022

(In thousands of Brazilian Reais - R\$)

	Capital stock	Capital reserve	Revaluation reserve	Reserva de lucros			Additional proposed dividends	Retained earnings	Treasury shares	Other comprehensive income	Total attributable to Company's shareholders	Non-controlling shareholders	Total equity
				Legal reserve	Statutory reserve	Earnings retention - Art.196							
Balances as of January 1st, 2022	1,616,138	118,271	47,518	64,799	170,483	118,583	200,000	-	(242,768)	(1,438,893)	654,131	-	654,131
Net income for the year	-	-	-	-	-	-	-	652,533	-	-	652,533	2,531	655,064
Cumulative translation adjustments	-	-	-	-	-	-	-	-	-	(475,219)	(475,219)	-	(475,219)
Total comprehensive income, net from taxes	-	-	-	-	-	-	-	652,533	-	(475,219)	177,314	2,531	179,845
Capital increase	2,936	-	-	-	-	-	-	-	-	-	2,936	-	2,936
Legal reserve	-	-	-	32,627	-	-	-	(32,627)	-	-	-	-	-
Statutory reserve	-	-	-	-	284,775	-	-	(284,775)	-	-	-	-	-
Equity instruments granted	-	18,292	-	-	-	-	-	-	-	-	18,292	-	18,292
(-) Treasury shares	-	2,148	-	-	-	-	-	-	7,372	-	9,520	-	9,520
Realization of revaluation reserve	-	-	(1,548)	-	-	-	-	1,548	-	-	-	-	-
Payment of proposed additional dividends	-	-	-	-	-	-	(200,000)	-	-	-	(200,000)	-	(200,000)
Interim dividend distribution	-	-	-	-	-	-	-	(128,077)	-	-	(128,077)	-	(128,077)
Mandatory dividends	-	-	-	-	-	-	-	(27,288)	-	-	(27,288)	-	(27,288)
Additional proposed dividend	-	-	-	-	-	-	181,314	(181,314)	-	-	-	-	-
Non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	553,136	553,136
Balances as of December 31, 2022	1,619,074	138,711	45,970	97,426	455,258	118,583	181,314	-	(235,396)	(1,914,112)	506,828	555,667	1,062,495

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

MINERVA S.A.

Statements of cash flows - Indirect method For the years ended December 31, 2023 and 2022 (In thousands of Brazilian Reais - R\$)

	Notes	Parent company		Consolidated	
		12/31/2023	12/31/2022	12/31/2023	12/31/2022
Cash flow from operating activities					
Net income for the year	IS	421,054	652,533	395,533	655,064
Adjustments to reconcile net income					
Depreciation and amortization	13 and 14	242,987	205,847	512,426	414,525
Allowance for expected credit losses	6	9,235	2,862	11,121	3,435
Income on sale of fixed assets		3,320	34,207	15,560	71,241
Fair value of biological assets	8	4,457	81,681	38,005	44,438
Net effect on business combination/non-cash transactions		280,302	-	(264,307)	-
Deferred taxes	19	(93,240)	(296,430)	(80,623)	(331,763)
Equity in earnings of subsidiaries	12	(552,376)	(117,942)	-	-
Finance charges		1,443,927	793,231	1,638,983	1,222,732
Unrealized exchange rate and monetary changes		170,528	(9,867)	249,201	(12,654)
Monetary correction	25	-	-	53,081	155,446
Provision for legal claims	20	1,168	(4,657)	(22,708)	15,509
Equity instruments granted	ICE	31,366	18,291	31,366	18,291
Trade and other receivables		(640,163)	310,674	120,188	208,475
Inventories		(109,771)	86,200	(273,492)	524,226
Biological assets		6,514	(30,620)	61,380	(11,375)
Recoverable taxes		148,450	180	225,854	45,867
Court deposits		2,078	875	8,359	189
Suppliers		237,173	(6,703)	99,057	(283,778)
Payroll, related charges and taxes payable		20,018	(11,358)	213	(70,995)
Other payables		(76,901)	90,926	(121,709)	465,819
Net cash provided from operating activities		1,550,126	1,799,930	2,697,488	3,134,692
Cash flow from investing activities					
Advance for investment acquisition	10	(1,500,000)	-	(1,500,000)	-
Acquisition of a subsidiary less availability on acquisition		-	-	-	(802,618)
Acquisition of investment	12	(273,466)	(2,306,927)	(268,967)	(42,263)
Acquisition of intangible assets, net		(21,361)	(49,260)	(21,581)	(49,672)
Acquisition of property, plant and equipment, net	13	(472,750)	(536,782)	(693,321)	(763,591)
Net cash used in investing activities		(2,267,577)	(2,892,969)	(2,483,869)	(1,658,144)
Cash flow from financing activities					
Raising of loans and financing		9,296,366	4,205,307	9,532,581	5,745,669
Payments of loans and financing		(2,553,287)	(3,756,984)	(3,808,357)	(6,923,978)
Payments of leases		(8,195)	(9,748)	(10,523)	(13,349)
Related parties		(159,715)	1,646,751	-	-
Capital stock increase		-	2,936	-	2,936
Payment of proposed additional dividends		(181,314)	(200,000)	(181,314)	(200,000)
Distribution of interim dividends		(114,000)	(128,078)	(114,000)	(128,078)
Non-controlling shareholders		-	-	(70,496)	55,357
Disposal treasury shares		6,141	9,521	6,141	9,521
Net cash provided from (used in) financing activities		6,285,996	1,769,705	5,354,032	(1,451,922)
Exchange rate changes on cash and cash equivalents		23,571	(116,897)	39,475	(255,172)
Net increase (decrease) in cash and cash equivalents		5,592,116	559,769	5,607,126	(230,546)
Cash and cash equivalents at the beginning of the year	5	5,454,408	4,894,639	7,071,463	7,302,009
Cash and cash equivalents at the end of the year	5	11,046,524	5,454,408	12,678,589	7,071,463
Net increase (decrease) in cash and cash equivalents		5,592,116	559,769	5,607,126	(230,546)

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

MINERVA S.A.

Statement of value added For the years ended December 31, 2023 and 2022 (In thousands of Brazilian Reals - R\$)

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Revenue	14,725,189	15,286,570	29,372,364	31,191,282
Sales of goods, products and services	14,677,976	15,235,557	28,909,374	31,064,727
Others revenues	47,213	51,013	462,990	126,555
Inputs acquired from third parties (includes taxes amounts - ICMS, IPI, PIS, and COFINS)	(12,752,643)	(14,234,403)	(25,069,840)	(28,042,015)
Cost of products, goods and services sold	(11,281,212)	(13,040,295)	(21,825,427)	(25,070,699)
Materials, electric power, third-party services and other	(1,471,431)	(1,194,108)	(3,244,413)	(2,971,316)
Gross value added	1,972,546	1,052,167	4,302,524	3,149,267
Depreciation, amortization and depletion	(242,987)	(205,847)	(512,426)	(414,525)
Net added value generated by the company	1,729,559	846,320	3,790,098	2,734,742
Net added value by transfer	878,931	270,401	386,961	185,169
Equity in earnings of subsidiaries	552,376	117,942	-	-
Financial income	326,555	152,459	386,961	185,169
Net total added value to be distributed	2,608,490	1,116,721	4,177,059	2,919,911
Distribution of value added	2,608,490	1,116,721	4,177,059	2,919,911
Personnel	386,562	310,090	1,249,526	1,225,024
Taxes, fees and contribution	(104,570)	(359,331)	436,925	240,123
Capital remuneration from third parties	1,905,444	513,429	2,095,075	799,700
Interests	1,885,460	511,799	2,071,344	791,745
Rents	19,984	1,630	23,731	7,955
Remuneration of equity capital	421,054	652,533	395,533	655,064
Net income for the year	421,054	652,533	421,054	652,533
Non-controlling interest in retained earnings (consolidation only)	-	-	(25,521)	2,531

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

1. General information

Minerva S.A. (Company) is a publicly held company listed at the “Novo Mercado” corporate governance segment with shares are traded on “B3” - Bolsa, Brasil, Balcão. The Company’s main activities include the slaughtering of livestock and processing of meat, sale of fresh chilled, frozen and processed meat and the exporting of live cattle.

The Company’s shares are traded on “B3” - Bolsa, Brasil, Balcão, under the ticker symbol “BEEF3” and its Level 1 American Depositary Receipts (ADRs) are traded on the OTC market OTCQX International Premier, a segment of the electronic trading platform operated by the OTC Markets Group Inc., in the United States.

Parent company

The Company is headquartered at Av. Antônio Manso Bernardes, S/N - Chácara Minerva, in Barretos (SP) and has manufacturing units located in José Bonifácio (SP), Palmeiras de Goiás (GO), Araguaína (TO), Goianésia (GO), Barretos (SP), Campina Verde (MG), Janaúba (MG), Paranatinga (MT), Mirassol D`Oeste (MT) e Rolim de Moura (RO). The distribution centers for the domestic market are located in the cities of Aparecida de Goiânia (GO), Brasília (DF), Cariacica (ES), São Paulo (SP), Araraquara (SP), Belo Horizonte (MG), Maracanaú (CE), Uberlândia (MG) and Cabo de Santo Agostino (PE).

On December 31, 2023, the Company's industrial park (consolidated) had a daily slaughtering capacity of 30,740 heads/day, taking into account the subsidiaries of Athena Foods S.A. (Chile) abroad - in Uruguay (Pulsa S/A and Frigorífico Carrasco S/A), in Colombia (Red. Cárnica S.A.), in Paraguay (Frigomerc S/A) and in Argentina (Pul Argentina S.A. parent company of Swift Argentina S.A.). All plants are compliant with sanitary requirements applicable to exports to countries across the five continents. The Barretos manufacturing unit (SP) has a beef processing line (“cubedbeef” and “roastbeef”), which is mainly intendend for exports. The Company also has an industrial park for slaughtering and deboning lamb in Australia through its subsidiary Minerva Australia PTY Ltd in the cities of Tammin, Esperance, Colac and Sunshine, with a daily slaughtering and deboning capacity of 19,216 head/day.

Direct and indirect subsidiaries

Direct subsidiaries located in Brazil

- Minerva Dawn Farms S.A. (Minerva Fine Foods): located in Barretos (SP), this unit started operations in 2009. to produce, in varying scales, and sell beef, pork and poultry products meeting domestic and foreign demand in the “Food Services” segment;

- CSAP – Companhia Sul Americana de Pecuária S.A.: located in Barretos (SP), this unit started operations in 2014 to mainly engage in livestock and farming, by breeding and selling live cattle, lambs, pigs and other live animals, this investment having been sold in its entirety of the Company's interest (100.00%) on October 1, 2023;
- Minerva Comercializadora de Energia Ltda.: located in São Paulo (SP), this unit started operations in 2016 and is mainly engaged in trading and selling electric power;
- Minerva Venture Capital Fundo de Investimento em Participações Multiestratégicas – Investimento no Exterior: started its activities in 2020 being headquartered in Brazil, its main activity is investment fund, having as direct subsidiary MF 92 Ventures LLC;
- MYCarbom3 Ltda.: Created in 2021, it is a subsidiary that aims to support companies in meeting their goals of neutralizing greenhouse gas emissions through carbon offsetting, in a transparent, reliable and sustainable manner. The company develops projects, originates and sells carbon credits, in line with international standards, creating financial opportunities for the preservation of nature, accelerating action to combat climate change and promoting a low-carbon future. In 2021, being headquartered in Brazil, its main activity is the trading of carbon credits; and
- Fundo de Investimento em Quotas de Fundo de Investimentos Multimercado Portifólio 1839: started its activities in 2021 being headquartered in Brazil, its main activity is investment fund, having as indirect subsidiary Minerva Venture Capital Fundo de Investimento em Participações Multiestratégicas – Investimento no Exterior;

Direct foreign subsidiaries:

- Athena Foods S.A.: Based in Santiago, Chile (CL), Athenas Foods S.A. started operations in 2018 primarily to manage equity interests and own assets in Mercosur. The company has the following direct subsidiaries: Pulsa S.A. (UY), Frigorífico Carrasco S.A. (UY), Frigomerc S.A. (PY), Pul Argentina S.A. (AR), Red Cárnica S.A.S (CO), Red Industrial Colombiana S.A.S (CO), and Minerva Foods Chile SPA (CL);
- Lytmer S.A.: located in Montevideo, Uruguay (UY), engaged in selling live cattle to the foreign market and trading food products;
- Friasa S.A.: located in Asunción, Paraguay (PY);
- Minerva Middle East: office located in Lebanon to market and sell the Company's products;
- Minerva Colômbia SAS: Based in Ciénaga de Oro, next to Montería, in the Córdoba region, Colombia, mainly engaged in the sale of livestock to the foreign market;
- Minerva Live Cattle Export SPA: located in Santiago, Chile, primarily engaged in selling live cattle to the foreign market;
- Minerva Meats USA.: located in Chicago (USA), this unit started operations in 2015 and is mainly engaged in trading food products;

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

- Minerva Austrália Holdings PTY Ltd.: Located in Brisbane (Australia), this unit started operations in 2016 and has Minerva Ásia Foods PTY Ltd. as its direct subsidiary;
- Minerva Europe Ltd.: Based in London, England, this unit started operations in 2017 and is mainly engaged in trading food products;
- Minerva Foods FZE: Based in the Arab Emirates, the company started operations in 2020 and is mainly engaged in trading food products;
- Athn Foods Holdings S.A: Started its activities in 2021 and is headquartered in Spain, its main activity is the management of equity interests and the administration of its own assets;
- Fortuna Foods PTE. LTD.: Started its activities in 2021 being headquartered in Singapore, its main activity is the management of equity interests and administration of own assets.

Indirect foreign subsidiaries:

- Pulsa S.A.: meatpacking company acquired in January 2011, located in the Province of Cerro Largo, near the capital Melo, in Uruguay (UY). Engaged in slaughtering and deboning activities, with 85% of its sales intended for the foreign market, primarily at North American and the European markets;
- Frigorífico Canelones S.A.: a meatpacking company acquired in July 2017 by the indirect subsidiary Pulsa S.A., located in Canelones, Uruguay (UY). Engaged in the cattle slaughtering and deboning and processing of meat, especially fresh chilled and frozen meat for exports;
- Frigorífico Carrasco S.A.: meatpacking company acquired in April 2014, located in Montevideo, Uruguay (UY). Engaged in slaughtering, deboning and processing beef and sheep meat, with approximately 68% of its sales intended for the foreign market;
- Frigomerc S.A.: Meatpacking company acquired in October 2012, located in Asunción, Paraguay (PY), engaged in slaughtering, deboning and processing activities, operating in the domestic and foreign markets;
- BEEF Paraguay S.A.: a meatpacking company acquired in July 2017 by the indirect subsidiary Frigomerc S.A., located in Assuncion, Paraguay (PY), to engage in cattle slaughtering and deboning and processing of meat;
- Indústria Paraguaya Frigorífica S.A.: a meatpacking company acquired in July 2017 by the indirect subsidiary Frigomerc S.A., located in Assuncion, Paraguay (PY), to engage in cattle slaughtering and deboning and processing of meat;
- Pul Argentina S.A.: Based in Buenos Aires, Argentina, the company started activities in 2016 and has Swift Argentina S.A. as its direct subsidiary;
- Swift Argentina S.A.: a meatpacking company acquired in July 2017 by the indirect subsidiary Pul Argentina S.A. located in Buenos Aires (AR) to process and produce meat and sell own and third parties' brands, especially Swift products;

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

- Red. Cárnica SAS: a meatpacking company acquired in July 2015, located in Ciénaga de Oro, near Montería, Córdoba region, in Colombia (CO) having also acquired on August 5, 2020 an industrial plant belonging to Vijagual meatpacking located in Bucaramanga in the department of Santander in Colombia (CO). They operate in slaughter, deboning and processing activities in the domestic and foreign markets;
- Red. Industrial Colombiana SAS: plant acquired in July 2015, located in Ciénaga de Oro, near Montería, in the Córdoba region, Colombia (CO), whose main purpose is the preparation of products for animals, specifically, meat/bone meal, blood and tallow;
- Minerva Foods Chile SPA: Located in Santiago, Chile, primarily engaged in trading and selling the Company's products;
- Minerva Ásia Foods PTY Ltd: has this unit is mainly engaged in trading food products;
- MF 92 Ventures LLC: Located in the United States, this unit started operations in 2020 and is mainly engaged in holding investments, having as investments: Clara Foods Co., Shopper Holdings LLC, Traive INC, Liv Up Limited and Bluebell Index;
- Minerva Australia PTY Ltd: lamb slaughter house purchased in 2021, located in Esperance and Tammin in Australia. Operates in the slaughter, desisa and processing of lamb meats, acting in the domestic and foreign market;
- Australian Lamb Company Pty Ltd: lamb slaughterhouse acquired in October 2022, located in Sunshine and Colac in Australia. Operates in the slaughter, deboning and processing of lamb meat, operating in the domestic and foreign markets; and
- Breeders and Packers Uruguay S.A.: slaughterhouse acquired in January 2023 and approved by regulatory bodies on August 16, 2023, located in Durazno. It operates in the slaughtering, deboning and processing of meat, operating in the domestic and foreign markets;

Cargo transportation

- Transminerva Ltda.: located in Barretos (SP), it operates in cargo transportation serving exclusively the Company, aiming to optimize its freight expenses in the country Brazil.

Special Purpose Entities (SPE) for fundraising

- Minerva Overseas I: located in the Cayman Islands, it was incorporated in 2006 to issue Bonds and receive the respective financial resources, totaling US\$200 million, in January 2007;
- Minerva Overseas II: Located in the Cayman Islands, it was incorporated in 2010 to issue Bonds and receive the respective financial resources, totaling US\$250 million, on that date;
- Minerva Luxembourg S.A.: located in Luxembourg, incorporated in 2011 for the specific purpose of issuing "Bonds" and receiving financial.

MINERVA S.A.

Notes to the individual and consolidated financial statements For the year ended December 31, 2023 (Amounts in thousands of Reais - R\$, unless otherwise stated)

Other subsidiaries in pre-operational stage

▪ Minerva Log S.A. (Logistic)

The direct and indirect subsidiaries mentioned above are included in the Company's individual and consolidated financial statements. The equity interest in each subsidiary, directly and indirectly, is as shown below:

	12/31/2023	12/31/2022
Direct subsidiaries		
Minerva Dawn Farms S.A.	100.00%	100.00%
Minerva Overseas I	100.00%	100.00%
Minerva Overseas II	100.00%	100.00%
Minerva Middle East	100.00%	100.00%
Transminerva Ltda.	100.00%	100.00%
Minerva Log	100.00%	100.00%
Minerva Colômbia S.A.S	100.00%	100.00%
Lytmer S.A.	100.00%	100.00%
Minerva Luxembourg S.A.	100.00%	100.00%
Minerva Live Cattle Export Spa	100.00%	100.00%
CSAP - Companhia Sul Americana de Pecuária S.A.	-	100.00%
Minerva Meats USA Inc.	100.00%	100.00%
Minerva Comercializadora de Energia Ltda	100.00%	100.00%
Minerva Australia Holdings PTY Ltd	100.00%	100.00%
Minerva Europe Ltd.	100.00%	100.00%
Minerva Venture Capital Fundo de Investimento em Participações		
Multiestratégicas - Investimento no Exterior	100.00%	100.00%
Minerva Foods FZE	100.00%	100.00%
Athena Foods S.A.	100.00%	100.00%
Athn Foods Holdings S.A.	100.00%	100.00%
Fortuna Foods PTE. LTD.	100.00%	100.00%
Fundo de Investimento em Quotas de Fundo de Investimento		
Multimercado Portifolio 18939	100.00%	100.00%
Indirect subsidiaries	09/30/2023	12/31/2022
Frigorífico Carrasco S.A.	100.00%	100.00%
Minerva Foods Chile Spa	100.00%	100.00%
Red Cárnica S.A.S	100.00%	100.00%
Red Industrial Colombiana S.A.S	100.00%	100.00%
Pulsa S.A.	100.00%	100.00%
Frigorífico Canelones S.A.	100.00%	100.00%
Frigomerc S/A	100.00%	100.00%
BEEF Paraguay S.A.	99.99%	99.99%
Industria Paraguaya Frigorífica S.A.	99.99%	99.99%
Pul Argentina S.A.	100.00%	100.00%
Swift Argentina S.A.	99.99%	99.99%
Minerva Ásia Foods PTY Ltd	100.00%	100.00%
MF 92 Ventures LLC	100.00%	100.00%
Minerva Australia PTY Ltd	65.00%	65.00%
Australian Lamb Company Pty Ltd	65.00%	65.00%
Breeders and Packers Uruguay S.A.	100.00%	-

Hyperinflationary economy - Argentina

On June 30, 2018, according to the assessment carried out by different market participants, the Argentine economy was considered hyperinflationary since July 1, 2018, as a result of the devaluation of the Argentine peso and the increase in the general price level observed in recent years. Accumulated inflation over the last three years has surpassed the 100% mark. In accordance with IAS 29, (CPC 42), non-monetary assets and liabilities, equity and the income statement of subsidiaries operating in a highly inflationary economy must be restated for the changes in the pricing power of the functional currency by applying a general price index.

We concluded that the consequences of this inflationary impact, certainly not relevant, resulting from our subsidiaries located in Argentina, were initially determined in a consistent manner and the possible effects were accounted for in our individual and consolidated financial statements for the year ended December 31, 2018.

ESG

The Company's management has carried out all its planning and actions aimed at the continuity of its business, thus assessing that it is able to make all resources available for the continuity of its operations, including evaluating the socio-environmental impacts with structural and non-structural actions aimed at mitigating its effects.

The fourth quarter of 2023 once again recorded advances in the ESG agenda of Company, in line with the Commitment to Sustainability announced in 2021. The commitment focused on the environmental pillar 'Dedication to the Planet' has three main axes: eco-efficiency in controlled operations; combating illegal deforestation in the value chain; and development of the Renove program, aiming at low carbon emissions on partner farms. All goals are aligned with one of the five values of the Company's Culture - Sustainability.

The Company's pioneering spirit in combating illegal deforestation in the supply chain in Latin America was highlighted during this year by the advancement of geographic monitoring for more than 60% of the farms that directly supply operations in Uruguay.

Attesting to the reliability of the socio-environmental monitoring system of direct supplier farms, the Company achieved, for the fourth consecutive year, 100% compliance in the third-party audit of livestock purchases in Paraguay. The results were approved by BDO RCS Auditores Independentes. The results of this audit in recent years reinforce the robustness of the global socio-environmental monitoring system for the Company's supply chain.

Another highlight for the Company in the year was the first shipment of full traceable leather destined for China. Commercialization was carried out through the Minerva Leather division in a pilot project. Through this sale, the Company was a pioneer in placing the first 100% traceable leather on the market and in compliance with socio-environmental criteria.

The Corporate Greenhouse Gas (GHG) Emissions Inventory also received, for the third consecutive year, the gold seal in the Brazilian GHG Protocol Program. Within the Renove program, the Company continues to export the product with its carbon footprint neutralized and certified from operations in Brazil and Uruguay. The Company's products whose greenhouse gas emissions are measured, reduced and compensated throughout the production process are now part of the 'zero carbon impact' line. Residual emissions are offset by MyCarbon, a subsidiary of the Company, through carbon credits from tree planting and forest preservation projects.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

The Company's subsidiary, MyCarbon, was the only Brazilian company approved in the DFM/Nasdaq carbon credit trading pilot project, a landmark achievement announced at COP28 in Dubai, in the United Arab Emirates. This result consolidates MyCarbon in a prominent position in South America, with sustainable products of high standard and credibility on the global stage.

At the institutional level, for the fourth consecutive year, the Company will be included in the 2023/2024 portfolios of the Corporate Sustainability Index (ISE B3) and Efficient Carbon Index (ICO2 B3), both on B3, the Brazilian stock exchange. The Company was also highlighted by receiving the best evaluation in Animal Welfare practices in the 'BEEF' category of the Collier Fairr Producer Index ranking, increasing its score by 48%, appearing in the 'Low Risk' category of Animal Welfare. be Animal. In the same ranking, the company also achieved the best performance in the sector in the indicators of 'Food safety' and 'Working conditions'. Finally, the Company also received the award for best company with excellence in health and safety at work in the food industry at the 2023 Commendation of Honor for Merit awards, organized by the Commission of Occupational Safety and Health Commanders.

2. Acquisition of shares in companies (Business combination)

Australian Lamb Company Pty Ltd

On October 20, 2022, its subsidiary Minerva Foods Australia Pty Ltd acquired 100% of the share capital of Australian Lamb Company Pty Ltd, and after the conclusion of the "Due Diligence" on October 31, 2022, it signed the "Purchase Sale of shares", starting to hold control of said company from that date. The Company holds an indirect interest of 65% in this investee, with the remaining 35% belonging to SALIC. Therefore, the Company is responsible for 65% of the consideration described below.

The purchase was completed for the total amount of AUD\$ 400,000 million (equivalent to R\$ 1,344,760 on October 31, 2022), with AUD\$ 5,000 million (equivalent to R\$ 16,809 on October 31, 2022) deducted as capital and following the financial payment schedule.

- 1st Installment - Cash - AUD\$ 283,000 million: paid upon acquisition of the company, which took place on October 20, 2022;
- 2nd Installment - AUD\$72,000 million to be paid in February 2023;
- 3rd Installment - AUD\$40,000 million that will be withheld and released on four dates as shown below:
 - ✓ AUD\$10 million in October of 2023;
 - ✓ AUD\$10 million in October of 2024;
 - ✓ AUD\$10 million in October of 2025; and
 - ✓ AUD\$10 million in October of 2026.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

“Australia Lamb” has a daily slaughtering and deboning capacity of 19,216 heads.

The following are the combined balance sheet accounts of Australian Lamb Company Pty Ltd as at 31 October 2022 impacted by the fair value measurement effect:

	Book account	FVA ¹	Fair Value
Current assets			
Cash and cash equivalents	27,550	-	27,550
Trade receivables	198,429	-	198,429
Inventories	67,399	-	67,399
Other receivables	6,616	-	6,616
Non-current assets			
Deferred tax	-	9,158	9,158
Net fixed assets	225,012	147,789	372,801
Intangibles – Customer Relationship	-	215,162	215,162
Intangibles – Contract with Clients	-	73,962	73,962
Intangible – Relationship Suppliers	-	94,133	94,133
Intangible – Brand	-	70,600	70,600
Intangible – Non-competition	-	3,362	3,362
Current liabilities			
Loans and financing – Current	(884)	-	(884)
Suppliers	(79,079)	-	(79,079)
Labor and tax obligations	(23,833)	-	(23,833)
Other payables	(33,963)	-	(33,963)
Non-current liabilities			
Loans and financing – non-current	(709)	-	(709)
Installment tax obligations	(4,821)	-	(4,821)
Deferred tax liabilities	-	(159,774)	(159,774)
Other payables	(817)	-	(817)
Net Assets	380,900	454,392	835,292

¹ During the 1st quarter of 2023, the Company completed the fair value adjustments (FVA) of the assets and liabilities acquired, which resulted in a total FVA amount of R\$454,392 (R\$550,210, initially recorded in 2022).

Below we present the calculation of goodwill, on October 31, 2022:

	Fair Value
Consideration – Controller	862,318
Fair Value – Non-controlling	464,783
Total Consideration	1,327,101
(-) Net Assets	(835,292)
Goodwill ¹	491,809

¹ During the 1st quarter of 2023, the Company completed the fair value adjustments (FVA) of the assets and liabilities acquired, which resulted in a total FVA amount of R\$454,392 (R\$550,210, initially recorded in 2022).

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

Fair values were obtained through fair value measurement techniques prepared by an independent specialized company hired to support Management's conclusion, resulting in an adjustment to the fair value of property, plant and equipment of R\$ 147,789, assessed using the cost method, as well as intangible assets in the total amount of R\$457,219, appraised using traditional methods derived from the income approach.

The non-controlling interest was calculated using the fair value method, which was based on the price paid for the acquisition, which corresponds to the fair value calculated using the discounted cash flow method, on the base date, according to the purchase price allocation report.

Revenue included in the consolidated income statement between 1 November and 31 December 2022 includes the amount of revenue generated by Australia Lamb of R\$ 298,863. ALC also contributed a profit of R\$ 27,664 in the same year.

If Australia Lamb had been consolidated from January 1, 2022, the consolidated statement of income would show, in December 31, 2022, pro forma net income of R\$ 2,227,092 and pro forma EBITDA of R\$ 322,408. This information on net revenue and income was obtained by simply adding the acquired amounts to the Company's consolidated income and does not represent the actual consolidated amounts for the year. Such information is not audited or reviewed.

- Exchange rate AUD 3.3619 - Ptax of sale (Source Central Bank).

Breeders And Packers Uruguay S.A. ("BPU")

On January 27, 2023, its subsidiary Athn Foods Holdings S.A. acquired 100% of the share capital of Breeders And Packers Uruguay S.A. and, after completing the "Due Diligence" on August 31, 2023, signed the "Purchase and Sale of Shares", gaining control of said company from that date onwards.

The purchase was completed for a total value of US\$4,282 million (equivalent to R\$21,076 on August 31, 2023) and following the following financial payment schedule:

- 1st Installment - Upfront - US\$2,736 million: settled upon acquisition of the company, which took place on August 31, 2023;
- 2nd Installment - US\$1,546 million, to be paid in October 2023;

The "BPU" has a daily slaughtering and deboning capacity of 1,200 heads.

Below we present the combined asset and passive balance sheet accounts of Breeders And Packers Uruguay S.A in which they were impacted by the effect of fair value measurement on August 31, 2023:

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

	Book value	FVA	Fair Value
Current assets			
Cash and cash equivalents	29,251	-	29,251
Trade receivables	52,561	-	52,561
Inventories	84,066	-	84,066
Recoverable tax	2,456	-	2,456
Other accounts receivables	5,296	-	5,296
Non-current assets			
Deferred tax assets	15,036	-	15,036
Fixed assets	261,200	369,275	630,475
Intangible assets	325	-	325
Intangible Trademarks and Patents	-	99,521	99,521
Current liabilities			
Suppliers	112,879	-	112,879
Labor and tax obligations	26,376	-	26,376
Other accounts payables	4,984	-	4,984
Non-current liabilities			
Other accounts payables	209,058	-	209,058
Net assets	<u>81,873</u>	<u>468,796</u>	<u>565,690</u>

Below we present the calculation of the advantageous purchase, on August 31, 2023:

	Fair Value
Consideration - Controlling Shareholding	21,076
(-) Net assets	(565,690)
Gain on advantageous purchase	<u>544,614</u>

Fair values were obtained through fair value measurement techniques prepared by an independent specialized company hired to support the Management's conclusion, resulting in an adjustment to the fair value of fixed assets of R\$ 369,275, assessed using the cost method, as well as intangible assets in the total amount of R\$99,521, valued using traditional methods derived from the income approach.

This business combination resulted in a bargain purchase gain because the fair value of the assets acquired and the liabilities assumed exceeded the total fair value of the consideration paid. The fair values of the assets acquired were mainly impacted by the appreciation of fixed assets and trademarks and patents.

The revenue included in the consolidated income statement between September 1 and December 31, 2023 includes the amount of revenue generated by Breeders and Packers Uruguay S.A R\$372,490. BPU also contributed a profit of R\$1,876 in the same year.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

If BPU had been consolidated/combined as of January 1, 2023, the consolidated income statement would present, as of December 31, 2023, a combined net operating income of R\$1,036,548 and a combined net loss of R\$68,620. This information on net operating revenue and results for the year was obtained by simply combining the values of the acquired company considering the year of 2023. Such information has not been audited or reviewed.

- Exchange rate US\$4.9219: Sales Ptax (Source Central Bank).

3. Basis of preparation

Statement of compliance (with IFRSs and CPC standards)

The individual and consolidated financial statements were prepared and are being presented in accordance with the accounting practices adopted in Brazil, which include the provisions contained in the Brazilian Corporation Law, rules of the Brazilian Securities and Exchange Commission ("CVM") and the pronouncements of the Accounting Pronouncements Committee ("CPC"), as well as international accounting standards (International Financial Reporting Standards), or "IFRS" issued by the International Accounting Standards Board ("IASB").

The Company's individual and consolidated financial statements are being presented in accordance with Technical Guidance OCPC 07, which deals with the basic requirements for preparation and disclosure to be observed when disclosing the accounting and financial reports, especially those contained in the explanatory notes. Management confirms that all relevant information specific to the individual and consolidated financial statements is being evidenced and that this corresponds to those used in its management.

The presentation of the statement of Added Value (DVA), individual and consolidated, is required by the Brazilian Corporate Law and the accounting practices adopted in Brazil applicable to publicly-held companies, in accordance with CPC 09 – Statement of Added Value. IFRS standards do not require the presentation of this statement. As a result, under IFRS, this statement is presented as supplementary information, without prejudice to the set of individual and consolidated financial statements.

The individual and consolidated financial statements are presented in Brazilian reais (R\$), which also is the Company's functional currency.

The significant accounting policies adopted in preparing the individual and consolidated financial statements are summarized below. These accounting policies were applied consistently to all periods reported, unless stated otherwise.

The individual and consolidated financial statements were approved for issue by the Company's Management on March 25, 2024.

4. Summary of material accounting policies

a) Basis of measurement

The individual and consolidated financial statements have been prepared using historical cost as the basis of value, except for recognized revaluations and for the valuation of certain assets and liabilities such as financial instruments and biological assets, which are measured at fair value.

b) Functional and presentation currency

The financial statements of each subsidiary included in the Company's consolidation and those used as a basis for valuing investments using the equity method are prepared using the functional currency of each entity. An entity's functional currency is the currency of the primary economic environment in which it operates.

When defining the functional currency of each of its subsidiaries, Management considered the currency that significantly influences the sales price of its products and services, and the currency in which most of the cost of its production inputs is paid or incurred.

The financial statements are presented in reais (R\$), which is the parent company's functional and presentation currency. All accounting information is presented in thousands of reais, unless otherwise stated.

c) Foreign operations

The foreign direct and indirect subsidiaries adopted the following functional currencies for the financial statements as of December 31, 2023:

- US dollar currency (US\$) – Athena Foods S.A., Frigomerc S.A., Pulsa S.A., Frigorífico Carrasco S.A., Lytmer S.A.; Minerva Overseas I, Minerva Overseas II, Minerva Meat USA, Minerva USA LLC, Minerva Venture Capital Fundo de Investimento em Participações Multiestratégicas – Investimento no Exterior, MF92 Venture LLC, Minerva Luxembourg and Breeders and Packers Uruguay S.A.;
- Currency Pound Sterling (GBP) – Minerva Europe Ltd.;
- Peso/chilean currency – Minerva Foods Chile SpA and Minerva Live Cattle Export SPA;
- Peso/Colombian currency – Minerva Colômbia S.A.S, Red Cárnica S.A.S and Red Industrial Colombiana S.A.S;
- Australian dollar currency – Minerva Austrália Holdings PTY Ltd.; Minerva Asia Foods PTY Ltd. and Minerva Australia PTY Ltd;
- Peso/argentinian – Pul Argentina S.A.;
- Euro – Athn Foods Holdings S.A.; and
- Singapore dollar currency: Fortuna Foods PTE. LTD.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

The individual and consolidated financial statements, when applicable, are adjusted to conform to the accounting practices adopted in Brazil and translated into Brazilian reais (R\$) by applying the following procedures:

- Monetary assets and liabilities are translated using the closing rate of the respective currency for the Brazilian real (R\$) at the end of the respective balance sheets;
- In the last balance sheet corresponding to equity translated at the historical exchange rate prevailing at that time and the changes in equity for the current year are translated at the historical exchange rates on the dates of the transactions, and the profit earned or loss incurred is translated and accumulated at an average historical monthly exchange rate, as indicated in the topic below;
- Revenues, costs and expenses for the current year are translated and accrued at an average historical monthly exchange rate;
- The changes in foreign exchange balances arising from the items above are recognized in a specific equity account, under "Other comprehensive income"; and

The balances of investments, assets and liabilities, revenues and expenses from transactions between "Minerva Group" companies included in the consolidated financial statements are eliminated.

d) Foreign currency-denominated transactions and balances

Transactions and balances in foreign currency, that is, all transactions that are not carried out in the established functional currency, are converted at the historical exchange rate of the dates of each transaction, as determined by CPC 02 (R2) - Effects of changes in exchange rates and conversion of statements.

Assets and liabilities subject to exchange variation are updated at the rates of the respective currencies in force on the last working day of each year presented. Gains and losses arising from changes in investments abroad are recognized directly in the equity in the "other comprehensive results" and recognized in the income statement when such investments are divested, in whole or in part.

Non-monetary items that are measured in terms of historical costs in foreign currency are converted at the exchange rate calculated on the transaction date.

e) Use of estimates and judgment

The preparation of the individual and consolidated financial statements in conformity with IFRS and CPC standards requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

Estimates and assumptions are revised on an ongoing basis. Revisions related to accounting estimates are recognized in the year in which estimates are revised and in any affected future year.

f) Basis of consolidation

Business combinations

Acquisitions completed on or after January 1, 2009

For acquisitions made as of or after January 01, 2009, the Company measured goodwill as the fair value of the consideration transferred, including the recognized amount of any noncontrolling interest in the acquired company, less the net recognized value of the identifiable assets and liabilities assumed at fair value, all measured as at the acquisition date.

For each business combination, the Company assesses if it will measure the non-controlling interests at their fair value or based on the proportionate equity interest of the noncontrolling interests on the identifiable net assets determined on the acquisition date.

Transaction costs, whether or not associated to the issuance of debt securities or equity securities, incurred by the Company and its subsidiaries on a business combination, are recognized as expenses as they are incurred.

Subsidiaries and jointly controlled subsidiaries

The subsidiaries' financial statements are included in the consolidated financial statements from the date the inspection starts until the date on which the inspection ceases to exist.

Transactions eliminated in consolidation

Balances and transactions between the companies of the "Group", and any revenues or expenses derived from intragroup transactions, are eliminated in the preparation of consolidated financial statements. Unrealized gains arising from transactions with invested companies registered by equity are eliminated against the investment in proportion to the Company's participation in the investees. Unrealized losses are not eliminated in the same way as unrealized gains are eliminated, but only to the extent that there is no evidence of loss by reduction in recoverable value.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

g) Cash and cash equivalents and securities and real estate values

Cash and cash equivalents include cash, bank deposit and accounting applications of immediate liquidity. See Explanatory Note No. 4 for further details of the cash and cash equivalents of the Company and its subsidiaries.

h) Financial instruments

The financial instruments of the Company and its subsidiaries are in accordance with the accounting pronouncement adopted as of January 1, 2018, CPC 48 – Financial Instruments, in which all assets and liabilities are recorded according to their practice.

Financial assets

Financial assets are classified under the following categories: assets measured at amortized cost; fair value through income, or fair value through other comprehensive results. The assets are classified according to the definition of the business model adopted by the Company and the cash flow characteristics of the financial asset.

Recognition and measurement

The Company classifies its financial assets on initial recognition into three categories:

- (i) Assets measured at amortized cost;
 - (ii) Fair value through profit or loss;
 - (iii) Fair value through Other comprehensive income.
- Amortized cost: Assets should be measured at amortized cost if both of the following conditions are met: i) the financial asset is held within the business model whose objective is to hold assets in order to collect contractual cash flow; and ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company should recognize its interest income, exchange gains and losses, and impairment directly in profit or loss.
 - Fair value through profit or loss: Financial assets should be measured at fair value through profit or loss only if they may not be classified as assets measured at amortized cost or fair value through other comprehensive income. The Company should recognize its interest income, exchange gains and losses, and impairment together with other net profit or loss, directly in profit or loss; and

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

- Fair value through other comprehensive income: Financial assets should be measured at fair value through comprehensive income only if the following conditions are met: i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash when contractual cash flows are collected from the sale of financial assets; and ii) the contractual terms of the financial asset give rise on specified dates to interest on the principal amount outstanding.

Assets measured at fair value through other comprehensive results are classified into two categories: i) debt instruments: interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the result. Other net results are recognized directly in the Company's shareholders' equity, in "Other comprehensive results". In the waiver of recognition, the accumulated result in other comprehensive results is reclassified to the result; or (ii) equity instruments are measured at fair value. Dividends are recognized as gain in income, unless the dividend clearly represents a recovery of part of the cost of the investment.

Other net results are recognized directly in the Company's shareholders' equity, in "other comprehensive results" and are never reclassified to the result.

The fair values of investments with public quotation are based on current purchase prices. If the market for a financial asset (and securities not listed on the Stock Exchange) is not active, the Company establishes fair value through valuation techniques.

These techniques include the use of recent operations contracted with third parties, reference to other instruments that are substantially similar, analysis of discounted cash flows and pricing models of options that make the greatest possible use of information generated by the market and count as little as possible with information generated by the management of the entity itself.

Regular purchases and sales of financial assets are recognized on the trading date, i.e. the date on which the Company undertakes to buy or sell the asset.

- Derecognition of financial assets: financial assets are lowered when the rights to receive cash flows from investments have expired or have been transferred; in the latter case, provided that the Company has significantly transferred all the risks and benefits of the property. If the entity substantially owns all the risks and benefits of ownership of the financial asset, it shall continue to recognize the financial asset.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

Financial liabilities

Financial liabilities are classified under the following categories: financial liabilities at amortized cost or fair value through income. Management determines the classification of its financial liabilities in the initial recognition.

- Financial liabilities at amortized cost: the Company shall classify all its financial liabilities as amortized cost except financial liabilities classified at fair value through income, passive derivatives and guarantee contracts. Other financial liabilities are measured at the amortized cost amount using the effective interest method. Interest expenses, gains and exchange losses are recognized in the income. The Company has the following non-derivative financial liabilities: loans, financing and debentures and suppliers;
- Financial liabilities at fair value through income: financial liabilities classified in the fair value category through income are financial liabilities held for trading or those designated in the initial recognition. Derivatives are also categorized as held for trading and are thus classified in this category, unless they have been designated as effective hedging instruments. Gains and losses related to financial liabilities classified at fair value through income are recognized in income.
- Derecognition of financial liabilities: financial liabilities are lowered only when it is extinguished, i.e., when the obligation specified in the contract is settled, cancelled or expires. The Company also waives the recognition of a financial liability when terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally applicable right to offset the recognized amounts and there is an intention to liquidate them on a net basis, or realize the asset and settle the liability simultaneously.

Derivative financial instruments

The fair value of derivative financial instruments is calculated by the Company's treasury based on the information of each contracted transaction and their respective market information on the closing dates of the financial statements, such as interest rate and foreign exchange coupon and monetary correction index. Where applicable, such information is compared with the positions informed by the operating tables of each financial institution involved.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

Transactions with derivative financial instruments, contracted by the Company and its subsidiaries, are summarized in ox futures contracts, options on ox contracts and non-term purchase forward (NDF), which aim exclusively to minimize the impacts of the oscillation of the price of the bovine ate in the result and the protection against foreign exchange risks associated with positions in the balance sheet plus the cash flows projected in foreign currencies.

Derivative financial instruments and hedging activities

Derivatives are initially recognized at their fair values at the commencement of the derivative agreement and are subsequently remeasured at fair value, whose changes in fair value are recorded in profit or loss.

Although the Company uses derivatives for hedging purposes, it did not choose the hedge accounting method. This accounting method is optional and, therefore, not mandatory.

i) Trade receivables

They are presented to present and realization values, and the receivables of customers in the foreign market are updated based on the exchange rates in force on the date of the individual and consolidated financial statements. Expected Losses with Doubtful Accounts (PECLD) are constituted in an amount considered sufficient by management with the monitoring of overdue credits and duplicates and the risk of not receiving the amounts arising from long-term sales operations.

j) Inventories

Inventories are measured at the lowest value between cost and net realisable value, adjusted to market value and by any losses, when applicable. It includes expenses incurred in purchasing inventories, production and processing costs, and other costs incurred in bringing them to their existing locations and conditions.

k) Biological assets

Biological assets are measured at fair value less selling expenses at the time of initial recognition and at the end of each year. Changes in fair value are recognized in the profit or loss under cost of goods sold. Agricultural activities, such as increased herd stemming from cattle or cattle feedlot operations and from various agricultural crops, are subject to the determination of their fair values based on the concept of market value "Mark to market - MtM".

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

I) Property, plant and equipment

Recognition and measurement

Property, plant and equipment items are measured at the historical purchase or construction cost, less accumulated depreciation and, where applicable, accumulated impairment losses.

The cost of certain items of the property, was calculated by reference to the revaluation carried out on a date prior to the enactment of Law No. 11,638/2007, in force since January 1, 2008, thus not being necessary at the time to evaluate the deemed cost assigned (Cost).

The cost includes expenses that are directly attributable to the acquisition of an asset. The cost of assets built by the Company itself and its subsidiaries includes the cost of materials and direct labor, any other costs to place the asset on the spot and condition necessary for them to be able to operate in the manner intended by management. Borrowing costs on qualifying assets have been capitalized since January 1, 2009.

The rights that have as object tangible assets intended for the maintenance of the activities of the Company and its subsidiaries, originated from leasing operations, are recorded as a right of use recognizing at the beginning of each operation a fixed asset and a financing liability, and the assets are also subject to depreciation calculated according to the estimated useful lives of the respective assets or lease term.

Gains and losses on disposal of an item of the asset are determined by comparing the proceeds arising from the disposal with the net book value of the asset and are recognized net within other income/expenses in profit or loss.

Depreciation

Depreciation is recognized in the result, based on the linear method based on the estimated useful lives of each part of an asset item, since this method is the closest to reflect the pattern of consumption of future economic benefits incorporated into the asset.

The average useful lives estimated by the Company's Management, supported by technical studies for the current and comparative year are as follows:

	Parent company (annual rate)	Consolidated (annual rate)
Buildings	3.23%	2.66%
Machinery and equipment	8.80%	8.08%
Furniture and fixtures	11.43%	9.79%
Vehicles	7.27%	7.01%
Computer hardware	18.98%	16.83%

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

The depreciation methods, useful lives, and residual values are updated and revised at a minimum each year end, and any adjustments are recognized as changing accounting estimates.

The balance of the revaluation reserve, as provided by the 11,638/07 and mentioned in Note 21, will be maintained until its full amortization, by full depreciation or disposal of the assets.

m) Leases

Contracts are considered as leases when meeting both of the following conditions:

- An identifiable asset specified explicitly or implicitly. In this case, the supplier does not have the practice of replacing the asset, or the replacement would not bring any economic benefit to the supplier;
- The right to control the use of the asset during the contract. In this case, the Company must have authority to make decisions about the use of the asset and the ability to substantially obtain all economic benefits by using the asset.

The right-of-use asset is initially measured at cost and comprises the initial amount of lease liabilities adjusted for any payment made prior to the commencing of the contract, added to any initial direct cost incurred and cost estimate of disassembly, removal, restoration of the asset at the location where it is located, minus any incentive received.

The right-of-use asset is subsequently depreciated using the straight-line method from the start date to the end of the useful life of the right of use or the end of the lease term.

The lease liability is initially measured at the present value of unmade payments, discounted at the incremental loan rate. The lease liability is subsequently measured at the amortized cost using the effective interest method.

A lessee recognizes a right-of-use asset that represents his right to use the leased asset and a lease liability that represents his obligation to make lease payments. Optional exemptions are available for short-term rentals and low-value items.

n) Intangible

Intangible assets acquired separately are measured in the initial recognition at acquisition cost and subsequently deducted from accumulated amortization and recoverable value losses, where applicable.

Intangible assets with defined useful life are amortized according to their estimated economic useful life and, when indications of loss of their recoverable value are identified, submitted to recoverable value assessment test. Intangible assets with an indefinite useful life are not amortized but are subject to annual test to reduce their recoverable value.

Goodwill on acquisition of subsidiaries

Goodwill represents the excess of acquisition cost over the net fair value of assets acquired, liabilities assumed and identifiable contingent liabilities of a subsidiary, jointly-controlled entity, or associate, on the respective acquisition date. Goodwill is recorded as an asset and included in the accounts "Investments accounted for by the equity method", in the parent company, and "Goodwill", in the consolidated.

o) Impairment test

Financial assets

The Company annually assesses whether there is any objective evidence that determines whether the financial asset or group of financial assets is not recoverable. A financial asset or group of financial assets is considered as non-recoverable when there is an indication of loss of economic value of the asset.

Non-financial assets

Management periodically reviews the net book value of the assets, with the objective of evaluating events or changes in economic, operational or technological circumstances that may indicate deterioration or loss of their recoverable value. If such evidence is identified, and it is verified that the net book value exceeds the recoverable value, it is immediately constituted provision for devaluation, adjusting the net book value to its recoverable value.

The recoverable value of an asset, or a given Cash Generating Unit (UCG), is defined as the largest between the value in use and the net selling value.

In estimating the value in use of the asset, estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects the weighted average cost of capital for the industry in which the cash generating unit operates.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

The net selling value is determined, where possible, on the basis of a firm sales contract in a transaction on a commutative basis, between knowledgeable and interested parties, adjusted for expenses attributable to the sale of the asset, or, where there is no firm sales contract, based on the market price, defined in an active market, or the price of the most recent transaction with similar assets.

The following criterion is also applied to assess loss by reduction to recoverable value of specific assets:

Goodwill based on expected future earnings

Loss test by reduction to recoverable goodwill value is done at least annually, or when circumstances indicate loss by devaluation of book value.

Intangible assets with indefinite useful lives

Intangible assets with an indefinite useful life are tested in relation to the loss by reduction to recoverable value at least annually, individually or at the level of the Cash Generating Unit (UCG), as the case may be or when circumstances indicate loss by devaluation of book value.

p) Other current and noncurrent assets and liabilities

An asset is recognized in the balance sheet when it is likely that its future economic benefits will be generated in favor of the Company and its subsidiaries, and its cost or value can be measured safely.

A liability is recognized in the balance sheet when the Company has a legal obligation or constituted as a result of a past event, and an economic resource is likely to be required to liquidate it. They shall be added, where applicable, to the corresponding charges, monetary or exchange variations incurred and adjustments to present value. The provisions are recorded based on the best estimates of the risk involved.

Assets and liabilities are classified as current when their realization or settlement is likely to occur in the next twelve months. Otherwise, they are demonstrated as non-circulating.

q) Adjust the present value of assets and liabilities

Non-current monetary assets and liabilities are adjusted, where relevant, to their present value, and short-term assets, when the effect is considered relevant in relation to individual and consolidated financial statements.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

For the calculation of the adjustment to present value, the Company and its subsidiaries consider the amount to be discounted, the dates of realization and settlement based on discount rates that reflect the cost of money in time for the Company and its subsidiaries, which was around a discount rate of 8.1% per year, calculated based on the weighted average cost of capital of the Company and its subsidiaries, as well as the specific risks related to the cash flows scheduled for the financial flows in question.

The terms of receipts and payments of accounts receivable and payable, arising from the operational activities of the Company and its subsidiaries are low, thus resulting in a discount amount considered irrelevant for registration and disclosure, because the cost of generating information exceeds its benefit. For non-current assets and liabilities, where applicable and relevant, they are calculated and recorded.

Calculations and analyses are reviewed quarterly.

r) Income tax and social contribution

Income tax and the current and deferred income contribution of the Companies and their subsidiaries located in Brazil are calculated based on the rates of 15%, plus the additional 10% on the taxable income surplus of R\$ 240 for income tax and 9% on taxable income for social contribution on net income, and consider the compensation of tax losses and negative basis of social contribution, limited to 30% of the real profit.

The expense of income tax and social contribution comprises current and deferred income taxes. Current tax and deferred tax are recognized in profit or loss, unless they are related to the combination of business, or items directly recognized in equity or other comprehensive results.

Deferred tax is recognized with respect to temporary differences between the book values of assets and liabilities for accounting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets and liabilities in a transaction that is not a business combination and that does not affect either accounting or taxable profit or loss, and differences related to investments in subsidiaries and controlled entities when they are likely not to reverse in the foreseeable future.

Deferred tax assets and liabilities are offset if there is a legal right to offset current tax liabilities and assets, and they relate to income taxes imposed by the same tax authority on the same entity subject to taxation.

A deferred income tax and social contribution asset is recognized for tax losses, tax credits, differences in accounting practices (IFRS) and unused deductible temporary differences, when future profits subject to taxation are likely to be available and against which they will be used.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

Deferred income tax and social contribution assets are reviewed at each reporting date and will be reduced to the extent that their realization is no longer likely.

s) Contingent assets and contingent liabilities, and legal obligations

Accounting practices for the registration and disclosure of contingent assets and liabilities and legal obligations are as follows: (i) contingent assets are recognized only when there are real guarantees or favorable judicial decisions, final. Contingent assets with probable successes are only disclosed in an explanatory note; (ii) contingent liabilities are provisioned when losses are assessed as probable, and the amounts involved are measurable with sufficient security.

Contingent liabilities assessed as possible losses are only disclosed in an explanatory note and contingent liabilities assessed as remote losses are not provisioned or disclosed; and (iii) legal obligations are recorded as enforceable, regardless of the assessment of the probabilities of success, for lawsuits in which the Company questioned the unconstitutionality of taxes.

t) Employee benefits

The Company does not have post-employment benefits, such as contribution plans and/or defined benefits. It should be noted that all short-term benefits and paid leave, as well as profit and gratuity sharing are in accordance with the requirements of the respective accounting pronouncements.

u) Revenue recognition

The Company's and its subsidiaries revenues and derive mainly from the sale of products, which are recognized when the performance obligation is met and whose goods are destined to the domestic and foreign markets.

The revenues recognized both in the domestic and foreign markets are subject to evaluations and judgments by the Company's Management in determining its accounting recognition.

Sales revenue is presented net of taxes and discounts on this. Sales taxes are recognized when sales are billed, and sales discounts when known. Product sales revenues are recognized by the value of the consideration to which the Company and its subsidiaries expects to be entitled, deducted from returns, discounts, rebates and other deductions, if applicable, being recognized as the Company and its subsidiaries satisfies its performance obligation. The opening of sales revenue is shown in Note 23.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

v) Earnings per share

The basic income per share is calculated through the results of the year attributable to the Controlling Shareholders of the Company and the weighted average of the common shares outstanding in the respective year. The result per diluted share is calculated by means of the said average of the shares in circulation, adjusted by the instruments potentially convertible into shares, with dilutive effect, in the years presented.

w) Segment reporting

The report by operating segments is presented in a manner consistent with the internal report provided to the Company's Executive Board, responsible for the allocation of resources and performance evaluation by operating segment and strategic decision-making. This information is prepared in a manner consistent with the accounting policies used in the preparation of financial statements.

x) New and revised standards and interpretations:

The IASB issued/revised some IFRS standards, which have their adoption for the year 2024 or after, and the Company is evaluating the impacts on its Individual and Consolidated Financial Statements of the adoption of these standards:

- Amendment to rule 12 - Income Tax: Clarifies aspects related to the recognition and disclosure of deferred tax assets and liabilities related to Pillar Two rules published by the Organization for Economic Cooperation and Development (OECD). This change in standard is effective for years beginning on/or after January 1, 2024. The Company does not expect significant impacts on its Financial Statements;
- Amendment to IFRS 16 - Lease Liabilities in a Sale and Return Lease: Clarifies aspects to be considered for treating an asset transfer as a sale. This rule change is effective for fiscal years beginning on/or after January 1, 2024. The Company does not expect significant impacts on its financial statements;
- Amendment to IAS 1 - Non-Current Liabilities with "Covenants": Clarifies aspects of separate classifications in the balance sheet of current and non-current assets and liabilities, establishing presentation based on liquidity when providing reliable and more relevant information. This rule change is effective for fiscal years beginning on/or after January 1, 2024. The Company does not expect significant impacts on its financial statements;

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

- Amendment to IAS 7 and IFRS 7 – Statement of Cash Flows: Clarifies aspects related to requirements for disclosing qualitative and quantitative information about supplier finance arrangements. This standard change is effective for fiscal years beginning on/or after January 1, 2024. The Company does not expect significant impacts on its financial statements; and
- Amendment to standard IAS 21 – Absence of Exchangeability: Clarifies aspects to specify when a currency is convertible and how to determine the exchange rate when it is not, and specifies how an entity determines the conversion rate when a currency is not convertible. This change in standard is effective for years beginning on/or after January 1, 2025. The Company does not expect significant impacts on its financial statements.

y) Statements of value added

The Company prepared the individual and consolidated financial statements of value added (DVA) in accordance with CPC 09 – Statement of Value Added, which are presented as an integral part of the financial statements according to the accounting practices adopted in Brazil applicable to publicly-held companies, whereas they are considered by IFRS as supplemental financial statements, required as part of the financial statements taken as a whole.

The objective of a statement of value added is to show the wealth created by the Company and its subsidiaries, its distribution to those that contributed to generate such wealth, such as employees, financial institutions, shareholders, government, as well as the undistributed portion of wealth.

5. Cash and cash equivalents

The financial assets of the Company and its subsidiaries are composed as follows:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Cash	219	288	3,432	1,013
Banks	2,598	2,549	335,254	1,195,803
Cash and cash equivalents in foreign currencies	2,735,185	4,021,004	3,671,265	4,037,640
Total	2,738,002	4,023,841	4,009,951	5,234,456
Financial investments				
In local currency				
Bank Certificates of Deposit (CDB)	6,974,376	656,850	7,046,679	702,555
Debentures	1,310,058	753,170	1,316,108	790,696
Other financial assets	24,088	20,547	305,851	343,756
Total	8,308,522	1,430,567	8,668,638	1,837,007
Total	11,046,524	5,454,408	12,678,589	7,071,463

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

The financial investments of the Company and its subsidiaries were classified according to their characteristics and intention, measured at fair value through profit or loss, which correspond to level 2 of the fair value hierarchy and are briefly demonstrated as follows:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Measured at fair value through profit or loss (Level 2 of the Fair Value Hierarchy)	8,308,522	1,430,567	8,668,638	1,837,007
Total	<u>8,308,522</u>	<u>1,430,567</u>	<u>8,668,638</u>	<u>1,837,007</u>

6. Trade receivables

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Trade receivables - domestic customers	269,101	194,050	872,985	921,245
Trade receivables - foreign customers	415,705	400,833	1,570,171	1,602,146
Receivables - related parties	731,765	364,887	-	-
Total	<u>1,416,571</u>	<u>959,770</u>	<u>2,443,156</u>	<u>2,523,391</u>
(-) Allowance for expected credit losses	(25,815)	(20,466)	(41,084)	(35,851)
Total	<u>1,390,756</u>	<u>939,304</u>	<u>2,402,072</u>	<u>2,487,540</u>

The following are the balances of accounts receivable by maturity age:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Current receivables	1,174,149	816,358	2,063,150	2,175,421
Overdue receivables:				
Up to 30 days	87,953	61,806	176,989	200,775
From 31 to 60 days	12,808	29,271	24,957	50,281
From 61 to 90 days	6,814	3,756	15,122	8,379
Above 90 days	134,847	48,579	162,938	88,535
Total	<u>1,416,571</u>	<u>959,770</u>	<u>2,443,156</u>	<u>2,523,391</u>

Expected losses are estimated based on historical analyzes and the current situation of customers. Expected losses on doubtful accounts, as well as their reversals, are recorded in the statement of income under "Selling expenses". Changes in expected credit losses for the year ended December 31, 2023 and December 31, 2022 are represented as follows:

	Parent company	Consolidated
Balances as of January 1, 2022	(25,175)	(42,140)
Provisioned credits	(2,862)	(3,435)
Credits recovered	7,192	8,303
Exchange rate variation	379	1,421
Balances as of December 31, 2022	<u>(20,466)</u>	<u>(35,851)</u>
Provisioned credits	(9,235)	(11,121)
Credits recovered	3,493	4,424
Exchange rate variation	393	1,464
Balances as of December 31, 2023	<u>(25,815)</u>	<u>(41,084)</u>

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

The Company has a Receivables Investment Fund (FIDC) for the sale of parts of its receivables originating in the domestic market, in the amount of R\$ 501,567 (as of December 31, 2022, R\$ 315,685), without co-obligation or right of return, of which R\$ 94,547 (as of December 31, 2022, R\$ 29,696) consisting of subordinated shares.

The percentage of participation and the number of quotas in FIDC refer to the guarantee and limit of risk under the Company's responsibility, which correspond to all subordinated shares paid by the Company with FIDC.

According to CVM circular letter No. 01/2017, for the purpose of filing the definitive sale of receivables, the transferor may not have any management, involvement, or future hit with the overdue FIDC securities, and consequently, exposure to the risks arising from it. In this way, the Company is exposed to the risk of default limited to its subordinated quotas. It is worth noting that, the Company has a very strict credit granting policy, which causes low levels of default, which are verified by the low value of provisioned credits, when compared to sales revenues made by the Company and its subsidiaries.

The Company has no collaterals for past-due trade notes receivable.

7. Inventories

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Finished products	635,803	523,551	1,851,165	1,428,055
Warehouse and secondary materials	42,386	44,867	166,740	230,412
Total	678,189	568,418	2,017,905	1,658,467

8. Biological assets

The Company and its subsidiaries that have cattle activities, such as cattle herd growth arising from the confinement of cattle or grazing cattle operations, are subject to revaluation of its assets, in order to determine their fair value based on the mark to market (MtM) concept, less estimated selling expenses, at least on a quarterly basis, recognizing the effects of such revaluations directly in profit or loss, in the under of "Cost of sales". The measurement of the fair value of biological assets falls within Level 1 of the measurement hierarchy at fair value, in accordance with the hierarchy of CPC 46, as these are assets with prices quoted on the market.

Operations related to the Company and its subsidiaries biological assets are represented by grazing cattle (extensive) and short-term confinement cattle (intensive). The operation is conducted through the acquisition of biological assets for resale, whose mark to market is reliably measured due to the existence of active markets, and are represented as follows:

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

	Herd	
	Parent company	Consolidated
Balance as of January 1, 2022	342,334	467,960
Increase due to acquisitions	148,012	635,637
Decrease due to sales	(117,141)	(608,300)
Net decrease due to births (deaths)	(251)	(859)
Conversion adjustment	-	(15,103)
Change in fair value minus estimated selling expenses	(81,681)	(44,438)
Balance as December 31, 2022	291,273	434,897
Increase due to acquisitions	-	409,537
Decrease due to sales	(286,744)	(731,107)
Net decrease due to births (deaths)	(72)	(577)
Conversion adjustment	-	(19,535)
Change in fair value minus estimated selling expenses	(4,457)	(38,005)
Balance as December 31, 2023	-	55,210

As of December 31, 2023, farm animals kept for sale were composed of 18,367 cattle (As of December 31, 2022, farm animals held for sale comprised 54,730 cattle, animals held in confinement comprised 21,723 cattle).

As of December 31, 2023 and 2022, the Company did not have any types of biological assets with restricted ownership or data as a guarantee of enforceability, and there were no other risks (financial, commitment and climate) that impacted the Company's biological assets.

Changes in gains and losses in the fair value of biological assets are recognized under "Cost of Sales".

9. Recoverable taxes

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
PIS - Social Integration Program	41,219	92,468	42,971	94,779
COFINS - Contribution for the Financing of Social Security	150,274	221,590	158,290	232,188
Reintegra (Special tax for exporting companies)	-	-	12,174	11,656
State VAT (ICMS)	53,688	91,314	57,526	112,248
Income tax and social contribution	76,661	65,064	81,433	70,242
VAT	-	-	159,709	195,439
Other recoverable tax	10,627	10,483	134,105	149,599
Total	332,469	480,919	646,208	866,151
Current	232,143	370,447	545,882	750,670
Non-current	100,326	110,472	100,326	115,481

PIS and COFINS (taxes on revenue)

The credits of PIS and COFINS come from the change in tax legislation, according to Laws no. 10,637/02 and 10,833/03, which established non-cumulation for these taxes, generating credit for exporting companies. On May 30, 2018, the Brazilian Internal Revenue Service (RFB) issued Law No. 13,670, which allowed the compensation of these credits for payment of social security debts, thus significantly reducing the accumulation of credits.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

Currently, the Company and its subsidiaries have finalized the inspection by the Brazilian Internal Revenue Service (RFB) of most of the claims for reimbursement of these credits, were duly approved by the Brazilian Internal Revenue Service (RFB), which has generated a significant amount of restitution of these credits, to continue during the years 2024 and 2025.

Based on studies conducted by the Company's Management, regarding the expectation of restitution of said tax credits, part of these current assets were segregated to non-current assets, on December 31, 2023, in the amount of R\$ 87,541 in the parent company and consolidated. Estimates of the realization of the tax credits of the Company and its subsidiaries are reviewed quarterly.

State VAT (ICMS)

ICMS credits are caused by the fact that the Company's exports reach values higher than sales in the domestic market, generating credits that, after being approved by the Secretary of State Treasury, are used for the purchase of production materials, and can also be sold to third parties, as provided for in the current legislation.

Of the mentioned creditor balance, a substantial part is in the process of inspection and approval by the Department of Finance of the State of São Paulo, and the Company's Management expects to recover a significant part of these credits during the 2025 and 2026 financial years.

Based on the studies carried out by the Company's Management, it was segregated from current assets to non-current assets, a percentage considered sufficient to represent slower processes, which totals the amount of R\$ 12,785 in the parent company and consolidated, of these credits. Estimates of the realization of the tax credits of the Company and its subsidiaries are reviewed quarterly.

10. Advance for investment acquisition

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Plants - Marfrig Global Foods S.A	1,500,000	-	1,500,000	-
Total	1,500,000	-	1,500,000	-

On August 28, 2023, the Company and its subsidiary Athn Foods Holdings S.A. entered into share purchase and sale agreements and other agreements with Marfrig Global Foods S.A. and companies controlled by the seller ("Contracts"), through which, the The Company and the subsidiary Athn Foods will acquire certain assets from the seller (includes certain industrial and commercial establishments, located in Brazil, Argentina and Chile, as well as equity interests in Uruguayan subsidiaries, all owned by the Seller).

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

Under the terms of the Agreements, as consideration for the direct transfers of shares of the seller's subsidiaries, the Company will pay the seller the total amount of R\$7,500,000 (seven billion and five hundred million reais) and on August 28, 2023 payment was made deposit to the seller in the amount of R\$ 1,500,000 (one billion and five hundred million reais), and the remaining installments of the price of each Contract must be paid on the closing date. Therefore, on December 31, 2023, the Company did not have control or management of the entities. The acquisition process is awaiting approval from the antitrust bodies in the respective countries.

11. Related parties

Transactions with related parties, carried out under market conditions, are summarized in the tables shown below:

	Parent company	
	12/31/2023	12/31/2022
Related parties receivables		
Minerva Overseas Ltd (a)	644,770	694,899
Minerva Luxembourg S.A. (b)	1,991,519	1,928,081
Athena S.A. (c)	1,064,954	1,147,762
Total	<u>3,701,243</u>	<u>3,770,742</u>

(a) Loan granted to Minerva Overseas Ltda. to be reimbursed;

(b) Loan granted to Minerva Luxembourg S.A. to be reimbursed; and

(c) Loan granted to Atena S.A., to be reimbursed.

	Parent company	
	12/31/2023	12/31/2022
Related parties payables		
Minerva Overseas II (a)	662,145	891,359
Minerva Log S.A. (b)	2	2
Total	<u>662,147</u>	<u>891,361</u>

(a) Loan made by Minerva Overseas II to the parent company;

(b) Loan made by Minerva Log S.A. to the parent company; and

The Company, in understanding the full integration of its operations with its subsidiaries, carries out cash transfer transactions as part of Minerva Group's business plan, always seeking to minimize the cost of its funding.

The other balances and transactions with related parties are presented below:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Payables - Suppliers				
Minerva Dawn Farms S.A.	5,188	5,204	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	-	1,567	-	-
Athena S.A.	49,081	16,285	-	-
Acquisition of other related parties	<u>30,594</u>	<u>17,265</u>	<u>30,594</u>	<u>28,457</u>
Total	<u>84,863</u>	<u>40,321</u>	<u>30,594</u>	<u>28,457</u>

MINERVA S.A.

Notes to the individual and consolidated financial statements For the year ended December 31, 2023 (Amounts in thousands of Reais - R\$, unless otherwise stated)

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Trade receivables				
Minerva Dawn Farms S.A.	1,446	145	-	-
Transminerva Ltda.	195	-	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	-	17,733	-	-
Athena S.A.	192,748	106,209	-	-
Minerva Meats USA, INC.	537,376	240,800	-	-
Total	731,765	364,887	-	-

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Suppliers advances (other receivables)				
Other related parties	8,000	-	8,000	-
Total	8,000	-	8,000	-

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Customers advances (other accounts payables)				
Athena S.A.	5,506	-	-	-
Total	5,506	-	-	-

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Revenue				
Minerva Dawn Farms S.A.	16,655	774	-	-
Minerva Comercializadora de Energia Ltda.	50,120	5,317	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	-	9,925	-	-
Athena S.A.	117,152	81,894	-	-
Minerva Live Cattle Export S.A.	-	2,058	-	-
Minerva Meats USA, INC.	1,053,452	748,976	-	-
Total	1,237,379	848,944	-	-

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Purchase				
Minerva Dawn Farms S.A.	81,181	66,583	-	-
CSAP - Companhia Sul Americana de Pecuária S.A.	93,416	314,568	-	-
Minerva Comercializadora de Energia Ltda.	53,347	40,468	-	-
Minerva Australia Holdings PTY LTD	-	1,433	-	-
Athn Foods Holdings S.A	7,702	-	-	-
Athena S.A.	322,832	395,792	-	-
Total	558,478	818,844	-	-

Cattle purchases:				
Acquisition of other related parties (a)	130,180	46,232	140,446	57,447
Total acquisition of other related parties	130,180	46,232	140,446	57,447

(a) Balance payable to other related parties, refers to the acquisition of cattle with companies belonging to the Company's shareholders, transactions are carried out on the basis of normal market conditions.

During the year ended December 31, 2023, no provisions were recorded for expected losses on credits, as well as no uncollectible debt expenses related to related party transactions were not recognized.

Management Remuneration

On December 31, 2023, the Company recorded expenses with the remuneration of its key personnel (Director of Directors, Audit Committee and Statutory Directors of the Company) in the amount of R\$61,216 (R\$49,802 on December 31, 2022). All remuneration is short-term, as shown below:

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of Reais - R\$, unless otherwise stated)

	Members 2023	12/31/2023	12/31/2022
Executive Board and Board of Directors and Fiscal	22	61,216	49,802
Total	22	61,216	49,802

The global annual compensation for the Company's managers and members of the Fiscal Council for the year 2023 was approved at the Ordinary General Meeting (AGO) of April 18, 2023, in the global amount of R\$70,982.

Alternate members of the Board of Directors and Audit Committee are compensated for each Board meeting they attend. In case of termination of employment contract there are no post-mandate benefits.

The Company's key personnel also receive share-based compensation, as detailed in note 21 (j). Stock option plan expenses are recognized in income during the vesting year until the shares granted benefit their holders. Expenses in the amount of R\$ 10,807 were recognized, referring to the members of the Executive Board and Board of Directors.

On December 31, 2022, were granted 2,905,144 stock options to Management members, of which 449,994 have a 3-year vesting year and 2,455,150 require 4 years.

On June 13, 2023, 1,644,624 share options were granted to members of Management, of which 475,397 have 3 years of vesting rights and 1,169,227 require 4 years.

MINERVA S.A.

Notes to the individual and consolidated financial statements
For the years ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

12. Investments

The movement of Minerva S.A.'s investments in subsidiaries is shown below:

	Participação Percentual	Balances on 12/31/2022	Transfers	Translation adjustments	Disposal of investments	Capital payment	Equity method	Balances on 12/31/2023
Goodwill based on expected future earnings	-	133,667	-	-	-	-	-	133,667
Minerva Overseas Ltd	100.00%	256,104	-	(18,478)	-	-	64	237,690
Minerva Middle East	100.00%	37	-	-	-	-	-	37
Minerva Log S.A.	100.00%	22	-	-	-	-	-	22
Minerva Dawn Farms S.A.	100.00%	83,144	-	-	-	21,577	(11,172)	93,549
Minerva Colombia SAS	100.00%	3,932	-	398	-	20,289	(143)	24,476
Lytmer S.A.	100.00%	20,372	-	(1,464)	-	-	(195)	18,713
Minerva Live Cattle Export S.A.	100.00%	11,553	-	(1,692)	-	-	823	10,684
Minerva Meats USA LLC	100.00%	295,754	-	(21,680)	-	-	(67,977)	206,097
Minerva Comercializadora de Energia Ltda.	100.00%	55,970	-	-	-	-	6,061	62,031
Minerva Australia Holdings PTY Ltd. (*)	100.00%	1,101,323	-	(79,992)	-	-	(47,396)	973,935
Minerva Europe Ltd	100.00%	2,951	-	(56)	-	-	-	2,895
Transminerva Ltda.	100.00%	152	-	-	-	-	(120)	32
CSAP - Companhia Sul Americana de Pecuária S.A. (**)	-	57,045	-	-	(23,290)	-	(33,755)	-
Athena Foods S.A. (*)	100.00%	3,153,694	-	(513,115)	-	-	200,616	2,841,195
Minerva Venture Capital Fundo de Investimento em Participações					-			
Multiestrategicas - Investimento no Exterior	100.00%	224,153	-	-	-	11,322	(56,377)	179,098
Athn Foods Holdings S.A. (*)	100.00%	306	-	(12,880)	-	219,023	538,374	744,823
Fortuna Foods PTE. LTD.	100.00%	1,634	-	-	-	-	-	1,634
Minerva FOODS FZE	100.00%	10,658	-	(956)	-	-	(4,439)	5,263
Mycarbom 3 Ltda.	100.00%	93,857	-	-	-	24,545	(43,454)	74,948
Fundo de Investimento em Quotas de Fundos de Investimento Multimercado					-			
Portifólio 1839	100.00%	20,514	-	-	-	-	(30)	20,484
Investments		5,526,842	-	(649,915)	(23,290)	296,756	480,880	5,631,273
Minerva Luxembourg S.A.	100.00%	(1,933,733)	-	266,517	-	-	71,525	(1,595,691)
Minerva Overseas Ltd II	100.00%	(725,871)	-	(112,548)	-	-	(29)	(838,448)
Provision for investments losses		(2,659,604)	-	153,969	-	-	71,496	(2,434,139)
Net Investments		<u>2,867,238</u>	<u>-</u>	<u>(495,946)</u>	<u>(23,290)</u>	<u>296,756</u>	<u>552,376</u>	<u>3,197,134</u>

(*) Consolidated information of the following companies (see Explanatory Note no. 1):

MINERVA S.A.

Notes to the individual and consolidated financial statements

For the years ended December 31, 2023

(Amounts in thousands of reais - R\$, unless otherwise stated)

- Athena Foods S.A.: consolidates subsidiaries Pulsa S.A., Frigorífico Carrasco S.A., Frigomerc S.A, Pul Argentina S.A., Red Cárnica S.A.S., Red Industrial Colombiana S.A.S., and Minerva Foods Chile SPA;
- Minerva Venture Capital Fundo de Investimento em Participações Multiestratégicas – Investimento no Exterior: consolidates subsidiary MF 92 Ventures LLC; and
- Athn Foods Holdings S.A.: consolidates the subsidiary Breeders and Packers Uruguay S.A.

Summary of the subsidiaries' financial statements as of December 31, 2023:

	Equity interest	Current asset	Non-current asset	Current liability	Non-current liability	Equity
Minerva Overseas Ltd.	100.00%	75	882,385	-	644,770	237,690
Minerva Overseas II Ltd.	100.00%	36	662,144	-	1,500,627	(838,447)
Minerva Middle East Ltd.	100.00%	37	-	-	-	37
Minerva Dawn Farms S.A.	100.00%	24,402	82,356	10,746	2,463	93,549
Minerva Luxemburg S.A.	100.00%	260,773	11,683,676	230,148	13,309,994	(1,595,693)
Transminerva Ltda.	100.00%	67	215	195	55	32
Minerva Log S.A.	100.00%	20	2	-	-	22
Lytmer S.A.	100.00%	10,123	9,686	1,096	-	18,713
Minerva Colombia SAS	100.00%	24,521	-	45	-	24,476
Minerva Live Cattle Export Spa	100.00%	12,339	8,880	10,535	-	10,684
Minerva Meats USA LLC	100.00%	787,100	25,712	606,213	502	206,097
Minerva Comercializadora de Energia Ltda.	100.00%	100,113	-	38,080	-	62,033
Minerva Australia Holdings PTY Ltd.	100.00%	530,970	1,300,304	124,581	247,587	973,935
Minerva Europe Ltd	100.00%	2,895	-	-	-	2,895
Athena Foods S.A.	100.00%	3,295,221	2,498,347	1,648,877	1,303,496	2,841,195
Minerva Venture Capital Fundo de Investimento em Participações Multiestratégicas - Investimento no Exterior	100.00%	1,130	199,211	45	-	200,296
Athn Foods Holdings S.A.	100.00%	187,048	734,116	146,324	30,016	744,824
Fortuna Foods PTE. LTD.	100.00%	1,634	-	-	-	1,634
Minerva Foods FZE	100.00%	33,419	455	28,611	-	5,263
Mycarbom 3 Ltda.	100.00%	75,316	41	409	-	74,948
Fundo de Investimento em Quotas de Fundos de Investimento Multimercado Portfólio 1839	100.00%	1,053	21,050	11	-	22,092
Total		5.348.292	18,108,580	2,845,916	17,039,510	3,086,275

MINERVA S.A.

Notes to the individual and consolidated financial statements
For the years ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

The following is the results of the subsidiaries that had movements during the period ended December 31, 2023 and 2022:

	12/31/2023		12/31/2022	
	Net revenue	Profit (Loss) for the period	Net revenue	Profit (Loss) for the period
Minerva Overseas Ltd	-	63	-	(20)
Minerva Overseas II Ltd	-	(27)	-	(36)
Minerva Dawn Farms S.A.	85,419	(11,173)	64,350	(19,174)
Minerva Luxembourg S.A.	-	71,523	-	69,700
Transminerva Ltda.	-	(120)	-	106
Minerva Log S.A.	-	-	-	-
Lytmer S.A.	-	(195)	-	(7,147)
Minerva Colombia SAS	-	(143)	-	(51)
CSAP - Companhia Sul Americana de Pecuária S.A.	304,548	(33,755)	419,406	36,909
Minerva Live Cattle Spa	-	825	-	479
Minerva Meats USA LLC	1,100,516	(67,977)	1,382,255	99,254
Minerva Comercializadora de Energia Ltda.	424,560	6,060	570,368	(49,133)
Minerva Australia Holdings PTY Ltd.	2,102,891	(72,915)	783,417	7,231
Minerva Europe Ltd	1,021	-	871	-
Athena S.A.	10,712,911	200,618	13,743,114	(44,219)
Minerva Venture Capital Fundo de Investimento em Participações	-	-	-	-
Multiestrategicas - Investimento no Exterior	-	(56,377)	25,461	25,149
Athn Foods Holdings S.A.	372,490	538,377	-	(184)
Fortuna Foods PTE. LTD.	-	-	-	-
Minerva FOODS FZE	18,920	(4,439)	-	-
Mycarbom 3 Ltda	7,272	(43,455)	18,569	791
Fundo de Investimento em Quotas de Fundos de Investimento Multimercado	-	-	-	-
Portifólio 1839	-	(29)	855	819
Total	15,130,548	526,861	17,008,666	120,474

All amounts are stated as 100% of the subsidiaries' profit (loss).

Investments not eliminated in the consolidated balance, refer to subsidiaries in which the Company does not have corporate control, which corresponds to the amount of R\$ 197,455 (242,094 in December 31, 2022), which are: Clara Foods Co., Shopper Holdings LLC, Traive INC, Liv Up Limited and Bluebell Index, valued at fair value each year.

MINERVA S.A.

Notes to the individual and consolidated financial statements
For the years ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

13. Property, plant and equipment

a) Composition of property, plant and equipment as of December 31, 2023 and 2022*:

Parent company

	% - Annual depreciation average rate	Historical cost	Accumulated depreciation	12/31/2023 Net amount	12/31/2022 Net amount
Buildings	3.23% p.y.	1,416,482	(331,052)	1,085,430	1,043,419
Machinery and equipment	8.80% p.y.	2,061,576	(833,096)	1,228,480	978,350
Furniture and fixtures	11.43% p.y.	21,511	(10,711)	10,800	9,757
Vehicles	7.27% p.y.	24,319	(8,858)	15,461	16,469
Computer hardware	18.98% p.y.	52,553	(28,776)	23,777	20,498
Land		78,344	-	78,344	78,344
Construction in progress		85,803	-	85,803	120,239
Impairment of assets		(21,518)	-	(21,518)	(21,518)
Total		3,719,070	(1,212,493)	2,506,577	2,245,558

Consolidated

	% - Annual depreciation average rate	Historical cost	Accumulated depreciation	12/31/2023 Net amount	12/31/2022 Net amount
Buildings	2.66% p.y.	3,434,296	(759,827)	2,674,469	2,374,043
Machinery and equipment	8.08% p.y.	4,057,465	(1,763,327)	2,294,138	2,020,865
Furniture and fixtures	9.79% p.y.	67,950	(23,640)	44,310	39,468
Vehicles	7.01% p.y.	69,997	(46,293)	23,704	25,814
Computer hardware	16.83% p.y.	85,354	(53,263)	32,091	28,549
Land		360,484	-	360,484	443,757
Construction in progress		261,235	-	261,235	289,207
Impairment of assets		(21,518)	-	(21,518)	(21,518)
Total		8,315,263	(2,646,350)	5,668,913	5,200,185

(*) Property, plant and equipment must be considered by adding the value of the right-of-use asset in Note 13.1. (a).

MINERVA S.A.

Notes to the individual and consolidated financial statements
For the years ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

b) Summary of changes in property, plant and equipment from January 1, 2023 to December 31, 2023:

Parent company

	Buildings	Machinery and equipment	Furniture and fixtures	Vehicles	Computer Hardware	Land	Construction in progress	Impairment of assets	Total
Balance on January 1, 2023	1,043,419	978,350	9,757	16,469	20,498	78,344	120,239	(21,518)	2,245,558
Additions	-	67	-	-	130	-	472,553	-	472,750
Transfer	87,284	405,555	3,111	614	10,425	-	(506,989)	-	-
Disposal	(3,219)	(94)	(2)	-	(5)	-	-	-	(3,320)
Depreciation	(42,054)	(155,398)	(2,066)	(1,622)	(7,271)	-	-	-	(208,411)
Balance on December 31, 2023	1,085,430	1,228,480	10,800	15,461	23,777	78,344	85,803	(21,518)	2,506,577

Consolidated

	Buildings	Machinery and equipment	Furniture and fixtures	Vehicles	Computer Hardware	Land	Construction in progress	Impairment of assets	Total
Balance on January 1, 2023	2,374,043	2,020,865	39,468	25,814	28,549	443,757	289,207	(21,518)	5,200,185
Additions	2,005	6,531	715	266	652	-	682,278	-	692,447
Additions of business combinations	414,434	197,107	325	2,785	192	10,056	4,826	-	629,725
Transfer	173,099	490,806	12,830	614	13,692	9,968	(701,008)	-	-
Disposal	(8,299)	(2,503)	(106)	(527)	(186)	(3,803)	(88)	-	(15,512)
Depreciation	(94,963)	(287,264)	(5,143)	(7,381)	(10,187)	-	-	-	(404,938)
Translation adjustments	(386,440)	(376,190)	(7,458)	(685)	(621)	(173,464)	(25,928)	-	(970,785)
Monetary correction of balance	200,590	244,786	3,679	2,818	-	73,970	11,948	-	537,791
Balance on December 31, 2023	2,674,469	2,294,138	44,310	23,704	32,091	360,484	261,235	(21,518)	5,668,913

Notes to the individual and consolidated financial statements
For the years ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

c) Works and installations in progress

On December 31, 2023, the balance of works and installations in progress refer to the following main projects: Expansion of the rendering plants to improve operational efficiency and meet the most profitable markets, as well as compliance with regulatory standards (NR's), work safety, expansions in the machine room to supply the expansion of the capacity for freezing and storage of finished products and improvements to the refrigeration plants.

d) Allowance for impairment of assets

As required by accounting practices adopted in Brazil and international standards (IFRS), the Company and its subsidiaries annually assess the recoverability of their assets. In this sense, since 2013 the industrial plant of Goianésia (GO), for strategic reasons, has been underutilized. Thus, the analysis of the value of the plant by cash generation was impaired, in this sense it was decided to evaluate the net sales value of sales expenses. Based on evaluation carried out by an independent company, it was identified that this plant has a value higher than its value of realization per sale of R\$ 34,175, being R\$ 21,518 of fixed assets and R\$ 12,657 per expectation for future profitability, which resulted in the registration of provision for recoverable value.

e) Amounts pledged as collateral

Property, plant and equipment items pledged as collateral for borrowings and financing on December 31, 2023, in the amount of R\$ 11,294 (R\$ 10,460 as of December 31, 2022).

13.1. Right to use lease assets and liabilities

As of January 1, 2019, the Company and its subsidiaries adopted initially adopted CPC 06 (R2) / IFRS 16 - Leases, which introduces a single lease model, replacing the concept of classification between operating and financial leasing. This standard replaces existing rental standards, including CPC 06 (R1) / IAS 17 - Leasing Operations and ICPC 03/IFRIC 4, SIC 15 and SIC 27 - Complementary Aspects of Leasing Operations.

The main objective is to define whether there is a lease on the contracts or whether the contract is a service provision.

The Company's Management and its subsidiaries evaluated the impacts of the new standard and opted for the simplified modified retrospective transition approach, without re-presentations of the comparative exercises.

The following criteria were adopted in the initial recognition and measurement of assets and liabilities:

- Recognition of lease liabilities on the date of initial application for leases previously classified as operating leases. The measurement of leasing liabilities was carried out at the present value of the remaining lease payments; and

Notes to the individual and consolidated financial statements
For the years ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

- Recognition of right-of-use assets on the date of initial application for leases previously classified as operating leases. The measurement of the right-of-use asset at the amount equivalent to the lease liabilities, adjusted by the value of any advance or accumulated lease payments relating to that lease that has been recognized in the balance sheet immediately prior to the date of initial application.

CPC 06 (R2)/IFRS 16 includes two recognition exemptions for tenants that were applied by the Company and its subsidiaries at the initial adoption on January 1, 2019:

- Contracts the remaining term on the date of adoption was equal to or less than 12 months: the Company continued to recognize the lease payments associated with these leases as a linear-based expense over the term of the lease;
- Contracts for which the underlying assets were of low value: the Company continued to recognize the lease payments associated with these leases as a linear-based expense over the term of the lease.

The following table shows the table with a summary of the impacts on the transition and movement of the year ended December 31, 2023.

a) Right of use - Lease

Parent company:	Buildings	Machinery and equipment	Vehicles	Hardware	Land	Total
Balance as of January 1, 2022	18,775	443	6,961	25	3,575	29,779
Additions	122	234	2,463	-	-	2,819
Depreciation	(3,364)	(487)	(5,544)	(25)	(518)	(9,938)
Balances as of December 31, 2022	15,533	190	3,880	-	3,057	22,660
Additions	-	264	8,640	-	-	8,904
Depreciation	(3,133)	(260)	(4,321)	-	(516)	(8,230)
Balances as of December 31, 2023	12,400	194	8,199	-	2,541	23,334

Consolidated	Buildings	Machinery and equipment	Vehicles	Hardware	Land	Total
Balance as of January 1, 2022	19,844	560	6,961	126	8,304	35,795
Additions	2,578	234	2,463	14	3,624	8,913
Additions due to company acquisition	1,403	-	-	-	-	1,403
Translation adjustments	76	-	-	-	-	76
Depreciation	(4,187)	(604)	(5,544)	(52)	(1,319)	(11,706)
Balances as of December 31, 2022	19,714	190	3,880	88	10,609	34,481
Additions	54	264	8,640	-	-	8,958
Disposal	(2,470)	-	-	(88)	(6,530)	(9,088)
Translation adjustments	(104)	-	-	-	-	(104)
Depreciation	(3,750)	(260)	(4,321)	-	(1,538)	(9,869)
Balances as of December 31, 2023	13,444	194	8,199	-	2,541	24,378

Notes to the individual and consolidated financial statements
For the years ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

b) Rental liabilities

Parent company					Machinery and equipment	
	Buildings	Land	Vehicles	Hardware		Total
Balances as of January 1, 2022	21,243	3,848	7,510	26	445	33,072
Additions	122	-	2,463	-	234	2,819
Interest settled in the period (income)	1,896	322	528	-	28	2,774
Payments	(4,891)	(744)	(6,349)	(26)	(512)	(12,522)
Balances as of December 31, 2022	18,370	3,426	4,152	-	195	26,143
Additions	-	-	8,640	-	264	8,904
Interest settled in the period (income)	1,614	284	379	-	9	2,286
Payments	(4,647)	(744)	(4,819)	-	(271)	(10,481)
Balances as of December 31, 2023	15,337	2,966	8,352	-	197	26,852
Current liabilities	3,049	507	6,106	-	197	9,859
Non-current liabilities	12,288	2,459	2,246	-	-	16,993
Total of the liabilities	15,337	2,966	8,352	-	197	26,852
Consolidated					Machinery and equipment	
	Buildings	Land	Vehicles	Hardware		Total
Balances as of January 1, 2022	22,332	9,176	7,510	125	564	39,707
Additions	5,686	3,624	2,463	-	234	12,007
Interest settled in the period (income)	3,588	888	528	498	30	5,532
Payments	(8,113)	(1,949)	(6,349)	(376)	(633)	(17,420)
Translation adjustments	(1,461)	-	-	-	-	(1,461)
Balances as of January 31, 2022	22,032	11,739	4,152	247	195	38,365
Additions	54	-	8,640	-	264	8,958
Disposal	(1,890)	(7,422)	-	(247)	-	(9,559)
Interest settled in the period (income)	1,725	817	379	-	9	2,930
Payments	(5,416)	(2,168)	(4,819)	-	(271)	(12,674)
Translation adjustments	(48)	-	-	-	-	(48)
Balances as of December 31, 2023	16,457	2,966	8,352	-	197	27,972
Current liabilities	3,667	507	6,106	-	197	10,477
Non-current liabilities	12,790	2,459	2,246	-	-	17,495
Total of the liabilities	16,457	2,966	8,352	-	197	27,972

MINERVA S.A.

Notes to the individual and consolidated financial statements
For the years ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

14. Intangible

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Goodwill (a)	259,691	259,691	1,104,822	1,060,278
Relationship with customers	-	-	185,893	223,392
Contract with Clients	-	-	51,240	184,387
Relationship with Suppliers	-	-	81,327	124,107
Non-Competition Agreement	-	-	2,331	3,546
Right to use aircraft (a)	1,793	1,793	1,793	1,793
Assignment of right of way (a)	250	250	250	250
Brands and patents	-	-	210,878	169,902
Software	85,820	90,805	86,933	91,839
Total	347,554	352,539	1,725,467	1,859,494

(a) Intangible assets with an indefinite useful life.

The movement in the intangible during the period ended December 31, 2023 is shown below:

	Parent company					Relationship with Suppliers	Non-Competition Agreement	Total
	Goodwill	Direct aircraft use	Assignment of servitude of passage	Software	Relationship with customers			
Balances as of January 1, 2023	259,691	1,793	250	90,805	-	-	-	352,539
Acquisition	-	-	-	21,361	-	-	-	21,361
Amortization	-	-	-	(26,346)	-	-	-	(26,346)
Balances as of December 31, 2023	259,691	1,793	250	85,820	-	-	-	347,554

MINERVA S.A.

Notes to the individual and consolidated financial statements

For the years ended December 31, 2023

(Amounts in thousands of reais - R\$, unless otherwise stated)

	Consolidated									
	Goodwill	Direct aircraft use	Assignment of servitude of passage	Brands and patents	Software	Relationship with customers	Contract with Clients	Relationship with Suppliers	Non-Competition Agreement	Total
Balances as of March 1, 2023	1,060,278	1,793	250	169,902	91,839	223,392	184,387	124,107	3,546	1,859,494
Acquisition	-	-	-	-	21,702	-	-	-	-	21,702
Disposals	-	-	-	-	(48)	-	-	-	-	(48)
Amortization	-	-	-	(13,189)	(26,846)	(24,652)	(21,184)	(10,785)	(963)	(97,619)
Business combination (note 2)	100,630	-	-	102,952	324	3,551	(106,539)	(24,859)	-	76,059
Translation adjustments	(56,086)	-	-	(85,697)	(38)	(16,398)	(5,424)	(7,136)	(252)	(171,031)
Monetary correction	-	-	-	36,910	-	-	-	-	-	36,910
Balances as of December 31, 2023	1,104,822	1,793	250	210,878	86,933	185,893	51,240	81,327	2,331	1,725,467

The Company and its subsidiaries record the amortization of their software, according to the period contractually determined by the “use license”, when acquired from third parties or, for the period of use estimated by the Company and its subsidiaries, for software developed internally. As of December 31, 2023, the weighted average amortization rate is 19.95% (20.92% as of December 31, 2022). Other intangible assets with defined useful lives are amortized as follows:

- Australian Lamb Company PTY Ltd: (i) brands at a rate of 10.00% per year; (ii) customer relationship at a rate of 10.00% per year; (iii) contract with customers at a rate of 25.00% p.a.; (iv) relationship with suppliers at a rate of 10.00% per year; and (v) non-compete agreement at a rate of 25.00% per year; and
- Breeders & Packers Uruguay S.A. (“BPU”): (i) brands at a rate of 8.40% per year.

Notes to the individual and consolidated financial statements
For the years ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

Goodwill based on expected future profitability

	Consolidated	
	12/31/2023	12/31/2022
In direct subsidiaries:		
Minerva Dawn Farms (MDF) (i)	147,649	147,649
Brascasing Industria e Comércio Ltda. (ii)	74,596	74,596
Athena S.A. (iii)	216,005	232,795
Mato Grosso Bovinos S/A (iv)	73,734	73,734
Other (v)	97,379	97,379
In indirect subsidiaries:		
Australian Lamb Company Pty Ltd (vi)	481,028	418,561
Other (vii)	14,431	15,564
Total	1,104,822	1,060,278

- (i) In compliance with the precepts defined in CVM Resolution no. 580/09 - CPC 15 (R1), the Company reviewed the calculations of identifiable assets acquired and liabilities assumed at the time of registration at fair value of the acquisition of an additional 30% of the shares representing the share capital of the subsidiary Minerva Dawn Farms (MDF), which was framed as a "combination of business in stages", verifying the need for segregation of capital gains (goodwill) calculated in the initial (provisional) record at fair value of the Company's stake in said transaction, in the total amount of R\$ 188,391 (R\$ 188,391 as of December 31, 2012). As previously described, during the fourth quarter of 2012, the Company acquired a residual stake in 20% of the MDF shares that were held by Dawn Farms, holding 100% of the control of the MDF. On December 31, 2015, it made a provision for the recoverable amount in the amount of R\$ 21,904. On December 31, 2018, it made a provision for the recoverable amount in the amount of R\$ 18,838;
- (ii) In December 2011, the Company acquired 5% of the shares of the company's joint share capital, up to the date of such transaction, Brascasing Comercial Ltda., and now has 55% of the shares representing the share capital of that company, and consequently its control. Because it is an operation framed as a "combination of business in stages", the Company registered its participation and the participation of the shareholders, at their fair value, which led to the record of an added value (goodwill for expectation of future profitability) of R\$ 93,185. After the full acquisition of the Company, the goodwill increased to R\$ 98,094. On December 31, 2015, it made a provision for the recoverable amount in the amount of R\$ 23,498, due to overproduction/supply, with the reduction of world consumption, mainly slowdown by China and the fall in the price of oil, directly impacting markets such as Russia, one of the main markets for its business;
- (iii) On September 30, 2018, the Company transferred its existing industrial investments in Mercosur through capital payment in the subsidiary Athena S.A., thereby transferring the existing goodwill that were registered with the parent company. The investments transferred were Frigomerc S/A, Pulsa S/A, Frigorífico Carrasco and the indirect subsidiary Beef Paraguay S.A. and amounts transferred from goodwill by expectation of profitability future were: Frigorífico Pulsa S/A US\$ 15,396 (As of December 31, 2023 R\$ 74,536); Frigomerc S/A US\$ 15,516 (As of December 31, 2023 R\$ 75,117); Frigorífico Carrasco S.A. US\$ 11,932 (As of December 31, 2023 R\$ 57,765); and the subsidiary Frigomerc S.A. had a direct investment of 100% of the common shares of Beef Paraguay S.A., which had a premium of US\$ 1,773 (As of December 31, 2023 R\$ 8,583) which was transferred indirectly to Athena S.A.;

Notes to the individual and consolidated financial statements
For the years ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

- (iv) During the year ended December 31, 2014, the Company incorporated 100% of the voting shares of Mato Grosso Bovinos S.A., through the exchange of 29 million common shares issued by the Company (BEEF3), which occurred on October 1, 2014 through the realization of AGEs (Extraordinary General Meeting) of the two companies, which caused a goodwill record for expectation of future profitability (goodwill) in the amount of R\$ 174,278. During the second quarter of 2019, the Company lowered R\$100,545 from goodwill related to the baixa of Várzea Grande, as part of the business combination for the acquisition of the Paranatinga/MT plant, leaving a goodwill balance of R\$ 73,734, as of December 31, 2023;
- (v) During the second quarter of 2013, the Company acquired the remainder of the 8% of the shares of Friasa S/A, which caused a goodwill record of R\$ 7,233, totaling R\$ 9,298 on June 30, 2013. During the first quarter of 2016, the Company acquired 100% of the share capital of the subsidiary Minerva Foods Asia Assessoria Ltda, which occurred on February 5, 2016, 2016, which caused a goodwill record for expectation of future profitability (goodwill) in the amount of R\$ 217,000. During the second quarter of 2019, the Company acquired through a business combination the plant located in Paranatinga/MT, which caused a goodwill record of R\$ 87,864;
- (vi) During the 4th quarter of 2022, through its subsidiary Minerva Australia Holdings Pty Ltd, it acquired 100% of the share capital of its indirect subsidiary Australia Lamb Company Pty Ltd, which occurred on October 31, 2022, which caused a goodwill record for expected future profitability (goodwill) in the amount of AUD\$ 118,041 (BRL 418,561 on December 31, 2022), which became AUD\$ 146,376 (R\$ 481,316, on December 31, 2023), after the effects of completing the fair value adjustments (FVA); and
- (vii) During the 2nd quarter of 2016, through its subsidiary Minerva Australia Holdings Pty Ltd, it acquired 100% of the capital stock of its indirect subsidiary IMTP Pty Ltd (subsequently changed its name to Minerva Foods Asia Pty Ltd), which occurred on July 22, 2016, which led to the recording of goodwill by expectation of future profitability (goodwill) in the amount of AUD\$ 4,389 (R\$14,431 on December 31, 2023).

As required by accounting practices adopted in Brazil and international standards (IFRS), annually the Company evaluates the recoverability of its assets. As a result of the impairment test, on December 31, 2023, no losses were identified for the Company's Cash Generating Units (UGC).

The Company used the value method in use to perform the impairment test. For all UGCs, 5 years of projection were considered, with no growth in perpetuity, and the financial budgets prepared by the Administration were observed for the beginning of the projection of cash flows (2023). The discount rate applied was 8%.

In previous years, the Company recognized impairment losses for some UGCs. In this sense, the industrial plant of Goianésia (GO), a company formerly called "Lord Meat", for strategic reasons, is underutilized and recorded loss by impairment, according to Explanatory Note no. 12. On December 31, 2016 and 2018, the Company recorded a provision for impairment loss for UGC MFF, in the amount of R\$ 21,904 and R\$ 18,838, respectively.

MINERVA S.A.

Notes to the individual and consolidated financial statements For the year ended December 31, 2023 (Amounts in thousands of reais - R\$, unless otherwise stated)

15. Loans and financing

	Financial charges	Parent company		Consolidated	
		12/31/2023	12/31/2022	12/31/2023	12/31/2022
Types – Local currency (R\$)					
Debentures 7th issue	IPCA (*)	637,390	618,828	637,390	618,828
Debentures 8th issue	IPCA (*)	709,917	683,299	709,917	683,299
Debentures 9th issue	IPCA (*)	761,304	723,640	761,304	723,640
Debentures 10th issue	IPCA (*)	1,894,663	1,800,613	1,894,663	1,800,613
Debentures 11th issue	IPCA (*)	387,854	381,100	387,854	381,100
Debentures 12th issue	IPCA (*) + spread	1,625,071	1,534,428	1,625,071	1,534,428
Debentures 13th issue	IPCA (*) + spread	1,977,773		1,977,773	
Bank Credit Notes (CCB)	CDI + spread	256,651	257,444	256,651	257,444
NCE	CDI + spread	1,398,989	824,287	1,398,989	824,287
Rural Product Notes	109% to 116% CDI p.y.	981,506	853,187	981,506	853,187
Certificate of Agribusiness Credit Rights	CDI + spread	279,997	-	279,997	-
Export Credit Bills	Interest of 11.4 % p.y.	139,497	209,563	139,497	209,563
Subtotal		11,050,612	7,886,389	11,050,612	7,886,389
Financial Instruments of hedge – derivatives	CDI + spread	(3,603,231)	(1,884,798)	(3,603,231)	(1,884,798)
Total		7,447,381	6,001,591	7,447,381	6,001,591
Foreign currency (US Dollar)					
ACCs	Interest of 6.21% to 7.77% p.y. + fx rate (*)	758,136	279,862	758,136	279,862
NCE	Interest of 2.32% to 7.71% p.y. (*)	-	393,536	-	393,536
Senior Unsecured Notes – (2)	Exchange rate variation + Interest	8,829,687	4,157,567	10,739,825	6,520,486
PPE	Exchange rate variation + spread	1,426,951	1,415,348	-	-
PPE	Exchange rate variation + spread (*)	3,667,267	1,175,818	3,667,267	1,175,818
Secured Loan Agreement (1)	Exchange rate variation + Interest	11,294	13,215	11,294	13,215
Other financings (2/3)	Exchange rate variation + Interest	-	-	113,506	239,569
Subtotal		14,693,335	7,435,346	15,290,028	8,622,486
Financial Instruments of hedge – derivatives		(1,180,527)	(1,180,527)	(1,180,527)	(1,180,527)
Total		13,512,808	6,254,819	14,109,501	7,441,959
Total of the loans and financing		20,960,189	12,256,410	21,556,882	13,766,474
Current		3,843,523	1,790,633	3,794,555	2,077,939
Non-current		17,116,666	10,465,777	17,762,327	11,688,535

(*) Transactions hedged by swap % CDI.

The liability financial instruments of loans and financing at book value approximate fair value, considering that interest rates and market conditions have not changed, except for the Notes issued under Rules 144A and Reg S (Regulation S), considering that there are an active market for these financial instruments.

MINERVA S.A.

Notes to the individual and consolidated financial statements

For the year ended December 31, 2023

(Amounts in thousands of reais - R\$, unless otherwise stated)

The Company offered the following guarantees to the loans and financing:

1. Promissory notes guaranteed by the subsidiaries, Pulsa and Frigomerc;
2. Company surety or guarantee;
3. STLC (*Stand by letter of Credit*) or Corporate Guarantee.

As of December 31, 2023, the noncurrent portion of the Company's (Parent company) Loans and financing matures as follows:

	2025	2026	2027	2028	2029	2030	2031	2033	Total
ACC - Advance on the exchange contract	572,983	-	-	-	-	-	-	-	572,983
Credit Notes to Exportation	66,667	-	-	-	-	-	-	-	66,667
Certificate of Agribusiness Credit Rights	275,000	-	-	-	-	-	-	-	275,000
Debentures	633,115	568,291	-	2,381,062	1,980,952	985,300	28,838	-	6,577,558
NCE	450,000	184,700	-	-	-	-	-	-	634,700
Pre-shipment	3,640,537	4,410,682	96,826	-	-	-	-	4,750,996	12,899,041
Secured loan agreement	1,117	1,223	1,340	1,468	1,607	1,760	1,753	-	10,268
Financial instruments of hedge - derivatives	(380,551)	(500,560)	(577,840)	(575,240)	(1,241,418)	(520,589)	(123,353)	-	(3,919,551)
Total	5,258,868	4,664,336	(479,674)	1,807,290	741,141	466,471	(92,762)	4,750,996	17,116,666

As of December 31, 2023, the noncurrent portion of consolidated loans and financing matures as follows:

	2025	2026	2027	2028	2029	2030	2031	2033	Total
ACC - Advance on the exchange contract	572,983	-	-	-	-	-	-	-	572,983
Credit Notes to Exportation	66,667	-	-	-	-	-	-	-	66,667
Certificate of Agribusiness Credit Rights	275,000	-	-	-	-	-	-	-	275,000
Debentures	633,115	568,291	-	2,381,062	1,980,952	985,300	28,838	-	6,577,558
NCE	450,000	184,700	-	-	-	-	-	-	634,700
Pre-shipment	1,596,254	1,341,298	96,826	-	-	-	-	-	3,034,378
Secured loan agreement	1,117	1,223	1,340	1,468	1,607	1,760	1,753	-	10,268
Other types	646	-	-	-	-	-	-	-	646
Senior Unsecured Notes	-	-	-	750,103	-	-	5,303,965	4,455,610	10,509,678
Financial instruments of hedge - derivatives	(380,551)	(500,560)	(577,840)	(575,240)	(1,241,418)	(520,589)	(123,353)	-	(3,919,551)
Total	3,215,231	1,594,952	(479,674)	2,557,393	741,141	466,471	5,211,203	4,455,610	17,762,327

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

Below we detail the main loans and financing of the Company and its subsidiaries as of December 31, 2023, as well as highlighted that it complied on that date with all the restrictive contractual clauses (covenants) shown below in each type of loans and financing:

Debt notes/bonds abroad

On September 20, 2016, the Company concluded the “bonds” representing debt issued abroad (Bonds) by its subsidiary Minerva Luxembourg S.A., with due dates for 2023. Through the “early repurchase offer” repurchased US\$617,874 (R\$2,010,562 at that date) of the principal amount of the 2023 Notes, equivalent to approximately 71% of the outstanding 2023 Notes.

The offer of early repurchase of debt securities was carried out using the funds obtained from the issuance of Notes 2026 (on which interest of 6.50% per year will accrue) and is part of a clear liability management strategy, which aims to constantly improve the Company's cost of debt.

Part of this offer consisted of the payment of a premium to the holders of the bonds, embedded and implicit in the transaction and in the proposed exchange ratios, in the amount of US\$ 40,143 thousand, which they incurred transaction costs in the amount of US\$ 28,859, totaling a total cost of US\$ 69,002, which will be amortized in the financial expenses account during the term of said Notes 2026.

On February 10, 2017, the Company exercised the early purchase option of its debt securities that bear annual interest of 12.250% and mature in 2022 (Notes 2022). The total amount of this debt was US\$ 105,508 (R\$ 328,710, on that date), the price paid was US\$ 106,125 of the face value, plus interest accrued to date.

In June 2017, the Company concluded the Re-Tap of the note's transaction maturing in September 2026, in the amount of US\$ 350,000 thousand, on which interest of 6.50% per year will accrue (Notes 2026).

On December 19, 2017, the Company concluded the “offer to repurchase securities” representing debt issued abroad (Bonds) by its subsidiary Minerva Luxembourg S.A., with maturities scheduled for 2023. Through the “offer for early repurchase” repurchased US\$198,042 (R\$605,103 at that date) of the principal amount of the Notes 2023, equivalent to approximately 79% of the outstanding Notes 2023.

The offer of early repurchase of debt securities was carried out using the funds obtained from the issuance of Notes 2028 (on which interest of 5.875% per year will accrue) and is part of a clear liability management strategy, which aims to constant improvement in the Company's cost of debt.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

Part of this offer consisted of the payment of a premium to the holders of the securities, embedded and implicit in the transaction and proposed exchange ratios, in the amount of US\$ 9,209, which they incurred transaction costs in the amount of US\$ 20,271, totaling a total cost of US\$ 20,271. US\$ 29,480, which will be amortized in the financial expenses account during the term of said Notes 2028.

On January 31, 2018, the Company exercised the early purchase option of its debt securities that bear annual interest of 7.75% and mature in 2023 (Notes 2023). The total amount of this debt was US\$ 52,099 (R\$ 164,919 on that date), the price paid was 103,875% of the face value, plus accrued interest to date.

On June 8, 2020, the Company concluded the "bonds" representing debt issued abroad, with maturity scheduled for 2026. Through the "early repurchase offer", US\$ 85,668 (R\$ 464,878 as of that date). On the same date, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds), with maturity scheduled for 2028. Through the "offer for early repurchase" US\$ 11,005 (R\$ 59,030 on that date).

In March 2021, the Company, through its subsidiary, Minerva Luxembourg, issued debt securities abroad in the amount of US\$ 1,000,000 (R\$ 5,546,880 at that date). The note is guaranteed by the Company and matures in 2031. Notes issued by Minerva Luxembourg (Bonds 2031) pay biannual coupons at a rate of 4.375% per annum. The Company will provide a guarantee for all the Issuer's obligations, within the scope of said issuance.

At the same time, the Company concluded the "bonds" representing debt issued abroad, with maturity scheduled for 2026. Through the "early repurchase offer", US\$ 911,719 (R\$ 5,021,931 on that date) were repurchased.

In November 2021, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds), with maturity scheduled for 2028 through the "offer for early repurchase", US\$ 70,606 (R\$ 398,430, at that time) were repurchased.

In December 2021, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds), with maturity scheduled for 2028 and 2031 through the "offer for early repurchase", US\$ 48,084 (R\$ 268,333) were repurchased, on that date) referring to the 2028 bonds and US\$ 10,735 (R\$ 59,907, on that date) referring to the 2031 bonds.

In March 2022, the Company concluded the "offer to repurchase securities" representing debt issued abroad (Bonds), with maturity scheduled for 2028 and 2031 through the "early repurchase offer", US\$ 89,405 (R\$ 423,583 were repurchased, on that date) referring to bonds 2028 and US\$ 42,217 (R\$ 200,016, on that date) referring to bonds 2031.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

In July 2022, the Company completed the “offer to repurchase and cancel bonds” representing debt issued abroad (Bonds), with maturity scheduled for 2028 and 2031 through the “offer for early repurchase”, US\$ 12,758 (R \$69,850, on that date) for the 2028 bonds and US\$55,857 (R\$305,817, on that date) for the 2031 bonds.

In September 2023, the Company, through its subsidiary, Minerva Luxembourg, issued debt securities abroad (Bonds 2033) and Retap Bond in the total amount of US\$1,000,000 (R\$4,917,100 at that date). The Note is guaranteed by the Company and matures in 2033. The Notes issued by Minerva Luxembourg (Bonds 2033) pay semi-annual coupons at a rate of 8.875% per year.

The liability related to the Notes, as of December 31, 2023, in the consolidated financial statements, is R\$ 10,739,825 (R\$ 6,520,486 as of December 31, 2022).

The Notes contain provision for the maintenance of a financial covenant through which the debt coverage capacity is measured in relation to EBITDA (net earnings before interest, taxes, depreciation and amortization).

The contractual ratio of both instruments indicates that the level of debt coverage cannot exceed 3.5 times the EBITDA of the last 12 months. For these purposes, it is considered: (I) "Net Debt" - means the sum of the balance of loans and financing, disregarding the exchange rate variations that occurred in the periods since the debt was raised, less the sum of: (i) cash and cash equivalents (according to defined below); and (ii) “purges” (as defined below); (II) “Cash and cash equivalents” - means the sum of the balance of the following accounts on the Company's balance sheet: “Cash and cash equivalents” and “Securities”; (III) “Purges” - means a series of exceptions, including, but not limited to, the exchange rate variation since the issuance of the security and/or permitted debts, related to specific operational transactions, totaling US\$ 308,000 thousand. (iv) “EBITDA” - means the amount calculated on the accrual basis over the last 12 months, equal to the sum of net revenues, less: (i) cost of services provided; (ii) administrative expenses, plus: (a) depreciation and amortization expenses, (b) net financial result; (c) equity-accounted earnings; and (d) direct taxes.

It is also worth mentioning that the financial covenants refer to the permission or not to incur new debts, executing all new debts related to refinancing, in addition to a pre-defined amount for working capital lines and investments. Covenants are calculated based on the consolidated financial statements.

i) Level of subordination

As of December 31, 2023, 0.05% of the total debt of the Company and its subsidiaries was guaranteed by real guarantees (0.08% as of December 31, 2022). Any restrictions imposed on the issuer in relation to indebtedness limits and contracting new debts, the distribution of dividends, the sale of assets, the issuance of new securities and the sale of corporate control.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

The Notes also have clauses that limit the Company to: (i) new indebtedness if the net debt/EBITDA ratio is greater than 3.75/1.00 and 3.50/1.00, respectively; (ii) the distribution of dividends, in this regard, Minerva undertakes not to make and not to allow its subsidiaries to make the payment of any distribution of dividends or make any distribution of its interest on invested capital held by others other than its subsidiaries (except: (a) dividends or distributions paid to qualified interests of Minerva; and (b) dividends or distributions owed by a subsidiary, on a pro rata basis or a basis more favorable to Minerva; (iii) the change in corporate control ; and (iv) the sale of assets, which can only be carried out by complying with the established requirements, among them, in the case of sale of assets, it is necessary that the sale value is the market value.

7th issue of non-convertible debentures

On November 19, 2019, the Company offered non-convertible debentures in the amount of R\$500,000, maturing on August 15, 2024. The total principal amount is R\$500,000 and its remuneration corresponds to the IPCA plus a surcharge equivalent to 4.50% p.a. The proceeds from this issue were used to lengthen the debt profile and improve the Company's capital structure. In the process of issuing the mentioned debentures, the Company incurred transaction costs in the amount of R\$12,926, recorded in its financial statements as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of December 31, 2023, the amount is R\$ 637,390 (R\$ 618,828 as of December 31, 2022).

8th issue of non-convertible debentures

On May 22, 2020, the Company offered non-convertible debentures in the amount of R\$600,000, with the first series maturing on May 13, 2025, in the amount of R\$400,000 and the second series maturing on May 13, 2026 in the amount of 200,000. The total principal amount of the issuances of the first series is R\$ 400,000 and its remuneration corresponds to the IPCA, whereas the principal amount of the issuances of the second series is R\$ 200,000 and its remuneration corresponds to the DI rate.

This funding has a Swap of the % CDI, in which the final cost of the operation was 160% of CDI. The funds obtained from this issue were allocated to activities in agribusiness and relations with rural producers, within the scope of the Company's meat industry and trade. In the process of issuing the mentioned debentures, the Company incurred transaction costs in the amount of R\$ 21,930, recorded in its financial statements as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of December 31, 2023, the amount is R\$ 709,917 (R\$ 683,299 as of December 31, 2022).

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

9th issue of non-convertible debentures

On June 12, 2020, the Company offered non-convertible debentures in the amount of R\$600,000, maturing on June 12, 2025. The total principal is R\$600,000 and its remuneration corresponds to the IPCA. This funding has a Swap of % CDI, in which the final cost of the operation was 160% of CDI. The funds obtained from this issue were allocated to activities in agribusiness and relations with rural producers, within the scope of the Company's meat industry and trade. In the process of issuing the mentioned debentures, the Company incurred transaction costs in the amount of R\$14,787, recorded in its financial statements as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of December 31, 2023, the amount is R\$ 761,304 (R\$ 723,640 as of December 31, 2022).

10th Issue of non-convertible debentures

On April 15, 2021, the Company offered non-convertible debentures in the amount of R\$1,600,000, maturing on April 12, 2028. The total principal is R\$1,600,000 and its remuneration corresponds to the IPCA. This funding has a Swap of % CDI, in which the final cost of the operation was 128% of CDI. The funds obtained from this issue were allocated to activities in agribusiness and relations with rural producers, within the scope of the Company's meat industry and trade. In the process of issuing these debentures, the Company incurred transaction costs in the amount of R\$ 55,389, recorded in its financial statements as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of December 31, 2023, the amount is R\$ 1,894,663 (R\$ 1,800,613 as of December 31, 2022).

11th Issue of non-convertible debentures

On October 15, 2021, the Company made an offering of non-convertible debentures in the amount of R\$400,000, maturing on October 15, 2026. The total principal is R\$400,000 and its remuneration corresponds to the IPCA. This funding has a Swap of % CDI, in which the final cost of the operation was 100% of CDI. The proceeds from this issue were used to pay the debentures of the first series, on their respective maturity date, issued by the Company within the scope of the 6th Issue, resulting, once carried out, in the lengthening of the Company's indebtedness profile. In the process of issuing the mentioned debentures, the Company incurred transaction costs in the amount of R\$ 22,012, recorded in its financial statements as a reduction of the liability itself, to be amortized over the period of validity of these debentures. As of December 31, 2023, the amount is R\$ 387,854 (R\$ 381,100 as of December 31, 2022).

12th Issue of non-convertible debentures

On July 13, 2022, the Company carried out an offering of non-convertible debentures in the amount of R\$1,500,000, maturing on July 12, 2029. The total principal is R\$1,500,000 and its remuneration corresponds to the IPCA plus a surcharge equivalent to 7.2063% per year. Said funding has a Swap of % CDI, in which the final cost of the operation was 113.5% of CDI. The funds obtained from this issue were fully and exclusively allocated to its agribusiness activities and relations with rural producers, within the meat industry and trade, in particular through the use of funds in investments, costs and expenses related to production, processing, industrialization, commercialization, purchase, sale, import, export, distribution and/or improvement of (a) cattle, sheep, pigs, poultry and other animals, live or slaughtered, as well as meat, offal, products and derivatives by-products of the same, whether in their natural state, whether manufactured or manipulated in any way or manner, and (b) proteins and food products in general, fresh or prepared, processed or not, for the Brazilian and foreign markets. In the process of issuing said debentures, the Company incurred transaction costs in the amount of R\$43,973, accounted for in its financial statements as a reduction in liabilities, to be amortized over the term of these debentures. On December 31, 2023, the amount is R\$ 1,625,071 (R\$ 1,534,428 as of December 31, 2022).

13th Issuance of non-convertible debentures

On September 29, 2023, the Company made an offer of debentures not convertible into shares in the amount of R\$2,000,000, maturing on September 13, 2028 (1st and 2nd series) and September 12, 2030 (3rd and 4th series). The total principal is R\$2,000,000 divided into four series, with remuneration as follows:

- 1st series: funding in the amount of R\$500,000 (five hundred million reais) with remuneration being CDI + 1.50% p.y.;
- 2nd series: funding in the amount of R\$438,000 (four hundred and thirty-eight million reais) with a remuneration of 13.0304% p.y.;
- 3rd series: Funding in the amount of R\$643,000 (six hundred and forty-three million reais) with remuneration being IPCA + 7.5408% p.y.; and
- 4th series: Funding in the amount of R\$419,000 (four hundred and nineteen million reais) with remuneration being 13.5123% p.y.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

Said funding has a % CDI Swap. The resources obtained from this issue were allocated entirely and exclusively to its activities in agribusiness and relations with rural producers, within the meat industry and trade, in particular through the use of resources in investments, costs and expenses related to production, processing, industrialization, marketing, purchase, sale, import, export, distribution and/or processing of (a) cattle, sheep, pigs, poultry and other animals, whether standing or slaughtered, as well as meat, offal, derived products and by-products of the same, whether in their natural state, whether manufactured, or manipulated in any form or manner, and (b) proteins and food products in general, fresh or prepared, processed or not, for Brazilian and foreign markets. In the process of issuing the aforementioned debentures, the Company incurred transaction costs in the amount of R\$80,367, recorded in its financial statements as a reduction of its own liabilities, to be amortized over the period of validity of these debentures. As of December 31, 2023, the amount is R\$1,977,773.

16. Suppliers

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Domestic suppliers	1,205,074	693,279	2,095,689	1,653,094
Foreign suppliers	66,969	35,005	216,681	102,282
Agreement suppliers (i)	1,384,582	1,735,710	1,384,582	1,735,710
Related Parties	84,863	40,321	30,594	28,457
Total	<u>2,741,488</u>	<u>2,504,315</u>	<u>3,727,546</u>	<u>3,519,543</u>

Aging list of trade payables:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Current	2,734,634	2,498,420	3,687,305	3,456,738
Overdue payables:				
Up to 30 days	6,107	2,005	30,383	48,963
From 31 to 60 days	219	764	2,605	4,119
From 61 to 90 days	-	-	726	188
Above 90 days	528	3,126	6,527	9,535
Total	<u>2,741,488</u>	<u>2,504,315</u>	<u>3,727,546</u>	<u>3,519,543</u>

(i) Agreement suppliers

“Agreement suppliers” is formed from recurring commercial transactions between the Company and its raw material suppliers. The signed agreements meet the mutual interests in terms of liquidity and working capital of each party, and are signed as a result of possible conjunctural variations in the level of demand and supply of raw materials. From the commercial negotiation between suppliers and the Company, financial liabilities are generated that are part of fundraising programs through the Company's credit lines with financial institutions, which allows suppliers to anticipate receivables in the normal course of purchases made by the Company, with an average financial cost of 1.16% p.m. on December 31, 2023 (1.19% p.m. on December 31, 2022).

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

As it preserves business conditions with suppliers, these transactions were evaluated by Management and it was concluded that they have commercial characteristics, therefore, the Company maintains these operations classified under "Suppliers".

17. Payroll, related charges, and taxes payable

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Payroll and related charges				
Salaries and management fees	558	503	72,258	46,444
Payroll taxes - FGTS and INSS (employees and third parties)	21,065	18,153	22,267	19,478
Accrued vacation/13 th salary	65,158	56,289	139,269	134,049
Other wages and charges	21,391	17,728	37,582	41,427
Total payroll	108,172	92,673	271,376	241,398
Taxes payables				
State VAT (ICMS)	8,165	9,572	9,405	10,973
Federal taxes in installments - (i)	41,022	45,951	41,022	45,951
Income tax (IRPJ)	-	-	25,442	51,666
Social contribution (CSLL)	-	-	409	-
Value added tax (VAT)	-	-	5,151	6,611
Funrural	1,323	609	1,323	680
Other taxes and fees	17,789	7,648	83,926	55,879
Total taxes	68,299	63,780	166,678	171,760
Grand total	176,471	156,453	438,054	413,158
Current	141,252	116,306	402,835	373,011
Non-current	35,219	40,147	35,219	40,147

(i) The Company's federal installments are as follows:

Special Tax Debt Settlement Program (PERT)

As of December 31, 2023, the outstanding balance in the parent company was R\$ 11,728.

Rural Tax Debt Refinancing Program (PRR)

As of December 31, 2023, the outstanding balance in the parent company was R\$ 29,294.

18. Other payables

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Advances received (a)	1.308.704	1.373,099	1.650,671	1.660,706
Advances received from related parties	5.506	-	-	-
Dividends payable (b)	24	27,307	24	27,307
Payables - acquisitions (c)	-	-	108,166	365,525
Other operating provisions	33.746	24,475	154,607	107,429
Total	1,347,980	1,424,881	1,913,468	2,160,966
Current	1,347,980	1,424,881	1,811,090	2,149,571
Non-current	-	-	102,378	11,395

(a) Amounts received in advance from the Company's customers in accordance with the credit policy defined by Management;

(b) Amounts of interest on equity and mandatory dividends payable; and

(c) Amounts payable for the acquisition of the plants of the Frigorífico Vijagual S.A. in Colombia R\$9,523 (R\$17,578 as of December 31, 2022) and Australian Lamb Company Ltd. R\$98,643 (R\$347,947 as of December 31, 2022).

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

19. Deferred taxes

Assets	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Tax losses - IRPJ	640,449	640,449	737,991	715,539
Negative basis of social contribution	230,562	230,562	230,562	230,562
Total	871,011	871,011	968,553	946,101
Temporary differences - assets				
Provisions for tax, civil and labor risks	8,320	7,924	12,053	12,996
Impairment of assets	7,316	7,316	7,534	7,519
Allowance for expected credit losses	8,777	6,958	8,801	7,047
Other	106,826	2,393	178,932	52,148
Total temporary differences - assets	1,002,250	895,602	1,175,873	1,025,811
Liabilities				
Temporary differences - liabilities				
Unrealized gains on the fair value of biological assets	(28,206)	(29,721)	(28,206)	(29,721)
Business combination	(33,096)	(33,096)	(33,096)	(33,096)
Revaluation reserve	(21,064)	(21,860)	(21,064)	(21,860)
Added value in subsidiaries	-	-	(325,490)	(460,191)
Other temporary deductions	(62,475)	(46,756)	(92,337)	(68,373)
Total temporary differences - liabilities	(144,841)	(131,433)	(500,193)	(613,241)
Total deferred taxes:				
Total deferred taxes assets	857,409	764,169	910,184	792,811
Total deferred taxes liabilities	-	-	(234,504)	(380,241)
Total	857,409	764,169	675,680	412,570

19.1. Composition of income tax and social contribution on deferred net income

Below, we present the movement of tax credits on tax loss carryforwards and negative basis of social contribution:

	Parent company			
	Balance as of December 31, 2022	Recognized in income (loss)	Realization of deferred taxes	Balance as of December 31, 2023
Deferred taxes on income and social contribution tax losses	871,011	-	-	871,011
Total deferred tax assets	871,011	-	-	871,011

	Consolidated				
	Balance as of December 31, 2022	Recognized in income (loss)	Realization of deferred taxes	Accumulated conversion adjustment	Balance as of December 31, 2023
Deferred taxes on income and social contribution tax losses	946,101	36,348	(8,699)	(5,197)	968,553
Total deferred tax assets	946,101	36,348	(8,699)	(5,197)	968,553

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

The deferred tax asset arising from tax losses and negative basis of social contribution has an accumulated amount of R\$968,553 as of December 31, 2023 (R\$946,101 as of December 31, 2022). The decision of the Company's Management and its subsidiaries to record the aforementioned deferred tax assets, on tax losses and negative basis of social contribution, was based on the business plan and internal budgetary and financial projections prepared by management, in which they are reviewed at least annually.

The projections of these realizations presented the following expectations of realization of said deferred tax assets:

	12/31/2023	
	Parent company	Consolidated
2024	52,840	87,600
2025	49,470	88,856
2026	88,230	64,533
2027	114,550	104,019
2028 onwards	565,921	623,545
Total	871,011	968,553

The Company expects to realize the temporary differences in Income Tax and Social Contribution within a maximum of 10 years. We emphasize that these technical studies that supported the decision to record or maintain deferred tax assets on tax losses and negative basis of social contribution were duly reviewed and approved at meetings of the Board of Directors.

The effects of changes in deferred taxes on income for the years are as follows:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Temporary additions				
Sundry provisions	39,732	6,788	39,732	6,788
Fair value of biological assets	1,300,767	1,658,539	1,300,767	1,658,539
Temporary deductions				
Sundry provisions	(27,353)	(10,423)	(171,367)	(57,576)
Depreciation - tax basis differences	(22,903)	(22,287)	(22,903)	(22,287)
Fair value of biological assets	(1,016,009)	(1,576,859)	(1,016,009)	(1,576,859)
Deferred tax basis	274,234	55,758	130,220	8,605
Deferred income tax and social contribution - Temporary difference	93,240	18,958	44,275	2,926
Deferred income tax and social contribution on tax loss	-	277,472	36,348	328,837
Deferred income tax and social contribution	93,240	296,430	80,623	331,763

MINERVA S.A.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

Below, we present the movement of deferred tax taxes, related to tax loss carryforwards and temporary differences as follows:

	Parent company				
	Balance on January 01, 2023	Recognition of deferred taxes	Realization of deferred taxes	Cumulative translation adjustments	Balance as of December 31, 2023
Tax loss	871,011	-	-	-	871,011
Provisions for tax, civil and labor risks	7,924	812	(416)	-	8,320
Other temporary additions	2,393	104,433	-	-	106,826
Impairment of assets	7,316	-	-	-	7,316
Allowance for expected credit losses	6,958	2,039	(220)	-	8,777
Unrealized gains on the fair value of biological assets	(29,721)	-	1.515	-	(28,206)
Business combination	(33,096)	-	-	-	(33,096)
Revaluation reserve	(21,860)	-	796	-	(21,064)
Other temporary deductions	(46,756)	(15,719)	-	-	(62,475)
Total deferred tax assets	764,169	91,565	1,675	-	857,409

	Consolidated					
	Balance on January 01, 2023	Recognition of deferred taxes	Realization of deferred taxes	Cumulative translation adjustments	Increase by Investment Acquisition	Balance as of December 31, 2023
Tax loss	946,101	36,348	(8,704)	(5,192)	-	968,553
Provisions for tax, civil and labor risks	12,996	812	(799)	(956)	-	12,053
Other temporary additions	52,148	104,433	(13,810)	855	35,306	178,932
Impairment of assets	7,519	120	(220)	115	-	7,534
Allowance for expected credit losses	7,047	4,430	(275)	(2,401)	-	8,801
Unrealized gains on the fair value of biological assets	(29,721)	-	1.515	-	-	(28,206)
Business combination	(33,096)	-	-	-	-	(33,096)
Revaluation reserve	(21,860)	-	796	-	-	(21,064)
Added value in subsidiaries	(460,191)	-	6,786	98,934	28,981	(325,490)
Other temporary deductions	(68,373)	(28,317)	(22,492)	26,845	-	(92,337)
Total deferred tax assets	412,570	117,826	(37,203)	118,200	64,287	675,680

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

a) Current – payable

Income tax and social contribution are calculated and recorded based on taxable income, including tax incentives that are recognized as taxes are paid and considering the rates provided for by current tax legislation.

b) Reconciliation of income tax and social contribution balances and expenses

The provisioned balance and the result of taxes levied on income are as follows:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Income before taxes	327,814	356,103	341,153	388,109
Additions				
Temporary differences	294,473	6,788	294,473	6,788
Permanent differences	485,901	261,697	1,283,994	784,570
Effect of the first-time adoption of IFRS	15,946,154	5,355,589	15,946,154	5,580,704
Deductions				
Temporary differences	(5,309)	(13,809)	(5,309)	(13,809)
Permanent differences	(1,006,884)	(386,748)	(1,795,105)	(925,104)
Effect of the first-time adoption of IFRS	(18,005,957)	(6,104,498)	(18,005,957)	(6,366,856)
Tax calculation basis	(1,963,808)	(524,878)	(1,940,597)	(545,598)
Compensation	-	-	(1,947)	-
Tax Calculation basis after loss to be compensated	(1,963,808)	(524,878)	(1,942,544)	(545,598)
Income taxes on the income				
Income tax	-	-	(25,834)	(64,704)
Social contribution payable	-	-	(409)	(104)
Income taxes - current	-	-	(26,243)	(64,808)
Effective tax rate (%)	-	-	7.69%	16.70%

Income tax and social contribution on profit were calculated in accordance with current legislation, in accordance with current legislation, read Law No. 12,973/2014.

The calculations of income tax and social contribution on profit and their respective declarations, when required, are subject to review by the tax authorities for years and varying periods in relation to the respective date of payment or delivery of the income declaration.

Based on studies and projections made for the following years and considering the limits established by current legislation, the Company's Management expects the existing tax credits to be realized within a maximum period of ten years.

Accounting net income is not directly related to taxable income for income tax and social contribution due to differences between accounting criteria and the relevant tax legislation. Therefore, we recommend that the evolution of the realization of tax credits arising from tax losses, negative basis and temporary differences are not taken as an indication of future net profits.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

Global implementation of OECD “Pillar Two” model rules

In December 2021, the Organization for Economic Cooperation and Development (“OECD”) released the rules of the Pillar Two model aiming to reform international corporate taxation in order to guarantee that multinational economic groups within the scope of these rules pay tax on the minimum profit effective at a rate of 15%. The effective tax rate on profit for each country, calculated in this model, was called “GloBE effective tax rate”. These rules must be approved by the local legislation of each country, with some having already enacted new laws or are in the process of discussion and approval. Applying the rules and determining impact is likely to be very complex, posing a number of practical challenges.

In May 2023, the IASB issued scope changes to IAS 12, “Income Taxes” to allow temporary relief in the accounting for deferred taxes arising from enacted or substantially enacted legislation implementing OECD Pillar Two. To date, Brazil has not yet endorsed the Pillar Two model rules in its local legislation.

In the case of the Company, the Pillar Two rules will be in force from the year 2024. The Company has applied the temporary exemption relating to the recognition and disclosure of deferred tax assets and liabilities related to Pillar Two income tax and, therefore, there is no impact related to Pillar Two on the financial statements for the year ended December 31, 2023.

The Company is evaluating the impacts arising from Pillar Two on current income tax expenses for future fiscal years and, at the moment, there is no expectation that there will be a material impact on the Company's financial statements.

20. Provisions for tax, labor and civil procedural risks

Summaries of contingent liabilities

The Company and its subsidiaries are parties to several lawsuits that are part of the normal course of their business, for which provisions were set up based on the estimates of their legal advisors and the best estimates of their Management. The main information of these processes is represented as follows:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Provisions				
Provisions for labor lawsuits	24,470	23,302	30,464	32,331
Provision for civil risks	-	-	5,714	26,555
Total	24,470	23,302	36,178	58,886

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

Parent company	Labor lawsuits	Civil and Tax lawsuits	Total
Balance as of January 01, 2022	24,573	3,386	27,959
Provisions recognized in the year	881	-	881
Provisions reversed in the year	(2,152)	(3,386)	(5,538)
Balance as of December 31, 2022	23,302	-	23,302
Provisions recognized in the year	2,393	-	2,393
Provisions reversed in the year	(1,225)	-	(1,225)
Balance as of December 31, 2023	24,470	-	24,470

Consolidated	Labor lawsuits	Civil and Tax lawsuits	Total
Balance as of January 01, 2022	37,314	6,063	43,377
Provisions recognized in the year	1,749	24,746	26,495
Provisions reversed in the year	(5,900)	(3,929)	(9,829)
Translation adjustments for the year	(832)	(325)	(1,157)
Balance as of December 31, 2022	32,331	26,555	58,886
Provisions recognized in the period	2,951	2,786	5,737
Provisions reversed in the period	(4,372)	(21,104)	(25,476)
Translation adjustments for the period	(446)	(2,523)	(2,969)
Balance as of December 31, 2023	30,464	5,714	36,178

Civil and tax risks

They refer to the questioning about the constitutionality of the use of reduced rates on gross revenues and tax discussion about the lack of collection of tax on export revenue, whose estimate is probable of loss, as of December 31, 2023 there was no significant amount of losses recorded in the parent company and R\$5,714 in the consolidated, (R\$26,555 in the consolidated, as of December 31, 2022).

Labor lawsuits

Most of these labor claims involve overtime, commuting time, health hazard premium and mandatory thermal comfort breaks. Based on the opinion of the legal counsel that handles these lawsuits and Management's experience in similar cases, provisions were recognized for labor lawsuits assessed as probable loss which. As of December 31, 2023, in the amount of R\$24,470 in the parent company and R\$30,464 in the consolidated, (R\$23,302 in the parent company and R\$32,331 in the consolidated, as of December 31, 2022).

Other lawsuits (possible loss expectation)

As of December 31, 2023, the Company and its subsidiaries had other labor lawsuits (Public Civil Actions) and social security lawsuits in progress, in the amount of approximately R\$3,631 (R\$3,579 as of December 31, 2022), whose probability loss is possible, but not probable, for which the Company's Management understands that it is not necessary to set up a provision for possible loss.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

Senar

In March 2003, the Company filed Writs of Mandamus to suspend the enforceability of the retention and transfer of Senar. In order to avoid and lose the right to demand contributions from Senar, the INSS has issued several tax notices against the Company to date. The updated amount involved in these notifications, whose probability of loss is possible based on the opinion of the Company's legal advisors, is approximately R\$67,729 (R\$79,340 as of December 31, 2022). Such proceedings involve a significant degree of uncertainty about the future prognosis of certain matters, the discussions of which have been ongoing for some time in the judicial spheres.

State VAT (ICMS)

The Company has some tax assessment notices referring to the divergence in the calculation memory on the basis of ICMS and ICMS-ST, applying the reduction to its operations in the states of Minas Gerais, São Paulo and Goiás. As of December 31, 2023, the amount involved in these proceedings, whose probability of loss is possible, is approximately R\$246,022 (R\$202,223 as of December 31, 2022).

Other tax, civil and environmental lawsuits

As of December 31, 2023, the Company and its subsidiaries had other tax, civil and environmental proceedings in progress, in the amount of approximately R\$64,363, R\$22,673 and R\$6,220, (R\$98,594, R\$21,978 and R\$4,312 as of December 31, 2022) respectively, whose materialization, in the opinion of the legal advisors, is a possible loss, but not probable, for which the Company's Management understands that it is not necessary to set up a provision for possible loss.

Decision of the Federal Supreme Court (STF) on res judicata in tax matters

On February 8, 2023, the Federal Supreme Court (STF) ruled on Items 881 – Extraordinary Appeal No. 949,297 and 885 – Extraordinary Appeal No. 955,227. The Plenary of the Federal Supreme Court unanimously concluded that judicial decisions taken in a final “res judicata” manner in favor of taxpayers lose their effects if, afterwards, the Supreme Court has a different understanding on the subject. That is, if years ago a company obtained authorization from the Court to stop paying any tax, this permission will expire if, and when, the STF decides otherwise.

Management assessed with its internal legal advisors the possible impacts of this STF decision and concluded that the decision, based on management's assessment supported by its legal advisors, and in line with CPC 25/IAS 37 Provisions, Contingent Liabilities and Contingent Assets and CPC 24/IAS 10 Subsequent Events, does not result in impacts on its individual and consolidated financial statements for the year ended as of December 31, 2023.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

21. Equity

a. Capital stock

The Company's subscribed capital, as of December 31, 2023, is represented by the amount of R\$1,678,785 (R\$1,678,785 as of December 31, 2022), represented by 607,283,407 (607,283,407 as of December 31, 2022). December 2021) common, book-entry shares, without par value, all free and clear of any liens or encumbrances. During 2016, there were expenses on the issuance of new shares in the amount of R\$5,898 and of R\$53,813 during 2020, therefore, the balance under the heading "Share Capital" in the financial statements is R\$1,619.074.

In the first quarter of 2022, the Board of Directors at the Meetings of the Board of Directors (RCA) approved the increases in the Company's capital stock in the amount of BRL 2,936 (two million, nine hundred and thirty-six thousand), representing 582,579 (five hundred and eighty-two thousand five hundred and seventy-nine) common, nominative, book-entry shares with no par value. With the ratification, the capital stock rose from R\$1,675,849, representing 606,700,828 shares, to R\$1,678,785, representing 607,283,407 common shares.

b. Capital reserve

Capital reserves are made up of amounts received by the Company and which do not pass through the income statement as revenue, as they refer to amounts intended to reinforce its capital, without having as a counterpart any effort by the Company in terms of delivery of goods or provision of services. On December 31, 2023, the Company's capital reserve is R\$156,771 (R\$138,711 as of December 31, 2022).

c. Revaluation reserve

The Company carried out a revaluation of the assets comprising its property, plant and equipment, in 2003 and 2006. The remaining balance. As of December 31, 2023, of R\$44,422 (R\$45,970 as of December 31, 2022), net of tax effects.

As previously mentioned, and in accordance with the provisions of Law No. 11,638 of 2007, the Company opted to maintain the revaluation reserve constituted until December 31, 2007, until its complete realization, which must occur through depreciation or disposal of the revalued assets.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

d. Legal reserve

It is constituted at the rate of 5% of the calculated net income and fiscal year, pursuant to art. 193 of Law 6,404/76, up to the limit of 20% of the capital stock. In the year in which the balance of the legal reserve, plus the amounts of capital reserves referred to in § 1 of art. 182 of Law No. 6,404/76 exceeds 30% of the capital stock, the allocation of part of the net income for the year to the legal reserve will not be mandatory.

e. Statutory reserve

The statutory reserve comes from the remaining balance of net income after all the Company's allocations. The amount on December 31, 2023 was R\$742,807 (R\$455,258 on December 31, 2022).

f. Earnings retention reserve

This profit reserve was constituted based on the remaining balance of net income after the allocations for the constitution of the legal reserve and distribution of dividends, with the objective of application in future investments, pursuant to article 196 of Law 6,404/76. The retention accumulated until December 31, 2023 is R\$118,583 (R\$118,583 as of December 31, 2022). According to art. 199 of Law 6,404/76, the balance of this reserve, plus the other profit reserves, cannot exceed the Company's capital stock.

g. Treasury shares

On October 2, 2020, the Company's Board of Directors approved a share buyback program, in accordance with article 19, item XVI of the Company's Bylaws, § 1 of article 30 of Law No. 6,404 of December 15 of 1976, as amended ("Corporate Law"), CVM Instruction No. 567, of September 17, 2015 ("ICVM 567/15") and other applicable rules, effective for eighteen (18) months from October 5, 2020, ending on April 4, 2022, for the application of the Company's profits and/or available reserves for the acquisition, in a single operation or in a series of operations, of up to 20,000,000 (twenty million) of common shares issued by the Company, to be held in treasury, canceled or sold.

On this effective date of the new plan, the Company held 3,150,000 (three million, one hundred and fifty thousand) common, nominative, book-entry shares with no par value in treasury, as well as 259,351,910 (two hundred and fifty and nine million, three hundred and fifty-one thousand, nine hundred and ten) common, nominative, book-entry shares with no par value, issued by the Company.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

Trading under the buyback program will be supported by the global amount:

- (a) profit and capital reserves, excluding the legal reserve, the unrealized profit reserve, the special undistributed dividend reserve and the tax incentive reserve; and
- (b) the realized income for the current year, excluding the amounts to be allocated to the formation of the legal reserve, the unrealized profit reserve, the special undistributed dividend reserve and the tax incentive reserve and the payment of the dividend mandatory.

The following shows the movement of treasury shares:

	Number	Amount (R\$)	Average Cost R\$	Average market value
Balance as of January 1, 2022	23,053,200	242,768	10.53	9.80
Share buyback	-	-	-	-
Disposal of shares	700,000	7,372	10.53	13.60
Balance as of December 31, 2022	22,353,200	235,396	10.53	12.60
Granting of shares in treasury	1,000,406	(10,535)	10.53	12.95
Disposal of shares - Conversion in ADR	870,000	(9,162)	10.53	10.66
Balance as of December 31, 2023	20,482,794	235,396	10.53	9.81

h. Dividends and interest on equity

The Company's Bylaws determine the distribution of a mandatory minimum dividend of 25% of the result, adjusted in accordance with the law.

In the year in which the Company's Leverage Ratio is equal to or less than 2.5x (two and a half times), the Board of Directors will submit to the General Meeting a proposal for the payment of an additional dividend to the mandatory corresponding to at least 25% (twenty-five percent) of the annual net income adjusted by the deductions and additions provided for in the Company's income allocation policy.

On August 9, 2023, the Company's Board of Directors approved the payment of interim dividends in the amount of R\$ 114,000 (one hundred and fourteen million reais) or R\$ 0.19 (nineteen cents) per share excluding 20,482,794 (twenty million four hundred and eighty-two thousand seven hundred and ninety-four thousand) treasury shares.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

On December 31, 2023, after the deductions established by the bylaws and in compliance with the Company's dividend policy, the calculation basis for the payment of mandatory dividends in the amount of R\$401,549 was obtained and resulted in a dividend amount to pay R\$100,387, of which the amount of R\$114,000 had already been paid on August 9, 2023 through interim dividends. Additionally, the Company's Board of Directors proposed for approval at the annual general meeting the payment of a proposed additional dividend of R\$13,613. The final amount of mandatory dividends and proposed additional dividend represents 30.31% of the net profit reported for the year.

i. Valuation Adjustment Equity

Pursuant to CPC 02 (R2)/IAS 21 - Effects of changes in exchange rates and conversion of financial statements for the year, changes in instruments (direct and reflex) in foreign currency and which are valued by the equity method are basically recorded. (MEP).

In accordance with CPC 37 (R1)/IFRS 1 - Initial Adoption of International Accounting Standards, due to the effectiveness of CPC 02 (R2) before the date of initial adoption, first-time adopters of IFRS must reset the balances of exchange variation of investments recorded in shareholders' equity (under the accrued conversion adjustments item) transferring them to retained earnings or losses (under the earnings reserve item), as well as disclosing the earnings distribution policy applicable to such balances. It should be noted that the Company does not compute these adjustments for profit distribution.

j. Stock option plan

Within the scope of the Plan, executives, members of the Board of Directors, statutory and non-statutory directors, managers, supervisors, employees and employees of the Company and its subsidiaries are eligible to receive stock options key in the development of the business of the Company and its subsidiaries, as they may be chosen by the Company's Board of Directors or a special committee created to manage the Plan to receive the options ("Participants").

The Company's Board of Directors or the Committee, as the case may be, may create Stock Option Programs, which will include the specific conditions regarding the Participants, the total number of shares of the Company object of the grant, the division of the grant into lots and the respective rules specific to each lot, including the exercise price and terms for exercising the option ("Programs").

The Option Agreements and Programs shall also provide that, in the event of the Participant's Termination during the restriction period, the Company may, at its sole discretion, repurchase all the shares held by the Participant subject to the restriction period, for the amount of R\$ 0.01 per share, under the terms of the Plan.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

On April 25, 2022, the Ordinary General Meeting of shareholders approved the creation of the Matching Options Plan, which is part of the context of updating and improving the Company's compensation strategy, with a view to optimizing the alternatives available to compose the structure of incentives for administrators, employees, collaborators, service providers or other holders of strategic positions in the Company.

The Matching Options Plan offers potential eligible beneficiaries the option of voluntarily joining the Plan and its programs, following the model for granting purchase options. In summary, the Matching Options Plan governs minimum investments in the Company by the Participants, through the acquisition of shares issued by the Company, which may be linked to the granting of options, by the Company to the participant, that guarantee the right to acquire, in the future, a certain number of shares issued by the Company.

It should be noted that the Matching Options Plan will be managed by the Board of Directors (which may appoint a committee to advise it, delegating powers to this administration), and it is responsible, among other things, to approve the creation of programs, decide participants among the eligible persons and establish the conditions of each grant.

Finally, it is noted that the Matching Option Plan defines the granting limit, establishing that a maximum number of options may be granted that give participants the right to acquire a maximum number of shares equivalent to 3% (three percent) of the total number of shares issued by the Company, on a fully diluted basis, pursuant to the Matching Option Plan.

In the year ended December 31, 2022, share options were granted to beneficiaries, of which 4,774,522 share options were granted, each granting the right to conversion into 1 (one) common share of the Company, after the vesting period. Of the total grants, 449,994 of the options granted to employees require a period of 3 years of service (vesting period), with the remaining 4,324,528 requiring a period of 4 years.

In the Year ended December 31, 2023, share options were also granted to beneficiaries, of which 2,652,117 share options were granted, each granting the right to conversion into 1 (one) common share of the Company, after the vesting period. Of the total grants, 475,397 of the options granted to employees require a period of 3 years of service (vesting period), with the remaining 2,176,720 requiring a period of 4 years.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

The options will mature annually, that is, they can be exercised by the beneficiary within 60 days of each anniversary year. The exercise price of the granted options is R\$0.01 per share to be acquired. Regarding these grants, in the year ended December 31, 2023, expenses in the amount of R\$ 31,366 (R\$ 18,292 in December 31, 2022) were recognized in the caption "General and administrative expenses" with the corresponding entry in "Capital reserve".

Stock options have the following expiration dates:

Number of options Expiration date:

1st Plan (grant 2022)

- 1,231,124: June 13, 2023 (*);
- 1,231,124: June 13, 2024;
- 1,231,127: June 13, 2025; and
- 1,081,147: June 13, 2026.

(*) Already settled in the year.

2nd Plan (grant 2023)

- 702,604: June 13, 2024;
- 702,604: June 13, 2025;
- 702,657: June 13, 2026; and
- 544,252: June 13, 2027.

The weighted average fair value of the options granted during the year, determined based on the Black-Scholes valuation model, was R\$12.67 per option. The main assumptions follow: weighted average share price of R\$13.15; volatility of 33.76%; dividend yield of 1.5%; expected life of the option of 3 and 4 years; 12% annual risk-free rate. Volatility is measured by the standard deviation of continuously compounded stock returns based on statistical analysis of daily stock prices over the past 5 years.

The weighted average fair value of options granted in 2023, determined based on the Black-Scholes valuation model, was R\$10.59 per option. The main assumptions follow: weighted average share price of R\$11.05; volatility of 37.86%; dividend yield of 7.57%; expected life of the option of 4 years; annual risk-free rate of 11.74%. Volatility is measured by the standard deviation of continuously compounded stock returns based on statistical analysis of daily stock prices over the past 5 years.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

22. Segment reporting

Business segments

	Meat		Other		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Net revenue	25,326,009	28,600,632	1,565,600	2,377,137	26,891,609	30,977,769
Gross profit	1,989,140	2,322,682	61,058	100,553	2,050,198	2,423,235

There are no revenues from transactions with a single external customer that represent 10% or more of total revenues.

The Company's Management defined the reportable operating segments based on the reports used to make strategic decisions. The Company defined its management structure, and information by segment was prepared considering the business segments of production and sale of fresh meat and trading.

Meat

The meat division refers to the production of frozen and chilled beef from the slaughter of cattle (which are purchased from cattle ranchers) in the countries where it has operations (Brazil, Paraguay, Uruguay, Colombia and Argentina). Additionally, the Company produces slaughter by-products, such as hides, offal, among others. The products are sold both in the internal markets of these countries and in the foreign market.

Others

The "Others" division, which corresponds to less than 10% of the consolidated, consists of the provision of food product marketing services, then called "Trading", energy sales.

MINERVA S.A.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

23. Net operating revenue

The Company presents the explanatory note of net operating revenue in accordance with CPC 47 – Revenue from Contracts with Customers, as per item 112A, disclosing the reconciliation of gross taxable revenue and other control accounts.

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Revenues from domestic sales	5,452,337	5,566,528	10,025,401	10,344,339
Revenues from foreign sales	9,390,396	11,188,548	18,617,076	22,553,620
Deductions from revenue – taxes and other	(1,024,840)	(974,095)	(1,750,868)	(1,920,190)
Net operating revenue	<u>13,817,893</u>	<u>15,780,981</u>	<u>26,891,609</u>	<u>30,977,769</u>

24. Expenses by nature

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Classified as:				
Selling expenses	(1,069,246)	(1,078,678)	(2,157,115)	(2,333,667)
General and administrative expenses	(665,306)	(548,423)	(1,326,647)	(1,026,128)
Other operating income	(292,202)	17,219	20,411	45,613
Total	<u>(2,026,754)</u>	<u>(1,609,882)</u>	<u>(3,463,351)</u>	<u>(3,314,182)</u>
Expenses by nature:				
Variable selling expenses	(967,501)	(973,309)	(2,037,855)	(2,196,691)
General administrative and selling expenses	(256,003)	(237,262)	(498,083)	(515,194)
Personnel and commercial expenses	(444,711)	(356,555)	(740,028)	(546,122)
Depreciation and amortization	(66,337)	(59,975)	(207,796)	(101,788)
Other operating income (expenses)	(292,202)	17,219	20,411	45,613
Total	<u>(2,026,754)</u>	<u>(1,609,882)</u>	<u>(3,463,351)</u>	<u>(3,314,182)</u>

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

25. Net financial result

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Financial income				
Income from financial investments	326,555	152,459	386,961	185,169
	<u>326,555</u>	<u>152,459</u>	<u>386,961</u>	<u>185,169</u>
Financial expense				
Interest on loans and financing	(1,545,759)	(1,011,187)	(1,631,211)	(1,221,368)
Other financial (expenses) income (i)	(280,556)	(911,686)	(332,360)	(845,571)
	<u>(1,826,315)</u>	<u>(1,922,873)</u>	<u>(1,963,571)</u>	<u>(2,066,939)</u>
Monetary correction of balance (ii)	(59,144)	46,297	(79,354)	2,090
Exchange rate and monetary changes, net	-	-	(53,081)	(155,446)
	<u>(1,558,904)</u>	<u>(1,724,117)</u>	<u>(1,709,045)</u>	<u>(2,035,126)</u>

- (i) Refers to the mark-to-market of the Company and its subsidiaries financial instruments to hedge against foreign exchange exposure and monetary. The variation between the comparative years is linked to the appreciation/devaluation of the Real against other currencies; and
- (ii) Refers to the monetary correction of a hyperinflationary economy, in this case, Argentina, and in accordance with accounting standards, gains and losses in the net monetary position must be included in income and disclosed separately.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

26. Earnings per share

a) Earnings per share

The Company's basic earnings per share are calculated by dividing the net income attributable to the Company's shareholders by the weighted average number of common shares issued during the year, excluding common shares purchased by the Company and held as treasury shares:

Basic	12/31/2023	12/31/2022
Net income attributable to Company's shareholders	421,054	652,533
Weighted average number of common shares issued (thousands)	607,283	607,283
Weighted average number of treasury shares (thousands)	(20,483)	(23,053)
Weighted average number of outstanding common shares (thousands)	586,800	584,230
Basic earnings per share - R\$	0.71754	1.11557

b) Diluted earnings per share of the Company

The Company's diluted earnings per share is calculated by adjusting the weighted average number of common shares outstanding, assuming the conversion of all potential common shares that would cause dilution. The Company has only one category of potential common shares that would cause dilution:

Diluted	12/31/2023	12/31/2022
Net income attributable to Company's shareholders	421,054	652,533
Weighted average number of outstanding common shares (thousands)	586,800	584,230
Weighted average number of shares of common stock to diluted earnings per share - thousands	586,800	584,230
Diluted earnings per share - R\$	0.71754	1.11557

27. Risk management and financial instruments

The Company's operations are exposed to market risks, mainly in relation to changes in exchange and interest rates, credit and price risks in the purchase of cattle. In its investment management policy, the Company provides for the use of derivative financial instruments to hedge against these risk factors.

Additionally, the Company may also contract derivative financial instruments in order to implement operational and financial strategies defined by the Executive Board and duly approved by the Board of Directors.

Market risk management is carried out through the application of two models, namely: calculation of Value at Risk (VaR) and calculation of impacts through the application of stress scenarios. In the case of VaR, Management uses two different models: Parametric VaR and Monte Carlo Simulation VaR. It is noteworthy that risk monitoring is constant, being calculated at least twice a day.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

It is worth mentioning that the Company does not use exotic derivatives and does not have any such instrument in its portfolio.

a. Policy on the treasury's hedging transactions

The management of the Company's hedge policy is the responsibility of the Treasury Department and follows the decisions taken by the Risk Committee, which is composed of members of the Company's Executive Board and employees.

Supervision and monitoring of compliance with the guidelines outlined by the hedge policy are the responsibility of the Executive Risk Management, subordinated to the Presidency and the Risk Committee.

The Company's hedging policy is approved by its Board of Directors and takes into account its two main risk factors: exchange rate and live cattle.

I. Currency hedging policy

The exchange hedge policy aims to protect the Company from currency fluctuations, divided into two segments:

(i) Flow

Flow hedging strategies are discussed daily in the Markets Committee.

The purpose of the flow hedge is to guarantee the Company's operating income and protect its flow of currencies other than the Brazilian Real, with a horizon of up to one year.

Financial instruments available in the market can be used to carry out these hedges, such as: futures dollar transactions on B3, NDFs, funding in foreign currency, options and inflow of funds in dollars.

(ii) Balance sheet

The balance sheet hedge is discussed monthly at the Board of Directors' meeting.

The balance sheet hedge policy aims to protect the Company from its long-term foreign currency indebtedness.

Balance sheet exposure is the flow of US dollar-denominated debt with a maturity of more than one year.

Financial instruments available in the market can be used, such as: cash retention in US dollars, bond repurchase, NDFs, futures contracts on B3, swaps and options.

II. Cattle hedging policy

The cattle hedge policy aims to minimize the impacts of the bovine arroba price fluctuation on the Company's results. The policy is divided into two topics:

i) Cattle forward contracts

With the objective of guaranteeing raw material, mainly for the bovine off-season period, the Company buys cattle for future delivery and uses B3 to sell future contracts, minimizing the directional risk of bovine arroba.

Live cattle instruments available on the market can be used, such as: live cattle futures contracts on B3 and options on live cattle futures contracts on B3.

ii) Hedging of meat sold

In order to guarantee the cost of the raw material used in the production of meat, the Company uses the "B3" to purchase futures contracts, minimizing the directional risk of the bovine arroba and locking its operating margin obtained in the act of selling the beef.

Live cattle instruments available on the market may be used, such as: live cattle futures contracts on "B3" and options on live cattle futures contracts on "B3".

Statements of derivative positions

The tables showing the positions in derivative financial instruments were prepared in order to present those contracted by the Company in the period and year, respectively, ended December 31, 2023 and December 31, 2022, according to their purpose (equity protection and other purposes), which fall into Level 2 of the fair value measurement hierarchy, in accordance with the hierarchy of CPC 46:

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

Asset Hedge Protection						
Description	/ Thousand	Notional in Thousand of Reais		Cumulative effect in Thousand of Reais		Amount payable / (paid)
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	Amount receivable / (received)	
Future Contracts:	-	-	-	-	-	-
<u>Purchase commitment</u>	-	-	-	-	-	-
DOL (US\$)	23,000	17,500	111,988	92,904	926	-
Mini Dollar (dol x 0,10)	1,730	3,120	8,375	16,345	12.6	-
Other	-	-	-	-	-	-
BGI (arrobas)	26	1	6,431	190	49,396	-
<u>Sales commitment</u>	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
DOL (US\$)	-	2,500	-	13,044	-	-
Mini Dollar (US\$ x 0,10)	-	(1,800)	-	9,583	-	-
BGI (arrobas)	843	457	207,448	131,918	785	-
Option contracts	-	-	-	-	-	-
<u>Long Position - Purchase</u>	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
DOL (US\$)	-	-	-	-	-	-
Other	-	-	-	-	-	-
BGI (arroba)	-	-	-	-	-	10,094
<u>Short Position - Sale</u>	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
DOL (US\$)	60	-	3,572	-	-	18,685
Other	-	-	-	-	-	-
BGI (arroba)	-	330	1,059	500	-	2,794
<u>Bidding Purchase - Purchase</u>	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
Other	-	-	-	-	-	-
BGI (arroba)	-	-	-	-	15,094	-
<u>Bidding Purchase - Sale</u>	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
DOL (US\$)	-	-	-	-	15,918	-
Other	-	-	-	-	-	-
BGI (arroba)	-	-	-	-	2,424	-
Term Contracts:	-	-	-	-	-	-
<u>Long Position - Purchase</u>	-	-	-	-	-	-
NDF (dollar)	350,000	550,000	1,694,455	2,869,735	124,588	-
NDF (euro)	-	-	-	-	1,263	-
NDF (clp)	5,000	3,589	24,207	18,729	-	7,116
<u>Short Position - Sale</u>	-	-	-	-	-	-
NDF (boz2)	-	2,466	-	2,383	700	-
NDF (euro)	32,200	456	172,322	2,538	1,952	-
NDF (dollar)	594,465	375,704	2,877,982	1,960,310	-	153,687
NDF (cop)	35,000	46,000	169,446	240,014	2,145	-
NDF (cny)	78,700	-	53,634	-	-	910

The reference values are those that represent the base value, that is, the starting value, contracting the operation, for calculating positions and market value.

Fair values were calculated as follows:

- USD Futures contracts: The US dollar futures contracts traded on the BM&F have a value of US\$ 50,000 (fifty thousand US dollars) per notional contract and daily adjustment, the fair value is calculated through the product of the “notional” in dollar by the reference dollar for the contract disclosed by BM&F;
- Finished cattle futures contracts (BGI): Live cattle futures contracts traded on B3 have a value of 330 arrobas, the fair value is calculated through the product of the “notional” in reais per arroba by the reference value for the contract disclosed by BM&F;
- Short Position Forward Contracts - NDF (Euro): The contracts are carried out on the “over-the-counter” market, so they do not have standardization or daily adjustment, their fair value is calculated through the product of the negotiated notional value and the PTAX EURO sales rate published by the Central Bank;

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

- Short Position Forward Contracts - NDF (Dollar): The contracts are carried out on the “over-the-counter” market, so they do not have standardization or daily adjustment, their fair value is calculated through the product of the negotiated notional value and the PTAX 800 rate, sale published by the Central Bank.
- Forward Contracts Sold Position - NDF (CNY): The contracts are carried out in the “over-the-counter” market, therefore they do not have standardization or daily adjustment, their fair value is calculated through the product of the negotiated notional value and the PTAX CNY rate, sale announced by the Central Bank.
- Forward Contracts Sold Position - NDF (COP): The contracts are carried out in the “over-the-counter” market, therefore they do not have standardization and daily adjustment, their fair value is calculated through the product of the negotiated notional value and the COP TRM rate (COP02), sale announced by the Financial Superintendency of Colombia.
- Forward Sold Position Contract - NDF (CLP): The contracts are carried out in the “over-the-counter” market, so they do not have standardization or daily adjustment, their fair value is calculated through the product of the negotiated notional value and the CLP rate (Dollar observed), published by the Central Bank of Chile.

Fair values were estimated at the closing date of the financial statements, based on “relevant market information”. Changes in assumptions and changes in financial market operations may significantly affect the estimates presented.

The mark-to-market of open over-the-counter (OTC) NDF operations, swaps and options on B3 – “Bolsa – Brasil – Balcão” is accounted for in equity accounts. As of period ended December 31, 2023 and 2022, under the headings “NDF receivable/payable”, “swap” and “Options receivable” consecutively:

	12/31/2023	12/31/2022
Derivative financial instruments	Mark-to-market	Mark-to-market
Options	4,631	500
Swap	3,281,836	1,732,571
NDF (EUR+DOL+LIVESTOCK)	1,497,291	1,009,330
Grand Total	4,783,758	2,742,401

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

b. Currency and interest rate risks

The exchange rate and monetary and interest rate risk on loans and financing, financial investments, accounts receivable in foreign currencies arising from exports, investments in foreign currency and other obligations denominated in foreign currency are managed through the use of derivative financial instruments traded on exchanges, or over-the-counter operations such as swaps, Non Deliverable Forwards (NDFs) and options.

In the table below, we present the Company's consolidated equity position, specifically related to its financial assets and liabilities, divided by currency and foreign exchange exposure, allowing the visualization of the net position of assets and liabilities by currency, compared with the net position of derivative financial instruments intended to protect and manage the risk of foreign exchange exposure:

	Consolidated 12/31/2023 Currency		
	Domestic	Foreign	Total
Asset			
Cash	3,432	-	3,432
Bank accounts	74,787	3,931,732	4,006,519
Financial investments	8,362,787	305,851	8,668,638
Trade receivables	852,235	1,549,837	2,402,072
Total current assets	9,293,241	5,787,420	15,080,661
Total Assets	9,293,241	5,787,420	15,080,661
	Consolidated 12/31/2023 Currency		
	Domestic	Foreign	Total
Liabilities			
Financing - current	3,496,686	1,162,076	4,658,762
Suppliers	3,510,865	216,681	3,727,546
Total current liabilities	7,007,551	1,378,757	8,386,308
Financing - non-current	7,553,926	14,127,952	21,681,878
Total non-current liabilities	7,553,926	14,127,952	21,681,878
Total liabilities	14,561,477	15,506,709	30,068,186
Net financial debt	5,268,236	9,719,289	14,987,525
Hedging derivatives - Net position	(3,603,231)	(1,180,527)	(4,783,758)
Net currency position	1,665,005	8,538,762	10,203,767

The net notional position of derivative financial instruments is composed as follows:

	Asset position (liabilities) net on 12/31/2023	Asset position (liabilities) net on 12/31/2022
Financial Instruments (net)		
Futures contracts - DOL (Dollar)	120,363	86,621
Futures contracts - BGI (Finished Cattle)	(201,017)	(131,728)
Options contracts (Dollar, Cattle, Corn and IDI)	4,631	500
Swap contracts	3,281,836	1,732,571
NDF (dollar + EURO + cattle + COP + CLP)	(1,554,722)	683,218
Total net	1,651,091	2,371,182

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

Financial assets and liabilities are represented in the individual and consolidated financial statements for the period and year ended, respectively, on December 31, 2023 and 2022 at approximate market values, with the respective income and expenses being appropriated and are presented on these dates in accordance with their expectation of realization or settlement.

It should be noted that the amounts related to export orders (firm sales commitments) refer to approved customer orders not yet invoiced (therefore not accounted for), but which are already protected from the risk of foreign currency variation (dollar or other currency foreign exchange) by derivative financial instruments.

The following are the NDF contracts owned by the Company and in force as of December 31, 2023:

Types	Position	Currency	Maturity	Notional
NDF	SALE	Dollar	01/02/2024	(73,365)
NDF	SALE	Dollar	01/15/2024	(3,415)
NDF	SALE	Dollar	02/01/2024	(469,898)
NDF	SALE	Dollar	03/01/2024	(47,788)
NDF	PURCHASE	Dollar	04/01/2024	350,000
NDF	SALE	Euro	02/01/2024	(15,200)
NDF	SALE	Euro	03/01/2024	(17,000)
NDF	SALE	CNY	01/24/2024	(78,700)
NDF	SALE	COP	02/01/2024	(20,000)
NDF	SALE	COP	03/01/2024	(15,000)
NDF	PURCHASE	CLP	02/01/2024	5,000

Credit Risks

The Company is potentially subject to credit risk related to accounts receivable from its customers, minimized by the dispersion of the customer portfolio, given that the Company does not have a customer or business group that represents more than 10% of its revenue and is subject to concession of loans to customers with good financial and operational ratios.

c. Price risks in the purchase of cattle

The Company's line of business is exposed to the volatility of cattle prices, the main raw material, whose variation results from factors beyond Management's control, such as weather factors, supply volume, transportation costs, agricultural policies and others.

The Company, in accordance with its inventory policy, maintains its strategy for managing this risk, acting in physical control, which includes advance purchases, confinement of cattle and entering into future settlement contracts (over-the-counter and exchange), which guarantee the realization of their stocks at a certain price level:

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

	12/31/2023 Fair value
Over the counter (OTC) market	
Forward contract purchased	
Notional value (@)	702,017
Futures Contract Price (R\$/@)	203
Total R\$/1,000	142,662
	12/31/2023 Fair value
BM&F Market	
Futures Contracts Sold	
Notional value (@)	650,760
Futures Contract Price (R\$/@)	247
Total R\$/1,000	160,609

d. Demonstration chart of cash sensitivity

The purpose of the sensitivity analysis demonstrative tables is to disclose, in a segregated manner, the derivative financial instruments that, in the Company's opinion, are intended to protect against exposure to risks. These financial instruments are grouped according to the risk factor they are intended to protect (price, exchange rate, credit risk, etc.).

The scenarios were calculated with the following assumptions:

- Upward movement: characterizes an increase in prices or risk factors on December 31, 2023;
- Downward movement: characterizes a drop in prices or risk factors on December 31, 2023;
- Probable scenario: impact of 6%; Scenario oscillation of 12%; and 18% oscillation scenario.

Below, we present the cash sensitivity charts, considering only positions in derivative financial instruments and their impacts on cash:

Transaction	Movement	Risk	Probable scenario 6% fluctuation	Possible scenario 12% fluctuation	Remote scenario 18% fluctuation
Hedge Derivatives	High	Cattle	(12,061)	(24,122)	(36,183)
Cattle	High	Cattle	8,560	17,119	25,679
Net			(3,501)	(7,003)	(10,504)
Hedge Derivatives	High	Dollar	(155,716)	(311,432)	(467,148)
Invoices + cash in US\$	High	Dollar	205,404	410,809	616,213
Net			49,689	99,377	149,066
Hedge Derivatives	High	Euro	(10,339)	(20,679)	(31,018)
Invoices - in \$EUR	High	Euro	10,285	20,569	30,854
Net			(55)	(109)	(164)
Hedge Derivatives	High	COP	(10,167)	(20,333)	(30,500)
Invoices - in COP	High	COP	10,339	20,677	31,016
Net			172	344	515
Hedge Derivatives	High	CLP	1,452	2,905	4,357
Invoices - in CLP	High	CLP	(10,873)	(21,746)	(32,619)
Net			(9,421)	(18,841)	(28,262)
Hedge Derivatives	High	CNY	(3,218)	(6,436)	(9,654)
Invoices - in CNY	High	CNY	4,584	9,168	13,752
Net			1,366	2,732	4,098
Hedge Derivatives	High	Dollar	101,907	203,814	305,721
Borrowings in US\$	High	Dollar	(183,424)	(366,849)	(550,273)
Net			(81,517)	(163,035)	(244,552)

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

- Exchange rate USD 4.8413 – Sale Ptax (Source: Central Bank of Brazil);
- Exchange rate EUR 5.3516 – Sales Ptax (Source: Central Bank of Brazil);
- Exchange rate COP 3,875.34 – Sales Ptax (Source: Bloomberg);
- Exchange rate CNY 7.298 – Sales Ptax (Source: Bloomberg); and
- Exchange rate CLP 881.00 - Sales Ptax (Source: Bloomberg).

Result of the asset protection framework

- Derivatives Hedge x Cattle: In the probable scenario where the market movement is 6%, the Company could incur a loss of R\$ 3,501, already in the scenario with 12% oscillation of R\$ 7,003 of loss and in the 18% oscillation loss of R\$10,504;
- Derivatives Hedge x Invoices + Cash in US\$: In the probable scenario where the market movement is 6%, the Company could incur a gain of R\$ 49,689, in the scenario with a 12% fluctuation, a gain of R\$ 99,377 and in the 18% fluctuation of R\$149,066 in gain;
- Derivatives Hedge x Invoices + Cash in EUR: In the probable scenario where the market movement is 6%, the Company could incur a loss of R\$ 55, in the scenario with a 12% fluctuation of R\$ 109 of loss and in the 18% fluctuation of R\$ 164 of loss;
- Hedge Derivatives x Invoices + Cash in COP: In the likely scenario where the market movement is 6%, the Company could incur a gain of R\$ 172, in the scenario with a 12% fluctuation of R\$ 344 in gain and in the 18% fluctuation of R\$ 515 in gain;
- Hedge Derivatives x Invoices + Cash in CLP: In the probable scenario where the market movement is 6%, the Company could incur a loss of R\$ 9,421, in the scenario with a 12% fluctuation of R\$ 18,841 of loss and in the 18% fluctuation of R\$ 28,262 of loss.
- Hedge Derivatives x Invoices in CNY: In the probable scenario where the market movement is 6%, the Company could incur a gain of R\$ 1,366, in the scenario with a 12% fluctuation of R\$ 2,732 of gain and in the 18% fluctuation of R\$ 4,098 of gain; and
- Derivatives Hedge and Funding: In the probable scenario where the market movement is 6%, the Company could incur a loss of R\$81,517, in the scenario with a 12% fluctuation a loss of R\$163,035 and in a 18% fluctuation a loss of R\$244,552.

e. Guarantee Margin

In exchange operations, there is the incidence of guarantee margin calls, and to cover margin calls, the Company uses public and private fixed income securities, such as CDBs, belonging to its portfolio, thus mitigating impacts on its flow Of box. On December 31, 2023, the amounts deposited in margin represented R\$ 80,000.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

28. Statements of comprehensive income (loss)

In compliance with the provisions of CPC 26 (R1) (IAS 1) - Presentation of individual and consolidated financial statements, the Company shows below the change in comprehensive income for the year ended December 31, 2023 and 2022:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Net income for the year	421,054	652,533	395,533	655,064
Cumulative translation adjustments	(495,946)	(475,219)	(495,946)	(475,219)
Total comprehensive income	(74,892)	177,314	(100,413)	179,845
Comprehensive income (loss) attributable to:				
Company's owners	(74,892)	177,314	(74,892)	177,314
Noncontrolling interests	-	-	(25,521)	2,531
Total comprehensive income	(74,892)	177,314	(100,413)	179,845

29. Insurance

The Company and its subsidiaries adopt an insurance policy that mainly takes into account the risk concentration, relevance and replacement value of assets. The main information on insurance coverage in force on December 31, 2023 can be demonstrated as follows:

Description	Type of Coverage	Insured amount
Buildings	Fire and sundry risks	1,260,606
Facilities, equipment, and inventories	Fire and sundry risks	1,538,077
Company cars and aircraft	Fire and sundry risks	276,072
Overseas transportation	Fire and sundry risks	96,826
Civil liability	Risks in operations	38,730
Total		3,210,311

The Company and its subsidiaries maintain coverage for all products transported in Brazil and abroad. The risk assumptions adopted, given their nature, are not part of the audit scope and, consequently, were not reviewed by the Company's auditors.

The Company has building property insurance for all its factories and distribution centers.

30. Subsequent events

14th Issuance of debentures

On March 21, 2024, the Company concluded the process of offering its 14th Simple Debentures, in the total amount of R\$2.0 billion, carried out in 3 series with remuneration as shown in the table below:

MINERVA S.A.

Notes to the individual and consolidated financial statements
For the year ended December 31, 2023
(Amounts in thousands of reais - R\$, unless otherwise stated)

Series	Amount in R\$	Remuneration	Maturity	Swap
1st Series	R\$ 359,943,000.00	CDI + 1.10% p.y.	03/15/2029	-
2nd Series	R\$ 611,831,000.00	11.81% p.y.	03/15/2029	CDI + 1.10% p.y.
3rd Series	R\$ 1,028,226,000.00	12.16% p.y.	03/17/2031	CDI + 1.20% p.y.