Marfrig

Earnings Release | **1Q21**

São Paulo, May 11, 2021 – Marfrig Global Foods S.A. – Marfrig (B3 Novo Mercado: MRFG3 and Level 1 ADR: MRTTY) announces today its results for the first quarter of 2021 (1Q21). Except where stated otherwise, the following operating and financial information is presented in nominal Brazilian real, in accordance with International Financial Reporting Standards (IFRS), and should be read together with the financial statements and the respective notes for the period ended March 31, 2021 filed at the Securities and Exchange Commission of Brazil (CVM).

Base Date: May 10, 2021

Market Cap:
R$ 14.4 billion
Stock Price:
MRFG3 R$ 20,22
Shares Issued:
711,369,913 shares

Conference Call in English
Wednesday – May 12, 2021
Hour: 10 a.m. (NY-US)
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Consolidated 1Q21 Highlights

- Net Revenue of R$17.2 billion (+27.7% vs. 1Q20)
- Adj. EBITDA of R$1.7 billion (+39.7% vs. 1Q20)
- Adj. EBITDA Margin of 9.9% (+80 bps vs. 1Q20)
- Net Income of R$279 million (vs. R$137 million loss in 1Q20)

Operating Highlights

NORTH AMERICA OPERATION

- **Net Revenue** of US$2.3 billion (+5.9% vs. 1Q20)
- **Adj. EBITDA** of US$277 million (+58.4% vs. 1Q20)
- **Adj. EBITDA Margin** of 12.0% (+400 bps vs. 1Q20)

SOUTH AMERICA OPERATION

- **Net Revenue** of R$4.6 billion (+21.4% vs. 1Q20)
- **Adj. EBITDA** of R$211 million (-54.6% vs. 1Q20)
- **Adj. EBITDA Margin** of 4.6% (-770 bps vs. 1Q20)

Financial Highlights

- After conclusion of **Liability Management** operation:
  - Average Debt Cost of 4.66% p.a. (vs. 5.70% in 4Q20)
  - Average Payment Term of 5.1 years (vs. 3.5 years in 4Q20)
- **Financial leverage** (Net Debt / Adj. EBITDA LTM) of 1.76x in Brazilian real and 1.68x in U.S. dollar

Other Highlights

- **Further Processing:** Segment accounted for around 16% of the South America Operation's Net Revenue in 1Q21, compared to 11% in 1Q20.
- **Operating Efficiency Program:** Capture of R$80.8 million in 1Q21.
- **Dividends:** Approved by ESM on April 8 and payment of R$0.20/share on April 30, 2021.
- **Share Repurchase Program:** Up to 9.5 million shares, or 2.8% of free-float shares as of March 9, 2021.
- **Sustainability:** Advanced in the Marfrig Verde+ Program 1°Q | Marfrig is the world's highest rated company in the industry.
- **PlantPlus Foods:** Creation of senior management team and appointment of John Pinto as CEO in March 2021.

Message from Management

The effects of the new coronavirus pandemic persisted during the first quarter of 2021 in different stages around the world and affected the beef industry in different ways.

In the **United States**, the accelerated vaccine rollout and robust economic relief package kept domestic demand for beef protein at high levels. The slaughtering volume in the quarter of 6.4 million heads remained practically stable in relation to the same period of 2020. On the other hand, the cattle cost (USDA KS Steer $/cwt price reference) fell 4.8% compared to 1Q20, which supported an increase in industry profitability to record levels for a first quarter.

In South America, the first three months of the year registered the highest number of cases, with physical distancing measures intensified in various Brazilian states, as well as in Argentina and Uruguay, which led to the temporary closure of commerce, bars and restaurants in some regions.

In **Brazil**, with domestic demand still recovering, exports continued to drive profitability in the protein industry. And despite the strong demand from export markets, processing volume fell significantly from the same period of 2020. The combination of raw material shortages, higher costs and weak domestic demand led Brazilian meatpackers to reduce by over 45% their production this year, according to a survey of idle capacity conducted by Scot Consultoria.

However, the economic slowdown did not influence the raw material price (CEPEA arroba price in São Paulo), which moved in the opposite direction of processing volume to increase by over 53% in relation to 1Q20.

In **Argentina**, according to the Beef Promotion Institute (IPCVA), in the first three months of 2021, a similar movement was observed, with processing volume down 3.9% in relation to 1Q20 and the cattle cost up 21.3%.

Uruguay, however, is experiencing a scenario different from that of its South American counterparts. According to data from the National Meat Institute (Inac), in the first quarter of 2021, processing volume increased 30% on the prior-year quarter (587k head in 1Q21 vs. 453k in 1Q20). The trend indicates a rebuilding of the cattle herd over recent years and that the supply of finished cattle will increase over the coming years.

In this scenario, **Marfrig**'s geographical diversification strategy, combined with its strategy to grow via higher-value further-processed products and the successful execution of its operating efficiency plan at its South America units, proved successful and supported increases of 28% in net revenue (R$17.2 billion vs. R$13.5 billion in 1Q20) and of over 39% in Adj. EBITDA (R$1.7 billion vs. R$1.2 billion in 1Q20).

We will continue to focus on creating value for all shareholders, always operating on a sustainable way, on creating value for all cattle chain, on our local communities and, especially, on all Marfrig clients and partners.

Marcos Antonio Molina dos Santos

Chairman of the Board

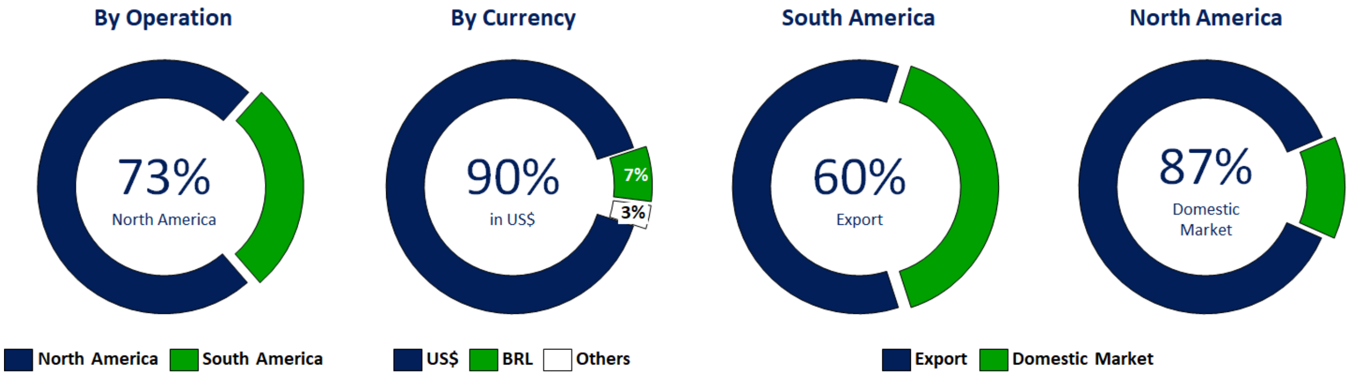
Consolidated Key Indicators

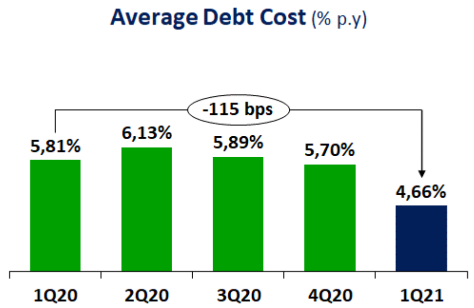
R$ Millions	1Q21	1Q20	Var. %	4Q20	Var. %	LTM1T21	LTM1T20	Var. %
Net Revenue	**17.236**	**13.502**	**27,7%**	**18.266**	**-5,6%**	**71.216**	**52.705**	**35,1%**
North America	12.663	9.736	**30,1%**	12.655	**0,1%**	51.836	37.116	39,7%
South America	4.573	3.766	**21,4%**	5.613	**-18,5%**	19.380	15.589	24,3%
Adj. EBITDA	**1.708**	**1.223**	**39,7%**	**2.108**	**-19,0%**	**10.081**	**5.451**	**85,0%**
North America	1.523	812	**87,5%**	1.652	**-7,8%**	8.382	4.228	98,3%
South America	211	464	**-54,6%**	483	**-56,4%**	1.812	1.363	33,0%
Adj. EBITDA Margin (%)	**9,9%**	**9,1%**	**85 bps**	**11,5%**	**-163 bps**	**14,2%**	**10,3%**	**381 bps**
North America	12,0%	8,3%	368 bps	13,1%	-103 bps	16,2%	11,4%	478 bps
South America	4,6%	12,3%	-772 bps	8,6%	-400 bps	9,3%	8,7%	61 bps
Net Profit	**279**	**(137)**	**416**	**1.171**	**-76,1%**	**3.439**	**100**	**3.343,7%**
Net Debt (in R$)	**17.747**	**19.385**	**-8,5%**	**15.053**	**17,9%**	**17.747**	**19.385**	**-8,5%**
Net Debt | LTM EBITDA (R$)	**1,76 x**	**3,56 x**	**-50,5%**	**1,57 x**	**12,2%**	**1,76 x**	**3,56 x**	**-50,5%**
Net Debt | LTM EBITDA (US$)	**1,69 x**	**2,84 x**	**-40,4%**	**1,60 x**	**5,4%**	**1,69 x**	**2,84 x**	**-40,4%**
Average Cost of Debt (% a.a)	**4,66%**	**5,81%**	**-115 bps**	**5,70%**	**-103 bps**	**4,66%**	**5,81%**	**-115 bps**
Average Debt Term (years)	**5,05**	**4,04**	**24,9%**	**3,48**	**45,2%**	**5,05**	**4,04**	**24,9%**

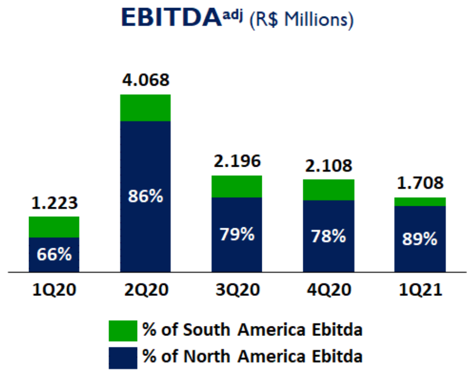
* Calculation of Consolidated Adj. EBITDA considers the amounts related to Corporate, in accordance with Appendix I.

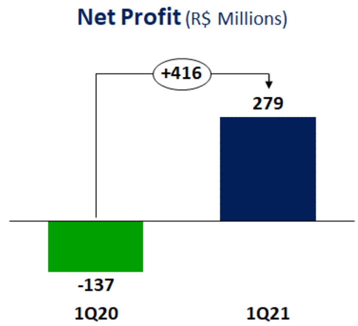
Consolidated Summary

Net Revenue









Result by Business Unit

North America Operation

Volume (thousand tons)	1Q21	1Q20	Var. %	4Q20	Var. %	LTM1Q21	LTM1Q20	Var. %
Total Volume	**508**	**502**	**1,3%**	**516**	**-1,5%**	**1.988**	**1.977**	**0,6%**
Domestic Market	429	419	2,3%	440	-2,5%	1.688	1.669	1,1%
Exports	79	83	-4,2%	76	4,0%	300	308	-2,5%

US$ Millions	1Q21	1Q20	Var. %	4Q20	Var. %	LTM1Q21	LTM1Q20	Var. %
Net Revenue	**2.315**	**2.185**	**5,9%**	**2.342**	**-1,2%**	**9.572**	**9.020**	**6,1%**
Domestic Market	2.021	1.898	6,5%	2.055	-1,7%	8.499	7.868	8,0%
Exports	294	287	2,4%	287	2,4%	1.073	1.152	-6,8%
COGS	**(1.978)**	**(1.956)**	**1,1%**	**(1.969)**	**0,4%**	**(7.799)**	**(7.785)**	**0,2%**
Gross Profit	**337**	**229**	**47,0%**	**373**	**-9,6%**	**1.773**	**1.235**	**43,6%**
Gross Margin (%)	**14,6%**	**10,5%**	**407 bps**	**15,9%**	**(136)**	**18,5%**	**13,7%**	**483 bps**
Adj. EBITDA	**277**	**175**	**58,4%**	**307**	**-9,7%**	**1.541**	**1.026**	**50%**
Margin (%)	12,0%	8,0%	400 bps	13,1%	-114 bps	16,1%	11,4%	472 bps

Net Revenue and Volume

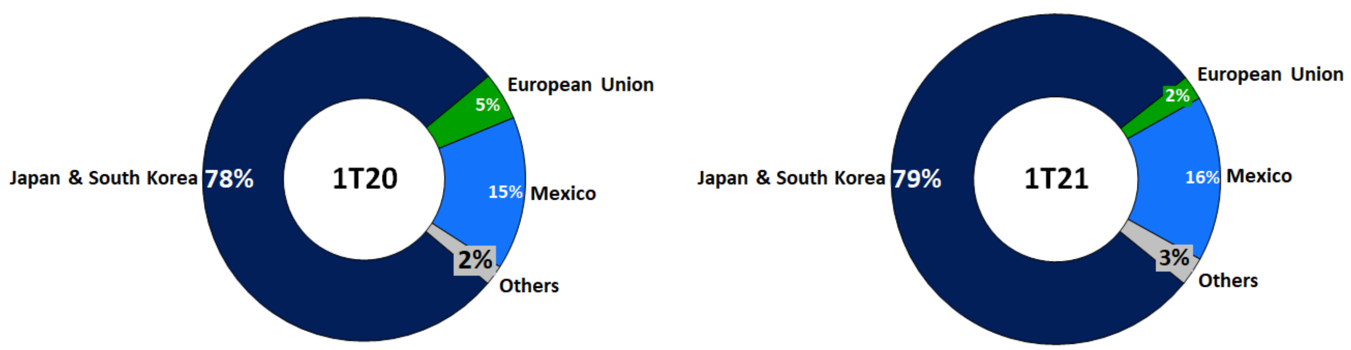
In 1Q21, total sales volume at the North America Operation came to 508k tons (+1.3% from 1Q20), of which 429k tons (or 84% of total volume) were sold in the domestic market.

The net revenue of the North America Operation set a new a record for the period, of US$2,315 million, representing an increase of 5.9% compared to 1Q20. In Brazilian real, net revenue was R$12,663 million, 30.1% higher than in 1Q20.

The average sales price in the domestic market was 4.1% higher than in 1Q20, while the average sales price in the export market rose 6.8%.

Export Profile

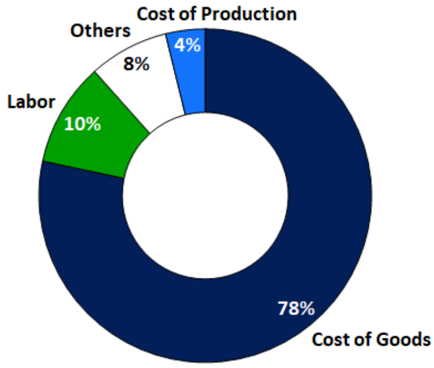
(% of Net Revenue)



Cost of Goods Sold

In 1Q21, cost of goods sold was US$1,978 million, 1.1% higher than in 1Q20, explained by the higher sales volume, with this factor partially offset by the lower cattle price.

The average price of the reference used for cattle purchases (USDA KS Steer[1]) was US$113.07/cwt, down 4.8% from 1Q20, reflecting the high cattle supply scenario in the country, which was further leveraged by the stock of animals not slaughtered during the first half of 2020.



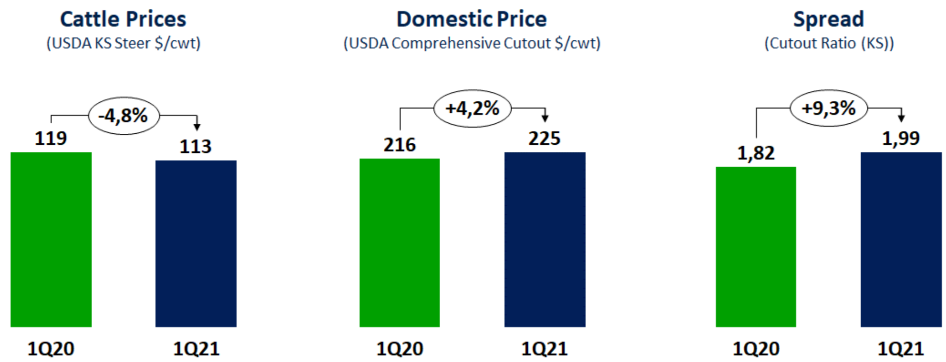
Gross Profit & Gross Margin

Gross profit was R$337 million in 1Q21, advancing 47.0% compared to 1Q20. In Brazilian real, gross profit was R$1,850 million, 75.3% higher than the profit reported in the same quarter of 2020.

The figure is a record high for the period, which is explained by the strong demand for beef products in the United States combined with the high cattle supply.

In 1Q21, the average sales price indicator (USDA Comprehensive) stood at US$224.66/cwt, 4.2% higher than in 1Q20. Another highlight in the quarter was the credits from subproducts, such as leather and other products, which increased 8.5% to US$9.62/cwt.

In 1Q21, the gross margin in 1Q21 was 14.6%, up 407 bps from a year earlier.



Adj. EBITDA & Adj. EBITDA Margin

In 1Q21, Adj. EBITDA was US$277 million, up 58.4% from 1Q20. Adj. EBITDA margin in the quarter was 12.0%, expanding 400 bps from 8.0% a year earlier.

In Brazilian real, Adj. EBITDA was R$1,523 million, growing 87.5% compared to 1Q20.

[1] "USDA KS Steer": referência de preço de gado no estado do Kansas, Estados Unidos.
A "hundredweight", abreviado Cwt, é uma unidade de medida para peso usada em certos contratos comerciais de "commodities". Na América do Norte, a "hundredweight" é igual a 100 libras

South America Operations

Volume (thousand tons)	1Q21	1Q20	Var. %	4Q20	Var. %	LTM1Q21	LTM1Q20	Var. %
Total Volume	**311**	**340**	**-8,7%**	**394**	**-21,1%**	**1.414**	**1.444**	**-2,1%**
Domestic Market	193	229	-15,7%	230	-16,1%	865	976	-11,3%
Exports	117	111	5,7%	163	-28,1%	548	469	17,0%

R$ Million	1Q21	1Q20	Var. %	4Q20	Var. %	LTM1Q21	LTM1Q20	Var. %
Net Revenue (R$ Million)	**4.573**	**3.766**	**21,4%**	**5.613**	**-18,5%**	**19.380**	**15.589**	**24,3%**
Domestic Market	1.812	1.544	17,4%	2.213	-18,1%	7.254	6.830	6,2%
Exports	2.761	2.222	24,3%	3.399	-18,8%	12.127	8.759	38,4%
COGS	**(4.174)**	**(3.145)**	**32,7%**	**(4.882)**	**-14,5%**	**(16.721)**	**(13.503)**	**23,8%**
Gross Profit	**399**	**621**	**-35,7%**	**730**	**-45,3%**	**2.659**	**2.086**	**27,5%**
Gross Margin (%)	**8,7%**	**16,5%**	**-776 bps**	**13,0%**	**(428)**	**13,7%**	**13,4%**	**34 bps**
Adj. EBITDA	**211**	**464**	**-54,6%**	**484**	**-56,5%**	**1.812**	**1.363**	**33%**
Margin (%)	4,6%	12,3%	-772 bps	8,6%	-401 bps	9,3%	8,7%	61 bps

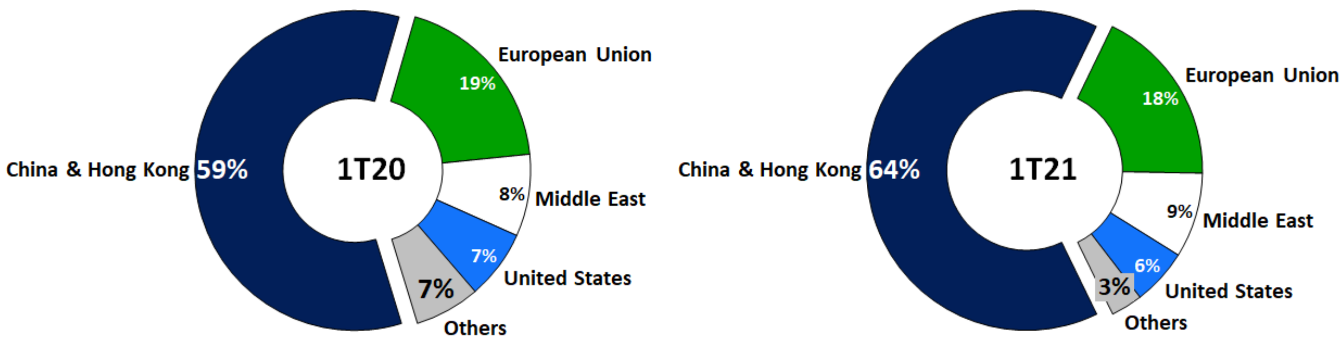
Net Revenue & Volume

In 1Q21, the sales volume of the South America Operation amounted to 311k tons, 8.7% lower than in the prior-year quarter. The reduction is explained by the 15.7% decline in sales to the domestic market due to the worsening of the pandemic, the economic slowdown in local markets and the prioritization of export markets, which offer more attractive prices vis-à-vis the higher raw material costs.

Net revenue from the South America Operation was R$4,573 million in 1Q21, 21.4% higher than in 1Q20. Performance in the quarter is explained by: (i) the increases of 5.7% in sales volume and 17.6% in export prices; (ii) the 39.2% higher average price in the domestic market; (iii) the growing contribution of further-processed products to the Company's revenue (16% in 1Q21 vs. 11% in 1Q20); and lastly (iv) the 22.8% depreciation in the Brazilian real against the U.S. dollar (R$5.46 in 1Q21 vs. R$4.45 in 1Q20).

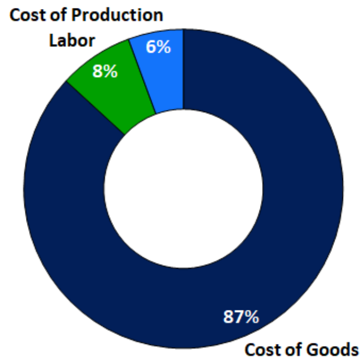
In the first quarter, exports accounted for 60.4% of the operation's revenue. Approximately 64% of total export revenue came from shipments to China and Hong Kong.

Export Profile
(% of Net Revenue)



Cost of Goods Sold

Cost of goods sold was R$4,174 million, up 32.7% on the same period of 2020. The increase is explained by raw material costs, which account for 87% of total COGS.

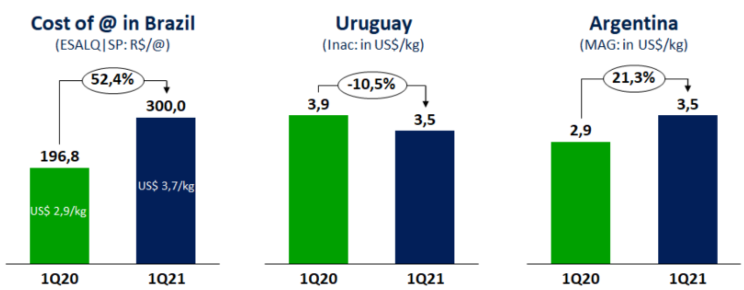


In Brazil, the cattle cost (CEPEA arroba price) was R$300.03, increasing 52% on the prior-year period. The combination of raw material shortages, higher costs and weak domestic demand led Brazilian meatpackers to reduce by over 45% their production this year, according to a survey of idle capacity conducted by Scot Consultoria. Measured in dollars, the cost of raw materials rose 27.5%, from US$ 2.9 / kg to US$ 3.7 / kg in 1Q21.

In Argentina, raw material costs also increased, to US$3,469.8 / ton, rising 21.3% on the same quarter of 2020.

In Uruguay, bucking the trend of its peer countries, the cattle price fell 10.5% from a year earlier (US$3.46 in 1Q21 vs. US$3.87 in 1Q20), according to INAC data.

Cost of Cattle By Country



Gross Income & Gross Margin

In 1Q21, gross income from the South America Operation was R$399 million, advancing 35.7% from 1Q20. Gross margin in 1Q21 was 8.7%, compared to 16.5% in the prior-year quarter. The compression of 776 bps, explained by the above-mentioned increase in cattle costs, was partially offset by higher sales of further-processed products and the initiatives to cut costs and capture economies of scale under the operating improvements and efficiency program launched in 2019.

Optimizing the operational footprint	Capturing higher yields in forequarter and hindquarter cuts
Reducing packaging cost per tonne	Actions to improve yields at further-processed product units, such as Pampeano and Várzea Grande
Capturing value in the Rendering area	Higher production of value-added products and certified beef

The program captured gains of R$80.8 million in 1Q21, which had a direct impact on the operating performance of the South America Operation.

Note that the measures described above are structural and that their gains, under the rigid discipline of the program of targets set for each year, will perpetuate going forward regardless of conditions external to the business.

ADJ. EBITDA and ADJ. EBITDA MARGIN

In 1Q21, the Adj. EBITDA of the South American Operation came to R$211 million, 54.6% lower than in 1Q20. Adj. EBITDA Margin was 4.6%, representing compression of 772 bps on the prior-year quarter, due to the reasons described above.

Consolidated Results

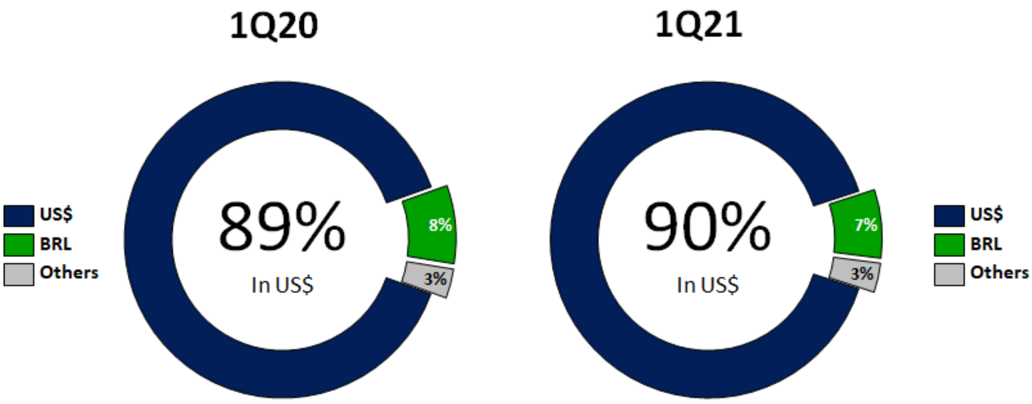
Volume (thousand tons)	1Q21	1Q20	Var. %	4Q20	Var. %	LTM1Q21	LTM1Q20	Var. %
Consolidated Volume	**819**	**842**	**-2,8%**	**910**	**-10,0%**	**3.401**	**3.421**	**-0,6%**
Domestic Market	622	649	-4,1%	670	-7,1%	2.553	2.645	-3,5%
Exports	197	194	1,5%	240	-17,9%	848	776	9,3%

R$ Million	1Q21	1Q20	Var. %	4Q20	Var. %	LTM1Q21	LTM1Q20	Var. %
Net Revenue (R$ Million)	17.236	13.502	27,7%	18.266	-5,6%	71.216	52.705	35,1%
Domestic Market	12.868	10.001	28,7%	13.317	-3,4%	53.287	39.207	35,9%
Exports	4.368	3.500	24,8%	4.949	-11,7%	17.929	13.498	32,8%
COGS	(14.986)	(11.826)	26,7%	(15.530)	-3,5%	(58.920)	(45.534)	29,4%
Gross Profit	2.249	1.676	34,2%	2.736	-17,8%	12.295	7.171	71,4%
Gross Margin (%)	13%	12%	64 bps	15%	-193 bps	17%	14%	366 bps
Adj. EBITDA	(912)	(757)	20,4%	(999)	-8,8%	(3.673)	(2.938)	25,0%
Margin (%)	1.708	1.223	39,7%	2.108	-19,0%	10.081	5.451	85,0%
Net Revenue (R$ Million)	9,9%	9,1%	85 bps	11,5%	-163 bps	14,2%	10,3%	381 bps
Financial Result	(733)	(1.183)	-38,0%	(156)	371,1%	(2.276)	(2.864)	-20,6%
Financial Result Before Tax	508	(319)	-259,6%	1.469	-65,4%	5.955	1.075	454,0%
Net Financial Result	279	(137)	-304,0%	1.171	-76,1%	3.718	100	3623,5%

Consolidated Net Revenue

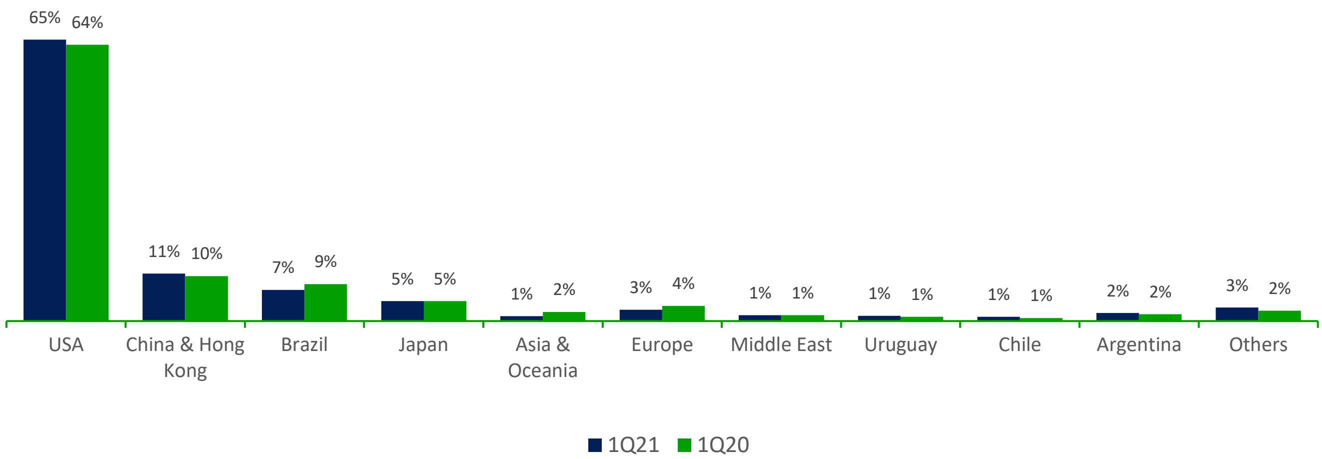
In 1Q21, Marfrig's consolidated net revenue amounted to R$17,236 million, advancing 27.7% from 1Q20. The consolidated result is explained by the revenue growth of 21.4% at the South America Operation and of 30.1% at the North America Operation in Brazilian real.

In 1Q21, net revenue in U.S. dollar and in currencies other than the Brazilian real accounted for 93% of total revenue, corresponding to the sum of the revenue generated by the North America Operation and by exports from South America. Meanwhile, only 7% of the Company's revenue was generated in Brazilian real.



Consumer Markets (% of Consolidated Net Revenue)

Marfrig's revenue mix is distributed across the world's main consumer markets. In 1Q21, the United States accounted for 65% of consolidated sales, exports to China for 11% and Brazil's domestic market for 7%.



Cost of Goods Sold

In 1Q21, Marfrig's cost of goods sold was R$14,986 million, up 26.7% on the prior-year period, explained by the higher cattle cost in the South America Operation, as explained above, and by the effects from the weaker Brazilian real on the translation into USD of the costs of the North American Operation.

Selling, General & Administrative Expenses

Selling, general & administrative (SG&A) expenses amounted to R$911 million. SG&A expenses as a ratio of net revenue (SG&A/NOR) stood at 5.3%, down 30 bps from 5.6% in 1Q20.

Selling expenses were R$660 million, or 3.8% of net revenue, down 20 bps on the prior-year quarter. The reduction is explained by the lower sales volume and the cost-cutting initiatives, such as optimizing logistics, which offset the effects from the weaker Brazilian real.

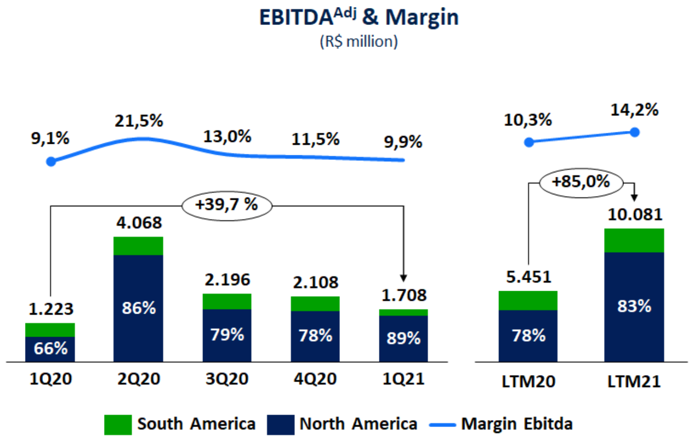
General and administrative expenses were R$251 million or 1.5% of net revenue, 10 bps lower than in 1Q20, mainly due to the initiatives to streamline the corporate structure and control personnel costs, which offset the effects from the weaker Brazilian real.

Adj. EBITDA & EBITDA Margin

In 1Q21, Adj. EBITDA was R$1,708 million, representing growth of 39.7% compared to 1Q20. Adj. EBITDA margin stood at 9.9%, expanding 85 bps from 1Q20.

Performance in the quarter is explained by: (i) the higher sales volume to the domestic market in the North America Operation; in the South America Operation, (ii) the prioritization of exports in the sales mix; (iii) the operating efficiency gains and cost reductions achieved; (iv) the higher share of further-processed products in the sales mix; and (iv) the depreciation in the Brazilian real against the U.S. dollar.

In the quarter, 89% of consolidated Adj. EBITDA was contributed by the North America Operation.



Consolidated Financial Result

The net financial result in 1Q21, excluding exchange variation, came to R$345.6 million, down 4.0% from 4Q20. Measured in U.S. dollar, the net financial result was US$63.2 million, representing the Company's lowest result ever.

Exchange variation in the quarter was negative R$387.5 million, explained by the difference between end-of-period exchange rates (R$5.70 in 1Q21 vs. R$5.20 in 4Q20). As a result, the net financial result in 1Q21, considering exchange variation, was an expense of R$733.1 million.

R$ Millions	1Q21	1Q20	Var. %	4Q20	Var. %	LTM1Q21	LTM1Q20	Var. %
Net Interest Provisioned	(408)	(248)	64,2%	(449)	-9,2%	(1.811)	(1.028)	76,3%
Other Financial Revenues and Expenses	62	(303)	n.a.	89	-30,5%	262	(780)	n.a
Financial Result	**(346)**	**(551)**	**-37,3%**	**(360)**	**-4,0%**	**(1.549)**	**(1.807)**	**-14,3%**
Exchange Variation	(387)	(632)	-38,8%	204	n.a	(727)	(1.055)	-31,2%
Net Financial Result	**(733)**	**(1.183)**	**-38,0%**	**(156)**	**371,1%**	**(2.276)**	**(2.862)**	**-20,5%**

Net Income (Loss)

In 1Q21, net income from continuing operations was R$279.4 million, compared to the net loss of R$137 million in the first quarter of 2020.

The consistent delivery of profitability is the result of simple, operationally-focused management and a nonnegotiable commitment to financial discipline.

Capital Expenditures

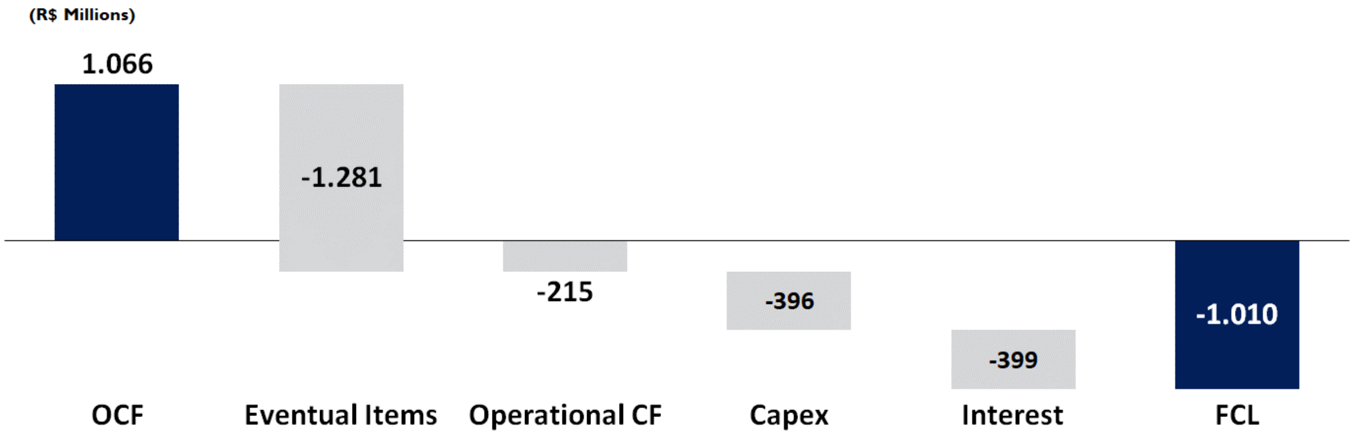
In 1Q21, capex amounted to R$396.4 million, with approximately 54%, or R$212.7 million, allocated to operational maintenance and improvements. In maintenance expenses, the highlight was the investment made in the water treatment and reuse plant in Liberal, Kansas, at the North America Operation.

The remaining balance (46% or R$183.7 million) was allocated to organic growth projects, with the highlights the expansion of processing capacity, the beef patty lines and the stocking and cold room areas, all at the Várzea Grande complex.

The highlights also include the expansion of canned beef production capacity at Pampeano and the start of investments in the beef patty plant at Bataguassu.

Cash Flow

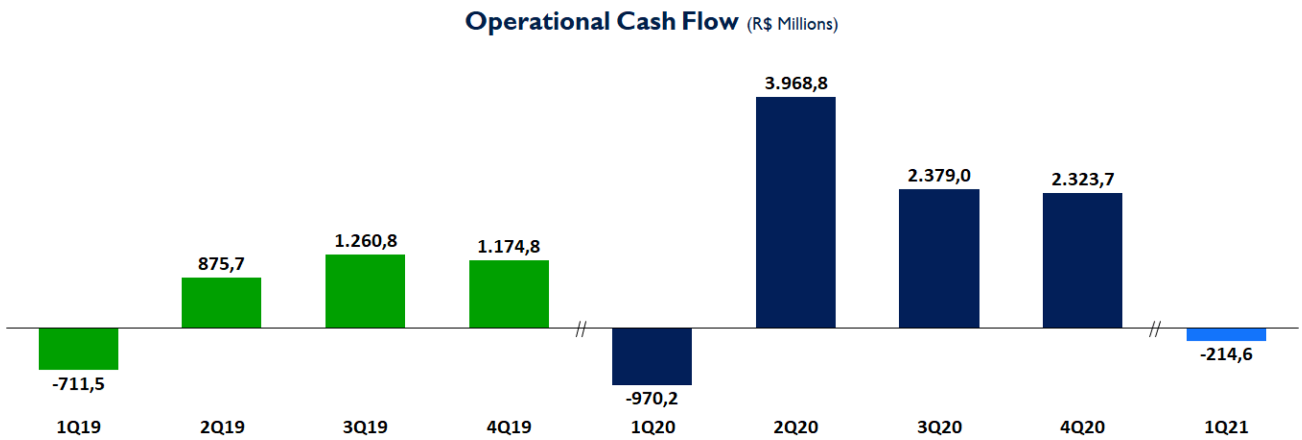
In 1Q21, operating cash flow was negative R$214.6 million, explained mainly by the payment of performance bonuses for the 2020 results in North America Operation, which had a cash effect of R$1.3 billion.



Interest expenses amounted to R$398.8 million, while recurring capex was R$396.4 million.

Accordingly, operational free cash flow was negative R$1.0 billion, representing improvement of 30.6% on the prior-year period.

Note that the negative performance is explained by the seasonality of the first quarter, as shown in the following chart:



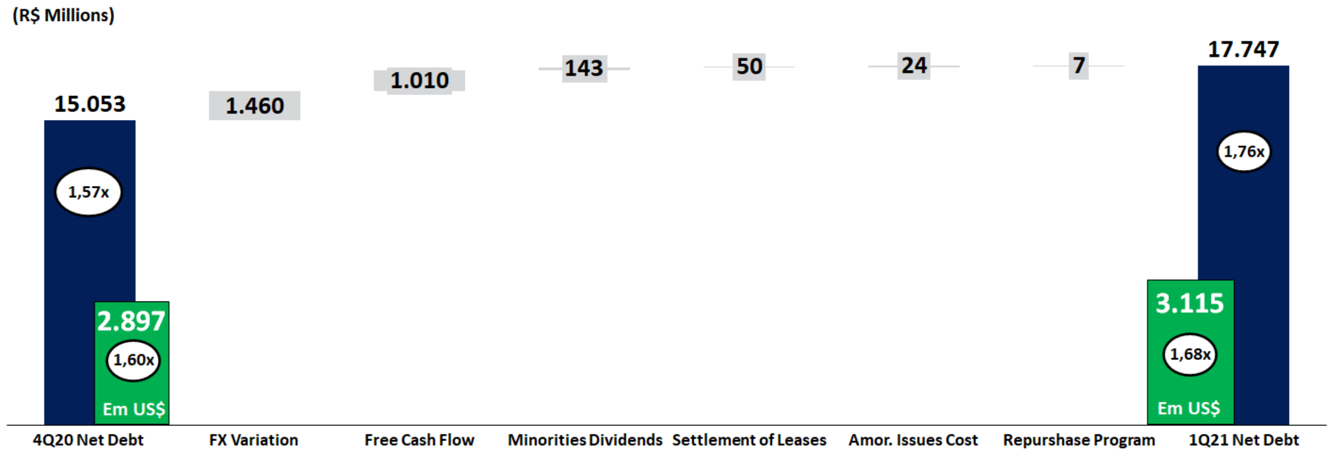
Capital Structure

Net Debt

Because a large portion of Marfrig's debt is denominated in U.S. dollar (debt denominated in USD or currencies other than the BRL ended the quarter at roughly 90.0% of total debt), the variations discussed in this section are based on the amounts in U.S. dollar.

Net debt ended 1Q21 at US$3,115 million, 7.5% higher than in 4Q20, mainly due to the negative performance of cash flow in the first quarter.

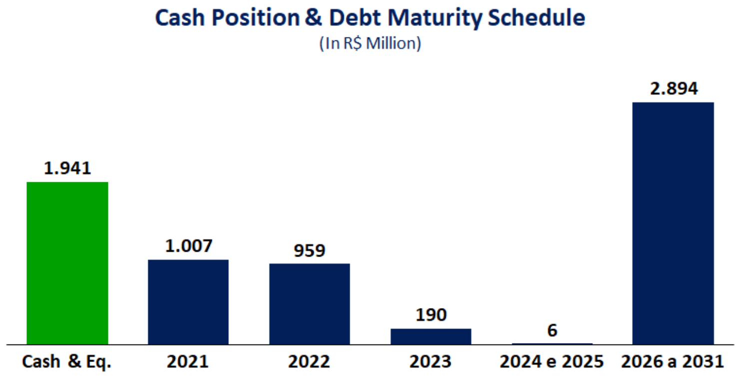
Measured in BRL, net debt ended 1Q21 at US$17,747 million, up 17.9% from 4Q20. In the quarter, the effect from exchange variation was negative R$1,460 million.

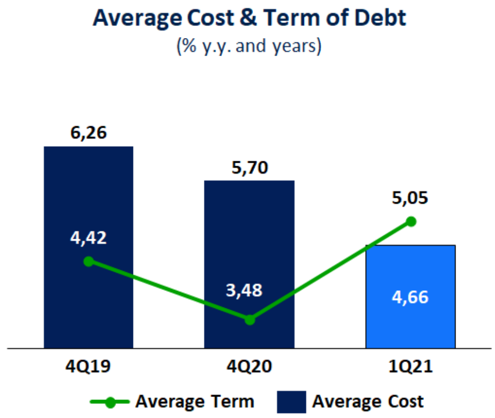


In 1Q21, approximately US$26.2 million (around R$143.4 million) of dividends was paid to third parties (non-controlling shareholders of National Beef).

Financial leverage, calculated by the ratio of net debt to proforma Adj. EBITDA LTM (last 12 months), was 1.68x in U.S. dollar, increasing 0.08x from 4Q20. In BRL, the ratio was 1.76x, or 0.19x higher than the ratio registered in the previous quarter.

On March 31, 2021, the Company's cash position covered its liabilities coming due in the next 21 months, while its average debt term stood at 5.05 years, representing an increase of nearly two years compared to 4Q20, and its long-term liabilities corresponded to 75% of the total.





The average debt cost at the end of the quarter was 4.66%, representing a decline of 104 bps from 4Q20 and the Company's lowest level ever, reflecting the ongoing efforts to reduce financial expenses and the liability management operation carried out in early 2021.

Average Cost (% p.y.)	Average Terms (Years)	Net Debt / EBTIDA adj LTM in dollars	Net Debt / EBTIDA adj LTM in reais
4,66%	5,05	1,68x	1,76x

LIABILITY MANAGEMENT

On January 14, 2021, as part of its liability management process, the Company concluded an international issue of US$1.5 billion in bonds with interest of 3.95% per annum, representing its lowest rate ever obtained. The transaction's goal was to lengthen the maturity profile and reduce debt costs. The proceeds were used to repurchase the 2024 Senior Notes with interest of 7.000% p.a. and the 2025 Senior Notes with interest of 6.875% p.a.

Own cash of US$250 million was used to fully repurchase the notes.

With the conclusion of the operation in the first quarter, the Company reduces its interest payments by US$62 million per year, which will impact profit or loss over the next four years solely through liability management actions. The amount translates into cumulative savings of approximately U$250 million from 2021 to 2024.

Details on Capital Structure

R$ Million	1Q21	1Q20	Var. %	4Q20	Var. %
Short Term Debt	7.380	6.718	10%	6.566	12%
Long Term Debt	21.424	20.241	6%	20.244	6%
Total Gross Debt	**28.804**	**26.959**	**7%**	**26.810**	7%
In Brazilian Reais	10%	3%	731 bps	11%	-89 bps
Foreign currency	90%	97%	-731 bps	89%	89 bps
Cash & Equivalents	**(11.057)**	**(7.574)**	**46%**	**(11.757)**	**-6%**
Net Debt	**17.747**	**19.385**	**-8%**	**15.053**	**18%**
Net Debt | EBITDA ^{adj} (R$)	**1,76 x**	**3,56 x**	**-51%**	**1,57 x**	**12%**
Net Debt | EBITDA ^{adj} (US$)	**1,69 x**	**2,84 x**	**-40%**	**1,60 x**	**5%**

ESG Initiatives

Marfrig has a robust ESG management model in which sustainability and corporate governance are key pillars of its strategy.

Our corporate activities have important social and environmental impacts. We feed billions of people around the world with beef-protein-based products, but also operate in an industry with production models characterized by high consumption of natural resources. To minimize the environmental impacts of our activities across the value chain, we adopt concrete actions, which are divided into six dimensions. The connection across them is strategic and allows us to deliver high-quality and environmentally responsible products:

- Control of Origin
- Reducing greenhouse gas emissions
- Animal welfare
- Use of natural resources (water and energy)
- Management, treatment and destination of effluents and solid waste
- Social responsibility

In terms of Corporate Governance, the Sustainability Committee, which is linked to the Board of Directors and mostly composed of independent members, one a former executive director of Greenpeace, is responsible for giving direction to the strategy and for addressing the topic with all stakeholders of the Company.

In 2020, Marfrig announced a plan to achieve a deforestation-free production chain in ten years.

- Investment of R$500 million in sustainability actions by 2030;
- Key objective is to produce while conserving Brazilian biomes, especially Amazonia;
- Designed in partnership with the Sustainable Commerce Initiative (IDH), the program envisages sustainable cattle production, full traceability and the inclusion of producers.

Marfrig announced the Marfrig Verde+ Plan, whose purpose is to ensure that 100% of the production chain is sustainable and free of deforestation over the next ten years. The plan, conceived in partnership with the public-private Dutch institute IDH – The Sustainable Trade Initiative, was presented to investors, clients, cattle producers and environmentalists in Brazil and abroad.

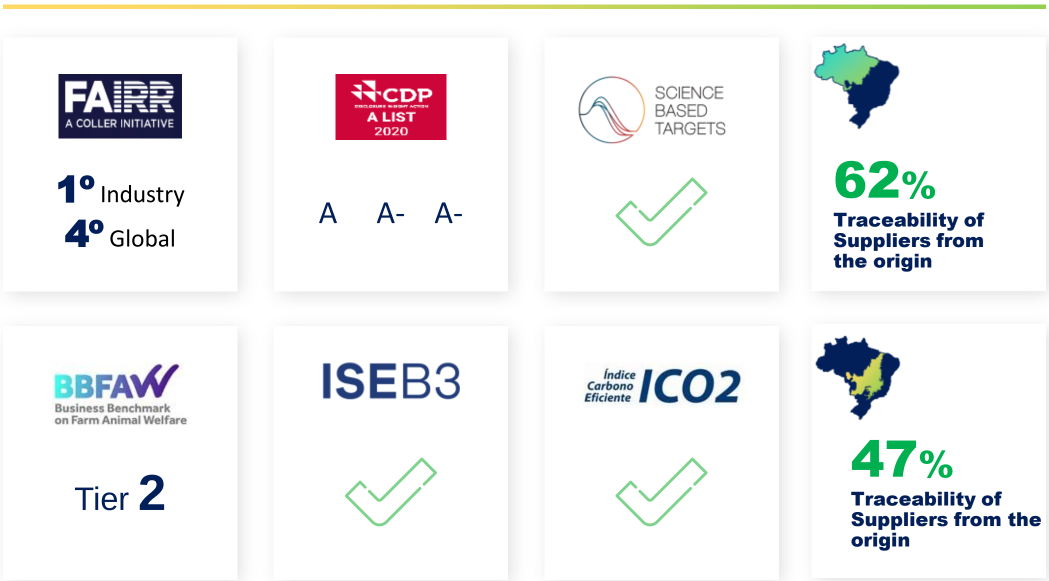
Based on the PRODUCTION-CONSERVATION-INCLUSION approach, the plan envisages a closer connection with the supply chain that goes beyond business relationships to include improving its sustainability and mitigating deforestation risks.

Many of the actions will be simultaneous and interconnected, and involve networking, partnerships with associations representing cattle producers, civil society organizations and academia, as well as working jointly with the Prosecution Office. Society can monitor the pace of achievement of targets through transparent platforms.

By 2022, Marfrig will have adapted all its systems to control the chain and mitigate risks. Later this year, the Company will launch the Map for Mitigating Indirect Supplier Risks, which is a tool that will crosscheck various maps of native vegetation with other maps of cattle production. This will enable Marfrig to identify areas of higher or lower risk of suppression of biodiversity. Also by the end of 2020, the satellite-based geomonitoring system currently used for Amazonia will be adapted to monitor the Cerrado biome as well.

Between 2022 and 2025, Marfrig will lead the program to reintegrate banned producers, enabling them to once again comply with its sustainability criteria. Marfrig also will roll out a technical support network program, as well as the intensification and restoration of biodiversity through improved pastures, genetic enhancement and animal nutrition. The support for the pilot initiative led by IDH, the Sustainable Calf Program in the state of Mato Grosso, is part of the effort to build these technical support models. In addition, jointly with financial institutions, Marfrig and IDH are coordinating the construction of credit facilities that meet the needs of cattle producers.

These initiatives already are recognized by the market and the investor community, and MARFRIG IS THE WORLD’S HIGHEST RANKING COMPANY IN THE INDUSTRY:



SOCIAL

CITIZEN KITCHEN PROGRAM

Marfrig supports the recovery of the country's economy, especially of the bar and restaurant sector, which is included in the flexibility plan of São Paulo state and will resume operations in accordance with safety protocols.

One of its actions in this effort was joining the Citizen Kitchen Program, an initiative of the São Paulo Municipal Government that donates 10,000 meals per day to vulnerable populations in the city. Marfrig is donating 50 tons of beef for preparing meals, which will enable the city's donations to reach 20,000. All meals are delivered to the Human Rights Department, which distributes them to the population.

Many restaurants that are Marfrig clients are participating in the initiative, namely Almanara, Barbacoa, Grupo São Bento, Kinoshita, Kitchin, NB Steak, Nino Cucina, Outback, Ráscal, Rodeio, Rufinos and Varanda.

COMBATING COVID-19

Marfrig and 12 companies joined forces to support the donation of over 5,000 oxygen concentrators, which will be used to treat Covid-19 patients in their local communities, helping to avoid travel to other cities and consequently overload hospitals. Oxygen concentrators separate oxygen from air and provide it to the patient directly and continuously, which helps to improve their respiratory capacity, which is one of the areas most affected by Covid-19.

The following companies are participating in the initiative: Bradesco, BRF, B3, Embraer, Gerdau, Grupo Ultra, Itaú, Magazine Luiza, Marfrig, Natura &CO, Suzano and Unipar. The group responded to a call made by the Ministry of Health for purchasing oxygen concentrators. Air Liquide Brasil, the world leader in gases, technologies and services to the industrial and healthcare industries, prepared a general budget for importing the equipment, with a total cost of R$35 million.

The use of concentrators donated through the initiative will play an critical role in combating the pandemic and consequently in reducing the number of people requiring hospitalization. Considering that the average time of use per patient can vary from one to two weeks, the expectation is that the over 5,000 concentrators will serve between 10,000 and 20,000 patients monthly. Each concentrator replaces on average 21 oxygen cylinders. Together, the concentrators donated will provide the equivalent of monthly production of 1,100,000 cubic meters of the input, a volume that would require the storage of more than 108,000 cylinders per month. The volume of oxygen provided by the concentrators also will help to relieve pressure on production capacity in the gas industry.

Another feature of the concentrators is their practical use. Each device weighs approximately 15 kilos and requires only electricity to function, which facilitated transportation and use, including in the country's more remote regions. Another advantage of these devices is durability, with their useful life estimated at seven years.

The more than 5,000 oxygen concentrators acquired through the initiative will be delivered to the Ministry of Health, which will be responsible for conducting the logistics for their distribution. The devices should be sent to their local destinations by April.

Through this collective initiative, these companies are joining forces to combat the Covid-19 pandemic during one of its more critical periods in Brazil. The companies participating in this initiative are committed to society's efforts to save lives and the support local, state and federal governments in actions to surmount this public health crisis.

Disclaimer

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

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APPENDIX LIST

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APPENDIX I - INCOME STATEMENT

R$ Milion	1Q21		1Q20		Var.	
	R$	%ROL	R$	%ROL	R$	%
Net sales revenue	**17.236**	**100,0%**	**13.502**	**100,0%**	**3.734**	**27,7%**
Cost of products and goods sold	(14.986)	-86,9%	(11.826)	-87,6%	(3.160)	26,7%
Gross profit	**2.249**	**13,1%**	**1.676**	**12,4%**	**573**	**34,2%**
Selling and General administrative expenses	**(911)**	**-5,3%**	**(757)**	**-5,6%**	**(154)**	**20,3%**
Selling	(660)	-3,8%	(545)	-4,0%	(115)	21,2%
Administrative	(251)	-1,5%	(212)	-1,6%	(39)	18,2%
EBITDA^{adj}	**1.708**	**9,9%**	**1.223**	**9,1%**	**485**	**39,7%**
Other operating income (expenses)	(95)	-0,6%	(55)	-0,4%	(41)	74,4%
EBITDA	**1.613**	**9,4%**	**1.168**	**8,7%**	**445**	**38,1%**
Equity Participation	(2)	0,0%	(1)	0,0%	(1)	151,7%
D&A	(370)	-2,1%	(304)	-2,3%	(66)	21,7%
EBIT	**1.241**	**7,2%**	**864**	**6,4%**	**377**	**43,6%**
Financial Results	**(733)**	**-4,3%**	**(1.183)**	**-8,8%**	**450**	**-38,0%**
Financial revenues/expenses	**(346)**	**-2,0%**	**(551)**	**-4,1%**	**206**	**-37,3%**
Exchange rate variation	**(387)**	**-2,2%**	**(632)**	**-4,7%**	**244**	**-38,7%**
EBT	**508**	**2,9%**	**(319)**	**-2,4%**	**827**	**827**
Taxes	**(2)**	**0,0%**	**286**	**2,1%**	**(288)**	**(288)**
Continued Operation - Net Profit	**506**	**2,9%**	**(32)**	**-0,2%**	**539**	**506**
Total Net Profit	**506**	**2,9%**	**(32)**	**-0,2%**	**539**	**506**
Minority Stake	**(227)**	**-1,3%**	**(105)**	**-0,8%**	**(122)**	**116,9%**
Net Profit (Loss) - Continued Op.	**279**	**1,6%**	**(137)**	**-1,0%**	**416**	**416**
Net Profit (Loss) - Total	**279**	**1,6%**	**(137)**	**-1,0%**	**416**	**416**
P&L – USD x BRL	**R$ 5,47**		**R$ 4,46**		**R$ 1,01**	
BS – USD x BRL	**R$ 5,70**		**R$ 5,20**		**R$ 0,50**	

Income Statement by Operation (Continuing Operation)

1Q21	North America		South America		Corporate	
R$ Million	R$	%ROL	R$	%ROL	R$	%ROL
Net sales revenue	**12.663**	**100,0%**	**4.573**	**100,0%**	**-**	**100,0%**
Cost of products and goods sold	(10.812)	-85,4%	(4.174)	-91,3%	(1)	0,0%
Gross profit	**1.850**	**14,6%**	**399**	**8,7%**	**(1)**	**0,0%**
Selling and General administrative expenses	**(515)**	**-4,1%**	**(283)**	**-6,2%**	**(114)**	**0,0%**
EBITDA adj	**1.523**	**12,0%**	**211**	**4,6%**	**(25)**	**0,0%**

APPENDIX II – Adjusted EBITDA Reconciliation

Reconciliation of Adjusted Ebitda	1Q21	1Q20
R$ Million		
Net Profit / Loss	**279**	**(137)**
(+) Provision for income and social contribution taxes	2	(286)
(+) Non-controlling Interest	227	105
(+) Net Exchange Variation	387	632
(+) Net Financial Charges	346	551
(+) Depreciation & Amortization	370	304
(+)Equivalence of non-controlled companies	2	-1
EBITDA	**1.613**	**1.168**
(+) Other Operacional Revenues/Expenses	95	55
EBITDA^{adj}	**1.708**	**1.223**

APPENDIX III – Cash Flow

Statement of cash flows (In thousands of Brazilian reais - R$)	1Q21	1Q20
Net income for the period from operations	**279.370**	**(136.930)**
Non-cash items	**1.325.216**	**1.334.217**
Depreciation and amortization	369.958	303.897
Non-controlling interes	226.965	104.659
Provision for contingencies	(5.645)	20.247
Deferred taxes and tax liabilities	(102.262)	(328.070)
Equity in earnings (losses) of subsidiaries	1.652	-
Exchange variation on financing	416.431	621.833
Exchange variation on other assets and liabilities	(28.958)	9.816
Interest expenses on financial debt	398.849	293.858
nterest expenses on financial lease	5.604	5.684
Cost with issue of financial operations	23.565	189.244
Leasing adjustment to present value	57	51
Estimated non-realization of inventories	9.115	(14.068)
Estimated losses with doubtful accounts	(192)	5.976
Estimated losses with non-realization of recoverable taxes	5.668	71.947
Other non-cash effects	4.409	49.143
Equity changes	**(1.819.146)**	**(2.167.510)**
Trade accounts receivable	367.197	(25.375)
Current inventory and biological assets	(515.292)	(289.038)
Court deposits	(2.111)	(4.310)
Accrued payroll and related charges	(762.238)	(421.901)
Trade payables and supplier chain financing	(531.290)	(921.284)
Current and deferred taxes	59.691	(364.458)
Notes receivable and payable	18.540	(50.556)
Other assets and liabilities	(453.643)	(90.588)
Cash flow (used in) provided by operating activities	**(214.560)**	**(970.223)**
Investments in fixed and non-current biological assets	(395.924)	(188.744)
Investments in intangible assets	(493)	(1.635)
Cash flow used in investing activities	**(396.417)**	**(190.379)**
Loans and financing	(1.006.954)	(1.081.708)
Loans granted	12.281.643	2.320.090
Loans settled	(13.288.597)	(3.401.798)
Leases	(50.306)	(64.046)
Treasury shares	(7.177)	(43.508)
Acquisition of non-conrolling interest	-	(4.073)
Dividends (subsidiaries) paid to non-controlling shareholders	(143.397)	-
Cash flow (used in) provided by financing activities	**(1.207.834)**	**(1.193.335)**
Exchange variation on cash and equivalents	1.118.318	1.518.000
Cash flow in the period	**(700.493)**	**(835.937)**
Balance at end of period	11.056.955	7.574.176
Balance at start of period	11.757.448	8.410.113
Change in the period	**(700.493)**	**(835.937)**

APPENDIX IV – BALANCE SHEET

ASSET	1Q21	4Q20
CURRENT ASSET		
Cash and cash equivalents	11.056.956	11.757.449
Trade accounts receivable	2.724.434	2.513.032
Inventories of goods and merchandise	3.562.968	2.851.160
Biological assets	26.905	36.922
Recoverable taxes	733.741	704.783
Prepaid expenses	111.365	93.107
Notes receivable	30.790	27.400
Advances to suppliers	221.490	154.978
Other receivables	425.576	281.071
	18.894.225	18.419.902
LONG TERM RECEIVABLES		
Court deposits	51.054	48.943
Notes receivable	800	2.150
Deferred income and social contribution taxes	1.664.309	1.542.293
Recoverable taxes	3.119.238	3.000.291
Other receivables	482.599	234.790
	5.318.000	4.828.467
Investments	216.802	210.680
Property, plant and equipment	8.715.813	8.062.919
Intangible assets	8.566.750	7.985.473
	17.499.365	16.259.072
TOTAL ASSET	**41.711.590**	**39.507.441**

LIABILITIES	1Q21	4Q20
CURRENT LIABILITIES		
Trade accounts payable	2.548.054	2.764.643
Supply chain finance	6.930	3.426
Accrued payroll and related charges	872.987	1.545.664
Taxes payable	758.396	509.299
Loans and financing	7.380.492	6.566.089
Notes payable	138.993	125.899
Lease payable	172.751	161.432
Advances from customer	2.024.422	1.710.034
Dividends payable	70.542	70.542
Other payables	427.988	407.360
	14.401.555	13.864.388
NON-CURRENT LIABILITIES		
Loans and financing	21.423.533	20.244.058
Taxes payable	387.062	372.302
Deferred income and social contribution taxes	87.387	98.831
Provisions for contingencies	423.361	428.939
Lease payable	542.153	527.998
Notes payable	250.562	246.356
Other payables	229.837	210.506
	23.343.895	22.128.990
SHAREHOLDER'S EQUITY		
Share Capital	8.204.391	8.204.391
Capital reserves, options granted and shares in treasury	(1.853.134)	(1.684.338)
Legal Reserve	59.327	59.327
Profits Reserve	148.431	148.431
Proposal additional Dividends	70.542	70.542
Other comprehensive income	(4.586.759)	(4.703.644)
Accumulated Proftis	279.696	0
Controlling shareholders' equity	2.322.494	2.094.709
NON-CONTROLLING INTEREST	1.643.646	1.419.354
Equity Total	3.966.140	3.514.063
TOTAL LIABILITIES	**41.711.590**	**39.507.441**

APPENDIX VI – EXCHANGE CONVERSION

R$ Million	1Q21	1Q20	Var. %	4Q20	Var. %	LTM1Q21	LTM1Q20	Var. %
Average Dollar (R$\|US$)	5,47	4,46	22,6%	5,39	1,5%	5,41	4,12	31,4%
Closing Dollar (R$\|US$)	5,70	5,20	9,6%	5,2	9,6%	5,70	5,20	9,6%
Average UYU Peso (UYU|US$)	43,09	39,68	8,6%	42,61	1,1%	42,90	36,97	16,0%
Average ARS Peso (ARS|US$)	88,57	61,51	44,0%	80,05	10,6%	77,41	53,84	43,8%

APPENDIX IV - ABOUT MARFRIG

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

- In the United States, its subsidiary National Beef is the fourth largest beef processor and one of the industry's most efficient companies (according to XXXX). The North America operation has three primary processing plants with capacity of 13,100 head/day, which corresponds to over 3.7 million head/year, or roughly 14% of U.S. primary processing capacity.
- In Brazil, Marfrig is the second largest beef processor, with primary processing capacity of 12,100 head/day and annual production capacity of 77,000 tons of beef patties. With brands renowned for their quality, such as Bassi and Montana, Marfrig focuses on the retail and foodservice channels in the domestic market, with its clients including top restaurants and steakhouses.
- In Uruguay, it is the industry's largest company and stands out for producing and selling organic beef and other niche products ("higher value-added").
- In Argentina, in addition to having two primary processing plants and being one of the country's leading exporters, Marfrig is the leading producer and seller of beef patties and sausages and owns two of the region's most valuable and recognized brands (Paty and Vienissima!).
- In Chile, Marfrig is the country's leading beef importer and has a lamb primary processing plant in the Patagonia region, which supplies the largest consumer markets abroad.

- The partnership between Marfrig and Archer-Daniels-Midland Company (ADM) led to the creation of PlantPlus Foods, a joint venture that will combine the innovation capacity, operational excellence and global scale of both companies to produce and market plant-based products through retail and foodservice channels in the South American and North American markets.

Country	Beef Primary Processing Units	Effective Processing Capacity (head/day)
North America Operation	**3**	**13,100**
USA	3	13,100
OPERAÇÃO AMÉRICA DO SUL	**17**	**17,000**
Brazil	11	12,100
Uruguay	4	3,700
Argentina	2	1,200
TOTAL	**20**	**30,100**

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

Country	Further Processing Units	Beef Patty Production Capacity (tons/year)	Other Further Processed Food Production Capacity (tons/year)	Total Further Processed Food Production Capacity (tons/years)
North America Operation	**5**	**100,000**	**104,000**	**204,000**
USA	5	100,000	104,000	204,000
South America Operation	**7**	**122,000**	**105,000**	**227,000**
Brazil	3	77,000	66,000	143,000
Uruguay	1	6,000	6,000	12,000
Argentina	3	39,000	33,000	72,000
TOTAL	**12**	**222 mil**	**209,000**	**431,000**

Marfrig also has 10 distribution centers and sales offices in South America, Europe and Asia.

In Uruguay and Chile, Marfrig also has lamb primary processing lines with capacity of 6,500 head/day.

Marfrig Global Foods S.A.

Consolidated Quarterly Information (ITR)

At March 31, 2021

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

Report on the review of interim financial information

Grant Thornton Auditores Independentes

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

Introduction

We have reviewed the accompanying individual and consolidated interim accounting information of Marfrig Global Foods S.A. (Company), comprised in the Quarterly Information Form for the quarter ended March 31, 2021, comprising the balance sheet as of March 31, 2021 and the respective statements of income, of comprehensive income, of changes in shareholders' equity and cash flows for the period of three months then ended, including the footnotes.

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

Review scope

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

Conclusion on the individual and the consolidated interim financial information

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

Other matters

Statements of value added

The quarterly information referred to above includes the individual and consolidated statements of value added for the period of three months ended March 31, 2021, prepared under the responsibility of the Company's management and presented as supplementary information for the purposes of IAS 34. This statements were submitted to the same review procedures in conjunction with the review of the Company's interim financial information in the order to conclude they are reconciliated to the interim financial information and to the accounting records, as applicable, and whether the structure and content are in accordance with the criteria established in the NBC TG 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that the accompanying statements of value added were not prepared, in all material respects, in accordance with the individual and consolidated interim financial information taken as a whole.

São Paulo, May 11, 2021

Jefferson Coelho Diniz
Assurance Partner

Grant Thornton Auditores Independentes

MARFRIG GLOBAL FOODS S.A.

Balance Sheet
As of March 31, 2021 and December 31, 2020

(In thousands of Reais)

Assets

	Explanatory Note	Parent Company 31/03/21	Parent Company 31/12/20	Consolidated 31/03/21	Consolidated 31/12/20
Current Assets					
Cash and cash equivalents	4	29,900	291,563	1,563,156	2,041,924
Marketable securities	5	1,148,351	53,456	9,493,800	9,715,525
Trade accounts receivable - domestic	6	266,312	346,121	2,150,833	2,026,341
Trade accounts receivable - foreign	6	810,062	754,648	573,601	486,691
Inventories of goods and merchandise	7	721,292	623,150	3,562,968	2,851,160
Biological assets		-	-	26,905	36,922
Recoverable taxes	8	557,080	538,325	733,741	704,783
Prepaid expenses		14,826	12,148	111,365	93,107
Notes receivable	9	381,177	359,055	30,790	27,400
Advances to suppliers		72,074	81,473	221,490	154,978
Other receivables		64,232	37,671	425,576	281,071
		4,065,306	**3,097,610**	**18,894,225**	**18,419,902**
Non Current Assets					
Court deposits		44,792	42,701	51,054	48,943
Notes receivable	9	16,248,356	14,078,584	800	2,150
Deferred income and social contribution taxes	10	1,145,596	1,037,059	1,664,309	1,542,293
Recoverable taxes	8	3,095,365	2,976,861	3,119,238	3,000,291
Other receivables		2,780	3,986	482,599	234,790
		20,536,889	**18,139,191**	**5,318,000**	**4,828,467**
Investments	11	6,307,921	7,714,909	66,145	60,023
Investment property	12	150,657	150,657	150,657	150,657
Property, plant and equipment	13	3,498,403	3,349,689	8,715,813	8,062,919
Intangible assets	14	289,560	295,482	8,566,750	7,985,473
		10,246,541	**11,510,737**	**17,499,365**	**16,259,072**
		30,783,430	**29,649,928**	**22,817,365**	**21,087,539**
Total assets		**34,848,736**	**32,747,538**	**41,711,590**	**39,507,441**

The management notes are an integral part of the interim separate and consolidated financial statements.

MARFRIG GLOBAL FOODS S.A.

Balance sheet
As of March 31, 2021 and December 31, 2020
(In thousands of Reais)

Liabilities and Net equity

	Explanatory Note	Parent Company 31/03/21	Parent Company 31/12/20	Consolidated 31/03/21	Consolidated 31/12/20
Current liabilities					
Trade accounts payable	15	459,143	730,037	2,548,054	2,764,643
Supply chain financing	16	6,930	3,426	6,930	3,426
Accrued payroll and related charges		113,516	107,822	872,987	1,545,664
Taxes payable	17	37,472	41,757	758,396	509,299
Loans, financing and debentures	18	5,625,351	5,089,995	7,380,492	6,566,089
Notes payable	21	133,720	119,703	138,993	125,899
Lease payable	20	10,715	11,875	172,751	161,432
Advances from customers	19	1,744,401	1,594,846	2,024,422	1,710,034
Liabilities related to held-for-sale assets		70,542	70,542	70,542	70,542
Other payables		60,923	69,706	427,988	407,360
		8,262,713	**7,839,709**	**14,401,555**	**13,864,388**
Non current liabilities					
Loans, financing and debentures	18	872,226	700,272	21,423,533	20,244,058
Taxes payable	17	149,595	157,080	387,062	372,302
Deferred income and social contribution taxes	10	-	-	87,387	98,831
Provisions for contingencies	22	329,770	345,352	423,361	428,939
Lease payable	20	153,880	157,528	542,153	527,998
Notes payable	21	22,758,058	21,452,888	250,562	246,356
Other payables		-	-	229,837	210,506
		24,263,529	**22,813,120**	**23,343,895**	**22,128,990**
Net equity					
Share Capital	23.1	8,204,391	8,204,391	8,204,391	8,204,391
Capital reserves, granted options and treasury shares	23.2	(1,853,134)	(1,684,338)	(1,853,134)	(1,684,338)
Legal reserve	23.3	59,327	59,327	59,327	59,327
Profit reserves	23.4	148,431	148,431	148,431	148,431
Additional proposed dividend	23.5	70,542	70,542	70,542	70,542
Other comprehensive income	23.6	(4,586,759)	(4,703,644)	(4,586,759)	(4,703,644)
Retained Earnings		279,696	-	279,696	-
Net equity of parent companies		**2,322,494**	**2,094,709**	**2,322,494**	**2,094,709**
Non-controlling interest		-	-	1,643,646	1,419,354
Total Net equity		**2,322,494**	**2,094,709**	**3,966,140**	**3,514,063**
Total liabilities and net equity		**34,848,736**	**32,747,538**	**41,711,590**	**39,507,441**

The management notes are an integral part of the interim separate and consolidated financial statements.

MARFRIG GLOBAL FOODS S.A.

Statement of income
Years ended March 31, 2021 and 2020

(In thousands of Reais, except earnings per share)

	Explanatory Note	Parent Company Accumulated 2021	Parent Company Accumulated 2020	Consolidated Accumulated 2021	Consolidated Accumulated 2020
Net sales revenue	24	2,967,928	2,753,470	17,235,826	13,501,609
Cost of sold products and goods	25	(2,802,851)	(2,295,207)	(14,985,944)	(11,825,502)
Gross profit		**165,077**	**458,263**	**2,249,882**	**1,676,107**
Operating revenues (expenses)		365,496	111,616	(1,008,385)	(811,676)
Selling expenses	25	(126,550)	(137,026)	(660,100)	(544,839)
General and administrative expenses	25	(37,631)	(25,247)	(251,513)	(212,306)
Equity in earnings (losses) of subsidiaries		629,008	321,174	(1,652)	-
Other operating income (expenses)		(99,331)	(47,285)	(95,120)	(54,531)
Net income before net financial income		**530,573**	**569,879**	**1,241,497**	**864,431**
Financial expenses	26	(478,243)	(985,390)	(733,061)	(1,183,022)
Financial income		535,527	643,383	401,270	687,064
Financial expenses		(1,013,770)	(1,628,773)	(1,134,331)	(1,870,086)
Net income (loss) before taxes		**52,330**	**(415,511)**	**508,436**	**(318,591)**
Income and Social Contribution taxes		**227,040**	**278,581**	**(2,101)**	**286,320**
Current income tax and social contribution	29	118,504		(104,363)	(41,495)
Deferred income tax and social contribution	29	108,536	278,581	102,262	327,815
Net income (loss) for the period before interest		**279,370**	**(136,930)**	**506,335**	**(32,271)**
Controlling interest		279,370	(136,930)	279,370	(136,930)
Non-controlling interest		-	-	226,965	104,659
		279,370	**(136,930)**	**506,335**	**(32,271)**
Basic and diluted earnings per share - Common		**0.3992**	**(0.1956)**	**0.3992**	**(0.1956)**

The management notes are an integral part of the interim separate and consolidated financial statements.

MARFRIG GLOBAL FOODS S.A.

Statement of changes in shareholders' equity
Years ended March 31, 2021 and 2020

(In thousands of Reais)

	Share Capital	Capital reserves, options granted and treasury shares	Legal Reserves	Earnings reserve	Additional proposed dividend	Other comprehensive income	Accumulated losses	Total	Total non-controlling interest	Total shareholders' equity
At December 31, 2019	**8,204,391**	**(1,271,370)**	**44,476**	**7,348**	**-**	**(3,271,650)**	**(3,094,630)**	**618,565**	**1,157,776**	**1,776,341**
Cumulative translation adjustment and asset valuation adjustment	-	(537,115)	-	-	-	(651,853)	340	(1,188,628)	340,568	(848,060)
Operation to hedge against exchange variation	-	-	-	-	-	(278,891)	-	(278,891)	-	(278,891)
Acquisition of treasury shares	-	(43,508)	-	-	-	-	-	(43,508)	-	(43,508)
Goodwill stock option	-	(624)	-	-	-	-	-	(624)	-	(624)
Net income for the period	-	-	-	-	-	-	(136,930)	(136,930)	104,659	(32,271)
	-	-	-	-	-	-	-		-	
At March 31, 2020	**8,204,391**	**(1,852,617)**	**44,476**	**7,348**	**-**	**(4,202,394)**	**(3,231,220)**	**(1,030,016)**	**1,603,003**	**572,987**

	Share Capital	Capital reserves, options granted and treasury shares	Legal Reserves	Earnings reserve	Additional proposed dividend	Other comprehensive income	Retained Earnings	Total	Total non-controlling interest	Total shareholders' equity
At December 31, 2020	**8,204,391**	**(1,684,338)**	**59,327**	**148,431**	**70,542**	**(4,703,644)**	**-**	**2,094,709**	**1,419,354**	**3,514,063**
Cumulative translation adjustment and asset valuation adjustment	-	(160,604)	-	-	-	116,885	326	(43,393)	(2,673)	(46,066)
Acquisition of treasury shares	-	(7,177)	-	-	-	-	-	(7,177)	-	(7,177)
Goodwill stock option	-	(1,015)	-	-	-	-	-	(1,015)	-	(1,015)
Net income for the period	-	-	-	-	-	-	279,370	279,370	226,965	506,335
At March 31, 2021	**8,204,391**	**(1,853,134)**	**59,327**	**148,431**	**70,542**	**(4,586,759)**	**279,696**	**2,322,494**	**1,643,646**	**3,966,140**

The management notes are an integral part of the interim separate and consolidated financial statements.

MARFRIG GLOBAL FOODS S.A.

Statement of cash flows
Years ended March 31, 2021 and 2020

(In thousands of Reais)

		Parent Company		Consolidated	
	Explanatory Note	Accumulated 2021	Accumulated 2020	Accumulated 2021	Accumulated 2020
Net income for the period from operations		279,370	(136,930)	279,370	(136,930)
Non-cash items		**(200,695)**	**218,958**	**1,325,216**	**1,334,217**
Depreciation and amortization		75,437	69,652	369,958	303,897
Non-controlling interest		-	-	226,965	104,659
Provision for contingencies		(15,582)	9,750	(5,645)	20,247
Deferred taxes and tax liabilities		(108,536)	(278,580)	(102,262)	(328,070)
Equity in earnings (losses) of subsidiaries		(629,008)	(321,174)	1,652	-
Exchange variation on financing		413,439	617,175	416,431	621,833
Exchange variation on other assets and liabilities		(38,967)	11,901	(28,958)	9,816
Interest expenses on financial debt		90,100	16,022	398,849	293,858
Interest expenses on financial lease		727	1,322	5,604	5,684
Cost with issue of financial operations		1,899	990	23,565	189,244
Leasing adjustment to present value		57	50	57	51
Estimated non-realization of inventories		8,754	(13,946)	9,115	(14,068)
Estimated losses with doubtful accounts		705	5,265	(192)	5,976
Estimated losses with non-realization of recoverable taxes		-	72,204	5,668	71,947
Other non-cash effects		280	28,327	4,409	49,143
Equity changes		**780,085**	**(1,313,626)**	**(1,819,146)**	**(2,167,510)**
Trade accounts receivable		203,055	(932,831)	367,197	(25,375)
Current inventory and biological assets		(106,896)	194,799	(515,292)	(289,038)
Court deposits		(2,091)	(4,345)	(2,111)	(4,310)
Accrued payroll and related charges		5,694	6,612	(762,238)	(421,901)
Trade payables and supplier chain financing		(254,630)	(201,519)	(531,290)	(921,284)
Current and deferred taxes		(149,029)	(279,554)	59,691	(364,458)
Notes receivable and payable		1,121,815	(40,915)	18,540	(50,556)
Other assets and liabilities		(37,833)	(55,873)	(453,643)	(90,588)
Cash flow (used in) provided by operating activities		**858,760**	**(1,231,598)**	**(214,560)**	**(970,223)**
Investing activities					
Investments in fixed and non-current biological assets		(218,508)	(87,661)	(395,924)	(188,744)
Investments in intangible assets		-	(1,502)	(493)	(1,635)
Cash flow used in investing activities		**(218,508)**	**(89,163)**	**(396,417)**	**(190,379)**
Financing activities					
Loans and financing		201,872	764,393	(1,006,954)	(1,081,708)
Loans granted		2,293,322	1,402,788	12,281,643	2,320,090
Loans settled		(2,091,450)	(638,395)	(13,288,597)	(3,401,798)
Leases		(5,592)	(27,667)	(50,306)	(64,046)
Treasury shares		(7,177)	(43,508)	(7,177)	(43,508)
Costs with issue of shares		-	-	-	(4,073)
Dividends (subsidiaries) paid to non-controlling shareholders		-	-	(143,397)	-
Cash flow (used in) provided by financing activities	34	**189,103**	**693,218**	**(1,207,834)**	**(1,193,335)**
Exchange variation on cash and equivalents		3,877	115,176	1,118,318	1,518,000
Cash flow in the period		**833,232**	**(512,367)**	**(700,493)**	**(835,937)**
Cash and cash equivalents		1,178,251	1,288,611	11,056,955	7,574,176
Balance at end of period		345,019	1,800,978	11,757,448	8,410,113
Balance at start of period					
Change in the period		**833,232**	**(512,367)**	**(700,493)**	**(835,937)**

The management notes are an integral part of the interim separate and consolidated financial statements.

MARFRIG GLOBAL FOODS S.A.

Statement of added value
Years ended March 31, 2021 and 2020

(In thousands of Reals)

	Parent Company		Consolidated	
	Accumulated 2021	Accumulated 2020	Accumulated 2021	Accumulated 2020
Revenue	**3,170,143**	**2,977,472**	**17,497,823**	**13,774,664**
Sales of goods and services	3,168,696	2,980,989	17,479,766	13,771,551
Other revenues	2,153	1,746	17,913	12,598
Expected losses with doubtful accounts	(706)	(5,263)	144	(9,485)
Inputs purchased from other firms (including taxes - ICMS, IPI, PIS and Cofins)	**2,874,001**	**2,505,400**	**14,148,220**	**11,494,901**
Cost of goods sold and services rendered	2,412,478	1,930,770	11,905,260	9,335,123
Material, energy, outsourced services and other	461,523	574,630	2,242,960	2,159,778
Gross value added	**296,142**	**472,072**	**3,349,603**	**2,279,763**
Depreciation and amortization	75,437	69,652	369,958	303,897
Net value created by company	**220,705**	**402,420**	**2,979,645**	**1,975,866**
Value added received through transfer	**1,164,535**	**964,556**	**399,616**	**687,063**
Equity in earnings (losses) of subsidiaries	629,008	321,174	(1,652)	-
Financial income and exchange rate gains	535,527	643,383	401,270	687,064
Other	-	(1)	(2)	(1)
Total value added to be distributed	**1,385,240**	**1,366,976**	**3,379,261**	**2,662,929**
Value added distribution	**1,385,240**	**1,366,976**	**3,379,261**	**2,662,929**
Employees	**163,745**	**179,020**	**1,510,853**	**1,067,029**
Direct compensation	127,082	137,371	1,470,120	1,021,840
Benefits	28,808	31,908	32,240	34,814
FGTS (severance pay fund)	7,855	9,741	8,493	10,375
Taxes payable	**(75,887)**	**(307,275)**	**176,173**	**(285,402)**
Federal	(153,101)	(377,893)	92,484	(394,265)
State	75,226	68,838	81,695	107,072
Municipal	1,988	1,780	1,994	1,791
Value distributed to providers of capital	**1,018,012**	**1,632,161**	**1,185,900**	**1,913,573**
Interest	1,013,770	1,628,773	1,134,331	1,870,086
Rentals	4,242	3,388	51,569	41,719
Other	-	-	-	1,768
Value distributed to shareholders	**279,370**	**(136,930)**	**506,335**	**(32,271)**
Net income from operations in the year	279,370	(136,930)	279,370	(136,930)
Non-controlling interest	-	-	226,965	104,659

The management notes are an integral part of the interim separate and consolidated financial statements.

MARFRIG GLOBAL FOODS S.A.

Statement of comprehensive income
Years ended March 31, 2021 and 2020

(In thousands of Reais)

	Parent Company		Consolidated	
	Accumulated 2021	**Accumulated 2020**	**Accumulated 2021**	**Accumulated 2020**
Net income (loss) in the year	**279,370**	**(136,930)**	**506,335**	**(32,271)**
Exchange variation on net investments and balance sheet translation	116,885	(651,853)	114,212	(311,285)
Operations to hedge against exchange variation	-	(278,891)	-	(278,891)
Total comprehensive income (loss) for the year	116,885	**(930,744)**	**114,212**	**(590,176)**
Total comprehensive inocme	**396,255**	**(1,067,674)**	**620,547**	**(622,447)**
Attributable to:				
Controlling interest	396,255	(1,067,674)	396,255	(1,067,674)
Non-controlling interest	-	-	224,292	445,227

The management notes are an integral part of the interim separate and consolidated financial statements.

1. Operations

Marfrig Global Foods S.A. is a multinational company that operates in the food sector, in the food service, retail and convenience, industrial and export channels, in Brazil and worldwide. With a production base distributed throughout the Americas, the Company has a diversified and comprehensive product portfolio, and its operations are based on its commitment to excellence and quality, which ensures the presence of its products in the largest restaurant and supermarket chains in the world, as well as in the homes of consumers in approximately 100 countries. The Company's activities are divided into the production, processing, industrialization, sale and distribution of animal (cattle, sheep and fish) and vegetable protein-based products. The Company is domiciled in Brazil and its headquarters is located in the city of São Paulo.

The Company is a publicly traded company, and its shares are listed in the Novo Mercado of B3 S.A. - Brasil, Bolsa, Balcão ("B3") under the code MRFG3. As a participant in B3's Novo Mercado, it is linked to the Market Arbitration Chamber, as per the Commitment Clause in its Bylaws, and is also traded as ADR (American Depositary Receipt), Level I (code MRRTY), on the Over-the-Counter (OTC) in the United States. Each ADR (USOTC:MRRTY) is equivalent to one common share (BOV:MRFG3).

The Company's shares are also part of the main performance indicators of the Brazilian Capital Market, such as the Ibovespa, the most important indicator of the average performance of the Brazilian stock market quotations. Marfrig's shares are also included in the following indices of the Brazilian stock exchange: BM&FBOVESPA Brazil Index - IBrA; Brazil 100 Index - IBrX 100; Brazil 50 Index - IBrX 50; Consumption Index - ICON; Corporate Governance Trade Index - IGCT; Special Corporate Governance Stock Index - IGC; Corporate Governance Index - Novo Mercado - IGC-NM; Industrial Sector Index - INDX; Special Tag Along Stock Index - ITAG; Small Cap Index - SMLL. The Company also participates in B3's main sustainability-related indexes, such as the ISE; Corporate Sustainability Index and the ICO2; Carbon Efficient Index.

2. Presentation and preparation of the Parent Company and consolidated financial statements

The Company's management has approved the issuance of this individual and consolidated interim financial information on May 11, 2021 and states that, in its judgment, all relevant information is being evidenced, and corresponds to that used in its management.

2.1. Statement of compliance

Consolidated interim financial information
The Company's consolidated interim financial information has been prepared and is being presented in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

The accounting practices adopted in Brazil comprise those included in the Brazilian corporate legislation, the Brazilian Accounting Standards (NBCs) and deliberations and instructions issued by the Securities Commission (CVM).

The presentation of the Value-Added Statement (DVA), individual and consolidated, is required by the Brazilian corporate law and the accounting practices adopted in Brazil applicable to publicly held companies. The IFRS standards do not require the presentation of this statement. As a consequence, by the IFRS standards, this statement is presented as supplementary information, without prejudice to the set of interim financial information.

Individual interim financial information
The interim accounting information of the Parent Company was prepared based on the accounting practices adopted in Brazil, resolutions issued by the CFC, and is disclosed together with the consolidated financial statements, observing the accounting guidelines set forth in the corporate legislation Law No. 6404/76, which includes the provisions introduced, amended and revoked by Laws No. 11638 of December 28, 2007, No. 11941 of May 27, 2009 (former Provisional Presidential Decree No. 449 of December 3, 2008) and No. 12973 of May 13, 2014.

There is no difference between the consolidated equity and result presented and the Parent Company's equity and result in its individual interim financial information. Therefore, the individual and consolidated interim financial information are being presented side by side in a single set of information.

2.2. Basis of presentation

The individual (Parent Company) and consolidated interim financial information are presented in Reais (R$), which is the presentation currency, and all amounts rounded to thousands of Reais, unless otherwise stated.

The consolidated interim financial information has been prepared under the historical cost convention, unless otherwise stated. Certain assets and financial instruments may be stated at fair value.

The preparation of the individual and consolidated interim financial information in accordance with IFRS and NBCs requires the use of certain accounting estimates by the Company's management. The areas that involve judgment or use of estimates, relevant to the individual and consolidated interim financial information are shown in note 3.1.

2.3. Foreign currency translation

Functional and presentation currency
The interim accounting information for each subsidiary included in the Company's consolidation and that used as a basis for valuation of investments by the equity method are prepared in accordance with the functional currency of each entity.

As stated in NBC TG 02/R3 (CVM Resolution 640/10) - effect of changes in exchange rates and translation of financial statements, the functional currency of an entity is the currency of the primary economic environment in which it operates. In defining the functional currency of each of its Subsidiaries, Management considered which currency significantly influences the sales price of its products and services, as well as the currency in which most of the cost of its production inputs are paid or incurred. The consolidated interim financial information is presented in Reais (R$), which is the functional and presentation currency of Marfrig Global Foods S.A.

Transactions and balances
Foreign currency transactions are translated into the Company's functional currency at the exchange rates on the transaction date. Gains and losses resulting from the difference between the conversion of the balances of monetary assets and liabilities in foreign currency at the end of the period or fiscal year and the conversion of the transaction values are recognized in the income statement. Non-monetary assets and liabilities in foreign currency that are measured at fair value are translated at the exchange rate on the date the fair value is determined, and the resulting translation differences will be recognized in other comprehensive income on the closing date of each period or fiscal year.

Group Companies
The results and financial position of all subsidiaries included in consolidated, and investments accounted for under the equity method, which have the functional currency different from the presentation currency, are translated into the presentation currency as follows:

i. The balances of assets and liabilities are translated at the exchange rate prevailing on the closing date of the consolidated interim financial information;
ii. The income statement accounts are translated at the monthly average exchange rate;
iii. All differences resulting from exchange rate translation are recognized in equity and in the consolidated statement of comprehensive income under "Cumulative translation adjustments".

3. Summary of significant accounting practices

3.1. Significant Accounting Practices
The interim accounting information was prepared in accordance with NBC TG 21/R3 (CVM Resolution 673/11) - Interim Financial Statements, which establishes the minimum content of interim accounting information and the principles for recognition and measurement for complete or condensed interim period statements. Accordingly, the quarterly information presented herein has been prepared based on the accounting policies and estimate calculation methods adopted in the preparation of the annual Financial Statements for the year ended December 31, 2020. There has been no change of any nature in relation to such policies and methods for calculating estimates.

As permitted by NBC TG 21/R3 (CVM Resolution 673/11) and based on the guidelines contained in CVM/SNC/SEP Circular Letter No. 003/2011, the Management opted not to re-disclose the details presented in explanatory note No. 3 of the 2020 annual financial statements, summary of the main accounting practices, in order to avoid repetition of information already disclosed in the most recent annual financial statements. Thus, it is necessary to read this interim accounting information in conjunction with the annual Financial Statements for the year ended December 31, 2020, in order to allow users to broaden their understanding.

3.2. Comments on COVID-19
The Company's operating segment is considered essential and thus its operations were not materially impacted in relation to the COVID-19 pandemic inclusive in the first quarter of 2021.

The company, aiming to protect its operacional employees, decided to partially interrupt the activities of some plants during of the first quarter of 2021so as not to exceed one week of interruption at each plant. The Company estimated the costs related to this stoppage was approximately R$ 50 million.

In fiscal year 2020 the Company carried out several social actions, which can be seen in the annual Financial Statements, ended on December 31, 2020. Follow below are described the main social actions taken by the Company in this period:

- ✓ Marfrig gave its employees exams and other prevention materials such as alcohol gel, masks, and work clothes during the first quarter of the year, totalling BR 0.7 million;
- ✓ Paid leave for employees in the risk group and for those infected with the virus, totalling the amount of R$ 2.4 million.

The perspectives of the Company in relation to the COVID-19 pandemic, given the current scenario, that will maintain the level of its operations, but with the advance of the vaccination campaigns the restrictive measures imposed by governments should soften and, consequently, other more affected activities will return to normality, based on its studies and projections, the Company does not expect to incur in negative impacts in its operations arising from COVID-19. Nevertheless, the Company will continue to monitor the effects of the pandemic in the coming months to capture, if any, potential material impacts on the accounting information when they are substantially known and measurable.

3.3. New standards and interpretations

In the quarter ended March 31, 2021, there are not any new standards, amendments or interpretations of standards were issued with significant impacts on the individual and consolidated quarterly financial information of the Company.

3.4. Consolidated financial statements

The consolidated financial information includes information from the Company and its subsidiaries, as shown in the table of the Company's equity holdings in note 11.1 Direct investments of the parent company.

The following table presents the direct and indirect equity interests that comprise the consolidated interim accounting information as of March 31, 2021:

MARFRIG GLOBAL FOODS S.A.

Notes to the separete (parent company) and consolidated financial statements for the periods ended March 31, 2021 and 2020

(In thousands of Brazilian reais, except where otherwise indicated)

Equity Interests

Parent Company	Main Activity
Marfrig Global Foods S.A	Industrialization and product commercialization (composed of slaughtering units in activity, also being used for beef processing, for sheep slaughtering, for hygiene and cleaning products manufacturing, and for the manufacture of animal feed, located in the states of São Paulo, Mato Grosso, Mato Grosso do Sul, Pará, Rondônia, Goiás and Rio Grande do Sul, besides distribution centers located in the states of São Paulo, Rio de Janeiro, Pernambuco and Paraná, also used for beef processing).
Subsidiaries	**Main Activity**
Masplen Ltd	Holding
Pampeano Alimentos S.A	Producer of canned meats and other industrialized products
Marfrig Overseas Ltd	Special Purpose Entity
Marfrig Comercializadora de Energia Ltda	Trading of energy and associated services
Inaler S.A	Manufacturing and selling of products
Establecimientos Colonia S.A	Manufacturing and selling of products
Frigorífico Tacuarembó S.A	Manufacturing and selling of products
Indusol S.A	Specific purpose entity for Uruguay's industry commission
Prestcott International S.A	Holding
Cledinor S.A	Manufacturing and selling of products: cattle and sheep
Abilun S.A	Holding
Dicasold	Manufacturing and selling of food products
Marfrig Chile S.A	Manufacturing and selling of products
Frigorífico Patagônia S.A	Manufacturing and selling of products
Marfrig Peru S.A.C.	Selling of products
Las Animas S.A.	Holding
Marfrig Argentina S.A.	Manufacturing and selling of products
Estancias del Sur S.A	Manufacturing and selling of products
MFG Holdings SAU	Holding
Quickfood S.A.	Manufacturing and selling of products
Campo Del Tesoro	Manufacturing and selling of products
Marfrig Holdings (Europe) B.V	Holding company with fund raising activity
Marfrig Beef (UK) Limited	Holding
Weston Importers Ltd	Trading
MARB Bondco PLC	Holding company with fund raising activity
MBC Bondco Limited	Holding company with fund raising activity
Marfrig China	Holding company with fund raising activity
Marfrig Beef International Ltd.	Holding
Marfrig NBM Holdings Ltd.	Holding
Beef Holdings Limited	Holding
Ltd	Joint Venture
COFCO Keystone Supply Chain (China) Investment Lt	Joint Venture
COFCO Keystone Supply Chain Logistics (China)	Joint Venture
NBM US Holdings, Inc.	Holding company with fund raising activity
National Beef Packing Company, LLC	Manufacturing and selling of products
MF Foods USA LLC.	Selling of products
Plant Plus Foods , LLC	Joint Venture
Iowa Premium LLC	Manufacturing and selling of products
National Carriers, Inc.	Transportation
NCI Leasing, Inc	Transportation Leasing
National Beef California, LP	Manufacturing and selling of products
National Beef Japan, Inc.	Selling of products
National Beef Korea, Ltd.	Selling of products
Kansas City Steak Company, LLC	DTC Selling of products
National Elite Transportation LLC	Transportation
National Beef Leatrhers, LLC	Leather Manufacturing
National Beef de León S. de R.L. de C.V.	Leather Manufacturing
National Beef Ohio	Manufacturing and selling of products
National Beef aLF , LLC	Holding
aLF Ventures, LLV	Manufacturing and selling of products

The interim accounting information of subsidiaries based abroad was originally prepared in their local currency, in accordance with the legislation in force in each country where they are located and was converted to the accounting practices issued by the International Accounting Standards Board - IASB using their respective functional currencies, and later converted into Brazilian reais at the exchange rate corresponding to the balance sheet date.

(In thousands of Brazilian reais, except where otherwise indicated)

3.5. Reclassification in the cash flow statement for the quarter ended March 31, 2020

The Company's management proceeded with the reclassification of the cash flow statement for the quarter ended March 31, 2020, due to the reclassification for a better presentation of the cash flows related to debentures and Bonds operations, previously presented segregated from loans and financing, for cash flows from loans and financing, due to their nature. The reclassification did not change the cash flow from financing activities or the other elements of this quarterly accounting information.

4. Cash and cash equivalents

The balances of cash and cash equivalents are composed of cash on hand and demand bank deposits, as follows:

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Banks and cash	13,755	33,432	1,330,514	1,458,344
Cash Equivalents	16,145	258,131	232,642	583,580
	29,900	**291,563**	**1,563,156**	**2,041,924**

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Cach and cash equivalents				
Reais (BRL)	10,161	176,314	14,093	180,869
Dolar (USD)	19,059	114,608	1,380,330	1,677,384
Other	680	641	168,733	183,671
	29,900	**291,563**	**1,563,156**	**2,041,924**

5. Marketable securities

The following table shows the financial investments per modality:

				Parent Company	
	PMPV (1)	Currency	Average interest rate % per year	31/03/21	31/12/20
Bank Deposit Certificates - CDB (2)	-	Real	2.54%	1,102,854	7,192
Fixed Income Security	-	Real	2.97%	15,178	14,939
Capitalization Securities	-	Real	0.00%	1,056	1,056
FIDC (2)	0.13	Real	6.24%	29,263	30,269
Total				1,148,351	53,456
Total current				**1,148,351**	**53,456**

				Consolidated	
	PMPV (1)	Currency	Average interest rate % per year	31/03/21	31/12/20
Bank Deposit Certificate - CDB (2)	-	Real	2.54%	1,102,854	7,192
Compromised Operations	-	Real	1.71%	25,714	-
Time Deposit (2)	1.58	Dolar	1.49%	8,319,431	9,661,766
FIDC (2)	0.13	Real	6.24%	29,263	30,269
Fixed Income Security	-	Real	2.94%	16,538	16,298
Total				9,493,800	9,715,525
Total current				**9,493,800**	**9,715,525**

(1) Weighted average maturity in years;

(In thousands of Brazilian reais, except where otherwise indicated)

(2) The transactions were contracted with daily liquidity and can therefore be redeemed at any time; the maturity mentioned is the maturity of the transaction.

There have been no changes to the Company's financial investment arrangements for the quarter ending March 31, 2021.

6. Trade accounts receivable - domestic and foreign customers

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Trade accounts receivable - domestic	266,312	346,121	2,150,833	2,026,341
Trade accounts receivable - foreign	810,062	754,648	573,601	486,691
	1,076,374	**1,100,769**	**2,724,434**	**2,513,032**
Amounts to fall due:	1,043,502	1,088,294	1,961,284	1,735,137
Due Amounts:				
1 to 30 days	21,726	6,532	631,367	655,772
from 31 to 60 days	538	4,243	57,749	48,704
from 61 to 90 days	10,608	1,700	74,034	73,419
More than 90 days	38,116	37,411	59,247	57,851
(-) Expected loss on doubtful accounts	(38,116)	(37,411)	(59,247)	(57,851)
	1,076,374	**1,100,769**	**2,724,434**	**2,513,032**

The expected loss on doubtful receivables - PECLD was constituted at an amount considered sufficient by Management to supply possible losses on the realization of its credits, using the criterion of constituting the PECLD in its entirety for securities overdue for more than 90 days. The Company has no history of relevant problems with receiving payments from customers, which reinforces the reasonability of the reserve estimated by the Company.

In addition, the Company revised its estimates of expected losses, motivated by the countercyclical measures adopted to deal with the COVID-19 pandemic, and despite the delay in payment terms requested by customers, concluded that there is no relevant evidence to trigger the change in the criterion adopted by the Company's Management for the constitution of the PECLD.

The transaction of the PECLD is shown below:

	Parent Company	Consolidated
Balance on December 31, 2020	**(37,411)**	**(57,851)**
Net Estimate	(705)	192
Exchange rate fluctuation	-	(1,588)
Balance on December 31, 2021	**(38,116)**	**(59,247)**

In June 2014, an Investment Fund in Credit Rights (FIDC) was structured for the sale of part of its receivables originated by term sale operations in the domestic market, in the amount of R$ 173,000 (principal). As of March 31, 2021, there were R$ 119,462 of invoices negotiated with the MRFG fund.

(In thousands of Brazilian reais, except where otherwise indicated)

7. inventories of products and merchandise

In the quarter ended March 31, 2021 and the year ended December 31, 2020 inventories of finished goods were valued at the average cost of purchases and/or production, as shown below:

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Finished Products	647,427	547,458	2,819,664	2,213,842
Raw Materials	4,728	7,690	325,113	255,014
Packaging and Warehousing	89,056	79,167	439,870	394,827
(-) Expected Losses	(19,919)	(11,165)	(21,679)	(12,523)
	721,292	**623,150**	**3,562,968**	**2,851,160**

The Company makes its estimates based on historical loss ratios, as shown below:

	Parent Company	Consolidated
Balance on December 31, 2020	**(11,165)**	**(12,523)**
Establishment of estimates	(8,754)	(9,115)
Exchange rate fluctuation	-	(41)
Balance on March 31, 2021	**(19,919)**	**(21,679)**

During the 1st quarter of 2021, the Company's management proceeded with the assessment of the estimated loss expected for inventories, in order to conclude that the amounts of R$ 19,919 and R$ 21,679, considering the parent company and consolidated, respectively, for the purpose of estimating expected losses on inventories.

8. Recoverable taxes

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
ICMS (State VAT)	577,746	562,198	589,166	573,642
PIS e COFINS Credit	1,628,876	1,620,754	1,703,957	1,693,189
IRRF/IRPJ and CSLL to recover	1,527,941	1,408,983	1,554,353	1,428,286
Others	9,161	14,530	117,120	115,938
(-) Expected losses due to non-realization	(91,279)	(91,279)	(111,617)	(105,981)
	3,652,445	**3,515,186**	**3,852,979**	**3,705,074**
Current Assets	**557,080**	**538,325**	**733,741**	**704,783**
Non-Current Assets	**3,095,365**	**2,976,861**	**3,119,238**	**3,000,291**

8.1. ICMS (State VAT)

The balance of recoverable Tax on Circulation of Merchandises and Services - ICMS comes from obtaining credits on the acquisition of raw materials, inputs, packaging and secondary materials in volumes greater than the debts generated by local sales, given that sales to foreign markets are exempt. The company has been looking for ways to optimize these balances, when authorized, by transfers to third parties, for payment of suppliers of equipment, inputs, consumables, and, for certain states, requesting reimbursement in kind.

(In thousands of Brazilian reais, except where otherwise indicated)

8.2. PIS and COFINS taxes

The Company is a holder of non-cumulative PIS and COFINS credits, pursuant to Laws no. 10.637/02 and no. 10.833/03, levied on the acquisition of raw materials, packaging materials and secondary materials used in products sold on the foreign and domestic markets.

With the changes promoted by Law No. 13,670 in August 2018, which allowed the offsetting of social security debts with other credits of the taxpayer generated from that date on, the Company began to settle its social security debts with such credits, succeeding in realizing the PIS and COFINS credits generated since then.

Furthermore, an agreement was signed between the Company and the Attorney General of the National Treasury (PGFN), called "Legal Proceeding Business – NJP" (SEI Case No. 19839.108398/2019-15), whereby, this accumulated balance will be used for the ex-officio offsetting, under the terms of articles 73 and 74 of Law No. 9430/96, of its tax liabilities, mostly in the debts included in the special tax installment payment programs.

8.3. IRRF, IRPJ and CSLL recoverable

Corresponds to withholding income tax on services provided with related companies abroad, financial investments, negative balance of income tax and social contribution from previous years and income tax paid abroad on profits made available in Brazil. The income tax paid abroad is realizable by offsetting it against the income tax and social contribution calculated on the profits of future fiscal years and there is no statute of limitations.

8.4. Expected losses for non-realization of tax credits

The expected losses for non-realization of tax credits were calculated based on the best estimate of realization of the Company's balances of recoverable taxes being made mainly on Social Integration Program - PIS/Contribution to the Financing of Social Security - COFINS credits.

In the quarter ended March 31, 2021, the transaction in this item is shown below:

	Parent Company	Consolidated
Balance on December 31, 2020	(91,279)	(105,981)
Addition	-	(5,739)
Write off	-	71
Exchange rate fluctuation	-	32
Balance on March 31, 2021	**(91,279)**	**(111,617)**

9. Notes receivable

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Related Parties (a)	16,622,255	14,426,523	20,428	17,879
Market operations receivable (b)	-	-	3,830	449
Other securities receivable	7,278	11,116	7,332	11,222
Total	**16,629,533**	**14,437,639**	**31,590**	**29,550**
Current Assets	**381,177**	**359,055**	**30,790**	**27,400**
Non Current Assets	**16,248,356**	**14,078,584**	**800**	**2,150**

(In thousands of Brazilian reais, except where otherwise indicated)

(a) The value presented in the Parent Company refers, mostly, to balances generated in loan transactions with its controlled companies as described in note 32: Related Parties;

(b) In explanatory note 28, we present in detail the operations with financial instruments practiced by the Company. The Company and its subsidiaries are subject to market risks related to exchange rate variations, interest rate fluctuations and commodity price variations. These amounts represent the mark-to-market amount of derivatives receivable.

10. Deferred income social contribution taxes

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Income Tax	837,966	758,159	1,341,016	1,248,506
Social Contribution	307,630	278,900	323,293	293,787
Deferred tax assets	**1,145,596**	**1,037,059**	**1,664,309**	**1,542,293**
Income Tax	-	-	(87,387)	(98,831)
Deferred tax liabilities	-	-	(87,387)	(98,831)
Total Diferred tax	**1,145,596**	**1,037,059**	**1,576,922**	**1,443,462**

Deferred income tax and social contribution assets and liabilities are offset when there is a legal right to offset tax credits against tax liabilities and provided that they refer to the same tax authority and the same legal entity.

Credits for deferred tax assets on tax losses and negative social contribution bases are recognized in the books based on the extent to which it is probable that future taxable profit will be available for use upon the actual payment and/or realization of the referred additions and exclusions of the temporary differences, at which time they will become deductible and taxable in the calculation of taxable profit, based on the assumptions and conditions established in the Company's business model.

The book value of the deferred tax assets is reviewed periodically and the projections, limited to a period of five years, are reviewed annually, if there are relevant factors that modify the projections, they are reviewed during the year by the Company.

The estimates to evaluate the probability of occurrence or not of future profits for the realization of the tax credits mentioned above, take into account judgment and assumptions in the projections. By definition, the resulting accounting estimates will rarely equal the respective actual results (due to the inherent uncertainties and high degree of judgment in determining these assumptions and estimates). Thus, the estimates and assumptions have a significant risk of causing a material adjustment to the carrying amounts of assets in the individual and consolidated interim financial information at the time of the respective valuations.

It is worth noting that the projections took into account the assumptions of expected results and the Company's historical profitability, adjusted by more recent relevant facts, in view of the diverse economic outlook of each of the markets where the Company operates, due to the global presence and the diversified axis of the Americas that the Company has (approximately 93% of the Company's revenues are originated in currencies other than the Real).

(In thousands of Brazilian reais, except where otherwise indicated)

The technical feasibility studies supporting the recoverability of the deferred tax credit, prepared by Management and approved by the Board of Directors, took into consideration the end of the operational restructuring started in 2013 and completed in 2018, when the Company adjusted its capital structure and debt level based on a sequence of strategic initiatives.

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

Year	Parent Company	Consolidated
2021	294,891	403,233
2022	330,855	441,262
2023	350,444	461,976
2024	150,094	150,094
2025	19,312	207,744
	1,145,596	**1,664,309**

The composition of deferred taxes is presented below:

	Parent Company		Consolidated	
ASSET	31/03/2021	31/12/2020	31/03/2021	31/12/2020
IRPJ Tax Losses	1,617,691	1,535,829	1,918,536	1,822,975
Negative Calculation Base of CSLL	583,471	554,001	600,915	571,454
Temporary Differences	195,447	201,666	316,155	322,382
Total of Assets	2,396,609	2,291,496	2,835,606	2,716,811
LIABILITIES				
Temporary Differences	(1,251,013)	(1,254,437)	(1,258,684)	(1,273,349)
Total of Liabilities	(1,251,013)	(1,254,437)	(1,258,684)	(1,273,349)
Deferred tax assets, net	1,145,596	1,037,059	1,576,922	1,443,462

11. Investments

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Participation in controlled companies	5,479,505	6,961,696	-	-
Goodwill arising from business combination	828,406	753,203	-	-
Other Investments	10	10	66,145	60,023
	6,307,921	**7,714,909**	**66,145**	**60,023**

MARFRIG GLOBAL FOODS S.A.

Notes to the separete (parent company) and consolidated financial statements for the periods ended March 31, 2021 and 2020
(In thousands of Brazilian reais, except where otherwise indicated)

11.1. Direct investments by the parent company

The information of investments in Subsidiaries as of March 31, 2021 is show as follow:

	Shares / Quotas	% equity stake	Country	Share Capital	Shareholders' Equity	Continued net income	Shareholders' equity according to % stake (1)	Total of Assets	Total of Liabilities	Non-controlling interest continued	Net revenue	Equity participation - continued net income	Premium
Marfrig Chile S.A.	9,950	99.50	Chile	91,633	310,335	12,511	308,783	554,121	243,777	9	181,511	12,448	-
Inaler S.A.	66,247,320	100.00	Uruguai	52,867	55,570	5,560	55,570	276,061	220,491	-	157,221	5,560	124,720
Frigorífico Tacuarembó S.A.	163,448,688	99.96	Uruguai	36,423	273,805	52,572	273,696	720,455	446,650	-	404,858	52,551	186,317
Masplen Ltd	5,050	100.00	Ilha Jersey	21,031	(54,349)	(5,426)	(54,349)	664,547	718,896	-	158,532	(5,426)	55,417
Prestcott International S.A.	79,638,916	100.00	Uruguai	16,648	119,738	16,757	119,738	540,602	420,864	-	260,379	16,757	71,467
Estab. Colonia S.A.	80,647,477	100.00	Uruguai	197,720	83,642	22,950	83,642	549,450	465,808	-	290,240	22,950	381,982
Marfrig Overseas Ltd	1	100.00	Ilhas Cayman	-	(1,514,261)	(72,936)	(1,514,261)	10,899,377	12,413,638	-	-	(72,936)	-
Marfrig Argentina S.A.	1,249,300,248	99.95	Argentina	77,373	(156,513)	10,829	(156,435)	390,465	546,981	(3)	207,267	10,824	-
Marfrig Com. de Energia Ltda	149,985	99.99	Brasil	-	(2,448)	162	(2,448)	19,063	21,511	-	14,359	162	-
Marfrig Holdings (Europe) BV	426,842	100.00	Holanda	2,654,458	3,966,836	(50,170)	3,966,836	14,547,308	10,580,472	-	-	(50,170)	-
Marfrig Peru S.A.C.	4,988	99.76	Peru	8	(904)	(15)	(902)	107	1,011	-	-	(15)	-
Marfrig Beef (UK) Limited	2,001	100.00	Reino Unido	1,615,800	1,759,513	296,941	1,759,513	18,377,164	16,617,651	-	2,297,433	296,941	-
Marfrig Beef International Limited	2,001	100.00	Reino Unido	810,877	552,191	2,632,346	552,191	24,174,232	21,232,978	2,389,063	12,705,978	2,632,346	-
Abilun S.A.	400,000	100.00	Uruguai	51	(4,000)	(655)	(4,000)	31,519	37,934	(2,415)	38,873	(655)	-
MFG Holdings SAU	100,000	100.00	Argentina	-	47,803	(18,434)	47,803	861,854	778,036	36,015	658,941	(18,434)	-
QuickFood S.A.	57,900,314	10.00	Argentina	273,247	294,573	(18,434)	29,457	753,285	458,712	-	658,941	(1,843)	-
Las Animas S.A	4,950,000	99.99	Paraguai	5	(28)	(39)	(28)	5	33	-	-	(39)	-
Campo Del Tesoro	39,351,200	95.00	Argentina	4,690	24,958	(4,384)	23,710	115,095	90,137	-	147,689	(4,165)	-

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The transaction of investments as of March 31, 2021 is shown as follow:

	31/12/2020	Dividends	Other Comprehensive Results	Equity accounting result	31/03/2021 [1]
Marfrig Chile S.A.	270,498	-	24,983	12,135	307,616
Inaler S.A.	45,488	-	4,522	5,533	55,543
Frigorífico Tacuarembó S.A.	200,057	-	20,662	51,523	272,242
Masplen Ltd	(71,175)	-	(77)	6,691	(64,561)
Prestcott International S.A.	93,229	-	9,675	16,835	119,739
Estab. Colonia S.A.	54,097	-	6,321	22,069	82,487
Marfrig Overseas Ltd	(1,310,633)	-	(130,692)	(72,936)	(1,514,261)
Marfrig Argentina S.A.	(136,614)	-	(31,220)	11,148	(156,686)
MFG Com. de Energia Ltda	(2,610)	-	-	162	(2,448)
Marfrig Holdings (Europe) BV	4,530,217	(963,060)	449,850	(50,170)	3,966,837
Marfrig Peru S.A.C.	(823)	-	(65)	(15)	(903)
Marfrig Beef (UK) Limited	1,402,853	-	142,285	214,368	1,759,506
Marfrig Beef International Limited	1,779,972	(1,666,447)	13,850	424,816	552,191
Abilun S.A.	(2,980)	-	(365)	(655)	(4,000)
MFG Holdings SAU	54,876	-	1,208	(8,593)	47,491
QuickFood S.A.	34,122	-	3,275	(1,383)	36,014
Las Animas S.A	(6)	-	(3)	(19)	(28)
Campo Del Tesoro	21,128	-	4,099	(2,501)	22,726
Total	**6,961,696**	**(2,629,507)**	**518,308**	**629,008**	**5,479,505**

[1] The balance shown corresponds to the Company's percentage interest in its subsidiaries, adjusted by the profits on inventories unrealized inventories upon consolidation of balance sheets

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12. Investment property

The investment property corresponds to the tanneries and industrial plants that within the Company's strategy are held to earn rental income, the amounts are accounted for at fair value.

	Parent Company and Consolidated		
	Land	Buildings and Facilities	Total
Promissão Tannery	3,246	2,953	6,199
Tannery Bataguassú	-	43,656	43,656
Capão do Leão Plant	3,340	36,638	39,978
Mato Leitão Plant	2,060	13,031	15,091
Pirenópolis Plant	2,845	42,888	45,733
Net Balance on 31/03/2021	**11,491**	**139,166**	**150,657**

13. Property, plant and equipament

The following tables show the annual weighted average rate of depreciation using the straight-line method, based on the economic useful lives of the assets and their balances. With the adoption of IFRS 16, the assets related to leases started to be recognized as right-of-use assets in the property, plant, and equipment account, and therefore we present them below separately:

Transaction of permanent assets (Parent Company):

Parent Company							
	Fixed Assets				Right of Use		
Description	Land, Buildings and Facilities	Machines, equipment, furniture and fixtures	Works in progress	Others	Industrial Plants	Others	Total
Average annual depreciation rates	**3.80%**	**15.45%**	**-**	**11.69%**	**10.64%**	**20.00%**	
Cost of acquisition	3,242,480	1,079,890	60,262	372,687	203,098	11,237	4,969,654
Accumulated Depreciation	(795,557)	(609,755)	-	(169,087)	(38,525)	(7,041)	(1,619,965)
Net Balance on 31/12/2020	**2,446,923**	**470,135**	**60,262**	**203,600**	**164,573**	**4,196**	**3,349,689**
Additions	1,518	20,811	170,162	26,017			218,508
Losses		(89)	(1)	(189)			(279)
Transferences	146,547		(149,561)	3,040		(26)	-
Reclassification			(507)				(507)
Depreciation for the period	(33,632)	(19,246)	-	(11,911)	(3,987)	(232)	(69,008)
Saldo Líquido em 31/03/2021	**2,561,356**	**471,611**	**80,355**	**220,557**	**160,586**	**3,938**	**3,498,403**
Cost of acquisition	3,390,545	1,100,587	80,355	401,508	203,098	11,210	5,187,303
Accumulated Depreciation	(829,189)	(628,976)	-	(180,951)	(42,512)	(7,272)	(1,688,900)
Net Balance on the end of the year	**2,561,356**	**471,611**	**80,355**	**220,557**	**160,586**	**3,938**	**3,498,403**

MARFRIG GLOBAL FOODS S.A.

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(In thousands of Brazilian reais, except where otherwise indicated)

Transaction of permanent assets (Consolidated):

Consolidated	Fixed Assets				Right of Use			
Description	Land, Buildings and Facilities	Machines, equipment, furniture and fixtures	Works in progress	Others	Industrial Plants	Machines and Equipment	Others	Total
Average annual depreciation rates	**1.43%**	**8.46%**	**-**	**3.06%**	**1.04%**	**13.08%**	**19.38%**	
Cost of acquisition	5,511,125	4,891,481	821,605	881,134	274,650	543,370	14,989	12,938,354
Accumulated Depreciation	(1,401,245)	(2,858,418)	-	(320,718)	(65,402)	(219,583)	(10,069)	(4,875,435)
Net Balance on 31/12/2020	**4,109,880**	**2,033,063**	**821,605**	**560,416**	**209,248**	**323,787**	**4,920**	**8,062,919**
Additions	1,761	26,828	341,046	26,289	-	20,446	-	416,370
Losses	(154)	(5,990)	-	(177)	-	(112)	-	(6,433)
Transferences	158,520	14,668	(251,922)	24,783	(175)	48,477	5,649	-
Reclassification*	-	-	(507)	-	-	-	-	(507)
Exchange fluctuation	163,109	141,783	73,649	35,489	4,783	35,570	584	454,967
Depreciation for the period	(53,885)	(91,354)	-	(21,885)	(7,039)	(36,328)	(1,012)	(211,503)
Net Balance on 31/03/2021	**4,379,231**	**2,118,998**	**983,871**	**624,915**	**206,817**	**391,840**	**10,141**	**8,715,813**
Cost of acquisition	5,884,088	5,204,562	983,871	980,674	281,962	669,463	21,466	14,026,086
Accumulated Depreciation	(1,504,857)	(3,085,564)	-	(355,759)	(75,145)	(277,623)	(11,325)	(5,310,273)
Net Balance on the end of the year	**4,379,231**	**2,118,998**	**983,871**	**624,915**	**206,817**	**391,840**	**10,141**	**8,715,813**

*Amounts reclassified to investment property and intangible

According to NBC TG 01/R4 (CVM Resolution 639/10) - impairment of assets, it is assessed annually whether there is any indication that an asset may be impaired. Only if there is any indication should the recoverable value of the asset be estimated.

In case of any indication, the recoverability analyses comprise the projected profitability and future cash of the Company's business units, which is presented at present value, in order to identify the degree of recoverability of the asset to which it refers.

During the quarter ended March 31, 2021, we have not identified evidence of assets remaining on the books of the Company that are recorded at a higher value than can be recovered through use or sale.

The Company and its subsidiaries have items recorded under property, plant and equipment fully depreciated that are still in operation and items temporarily idle as presented below:

	Parent Company and Consolidated 31/03/2021	
Description	**Temporarily idle fixed assets**	**Fully depreciated fixed assets still in operation**
Land, Buildings and Facilitie	81,774	230
Machines, equipment, furniture and fixtures	10,961	66,202
Outher fixed assets	36,254	41,340
	128,989	**107,772**

(In thousands of Brazilian reais, except where otherwise indicated)

14. Intangible assets

The Company has intangible assets, composing the non-current assets, presented in accordance with the NBC TG 04/R4 (CVM Resolution 644/10) - intangible assets, in the belowing summary:

The changes in intangibles in the quarter ended March 31, 2021 are as follows:

Parent Company

	Repayment rate	Balance on December 31, 2020	Reclassification	Amortization	Balance on 31 March, 2021
Sales Channels	6%	210,236	-	(4,064)	206,172
Rights of use	6%	37,655	-	(728)	36,927
Softwares and Licences	21%	24,708	507	(1,637)	23,578
Brands and patents	0%	22,883	-	-	22,883
Total		295,482	507	(6,429)	289,560

Consolidated

	Repayment Rate	Balance on December 31, 2020	Aquisition/Loss	Exchange Flutuation	Reclassification	Amortization	Balance on Mrach 31, 2021
Premium	0%	1,763,232	-	172,013	-	-	1,935,245
Sales Channels	5%	210,235	-	-	-	(4,064)	206,171
Rights of use	16%	37,655	-	-	-	(728)	36,927
Softwares and Licences	8%	30,563	493	280	507	(1,922)	29,921
Brands and patents	6%	1,530,318	-	148,136	-	(28,659)	1,649,795
Customer Relationship	6%	2,198,933	-	208,758	-	(69,455)	2,338,236
Relationship with suppliers	7%	2,206,848	-	210,336	-	(54,313)	2,362,871
Other Intangible Assets	20%	7,689	-	(791)	-	686	7,584
Total		7,985,473	493	738,732	507	(158,455)	8,566,750

The goodwill generated on acquisitions of equity interests abroad are expressed in the functional currency of the business unit and are translated at the closing rate, according to the rules described in NBC TG 02/R3 (CVM Resolution 540/10) - effects of changes in exchange rates and translation of financial statements.

15. Trade payables

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Third Party	258,588	406,437	2,353,577	2,469,624
Related Parties [1]	200,555	323,600	194,477	295,019
	459,143	730,037	2,548,054	2,764,643

(1) Suppliers with related parties are detailed in note 32 - Related Parties.

16. Supply chain finance

	Related Parties		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Suppliers drawn risk	6,930	3,426	6,930	3,426
	6,930	3,426	6,930	3,426

(In thousands of Brazilian reais, except where otherwise indicated)

The company carried out structured operations of drawn risk aiming to extend the terms of purchase of raw materials with certain suppliers, considering the conditions practiced on the market.

17. Taxes payable

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Income tax and social contribution payable	56,644	56,532	961,216	689,481
Special Installments	119,370	128,472	120,254	129,380
Other taxes, fees and contributions payable	11,053	13,833	63,988	62,740
	187,067	198,837	1,145,458	881,601
Current Liabilities	37,472	41,757	758,396	509,299
Non Current Liabilities	149,595	157,080	387,062	372,302

Special Tax Debt Installment Payment Plan - Laws 11,941/09, 12,865/2013, 12,996/2014, Pert Law 13,496/2017, "NJP" - PGFN and TA 120 of the State of Mato Grosso do Sul

On November 08, 2019, the Company entered into the Procedural Legal Business Agreement, referred to simply as "NJP", based on articles 190 and 191 of the Code of Civil Procedure and PGFN Ordinances No. 360 of June 13, 2018 and No. 742 of December 21, 2018. The present term aims at the regularization of a repayment plan of debts paid in installments of federal taxes through the ex-officio compensation with PIS and COFINS credits with reimbursement requests analyzed and homologated by the Brazilian Federal Revenue Service.

In accordance with the agreements signed, during 2020, the Federal Revenue Service made the ex-officio compensations of the other credits already inspected, updated by the SELIC – rate of the Special Liquidation and Custody System, in the amount of R$ 614 million.

The transaction of the special installment plans is shown below:

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Initial Balance	128,472	806,563	129,380	807,555
(+) Update Interest	2,214	16,777	2,216	16,796
(-) Payments made	(11,316)	(80,430)	(11,342)	(80,533)
(-) Offsetting with tax credits	-	(614,438)	-	(614,438)
Debtor balance	119,370	128,472	120,254	129,380
Current Liabilities	26,419	27,924	26,522	28,028
Non Current Liabilities	92,951	100,548	93,732	101,352

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Notes to the separete (parent company) and consolidated financial statements for the periods ended March 31, 2021 and 2020

(In thousands of Brazilian reais, except where otherwise indicated)

18. Loans, financing, and debentures

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Credit facility	Charges (% per year)	Weighted average interest rate (per year)	Weighted average maturity (years)	31/03/21	31/12/20
National Currency:					
FINAME/FINEP	TJLP + Fixed Fee			-	1
NCE/Working Capital	Fixed fee + %CDI	4.46%	0.93	1,293,331	1,330,922
Credit Note	CDI	4.90%	0.60	1,189,320	1,180,979
Non-convertible debentures - CRA	104% CDI	3.69%	1.87	494,704	497,448
National Currency Total		**4.51%**		**2,977,355**	**3,009,350**
Foreign Currency:					
NCE/Pre payment (US$) / ACC (US$)	Taxa Fixa + V.C	3.76%	1.11	3,520,222	2,780,917
Foreign Currency Total		**3.76%**		**3,520,222**	**2,780,917**
Total loans, financing and debentures		**4.10%**		**6,497,577**	**5,790,267**
Current Liabilities				5,625,351	5,089,995
Non current liabilities				872,226	700,272

Consolidated

Credit facility	Charges (% per year)	Weighted average interest rate (per year)	Weighted average maturity (years)	31/03/21	31/12/20
National Currency:					
FINAME/FINEP	TJLP + Fixed fee			-	1
NCE/Working Capital	Fixed fee+%CDI	4.46%	0.93	1,293,376	1,330,955
Credit Note	CDI	4.90%	0.60	1,189,320	1,180,979
Non-convertible debentures - CRA	104% CDI	3.69%	1.87	494,705	497,449
National Currency Total		**4.51%**		**2,977,401**	**3,009,384**
Foreign Currency:					
NCE/Pre payment (US$) / ACC (US$)	Fixed fee + V.C	3.74%	1.10	3,605,682	2,832,883
Bonds (US$)	Fixed fee + V.C	5.47%	8.00	16,589,825	16,546,530
Bank loan (US$)	Post fee + V.C	3.91%	0.94	2,975,956	2,739,359
Revolving credit facility	Post Fee + V.C	1.89%	1.19	2,655,161	1,681,991
Foreign Currency Total		**4.68%**		**25,826,624**	**23,800,763**
Total loans and financing		**4.66%**		**28,804,025**	**26,810,147**
Current liabilities				7,380,492	6,566,089
Non current liabilities				21,423,533	20,244,058

The changes in loans and financing, debentures, and interest on debentures are presented below:

	31/12/2020	Admissions	Cost over loans	Payments	Interests	Exchange rate fluctuation	Balance Sheet Conversion Adjustment	31/03/2021
Parent Company	**5,790,267**	2,293,322	1,899	(2,091,450)	90,100	413,439	-	**6,497,577**
Consolidated	**26,810,147**	12,281,643	23,565	(13,288,597)	398,849	416,431	2,161,987	**28,804,025**

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The following is the schedule of loans and financing, debentures, and interest on debentures:

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
2021	4,139,040	5,089,995	5,734,751	6,566,089
2022	1,961,534	474,166	5,464,124	2,859,065
2023	226,083	226,106	1,081,470	1,214,054
2024	-	-	18,169	3,884,751
2025	-	-	18,506	5,157,918
2026 to 2031	170,920	-	16,487,005	7,128,270
Total	**6,497,577**	**5,790,267**	**28,804,025**	**26,810,147**

(a) Senior Notes – BONDS

On January 14, 2021, the Company completes a foreign offering of bonds in the total amount of US$ 1.5 billion. The issue had demand more than 4.5 times the supply. The bonds maturing in 2031 were issued at an interest rate of 3.95% p.a., the lowest in the Company's history. The transaction was rated "BB-"by Standard & Poors ("S&P") and "BB "by Fitch Ratings. The operation is guaranteed by Marfrig Global Foods S.A., NBM US Holdings, Marfrig Holdings (Europe) B.V. and Marfrig Overseas Limited.

The issue is part of the Liability Management process, whose objective is to lengthen the profile and reduce the cost of the Company's capital structure and will be used in the Tender Offer process of the Senior Notes, with yield of 7.000% p.a. and maturity in 2024 and Senior Notes, with yield of 6.875% p.a. and maturity in 2025.

18.1. Guarantees for loans and financing

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Financing Balance	6,497,577	5,790,267	28,804,025	26,810,147
Guarantees:				
Promissory Note:	-	-	14,264	-
Aval	1,101,245	956,295	1,211,526	1,035,630
Financed Asset	-	1	-	1
Export Documents	-	-	137,664	125,394
Facilities	-	-	3,075,663	1,829,756
Financial Investment	-	-	12,606	23,856
Mortgage	-	-	148,419	135,154
No Warranties	5,396,332	4,833,971	24,203,883	23,660,356

18.2. Covenants

The Company has certain loan and financing contracts that have clauses for maintaining its consolidated indebtedness level, by means of covenants.

These covenants deal with the ratio between Net Debt and EBITDA of the Company's last twelve months and have a limit of 4.75x. Failure to do so may result in a request by creditors for the early maturity of the Company's debt.

Due to the contractual provisions (carve-out) that allow the exclusion of the exchange variation effects in the calculation of the leverage ratio (net debt/ EBITDA UDM), the Company clarifies that by such methodology the current leverage ratio (net debt/ EBITDA UDM), was 1.32x.

(In thousands of Brazilian reais, except where otherwise indicated)

The leverage indicator is calculated as shown below:

	31/03/21
Consolidated gross debt	28,804,025
(-) Consolidated Availability	11,056,956
Consolidated Net Debt	17,747,069
LAJIDA (UDM) of the period ended on March 31, 2021*	10,081,228
LAJIDA quotient	1.76
Consolidated Net Debt	17,747,069
(-) *carve-out*	4,450,178
Adjusted Consolidated Net Debt	13,296,891
Leverage Indicator	1.32

*LAJIDA is presented, on a pro-forma basis, including acquired operations/companies, considering the results of the last twelve months.

The Company has not identified any events of non-compliance as of March 31, 2021.

19. Advances from clients

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Customer prepayments	1,744,401	1,594,846	2,024,422	1,710,034
	1,744,401	**1,594,846**	**2,024,422**	**1,710,034**

Customer advances refer to amounts received in advance from customers in accordance with the Company's credit policies.

20. Leases payable

The Company measures its lease liabilities at the present value of the installments and costs associated with the lease agreement, in accordance with NBC TG 6/R3 (CVM Resolution 787/17).

The following is a breakdown of leases payable:

	Parent Company			
Lease	**Weighted average interest rates (per year)**	**Weighted average maturity (years)**	**31/03/2021**	**31/12/2020**
Plants, facilities and buildings	7.00%	7.1	180,304	185,552
Software Licence	13.33%	-	16	16
Other	5.58%	1.1	3,796	4,141
Interest to be incurred			(19,521)	(20,306)
Total	**7.80%**		**164,595**	**169,403**
Current Liabilities			10,715	11,875
Non Current Liabilities			153,880	157,528

(In thousands of Brazilian reais, except where otherwise indicated)

	Consolidated			
Lease	Weighted average interest rates (per year)	Weighted average maturity (years)	31/03/2021	31/12/2020
Plants, facilities and buildings	6.39%	6.5	230,453	233,817
Software Licence	13.33%	-	16	16
Machines and Equipment	3.51%	3.5	413,008	390,861
Others	3.28%	6.5	103,559	97,133
Financial Interest to be incurred			(32,132)	(32,397)
Total	**4.56%**		**714,904**	**689,430**
Current Liabilities			172,751	161,432
Non Current Liabilities			542,153	527,998

Financial charges are recognized as a financial expense and appropriated based on the actual discount rate, according to the remaining term of the contracts.

The activity of leases payable is presented below:

	31/12/2020	Acquisitions	Financial expenses	Payments	Write off	Exchange fluctuation	Balance sheet conversion adjustment	AVP	31/03/2021
Parent Company	**169,403**		727	(5,592)				57	**164,595**
Consolidated	**689,430**	20,446	5,604	(50,306)		3	49,670	57	**714,904**

The lease expiration schedule is shown below:

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Up to 1 year	10,715	11,875	172,751	161,432
From 1 year to 5 years	60,264	52,319	373,449	336,863
More than 5 years	93,616	105,209	168,704	191,135
Total	164,595	169,403	714,904	689,430

20.1. Potential right to PIS and COFINS

The Company has a potential Social Integration Program - PIS and Contribution to the Financing of Social Security - COFINS recoverable right embedded in the consideration for the leases concerning industrial plants and others. In measuring the cash flows from leases, tax credits were not highlighted, and the potential effects of PIS and COFINS are presented in the following table:

	Nominal	Present value adjusted
Lease Consideration	180,304	161,770
Potential PIS/COFINS (9,25%)	16,678	14,964

20.2. Inflationary Effects

The Company adopted as its accounting policy the requirements of NBC TG 6/R3 (CVM Resolution 787/17) in the measurement and remeasurement of its right-of-use, based on discounted cash flow without considering inflation. Management assessed the impacts of using nominal flows and concluded that they do not present material distortions in the information presented. To safeguard the faithful representation of the information against the requirements of NBC TG 6/R3 (CVM Resolution 787/17) and to meet the CVM guidelines, the balances of right-of-use assets, depreciation, lease liabilities, and financial expenses without inflation are provided, called actual flow, and the estimated inflated balances in the comparison periods are called inflated flow. The other assumptions, such as the maturity schedule of liabilities and interest rates used in the calculation are disclosed in other items of this same explanatory note, as well as the inflation indexes are observable in the market, so that the inflated flows can be elaborated by the users of the interim accounting information. The Company used the Broad Consumer Price Index - IPCA (6.09% p.a.) to adjust the balance.

(In thousands of Brazilian reais, except where otherwise indicated)

Right-of-Use Assets

	Parent Company	Consolidated
Actual Flow	31/03/2021	31/03/2021
Right-of-Use	168,743	653,177
Depreciation	(4,219)	(44,379)
	164,524	**608,798**

	Parent Company	Consolidated
Inflated Flow	31/03/2021	31/03/2021
Right-of-Use	170,093	657,258
Depreciation	(4,253)	(44,643)
	165,840	**612,615**

Lease Liabilities

	Parent Company	Consolidated
Actual Flow	31/03/2021	31/03/2021
Lease liability	165,322	720,508
Financial Expenses	(727)	(5,604)
	164,595	**714,904**

	Parent Company	Consolidated
Inflated Flow	31/03/2021	31/03/2021
Lease liability	166,644	724,961
Financial Expenses	(733)	(5,637)
	165,911	**719,324**

20.3. Effects from COVID-19 on lease agreements

The Company's Management assessed the requirements of CVM Resolution 859, and there are no effects on this individual and consolidated interim financial information.

21. Notes payable

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Securities payable investments Brazil (a)	212,217	233,742	212,217	233,742
Market transactions payable (b)	145,516	105,768	150,789	111,964
Related Parties (c)	22,507,497	21,206,532	-	-
Others	26,548	26,549	26,549	26,549
	22,891,778	**21,572,591**	**389,555**	**372,255**
Current Liabilities	133,720	119,703	138,993	125,899
Non Current Liabilities	22,758,058	21,452,888	250,562	246,356

(a) The amount shown refers substantially to the balance of the acquisition of the total shares of the company Mercomar Empreendimentos e Participações Ltda., acquired in May 2015, with final maturity scheduled for Mar/2024;

(b) In explanatory note 28, we present in detail the transactions with financial instruments practiced by the Company. The Company and its subsidiaries are subject to market risks related to exchange rate variations, interest rate fluctuations and commodity price variations. These amounts represent the mark-to-market number of derivatives payable; and

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(c) The amount shown refers to loan transactions with subsidiaries. In explanatory note 32 Related Parties, we present the detailed composition of the balance.

22. Provisions for contingencies

22.1. Provisions

The Company and its subsidiaries are parties to various lawsuits, in the normal course of their business, in the labor, tax and civil spheres, for which provisions have been made based on the estimates of their legal advisors. The main information of the cases is presented like this:

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Labor and social security	48,038	48,781	95,211	92,215
Tax	202,156	216,299	224,370	237,310
Civil	79,576	80,272	103,780	99,414
	329,770	345,352	423,361	428,939

The following are the changes in provisions in the quarter ended March 31, 2021:

	Parent Company				Consolidated			
	Labor and Social Security	Tax	Civil	Total	Labor and Social Security	Tax	Civil	Total
December 31, 2020	48,781	216,299	80,272	345,352	92,215	237,310	99,414	428,939
Provision Addition	-	-	-	-	3,813	1,308	6,992	12,113
Reversal of provision	(743)	(14,143)	(696)	(15,582)	(825)	(14,264)	(2,669)	(17,758)
Exchange fluctuation	-	-	-	-	8	16	43	67
March 31, 2021	48,038	202,156	79,576	329,770	95,211	224,370	103,780	423,361

22.2. Labor and social security

As of March 31, 2021, the Company and its Subsidiaries were defendants in various labor claims. Based on the past payment history of the Company and its subsidiaries, a provision in the amount of R$ 95,211 was set up. In the opinion of the Administration and legal advisors, this amount is considered sufficient to face possible losses. Most of the labor claims filed against the Company and its subsidiaries refer to issues commonly alleged in the segment, such as just cause, preparation minutes, breaks for personnel working in refrigerated environment, in itinere hours, ergonomic risk, among others. In the opinion of the Company's management, none of the labor claims are individually material.

(In thousands of Brazilian reais, except where otherwise indicated)

22.3. Tax

Based on the opinion of its legal advisors, the Company revised its estimate for unmaterialized tax risks in view of the stages of some proceedings and legal discussions at the Administrative Council for Tax Appeals (CARF), in addition to decisions issued on the matters under discussion. Management reassessed its reserve in the total amount of R$ 224,370, the main discussions being the exclusion of Tax on the Circulation of Merchandises and Services - ICMS from the Social Integration Program - PIS/Contribution to the Financing of Social Security - COFINS tax base, disallowance of the Legal Entity Income Tax - IRPJ/Social Contribution on Net Profit -CSLL offset in the estimate, lack of addition of the profits abroad in the calculation of income tax and contribution, Contribution for the Degree of Permanent Incapacity - GILRAT and ICMS proof of exports. The Company, supported by its legal advisors, deemed sufficient the amounts recorded as provision for potential impacts, should such risks materialize.

22.4. Civil

On March 31, 2021, based on the opinion of its legal advisors, Management recorded a provision in the amount of the actions classified as probable risk, totaling R$ 103,780. The civil suits of the Company and its Subsidiaries typically involve controversies relating to commercial agreements and indemnities. The amount provisioned is substantially composed of the rescission of the contract to sponsor the Brazilian National Soccer Teams, signed with the Brazilian Soccer Confederation (CBF), and reflects the monetary updating of the existing risk.

22.5. Contingent Liabilities

The contingent liabilities, whose probability of loss for the Company was defined by its external legal advisors as "possible", which in turn are not subject to accounting record, according to the rules in force, are demonstrated below:

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Labor and Social Security	69,329	72,784	75,242	78,615
Tax	795,336	791,214	836,101	823,770
Cívil	8,560	9,859	8,560	9,950
	873,225	**873,857**	**919,903**	**912,335**

22.6. Labor and social security

The labor and social security lawsuits of the Company and its subsidiaries typically involve issues commonly alleged in the segment, such as: just cause, preparation minutes, breaks for personnel working in refrigerated environment, in itinere hours, ergonomic risk, among others, which are not individually relevant.

22.7. Tax

The following are the main tax matters under litigation that in the opinion of the Management and our legal advisors are classified as possible losses for the Company and its Subsidiaries.

a) **Federal Taxes and Contributions**
As of March 31, 2021, there are administrative and judicial proceedings filed by federal agencies for a total historical amount of R$ 745,312 demanding:
(i) Lack of addition in the taxable income and in the Legal Entity Income Tax - IRPJ/Social Contribution on Net Profit - CSLL basis of profits abroad related to the calendar year of 2009, rejections of goodwill amortization and lack of taxation of interest arising from loan agreements with subsidiaries abroad, in the historical amount of R$ 83,911;
(ii) Disallowance of PIS/COFINS credits from calendar year 2014 used for tax offsetting, in the historical amount of R$ 324,379;
(iii) Collection of Tax on Financial Transactions - IOF tax for calendar year 2016, due to current account contracts between group companies, in the historical amount of R$ 21,923;
(iv) The Company and its subsidiaries have federal tax debts, the collections of which by means of legal cases are not individually relevant, representing a total amount of R$ 315,099.

b) **State VAT - ICMS**
As of March 31, 2021, there are administrative and judicial proceedings with a total historical value of R$ 89,535, demanding:
(i) ICMS tax assessment notices issued by the State of Goiás for the collection of ICMS credits due to non-fulfillment of accessory obligations, error in the calculation of the ICMS tax base, failure to reverse the credit granted in the output operation due to the return of goods, failure to reverse the ICMS credit related to the acquisition of inputs/goods in proportion to the outputs, failure to prove the export of goods sent abroad, which amount to the historical value of R$ 45,360;
(ii) The Company and its subsidiary Pampeano have administrative and judicial processes, the collections of which by means of legal cases are not of relevant materiality individually, representing a total amount of R$ 44,175.

c) Tax on services of any nature (ISSQN)
As of March 31, 2021, the Company has three lawsuits (two administrative and one judicial) for the collection of municipal taxes in the historical amount of R$ 1,254.

22.8. Civil

The civil suits of the Company and its Subsidiaries typically involve controversies relating to commercial and indemnity settlements, which individually are not material.

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22.9. Additional Information

Sale of the Keystone business

The Company is disputing the price adjustment and the business practices adopted by the buyer in the establishment of the contract for the sale of the Keystone Foods business unit in civil lawsuits that are currently underway in the U.S. courts. The price adjustment items were sent for evaluation in a contractually foreseen arbitration process. The buyer has filed suit in which it discusses, among others, the repurchase of McKey Korea LLC (a Korean company owned by Keystone Foods) by Marfrig. The process is in the phase of producing evidence and hearing witnesses.

National Beef Business

Four class actions have been filed in the United States alleging that the company and its subsidiary, National Beef, along with other companies in the industry, have acted in an alleged collusion to control cattle prices. In all actions the competent court issued decisions excluding Marfrig from the passive pole and continue in the face of National Beef, which is defending itself. In January 2020, two class actions were filed in the United States alleging that National Beef inappropriately labeled certain products in violation of U.S. state laws. These requests were dismissed by the first instance court and the Plaintiffs in these cases appealed the decision. National Beef also received a civil investigative demand from the U.S. Department of Justice regarding the purchase of fat cattle and responded to this demand by providing the requested information.

23. Shareholders' equity

As of March 31, 2021, and December 31, 2020, the composition of equity was presented as follows:

	Note	31/03/21	31/12/20
Capital Stock	23.1	8,204,391	8,204,391
Capital reserves, stock options granted and treasury shares	23.2	(1,853,134)	(1,684,338)
Legal reserve	23.3	59,327	59,327
Earnings reserve	23.4	148,431	148,431
Additional proposed dividend	23.5	70,542	70,542
Other comprehensive income	23.6	(4,586,759)	(4,703,644)
Retained Earnings		279,696	-
		2,322,494	**2,094,709**

23.1. Share capital

The subscribed and paid-in capital on March 31, 2021 and December 31, 2020 was R$ 8,204,391 represented by 711,369,913 common shares with no par value. As of March 31, 2021, 344,201,531 shares or 48.39% of the Company's Capital Stock were held by the controlling shareholders: Marcos Antonio Molina dos Santos, Marcia Aparecida Pascoal Marçal dos Santos and MMS Participações Ltda. (controlled by Marcos and Marcia, each one with an interest of 50%) The free float was 367,168,382 shares or 51.61%, of which 19,732,781 shares are held in treasury and 931,641 shares are held by the Board of Directors, Audit Committee and Statutory Executive Board).

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Capital Stock

Ordinary shares	Balance on March 31, 2021	Balance on December 31, 2020
Controlling Shareholder	344,201,531	341,330,644
Total Controlling Shareholders	**344,201,531**	**341,330,644**
Treasury Stock	19,732,781	19,413,106
Shares held by the Board of Directors	931,641	975,641
Other outstanding shares	346,503,960	349,650,522
Total *Free float*	**367,168,382**	**370,039,269**
Quantity of shares	**711,369,913**	**711,369,913**
Total Capital Stock (R$ mil)	**8,204,391**	**8,204,391**

23.2. Capital reserves, options granted and treasury shares

As of March 31, 2021, the balance of capital reserves, stock options and treasury shares were composed as described below:

Capital reserves, stock options granted and treasury shares	Balance on December 31, 2020	Exchange Flutuation	Acquisition	Balance on March 31, 2021
Capital Reserve				
Goodwill on capital transactions - National Beef	(1,662,739)	(160,604)	-	(1,823,343)
Goodwill on capital transactions - Tacuarembó	(158)	-	-	(158)
Goodwill on Stock Option	(11,788)	-	(1,015)	(12,803)
Common Stock	184,800	-	-	184,800
	(1,489,885)	**(160,604)**	**(1,015)**	**(1,651,504)**
Treasury Stock				
Treasury Stock	(194,453)	-	(7,177)	(201,630)
	(194,453)	**-**	**(7,177)**	**(201,630)**
	(1,684,338)	**(160,604)**	**(8,192)**	**(1,853,134)**

Treasury shares

As of March 31, 2021, the Company held 19,732,781 common shares in treasury. The shares were recorded at R$ 189,939, which corresponds to an average cost per share of R$ 9.62.

On March 31, 2021, the total balance of treasury shares was R$ 201,630, of which R$ 11,691 refers to canceled treasury shares.

(In thousands of Brazilian reais, except where otherwise indicated)

The following table shows the transaction of treasury stock in the period:

Treasury balance	Quantity of Shares	Amount (R$ mil)
Saldo em 31 de dezembro de 2020	19,413,106	182,762
(+) Acquisition - Buyback Program	650,000	10,354
(-) Divestiture - Stock Option Plan	(330,325)	(3,177)
Saldo em 31 de março de 2021	**19,732,781**	**189,939**

Share buyback program

The shares acquired under the Share Buyback Program were held in treasury for use in the exercise of stock options by the beneficiaries of the Company's Stock Option Plan and/or subsequent cancellation or disposal.

On March 9, 2021, the Company's Board of Directors approved the use of capital reserve and available profits for the acquisition of shares. The repurchase plan contemplates the acquisition of up to 9,554,341 registered, book-entry common shares with no par value, and not exceeding ten percent (10%) of the Company's outstanding shares. The maximum period for the realization of the purchases and acquisitions is 18 (eighteen) months, beginning on March 09, 2021 and ending on September 09, 2022.

23.3. Legal Reserve

Constituted at the percentage of 5% (five percent) on the Company's net profit, as defined in its by-laws and in the legislation in force. The legal reserve balance on March 31, 2021 and December 30, 2020 is R$ 59,327.

23.4. Earnings reserve

The profit reserve balance on March 31, 2021 and December 30, 2020 is R$ 148,431.

23.5. Additional proposed dividend

According to the Annual General Meeting, held on April 8, 2021, the Company will distribute an additional dividend in the amount of R$ 70,542, related to the fiscal year ended on December 31, 2020.

23.6. Other comprehensive income

In this account are recognized, while not computed in the result for the period, the exchange variations resulting from the translation of the intermediary accounting information of subsidiaries abroad, whose functional currency of the invested company differs from the parent company's, the counterparts of increases or decreases in value attributed to asset and liability elements, as a result of their valuation at market price on investments in subsidiaries held by the Company, directly and indirectly. This accumulated effect will be reversed to the result for the period as a gain or loss only in case of disposal or write-off of the investment.

In this account were also recognized the effects of deemed cost adoption, exchange differences from translation of loan operations and the result from derivative financial instruments designated for hedge accounting not yet realized.

As of March 31, 2021, the balance of other comprehensive income was composed as described below:

(In thousands of Brazilian reais, except where otherwise indicated)

Other Comprehensive Results	Balance on December 31, 2020	Exchange effect	Realization	Balance on March 31, 2021
Exchange variation on net investments and conversion of the balance sheets	2,605,284	478,562	-	3,083,846
Exchange variation on the loan	(8,177,246)	(597,157)	-	(8,774,403)
Exchange variation on Googwill	815,322	235,806	-	1,051,128
Deemed Cost	52,996	-	(326)	52,670
	(4,703,644)	**117,211**	**(326)**	**(4,586,759)**

23.7. Shareholder compensation

When suggested by the Company, the compensation to shareholders takes the form of dividends and/or interest on equity based on the limits defined by law and the Company's bylaws.

24. Net sales revenue

	Parent Company		Consolidated	
	31/03/21	31/03/20	31/03/21	31/03/20
Revenue from product sales				
Domestic Sales	1,449,190	1,369,321	13,093,267	10,249,848
International Sales	1,719,506	1,611,667	4,386,499	3,521,699
	3,168,696	**2,980,988**	**17,479,766**	**13,771,547**
Deductions from Gross Revenue				
Sales taxes	(105,083)	(87,890)	(122,053)	(105,012)
Returns and rebates	(95,685)	(139,628)	(121,887)	(164,926)
	(200,768)	**(227,518)**	**(243,940)**	**(269,938)**
Net operating revenue	**2,967,928**	**2,753,470**	**17,235,826**	**13,501,609**

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25. Costs and expenses by nature

The Company elected to present the income statement by function and presents below the breakdown by nature:

	Parent Compay		Consolidated	
	31/03/21	31/03/20	31/03/21	31/03/20
Sales costs				
Inventory costs	2,591,583	2,073,519	13,315,105	10,629,529
Depreciation and Amortization	66,675	61,055	269,963	221,390
Wages and employee benefits	144,593	160,633	1,400,876	974,583
	2,802,851	**2,295,207**	**14,985,944**	**11,825,502**
Administrative Expenses				
Depreciation and Amortization	8,495	8,447	98,932	80,483
Wages and employee benefits	19,371	14,076	100,254	83,976
Others	9,765	2,724	52,327	47,847
	37,631	**25,247**	**251,513**	**212,306**
Business Expenses				
Depreciation and Amortization	267	150	1,063	2,024
Wages and employee benefits	11,161	13,906	39,597	40,618
Freight	70,388	87,617	494,026	413,649
Others	44,734	35,353	125,414	88,548
	126,550	**137,026**	**660,100**	**544,839**

26. Net financial result

The financial income of the Company is presented as follows:

	Parent Company		Consolidated	
	31/03/21	31/03/20	31/03/21	31/03/20
Interest received, financial application income	3,576	10,001	8,602	39,041
Accrued interest, debentures and leases with financial institutions	(94,367)	(63,128)	(419,380)	(357,229)
Monetary corrections, bank expenses, amortization of cost of debt and	(12,980)	(303,187)	65,190	(233,185)
Active and passive exchange variation	(374,472)	(629,076)	(387,473)	(631,649)
Total	**(478,243)**	**(985,390)**	**(733,061)**	**(1,183,022)**
Financial Income	535,527	643,383	401,270	687,064
Financial Expenses	(1,013,770)	(1,628,773)	(1,134,331)	(1,870,086)
Total	**(478,243)**	**(985,390)**	**(733,061)**	**(1,183,022)**

27. Earnings (loss) per share

The following table shows a reconciliation of the earnings (loss) per share calculation for the periods ended March 31, 2021 and 2020 (in thousands, unless otherwise stated):

	31/03/21	31/03/20
Profit attributable to the Company's stockholders	279,370	(136,930)
Weighted average number of shares in the period (in units)	711,369,913	711,369,913
Weighted average number of treasury shares (in units)	(11,624,809)	(11,191,906)
Weighted average number of common shares outstanding (in units)	699,745,104	700,178,007
Profit attributable to the Company's stockholders	0.3992	(0.1956)

28. Financial instruments - risk management

28.1. Overview

In its activities, the Company and its subsidiaries are subject to market risks related to exchange rate variations, interest rate fluctuations and commodity prices. With the purpose of minimizing these risks, the Company has policies and procedures to manage such exposures and may use hedging instruments, as long as previously approved by the Board of Directors.

Among the guidelines established by the Company we highlight: the follow-up of the exposure levels to each market risk; their measurement and the creation of limits for decision making and the use of protection mechanisms, always aiming at minimizing the exchange rate exposure of its debt, cash flow, and interest rates.

The Company will be represented exclusively by its Officers and Attorneys in accordance with the limits established in its Bylaws, and the approval of the Board of Directors will be required for acts and operations with values above this limit.

The Company only performs transactions with derivatives or similar instruments that aim at maximum protection to foreign currencies, interest rates and commodity prices, with the conservative policy of not undertaking transactions that could compromise its financial position. The Company does not practice operations leveraged on derivatives or similar instruments.

The company also maintains a solid financial policy, maintaining a high balance of cash, cash equivalents, and short-term financial investments, while concentrating its long-term debt in maturities distributed so as not to cause concentrations in a single year.

28.2. Credit risk management

The Company and its Subsidiaries are subject to credit risk. Credit risk deals with the group's financial losses if a customer or counterparty in a financial instrument fails to fulfill its contractual obligations, which arise largely from receivables.

(In thousands of Brazilian reais, except where otherwise indicated)

The Company and its Subsidiaries limit their exposures through credit analysis and client portfolio management, seeking to minimize the economic exposure to a given client and/or market that may represent expressive losses.

The Global Credit Risk Policy determines the guidelines for managing financial credit risk on the following basis:

- Limiting the concentration of net counterparty credit risk to 15% of total current assets;
- Investment of financial resources in solid, first class financial institutions, through the evaluation of their rating;
- Equalization of the liability positions with the asset positions.

The evaluations performed are based on information flows and monitoring of the volume of purchases on the market. Internal controls encompass the assignment of credit limits.

The maximum exposure to credit risk of the Company and its subsidiaries are the amounts receivable from customers presented in note 6. The value of the effective risk of eventual losses is presented as a provision for credit risk, in the aforementioned note.

The following are the financial asset values subject to credit risk:

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Cash and cash equivalents	29,900	291,563	1,563,156	2,041,924
Financial Investments	1,148,351	53,456	9,493,800	9,715,525
Receivables - domestic customers	266,312	346,121	2,150,833	2,026,341
Receivables - international customers	810,062	754,648	573,601	486,691
Other Recivables	67,012	41,657	908,175	515,861
Total	**2,321,637**	**1,487,445**	**14,689,565**	**14,786,342**

28.3. Liquidity risk management

The liquidity risk arises from the working capital management of the Company and Subsidiaries and the amortization of the financial charges and principal of debt instruments. It is the risk that the Company and its Subsidiaries will encounter difficulty in meeting their maturing financial obligations.
The Company and its subsidiaries manage their capital based on capital structure optimization parameters with a focus on liquidity and leverage metrics that enable a return to shareholders in the medium term, consistent with the risks assumed in the operation.

The main indicator for monitoring is the modified immediate liquidity indicator, represented by the ratio of cash and cash equivalents to current (short-term) debt:

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Cash, cash equivalents and short-term investments	1,178,251	345,019	11,056,956	11,757,449
Short-term loans and financing	5,625,351	5,089,995	7,380,492	6,566,089
Modified Liquidity Index	**0.21**	**0.07**	**1.50**	**1.79**

(In thousands of Brazilian reais, except where otherwise indicated)

28.4. Market risk management

The Company is exposed to market risks due to commodity prices, interest rates and exchange rates. For each risk, the Company performs ongoing management and sensitivity studies presented in this note.

28.5. Interest rate risk

Refers to the risk that the Company may suffer economic losses due to adverse changes in interest rates. This exposure is primarily to changes in market interest rates affecting the Company's liabilities and assets indexed to the TJLP (Long Term Interest Rate), LIBOR (London Interbank Offered Rate), or CDI (Interbank Deposit Certificates Interest Rate).
With the aim of minimizing debt service costs, the Company and its subsidiaries continuously monitor market interest rates with the purpose of assessing the eventual need to contract derivative operations to protect against the volatility risk of these rates.

The interest rate exposure risk of the Company and its Subsidiaries on March 31, 2021 and December 31, 2020 is presented below:

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Exposiion to CDI index:				
CDI-linked loans	2,977,355	3,009,349	2,977,401	3,009,383
(-) CDB-DI (R$)	(373,750)	(7,191)	(373,750)	(7,191)
Subtotal	**2,603,605**	**3,002,158**	**2,603,651**	**3,002,192**
Exposition to LIBOR index:				
Rotating Line of Credit (US$)	-	-	5,631,117	4,421,350
Subtotal	**-**	**-**	**5,631,117**	**4,421,350**
Exposition to TJLP:				
FINAME/FINEP	-	1	-	1
Subtotal	**-**	**1**	**-**	**1**
Total	**2,603,605**	**3,002,159**	**8,234,768**	**7,423,543**

The Company entered into non-speculative swap transactions to minimize the effects of changes in interest rates on the settlement of its loans and financing transactions, as follows:

Consolidated							
						31/03/21	31/12/20
Instrument	Registry	Asset	Liability	National US$	National R$	MTM R$	MTM R$
Swap Taxa Juros	CETIP	R$	USD	59,180	337,168	(145,501)	(105,833)
				59,180	**337,168**	**(145,501)**	**(105,833)**

- **Sensitivity analysis of interest rate variations**

We present below the sensitivity analysis for interest rate risks. The Company considered scenario I as 10% appreciation, and scenarios II and III as 25% and 50% deterioration for interest rate volatility using as reference the closing rate on March 31, 2021.

(In thousands of Brazilian reais, except where otherwise indicated)

Consolidated

Parity - 5% + USD x 127% CDI		Scenario	Scenario I	Scenario II	Scenario III
Instrument	Risk	Current			
SWAP	Diminuição taxa de juros	(145,501)	(144,825)	(147,236)	(149,043)

28.6. Commodity price risk

The Company purchases its main commodity, cattle, the largest single component of production cost and subject to certain variables. The price of cattle acquired from third parties is directly related to market conditions, being influenced by domestic availability and demand levels on the international market. To lessen the impact of commodity price risks, the Company keeps cattle in feedlots and trades derivative financial instruments in the futures market, among other operations.

Derivative financial instruments for hedging commodity price risk on March 31, 2021 are not designated for hedge accounting and are shown below:

Consolidated

					31/03/21	31/12/20
Instrument	Protection Subject	Registry	Notional US$	Notional R$	MTM R$	MTM R$
Future	Fed cattle	B3	(755)	(4,300)	(15)	(65)
Future	Fed cattle	CME	(490)	(2,791)	132	47
			(1,245)	(7,091)	117	(18)

- **Commodity Sensitivity Analysis**

The following is the sensitivity analysis for the price of commodities. The Company considered scenario I as 10% appreciation, and scenarios II and III as 25% and 50% deterioration, for commodity price volatility, using as reference the closing price on March 31, 2021.

Consolidated

Parity - USDA Rate - Cattle - R$/US$		Scenario	Scenario I	Scenario IV	Scenario V
Instrumento	Risk	Atual			
Future	Increase in the price of cattle	(15)	(359)	897	1,794
Future	Increase in the price of cattle	132	1,591	(2,278)	(5,042)
		117	1,232	(1,381)	(3,248)

28.7. Exchange rate risk

This is the risk that changes in foreign currency exchange rates could cause the Company and its Subsidiaries to incur losses, leading to a reduction in the values of assets or an increase in the values of liabilities. The main exposure to which the Company is subject, with respect to exchange rate variations, refers to the fluctuation of the US dollar against the Brazilian real.
As approximately 93% of the Company's revenues are originated in currencies other than the Brazilian Real, the Company has a natural hedge to face the maturities of its future obligations in foreign currency.

The Company also maintains a solid financial policy, with a high cash balance and short-term financial investments in renowned financial institutions. Assets and liabilities in foreign currency are shown as follows:

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(In thousands of Brazilian reais, except where otherwise indicated)

Parent Company

Description	31/03/21	31/12/20	Effects on the result Exchange variation 2021
Operational			
Receivables	810,062	754,648	60,773
Imports payable	(25,028)	(42,487)	(27,602)
Subtotal	**785,034**	**712,161**	**33,171**
Financial			
Loans and financing	(3,520,222)	(2,780,917)	(413,439)
Títulos a pagar e a receber	52,571	346,191	1,919
Balance of banks and financial investments (*)	19,739	115,249	3,877
Subtotal	**(3,447,912)**	**(2,319,477)**	**(407,643)**
Total	**(2,662,878)**	**(1,607,316)**	**(374,472)**
Active exchange variation			249,740
Passive exchange variation			(624,212)
Net exchange variation			**(374,472)**

(*) refer only to the balance of banks and financial investments that generated exchange variation.

Consolidated

Description	31/03/21	31/12/20	Effects on the result Exchange variation 2021
Operational			
Receivables	573,601	486,691	68,044
Importation receivables	(260,592)	(209,824)	(26,628)
Others	(57,928)	(97,117)	5,532
Subtotal	**255,081**	**179,750**	**46,948**
Financial			
Loans and financing	(25,826,624)	(23,800,763)	(416,431)
Payables and Receivables Securities	77,906	368,130	(22,022)
Balance of banks and financial investments (*)	206,948	327,348	4,032
Subtotal	**(25,541,770)**	**(23,105,285)**	**(434,421)**
Total	**(25,286,689)**	**(22,925,535)**	**(387,473)**
Active exchange variation			325,189
Passive exchange variation			(712,662)
Net exchange variation			**(387,473)**

(*) refer only to the balance of banks and financial investments that generated exchange variation.

The Company contracted NDF (Non-Deliverable Forward), non-speculative, with the objective of minimizing the effects of changes in the exchange rates on its exports, as per the composition presented below, the results of which are accounted for in the "Positive Exchange Variation" and "Negative Exchange Variation" lines.

(In thousands of Brazilian reais, except where otherwise indicated)

Consolidated								
							31/03/2021	31/12/2020
Instrument	Subject pf Protetion	Registry	Assets	Liabilities	National Asstes	National Liabilities	MTM R$	MTM R$
Operations not designated for Hedge Accounting								
NDF	FX rate	OTC	USD	GBP	21,934	124,962	(1,369)	(3,874)
NDF	FX rate	OTC	USD	EUR	2,035	11,595	101	(378)
NDF	FX rate	OTC	USD	AUD	1,592	9,069	(463)	(570)
NDF	FX rate	OTC	USD	CLP	10,400	59,252	155	(974)
							(1,576)	**(5,796)**

- **Sensitivity analysis of the consolidated currency exposure**

We present below the sensitivity analysis for the consolidated currency exposure. The Company considered scenario I as 10% appreciation, and scenarios II and III as 25% and 50% deterioration for exchange rate volatility, using as reference the closing price on March 31, 2021.

Consolidated					
Parity - US$ x EUR		Scenario	Scenario I	Scenario II	Scenario III
Instrument	Risk	Current			
NDF	Apreciação do US$	(101)	(1,048)	2,974	5,847
Parity - US$ x GBP		Scenario	Scenario I	Scenario II	Scenario III
Instrument	Risk	Current			
NDF	Apreciação do US$	(1,369)	(13,877)	29,947	61,249
Parity - US$ x AUD		Scenario	Scenario I	Scenario II	Scenario III
Instrument	Risk	Current			
NDF	Apreciação do US$	(463)	(1,416)	1,920	4,303
Parity - US$ x CLP		Scenario	Scenario I	Scenario II	Scenario III
Instrument	Risk	Current			
NDF	Depreciação do US$	(155)	(5,925)	14,813	29,626

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28.8. Financial instruments by category

The Company's financial assets and liabilities are classified according to the following categories:

Parent Company

Financial Assets	Depreciated cost		Fair value by means – Income		Fair value by means – Other comprehensive income	
	31/03/21	31/12/20	31/03/21	31/12/20	31/03/21	31/12/20
Cash and cash equivalents	29,900	291,563	-	-	-	-
Financial Investments	1,148,351	53,456	-	-	-	-
Receivables - Custommers	1,076,374	1,100,769	-	-	-	-
Related Parties	16,622,255	14,426,523	-	-	-	-
Total financial assets	**18,876,880**	**15,872,311**	**-**	**-**	**-**	**-**

Financial liabilities	Depreciated cost		Fair value by means – Income		Fair value by means – Other comprehensive income	
	31/03/21	31/12/20	31/03/21	31/12/20	31/03/21	31/12/20
Suppliers and vendors drawn risk	466,073	733,463	-	-	-	-
Loans, financing and debentures	6,497,577	5,790,267	-	-	-	-
Financial lease	164,595	169,403	-	-	-	-
Securities payable - derivatives	-	-	145,516	105,768	-	-
Securities payable - investments Brazil	212,217	233,742	-	-	-	-
Related parties	22,507,497	21,206,532	-	-	-	-
Total financial liabilities	**29,847,959**	**28,133,407**	**145,516**	**105,768**	**-**	**-**

Consolidated

Financial Assets	Depreciated cost		Fair value by means – Income		Fair value by means – Other comprehensive income	
	31/03/21	31/12/20	31/03/21	31/12/20	31/03/21	31/12/20
Cash and cash equivalents	1,563,156	2,041,924	-	-	-	-
Financial Investments	9,493,800	9,715,525	-	-	-	-
Receivables - Custommers	2,724,434	2,513,032	-	-	-	-
Títulos a receber - derivativos	-	-	3,830	449	-	-
Related Parties	20,428	17,879	-	-	-	-
Total financial assets	**13,801,818**	**14,288,360**	**3,830**	**449**	**-**	**-**

Financial liabilities	Depreciated cost		Fair value by means – Income		Fair value by means – Other comprehensive income	
	31/03/21	31/12/20	31/03/21	31/12/20	31/03/21	31/12/20
Suppliers and vendors drawn risk	2,554,984	2,768,069	-	-	-	-
Loans, financing and debentures	28,804,025	26,810,147	-	-	-	-
Financial Leases	714,904	689,430	-	-	-	-
Securities payable - derivatives	-	-	150,789	111,964	-	-
Securities payable - investments Brazil	212,217	233,742	-	-	-	-
Total financial liabilities	**32,286,130**	**30,501,388**	**150,789**	**111,964**	**-**	**-**

(In thousands of Brazilian reais, except where otherwise indicated)

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

The assets and liabilities presented in the balance sheet under "securities receivable" and "securities payable", related to derivative operations, which have the purpose of patrimonial protection, are demonstrated below:

	Parent Company		Consolidated	
	31/03/21	31/12/20	31/03/21	31/12/20
Securities receivable - derivatives (grade 9)	-	-	3,830	449
Securities Payable - derivatives (Grade 21)	(145,516)	(105,768)	(150,789)	(111,964)
Total Net	**(145,516)**	**(105,768)**	**(146,959)**	**(111,515)**

28.9. Fair value of financial instruments

The market value calculation method used by the Company consists in calculating the future value based on the contracted conditions and determining the present value based on market curves, extracted from Bloomberg's database, except for futures market derivatives that have their fair values calculated based on the daily adjustments of the variations in the market quotations of the commodities and futures exchanges that act as counterparts.

In accordance with NBC TG 40/R2 (CVM Resolution 684/12), the Company and its Subsidiaries classify the fair value measurement according to hierarchical levels that reflect the significance of the indexes used in this measurement, according to the following levels:

- **Level 1:** Prices quoted on active markets (unadjusted) for identical assets and liabilities;
- **Level 2:** Other information available, except those in Level 1, where quoted prices are for similar assets and liabilities, either directly by obtaining prices in active markets or indirectly, such as valuation techniques that use data from active markets;
- **Level 3:** The indices used for calculation are not derived from an active market. The Company and its Subsidiaries do not have instruments at this measurement level.

Currently all financial instruments of the Marfrig group have their fair value measured reliably, thus classified in level 1 and 2, as shown below:

	Parent Company		Consolidated	
	Level 1	Level 2	Level 1	Level 2
Current Assets				
Financial Investment	-	1,148,351	-	9,493,800
Securities receivable - derivatives	-	-	-	3,830
Non-current liabilities				
Securities payable - derivatives	145,516	-	150,789	(3,441)
Total	**145,516**	**1,148,351**	**150,789**	**9,494,189**

Management understands that the results obtained with these derivative operations meet the risk management strategy adopted by the Company and its Subsidiaries.

(In thousands of Brazilian reais, except where otherwise indicated)

29. Income and social contribution taxes

Income tax and social contribution on profit were calculated according to current legislation, Law 12,973/2014.

The calculation of income tax and social contribution on profit, as well as their respective returns, when required, are subject to review by the tax authorities for varying periods of time in relation to the respective date of payment or filing of the income tax return.

We demonstrate the calculation and reconciliation of the amount of income tax and social contribution presented in the result for the quarter:

	Parent Company		Consolidated	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
Income (loss) before tax effects	**52,330**	**(415,511)**	**508,436**	**(318,591)**
Minority interest on results before tax effects	-	-	(226,965)	(104,659)
Loss before taxes - adjusted	**52,330**	**(415,511)**	**281,471**	**(423,250)**
Income tax and social contribution - Nominal rate (34%)	(17,792)	141,274	(95,700)	143,905
Adjustments for determining the effective tax rate:				
Tributação de lucro de empresas no exterior	(169,421)	19,275	(169,421)	75,347
Credit for tax paid abroad	64,813	-	64,813	-
Effect of rate differences of foreign companies	-	-	480,380	16,998
Effect of the depreciation rate difference	-	-	-	-
Tax losses and negative basis of CSLL not recognized	-	-	-	-
Tax Incentive	4,841	8,379	31,013	10,812
Equity	213,863	109,199	(562)	-
Other Additions/Exclusions	130,736	454	(312,624)	39,258
Total	**227,040**	**278,581**	**(2,101)**	**286,320**
Total Current Taxes	118,504	-	(104,363)	(41,495)
Total Deferred Taxes	108,536	278,581	102,262	327,815
	227,040	**278,581**	**(2,101)**	**286,320**
Effective Rate (*)	-434%	67%	1%	68%

(*) The difference between the nominal rate and the effective rate is substantially affected by the equity accounting results in the Parent Company and by the taxation of foreign profits in Consolidated.

30. Segment reporting

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

Currently, Marfrig operates 20 beef slaughtering plants distributed in Brazil, Argentina, Uruguay and the United States, the Company also operates a lamb slaughtering plant in Chile. In processed products such as hamburgers, canned meats, vegetables, and others there are 12 more plants located in the same countries where we have beef slaughtering units.

(In thousands of Brazilian reais, except where otherwise indicated)

The Company believes that the continuous improvement of its internal processes will allow it to achieve greater efficiency and cost control, which, added to a results-oriented management committed to profitable growth, will enable it to increase the profitability of the business and strengthen cash generation.

Additionally, for better assessment and analysis of the operating performance of the two main segments, the Company presents the corporate segment, composed of the corporate headquarters and non-operating entities.

	Net revenue		Operational Profit		Non Current Assets	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/12/2020
North America	12,662,762	9,735,781	1,352,130	669,188	581,418	515,031
South America	4,573,064	3,765,828	10,092	329,332	9,959,508	9,455,102
Corporate	-	-	(120,725)	(134,089)	12,276,439	11,117,406
Total	**17,235,826**	**13,501,609**	**1,241,497**	**864,431**	**22,817,365**	**21,087,539**

31. Insurance coverage

It is the Company's policy to maintain insurance coverage for the permanent assets and inventories subject to risk, for amounts deemed sufficient to cover possible claims, according to the nature of the activities and the guidance of insurance consultants.

Based on the maximum risk weighting, it is not the Company's policy to maintain insurance for loss of profits, since there is a wide geographical arrangement of its plants, and operations can be relocated, in case of need.

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

	Parent Company		Consolidated	
Description	31/03/2021	31/12/2020	31/03/2021	31/12/2020
Buildings and refrigeration facilities	2,552,871	2,552,871	7,557,969	6,634,632
Inventories	438,911	438,911	1,070,158	1,043,471
Third-party warehouse	72,731	72,731	137,939	118,457
Vehicles	12,714	12,802	33,572	31,472
Transportation of goods	89,824	75,482	2,425,968	3,698,860
Directors' warranty	569,730	519,670	660,880	561,260
Third Party Liability	25,000	26,900	544,109	505,077
Aircraft	601,660	548,794	1,171,390	1,068,464
Others	692,637	705,431	860,657	771,690
	5,056,078	4,953,592	14,462,642	14,433,383

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32. Related-party transactions

32.1. Related parties to the Parent Company

The following tables, except when referring to the transactions linked to the controlling shareholders, show the transactions between the Company and its wholly owned subsidiaries:

	Parent Company							
	Open Balance				Recognized in the income			
	Receivables		Payables		Income		Expenses	
	31/03/21	31/12/20	31/03/21	31/12/20	31/03/21	31/12/20	31/03/21	31/12/20
Prestcott International S.A.	193	-	878	774	-	-	456	9,140
Establecimientos Colonia S.A.	783	2,541	554	82	2,086	34,140	697	15,317
Frigorífico Tacuarembó S.A.	741	416	3,215	3,176	-	5,975	1,605	17,271
Inaler S.A.	140	-	-	485	-	-	-	6,630
Marfrig Argentina S.A	429,376	388,608	-	1,831	-	-	-	13,690
Marfrig Chile S.A. -	343	3,099	56,370	55,485	28,765	379,484	-	5,529
Marfrig Holdings (Europe) BV	6,388,428	8,587,820	14,266,401	13,744,877	-	-	-	-
Marfrig Overseas Ltd.	6,226,011	3,426,020	236,299	211,864	-	-	-	-
Marfrig Comercializadora de Energia Ltda	21,345	20,638	-	-	-	-	14,680	50,233
Masplen Ltd	444,317	590,575	8	4	105,721	220,768	1	614
Marfrig Beef UK Limited	2,023,786	1,838,168	8,004,766	7,249,762	1,478,358	3,565,265	-	-
Marfrig Beef International Limited	1,549,320	18,256	-	-	4,021	538	-	-
MFG Holdings SAU	258,873	240,314	-	15,324	7,611	34,605	5,023	-
Campo Del Tesoro	57	-	-	6,797	-	-	2,514	-
Las Animas	16	-	-		-	-	-	
Controlling Shareholders	-	-	4,300	3,435	9	30	-	-
Key management personnel	-	2,695	3,717	3,450	4	144	950	3,240
Other related parties	16,932	32,600	190,049	290,787	13	41	87,667	276,147
	17,359,975	15,151,750	22,766,557	21,588,133	1,626,588	4,240,990	113,593	397,811

The nature of the relationships between the companies of the Marfrig Group is represented by commercial transactions (purchases and sales) and remittances of cash for payment of such transactions and for working capital.

The transactions (receivables and payables) between the related companies in Brazil (Parent Company and Subsidiaries) are managed through current accounts between the companies based on the centralized cash system managed by the Parent Company. In the loan transactions with Controlled companies abroad the interest rate of 3% plus LIBOR (London Interbank Offered Rate) of 6 (six) months is applied. The main changes in the related parties' balances were due to the fluctuation of the US dollar rate.

The purchase or sale transactions of products follow the market value, with no requirement for guarantees or estimated losses for doubtful receivables. Such operations involve the purchase and sale of fresh meat and industrialized products from cattle, poultry, and sheep.

The transactions between Controlled companies do not impact the consolidated interim accounting information since they are eliminated in the consolidation process.

(In thousands of Brazilian reais, except where otherwise indicated)

32.2. Consolidated related parties

	Consolidated							
	Outstanding balances				Recognized in the outcome			
	Receivables		Payables		Incomes		Expenses	
	31/03/21	31/12/20	31/03/21	31/12/20	31/03/21	31/03/20	31/03/21	31/03/20
Controlling Shareholders	-	-	4,300	3,435	9	30	-	-
Key management personnel	-	2,695	4,428	4,233	12	150	950	3,240
Other Related Parties	16,932	32,600	190,049	290,787	13	41	87,667	276,147
Joint venture	3,496	947	-	-	-	-	-	-
	20,428	36,242	198,777	298,455	34	221	88,617	279,387

32.3. Controlling shareholders

Surety agreements have been entered into with the controlling shareholder, MMS Participações Ltda., wherein it offers guarantee for certain obligations of the Company. These transactions were carried out under market conditions within internal guidelines formally established by the Company.

32.4. Other related parties

The controlling shareholders hold quotas in other entities that conducted business with the Marfrig Group and the aggregate value of the transactions is represented in the table above as "other related parties". The transactions are mostly related to the sale of animals for slaughter, as well as associated logistical services. These transactions are carried out under market conditions within internal guidelines formally established by the Company and are verified by the Company's management periodically to attest their adequacy to market conditions.

32.5. Joint ventures

The indirect subsidiaries Beef Holdings Limited and NBM US Holdings, Inc. each have a joint venture, evaluated by the equity method.

The following table summarizes the main financial information of the joint ventures not consolidated in the interim financial information according to NBC TG 18/R3 (CVM Resolution 696/12) - Investment in associate, subsidiary and jointly controlled venture.

	% Stockholding	Country	Total of Assets	Total Liabilities	Fiscal Year Loss
COFCO-Keystone Supply Chain	45%	China	171,347	171,347	-
Plant Plus Foods LLC, Inc.	70%	USA	-	2,360	(2,360)
Total			171,347	173,707	(2,360)

32.6. Statutory Audit Committee

The Company's Statutory Audit Committee was established at the Board of Directors Meeting held on November 29, 2019. The Statutory Audit Committee is remunerated on a monthly basis, there is no variable remuneration.

33. Management compensation

The compensation policy aims to establish the criteria, responsibilities and the definitions of the compensation of Marfrig Group's Managers, whether short-term or long-term (bonus and stock option).

This policy aims to drive the Company's executives to grow and develop in order to reach their full potential, aligned to the business objectives, and to recognize this performance through Incentive payment (short term and long term).

The Compensation, Corporate Governance and Human Resources Committee is the body that advises the Board of Directors on the evaluation of management compensation. The committee is made up exclusively of members of the Company's Board of Directors, one of whom is the Committee Coordinator.

The parameters used to define the management compensation are based on market practices.

33.1. Board of Directors

The remuneration of the Board of Directors is fixed annually for each member and paid monthly, there is no variable remuneration.

The composition of the compensation of directors is made by means of market research with the main companies in the segment, in order to define a compensation base to be validated by the Company's Compensation, Corporate Governance and Human Resources Committee.

33.2. Officers appointed as per bylaws

The remuneration of the Statutory Management is composed of a fixed and a variable part. Fixed Compensation - An annual amount is set for each member, which is paid monthly and variable Compensation - Is composed of short-term (bonus) and long-term (stock option) compensation - The goals established by the Company for evaluating the Managers, in general, are composed of economic objectives and individual goals. As part of the compensation payment, the Company has the option for up to 70% of the variable compensation of its Managers to be paid through the direct granting of shares held in treasury, and the calculation of the share price, under the terms of the sole paragraph of article 4 of CVM Instruction 567, will be the average of the last 20 trading sessions prior to the date of the variable compensation award, which occurs on April 30th of each year.

The gain in the Stock Option Plan is linked to the appreciation of the market share price, that is, the value your individual performance and that of the Management as a whole add to the Company will reflect in your gain in this type of compensation, while keeping your interest aligned with that of the Company in the long term.

The share-based compensation of the "Specific Programs" has as its Striking Price the basis of the last 20 trading sessions before the first business day of March of each year and the grant price with a 50% discount as of the 2010 grants.

The exercise of each annual grant ("vesting") follows the criteria below:

- 25% after 12 months of the grant;
- 25% after 24 months of the grant;
- 25% after 36 months of the grant;
- 25% after 48 months of the grant.

(In thousands of Brazilian reais, except where otherwise indicated)

The composition of the directors' compensation is made by means of market research with the main companies in the segment where measurement criteria are established according to the representativeness of the position in the organization. The macro policies are approved by the Compensation, Corporate Governance and Human Resources Committee.

33.3. Audit Committee

The Company's Audit Committee was installed at the Annual General Meeting held on April 30, 2010. In the reform of the bylaws promoted by the Extraordinary Shareholders' Meeting of March 11, 2011, the Audit Committee became a permanent body.

The remuneration of the Audit Committee is fixed annually and paid monthly; there is no variable remuneration.

33.4. Consolidated Compensation

The compensation of management and directors comprises the earnings of six members of the Board of Directors (the other two members elected not to receive compensation as Directors, one of whom is also a member of the Statutory Executive Board and is therefore compensated by this body), six members of the Audit Committee (three of whom are alternates), and four members of the Statutory Executive Board.

The aggregate amount of compensation received by the Parent Company's managers and directors is defined by means of market practices, with the participation of the Compensation, Corporate Governance and Human Resources Committee. The committee is made up exclusively of members of the Company's Board of Directors, one of whom is the Committee Coordinator.

	31/03/21	31/03/20
Consolidated remuneration of directorss	4,066	8,309
Total	**4,066**	**8,309**

33.5. Stock Option Plan

During the period ended March 31, 2021, 330,325 shares were transferred to the Company's management under the stock option plans. The changes in the options exercised during the period are shown in the following tables:

Total options exercised per month

	Number of shares exercised	Average market price ¹ (R$ per share)
January/21	-	13.72
February/21	11,525	14.31
March/21	318,800	15.98
Exercised options - 2021	330,325	

¹ Monthly average quotation released by B3 S.A. - Brasil, Bolsa, Balcão, referring to the common shares of Marfrig, under the code MRFG3.

MARFRIG GLOBAL FOODS S.A.

Notes to the separete (parent company) and consolidated financial statements for the periods ended March 31, 2021 and 2020

(In thousands of Brazilian reais, except where otherwise indicated)

Consolidated Activity	2021	2020
(Stock Option)		
tial balance	**2,470,732**	**3,653,287**
Granted Stock options	-	121,253
Exercised Options	(330,325)	(1,127,599)
Cancelled and expired options	-	(176,209)
Final Balance	**2,140,407**	**2,470,732**

The expected dilution of the current shareholders' interest upon exercise of stock options on the performance ("vesting") date is 0.31% of the total shares on March 31, 2021, as detailed in the following table:

Dilution Percentage

	Plan ESP XI LP 16-17	Plan ESP XII LP 17-18	Plan ESP XIII LP 18-19	Plan ESP XIV LP 19-20	Total
Date Granted	20/12/2017	25/09/2018	14/08/2019	11/11/2020	
Open Contracts	62,450	760,922	1,195,782	121,253	2,140,407
Treasury stock					(19,732,781)
Total shares except treasury shares					691,637,132
Dilution Percentage	0.01%	0.11%	0.17%	0.02%	0.31%

The Company recognized expenses related to the grants of the plans effective for the period ended March 31, 2021 and the year ended December 31, 2020, as detailed in the following table:

Effects arising from the exercise of options (R$ mil)	2021	2020
Amount Received from Sale of Stock - Options Exercised	1,016	3,456
(-) Cost of treasury stock sold	(3,177)	(8,651)
Effect on disposal of shares	**(2,162)**	**(5,195)**

Due to the exercise of the options, the Company incurred absorption in the costs of treasury shares sold in the amount of R$ 3,177. As of March 31, 2021, the book value of treasury shares was recorded in the Company's equity in the amount of R$ 189,762 (as of December 31, 2020, the amount was R$ 182,762).

The fair value of the options was measured indirectly, based on the Black-Scholes pricing model, with the following assumptions:

- **Standard Deviation:** 22.38%. The measure used to estimate the volatility, taking into account the daily prices of the Company's shares traded on B3 trading session under the code MRFG3, in the period from October 1tst, 2020 to March 31st, 2021;
- **Risk-free interest rate:** 4.39% p.a. The Company uses as risk-free interest rate the Long-Term Interest Rate - TJLP, annualized at the calculation date and available on the federal revenue website-idg.receita.fazenda.gov.br/orientacao/tributária/pagamentos-e-parcelamentos/taxa-de-juros-de-longo-prazo-tjlp.

The fair value of the options on March 31st, 2021 was established between the minimum of R$ 11.42 and the maximum of R$ 14.93 per share for the SPECIAL plans.

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Notes to the separete (parent company) and consolidated financial statements for the periods ended March 31, 2021 and 2020
(In thousands of Brazilian reais, except where otherwise indicated)

The transaction of the options programs is shown below:

Plans	Grating date	Performance period (grace period)	Option expiration	Granted stock options	vesting stock options	Stock Options exercised in the period	Options cancelled / expired in the period	Options exercised/canceled in prior periods	Open Contracts	Strike price of the option
Options Exercised/Canceled in Prior Periods				**12,954,382**	**10,293,566**			**10,483,650**	**2,470,732**	
ESP X LP 15-16	07/11/2016	03/03/2020	02/09/2020	306,219	306,219	963	0	305,256	0	R$ 3.0281
ESP XI LP 16-17	20/12/2017	03/03/2020	02/09/2020	126,517	126,517	955	0	125,191	371	R$ 3.3592
ESP XI LP 16-17	20/12/2017	03/03/2021	02/09/2021	126,337	126,337	36,519	0	27,739	62,079	R$ 3.3592
ESP XII LP 17-18	25/09/2018	03/03/2020	02/09/2020	504,385	504,385	6,257	0	495,188	2,940	R$ 3.1789
ESP XII LP 17-18	25/09/2018	03/03/2021	02/09/2021	504,385	504,385	131,781	0	59,435	313,169	R$ 3.1789
ESP XII LP 17-18	25/09/2018	03/03/2022	02/09/2022	504,189	0	0	0	59,376	444,813	R$ 3.1789
ESP XIII LP 18-19	14/08/2019	03/03/2020	02/09/2020	470,753	470,753	3,350	0	464,644	2,759	R$ 2.9110
ESP XIII LP 18-19	14/08/2019	03/03/2021	02/09/2021	470,753	470,753	150,500	0	22,844	297,409	R$ 2.9110
ESP XIII LP 18-19	14/08/2019	03/03/2022	02/09/2022	470,753	0	0	0	22,844	447,909	R$ 2.9110
ESP XIII LP 18-19	14/08/2019	03/03/2023	02/09/2023	470,514	0	0	0	22,809	447,705	R$ 2.9110
ESP XIV LP 19-20	11/11/2020	03/03/2021	02/09/2021	30,314	30,314	0	0	0	30,314	R$ 6.1857
ESP XIV LP 19-20	11/11/2020	03/03/2022	02/09/2022	30,314	0	0	0	0	30,314	R$ 6.1857
ESP XIV LP 19-20	11/11/2020	03/03/2023	02/09/2023	30,314	0	0	0	0	30,314	R$ 6.1857
ESP XIV LP 19-20	11/11/2020	03/03/2024	02/09/2024	30,311	0	0	0	0	30,311	R$ 6.1857
Total on	**31/03/2021**			**12,954,382**	**11,417,987**	**330,325**	**0**	**10,483,650**	**2,140,407**	

Plans	Grating date	Market value of unvested options at the of the period (R$ '000)	Market value of outstanding vested options at the end of the period (R$ '000)	Effects in the result of the period in case of recognition (R$ '000)
ESP X LP 15-16	07/11/2016	n/a	n/a	0.0
		0.0	**0.0**	**0.0**
ESP XI LP 16-17	20/12/2017	5.3	5.3	2.3
ESP XI LP 16-17	20/12/2017	884.7	884.7	389.0
		890.0	**890.0**	**391.3**
ESP XII LP 17-18	25/09/2018	42.4	42.4	19.0
ESP XII LP 17-18	25/09/2018	4,519.4	4,519.4	2,018.9
ESP XII LP 17-18	25/09/2018	6,475.3	0.0	2,867.6
		11,037.1	**4,561.8**	**4,905.5**
ESP XIII LP 18-19	14/08/2019	40.6	40.6	18.5
ESP XIII LP 18-19	14/08/2019	4,371.6	4,371.6	1,997.0
ESP XIII LP 18-19	14/08/2019	6,635.6	0.0	3,007.5
ESP XIII LP 18-19	14/08/2019	6,686.4	0.0	3,006.2
		17,734.2	**4,412.2**	**8,029.2**
ESP XIV LP 19-20	11/11/2020	346.3	346.3	104.3
ESP XIV LP 19-20	11/11/2020	353.8	0.0	104.3
ESP XIV LP 19-20	11/11/2020	361.5	0.0	104.3
ESP XIV LP 19-20	11/11/2020	368.9	0.0	104.3
		1,430.5	**346.3**	**417.1**
Total on	**31/03/2021**	**31,091.8**	**10,210.3**	**13,743.1**

(In thousands of Brazilian reais, except where otherwise indicated)

33.6. Direct granting of shares

During the period ended March 31, 2021, no shares were transferred to the Company's directors.

34. Additional information of the cash flow statements

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

	Controladora				
	Balance on		Alterações não caixa		Balance on
Description	31/12/2020	Cash flow	Exchange Rate Movement	Others [(1)]	31/03/2021
Loans, financing and debentures	5,790,267	201,872	413,439	91,999	6,497,577
Leases to pay	169,403	(5,592)	-	785	164,596
Capital reserves, stock options granted and treasury shares	(1,870,825)	(7,177)	(160,604)	(1,015)	(2,039,621)
	4,088,845	**189,103**	**252,835**	**91,769**	**4,622,552**

	Consolidated					
	Balance on		Alterações não caixa			Balance on
Description	31/12/2020	Cash flow	Novos Contratos	Movimento de taxa de câmbio	Outros [(1)]	31/03/2021
Non-controlling interests	1,419,354	(143,397)	-	143,397	224,292	1,643,646
Loans, financing and debentures	26,810,147	(1,006,954)	-	2,578,418	422,414	28,804,025
Lease to pay	689,430	(50,306)	20,446	49,673	5,661	714,904
Capital reserves, stock options granted and treasury shares	(1,870,825)	(7,177)	-	(160,604)	(1,015)	(2,039,621)
	27,048,106	**(1,207,834)**	**20,446**	**2,610,884**	**651,352**	**29,122,954**

(1) The amounts presented under others for loans, financing, debentures and leases payable refer to interest expenses incurred in the period and for non-controlling interest refers to the amount attributed to the result for the period.

35. Events after the reporting period

Distribution of dividends

On April 08, 2021, the Company informed its shareholders and the market in general, in an Ordinary General Meeting, of the distribution and approval of the additional payment of dividends, relative to the fiscal year ending December 31, 2020, in the total amount of R$ 141,083,274.72 (one hundred and forty-one million, eighty-three thousand, two hundred and seventy-four reais and seventy-two cents) equivalent to R$ 0.2038902 per common share issued by the Company, disregarding treasury shares.

* * *

Statement of Executive Officers on the Financial Statements

Statement of Executive Officers on the Financial Statements

In compliance with the provisions of CVM Instruction 480, the Board of Executive Officers declares that it has discussed, reviewed and agreed to the financial statements related to the first quarter of 2021 fiscal year.

Sao Paulo, May 11, 2021.

Executive Officers:

Miguel de Souza Gularte Chief Executive Officer	**Tang David** Chief Administrative and Financial and IR
Heraldo Geres Chief Legal Officer	**Rodrigo Marçal Filho** Executive Officer

Statement of Executive Officers on the Independent Auditors Report

Statement of Executive Officers on the Independent Auditors Report

In compliance with the provisions of CVM Instruction 480, the Board of Executive Officers declares that it has discussed, reviewed and agreed with the opinions expressed in the Independent Auditors Report on the financial statements related to the first quarter of 2021 fiscal year.

Sao Paulo, May 11, 2021.

Executive Officers:

Miguel de Souza Gularte
Chief Executive Officer

Tang David
Chief Administrative and Financial and IR

Heraldo Geres
Chief Legal Officer

Rodrigo Marçal Filho
Executive Officer