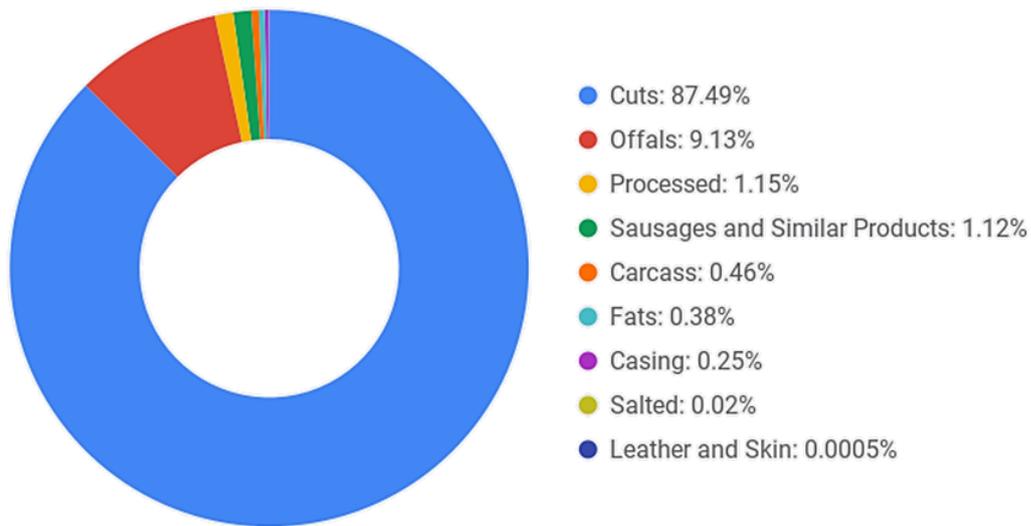


1. Pork Figures in Brazil

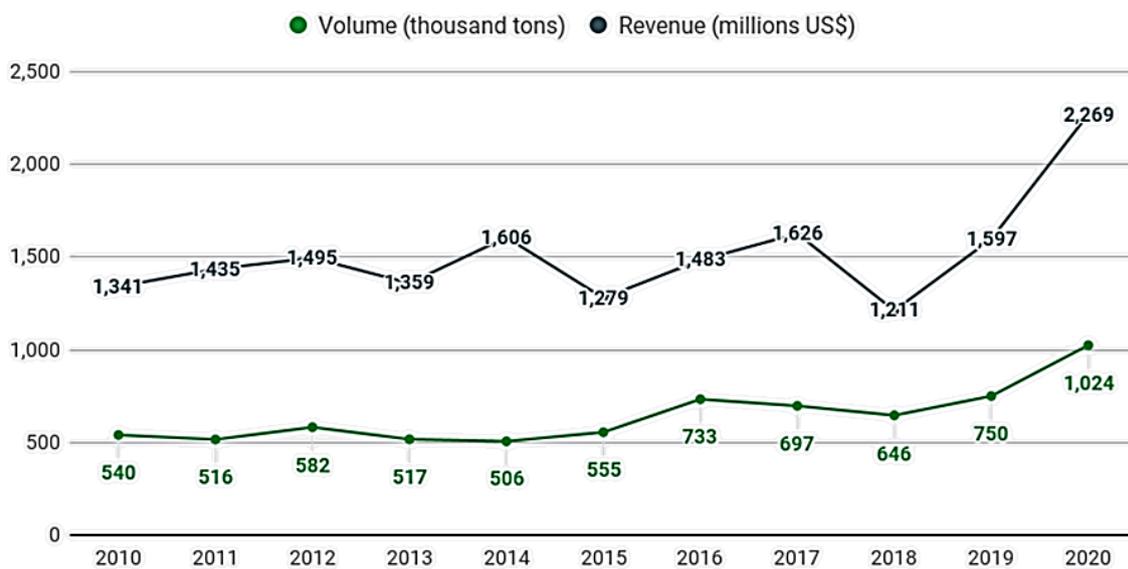
Brazilian Pork Exports by Product

Volume in 2020



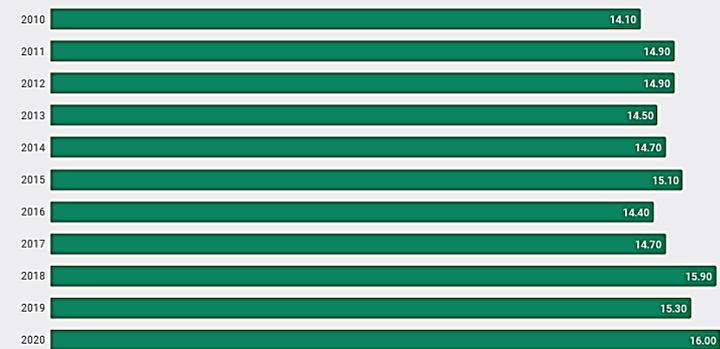
Source: ABPA

Brazilian Exports of Pork – Historical Serie



Source: ABPA

Brazilian Per Capita Consumption of Pork (Kg/Hab)



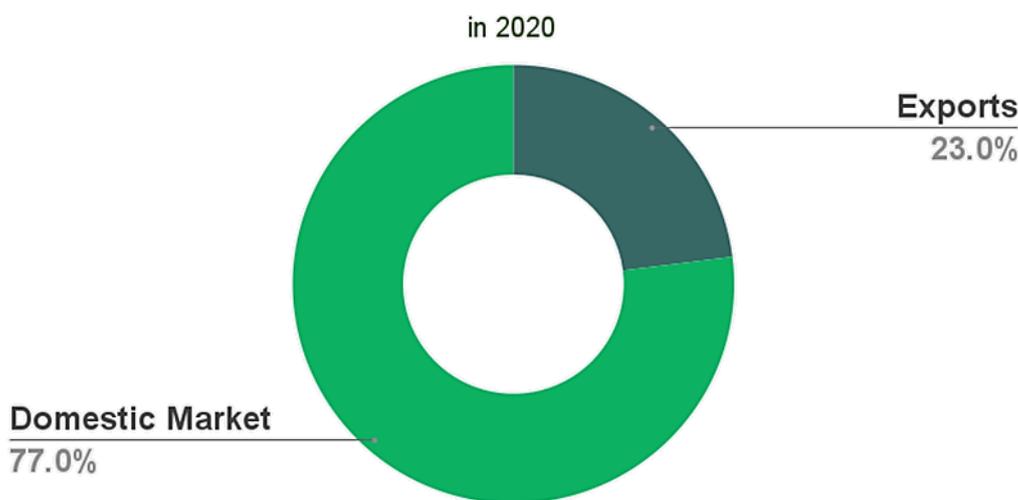
Source: ABPA

Brazilian Pork Production (1,000 tons)



Source: ABPA

Destination of Brazilian Pork Production



Source: ABPA

2. Pork Figures 2021 in Brazil

According to data from ABPA (Brazilian Association of Animal Protein), Brazilian pork exports (considering all products, fresh and processed) totaled 109.2 thousand tons in March 2021. The number exceeded by 51.5% exports made in the same period of the previous year, which totaled 72.1 thousand tons.

In revenue, sales in this sector reached US\$261.7 million, a number 57.6% higher than that registered in the third month of 2020, in relation to exports.

In the accumulated result for the year, pork exports totaled 253.5 thousand tons, a volume 21.86% higher than that registered in the first quarter of 2020, when 208,000 tons were shipped.

The sales balance for the quarter reached US\$594 million, an amount 22.4% higher than in the same period in 2020, with US\$485.1 million.

Santa Catarina was the largest exporter of pork in the period, with 126.7 thousand tons exported in the first quarter, 13.86% more than that registered in the same period in 2020. Next, there is Rio Grande do Sul, with 68.8 thousand tons (+ 39.5%), and Paraná, with 34.5 thousand tons (+ 27.1%).

According to ABPA data, Brazilian pork exports grew 11.5% in the first eight months of 2021, compared to the same period in 2020. In total, 756.5 thousand tons were exported in the period. In revenue, accumulated sales for the year through August totaled US\$1.805 billion, up 21.3% over the same period last year.

Among the exporting states, Santa Catarina led the ranking at the time, with 380.9 thousand tons exported between January and August, 10% more than in the same period in 2020. Rio Grande do Sul is next, with 206.5 thousand tons (+20.73%) and Paraná, with 98.9 thousand tons (+5.15%).

According to the Ministry of Economy, in September 2021, Santa Catarina broke the record with the largest volume of pork exported in a single month: 57,700 tons sold to more than 65 countries.

According to ABPA, in revenue, Brazilian pork exports generated a balance of US\$255.8 million, an increase of 35.6% compared to 2020.

In the accumulated result for the year through September, Brazilian pork exports reached 868.8 thousand tons, 13.58% higher volume compared to the same period of the previous year. In addition, until September 2021, exports of the product generated revenues of US\$2.061 billion, a result 22.9% higher compared to 2020. Therefore, it is possible to see an increase in quantities and revenues in relation to the export of Brazilian pork in the year 2021 until the month of September, compared to the previous year.

Suínocultura. 21/10/2021. Acesso em <<https://www.suínoculturaindustrial.com.br/imprensa/santa-catarina-bate-recorde-nas-exportacoes-de-carne-suina-em-setembro/20211015-172634-D094>>

ABPA. 08/04/2021. Acesso em <<https://abpa-br.org/en/exportacoes-de-carne-suina-registram-maior-volume-mensal-da-historia/>>

3. Top 3 Pork Stakeholders in Brazil: JBS, BRF and Aurora among the largest swine in the world

Brazilian companies JBS, BRF and Aurora Alimentos are among the 40 largest pork industries in the world, according to an unprecedented survey released by the specialized magazine Pig International. Among the companies of Brazilian origin, JBS is the best positioned, appearing in second place in the ranking, with slaughtering of 28 million heads of pigs per year. Owner of Seara, JBS has pork operations in the United States, Brazil and Australia.

Largest pork producer in Brazil, BRF is the ninth largest industry in the segment in the world, according to a survey by Pig International magazine. The company slaughters 9.6 million hogs per year, and has operations in this area in Brazil and Argentina.

Operating only in Brazilian territory, the Aurora cooperatives center in Santa Catarina is in 17th position in the ranking of the specialized publication. Aurora Alimentos slaughters nearly 5 million head of swine per year.

According to Pig International, the Chinese WH Group leads the production of pork in the world, with annual slaughter of 48.3 million animals. In the United States, where it controls Smithfield Foods, the Chinese group has the capacity to slaughter 31 million pigs. In China, the WH Group owns Shuanghui, which has the capacity to slaughter 22.5 million hogs per year.

In the ranking of the 40 largest in the pork segment in the world, companies from Germany and Denmark also stand out. In third place among the main industries is the Danish Danish Crown, with the capacity to slaughter 22 million heads. The company has slaughterhouses in Denmark, in addition to operations in the UK, Sweden and Poland.

The fourth largest pork industry in the world, Germany's Tönnies slaughters 17.5 million animals a year, according to Pig International. The company has units in Germany, the Netherlands, the United Kingdom and also in Russia.

The country that leads the production and consumption of pork in the world, China is the country with the most companies in the ranking. Among the 40 largest, eight companies are of Chinese origin and seven of German origin. Brazil, Canada, United States, Spain, Russia each have three companies in the ranking of Pig International.

By Luiz Henrique Mendes | From São Paulo
Source : Valor

1. Investment Plans by JBS

JBS has a positive outlook for 2021, intends to increase investments.

JBS is expected to increase capex investment to between US\$1.5 billion and US\$1.7 billion in 2021, compared to about US\$1.15 billion in 2020, according to the company's chief financial officer, Guilherme Cavalcanti. Among the investments that JBS is making in its operations is the expansion of Seara's capacity, as previously announced. The President of JBS operations in South America, Wesley Batista Filho, said that the company has already completed the expansion works in two of the 12 Seara plants in which it intends to invest in expansion and modernization.

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Expomeat. 29/03/2021. Acesso em <<https://www.expomeat.com.br/noticias-pt/jbs-tem-visao-positiva-para-2021-pretende-elevar-investimentos>>

JBS has a 30% increase in net income for the 2nd quarter

JBS posted 29.7% growth in net income for the second quarter to a record R\$4.4 billion, with double-digit increases in revenue from all of its business units, the company said.

"Highlights for the units JBS Brazil, Seara and PPC (Pilgrim's Pride Corp.), which recorded growth in revenue in reais in the period of 46%, 39.8% and 26.6%, respectively," said JBS. The group's total net revenue rose 26.7% to R\$85.6 billion.

Adjusted EBITDA (earnings before interest, taxes, amortization and depreciation) rose 10.3% to a record R\$11.7 billion. Seara recorded net revenue of R\$8.9 billion, driven by increases of 21.8% in sales volumes and 14.8% in the average sales price.

"Sales in the domestic market, which accounted for 47% of the unit's revenue in the period, totaled R\$4.2 billion, 45.8% higher than in the second quarter of 2020," said JBS. JBS Brasil, which includes the beef business in the country, had net revenue of R\$12.7 billion in the quarter, with an increase of 17.3% in the number of cattle processed in the period.

Expomeat. 18/08/2021. Acesso em <<https://www.expomeat.com.br/noticias-pt/jbs-tem-alta-de-30-no-lucro-liquido-do-2o-tri>>

JBS announces an investment of R\$1.85 billion in Rolândia (PR)

JBS announced an investment of R\$1.85 billion in Rolândia (PR) until 2025, including the construction of a prepared food factory and the modernization and expansion of the current poultry unit. The work, which has already started, should be completed in the fourth quarter of 2022, the company said in a statement. JBS hopes to create around 2,600 direct jobs and integrate 150 producers with the investment aimed at meeting the demands of the domestic and foreign markets for fresh protein and prepared foods.

Expomeat. 18/05/2021. Acesso em <<https://www.expomeat.com.br/noticias-pt/jbs-anuncia-investimento-de-r-185-bi-em-rolandia-pr>>

JBS in Dourados receives authorization to double pig slaughter

The Seara unit, belonging to the JBS group, in Dourados (MS) received authorization from the state government to double the daily slaughter capacity of pigs from 5,000 to 10,000 heads, according to information from the Department of Environment, Economic Development, Production and Agriculture Familiar (Semagro). The company received the Environmental Installation License that allows the expansion of capacity on Monday (20). JBS/Seara will invest R\$1 billion and generate up to 2,000 direct jobs at the unit, according to Environment Secretary Jaime Verruck. "In addition, so that producers can adapt and meet the demand of the industry, there will be more investment of approximately R\$800 million, with expansion of jobs and income," said Verruck in a statement released by Semagro. The JBS unit in Dourados is the largest pork product production unit in Mato Grosso do Sul. The state produced 1.76 million heads of pigs in the first eight months of this year, an increase of 7.22% compared to the same period in 2020, according to data from the Federation of Agriculture and Livestock of Mato Grosso do Sul (Famasul).

Expomeat. 03/10/2021. Acesso em <<https://www.expomeat.com.br/noticias-pt/jbs-em-dourados-recebe-autorizacao-para-dobrar-abate-de-suinos>>

With support from the State Government, the JBS group will invest R\$442 million in the Planalto Norte from SC
Santa Catarina agribusiness celebrates new investments by the JBS group in the Planalto Norte region. The State Government accelerated the release of environmental licenses, which guarantee the investment of R\$442 million for the modernization and expansion of the Seara Alimentos unit in Itaiópolis and the biodiesel unit in Mafra. This Wednesday, 16, the Secretary of State for Agriculture, Fisheries and Rural Development, Altair Silva, visited the municipalities to hand over the preliminary environmental license to the company's directors and executives. JBS will allocate R\$262 million to expand the poultry slaughterhouse, feed and premix plant in Itaiópolis. The company will start working in three shifts, creating 673 new job openings in the 12 municipalities in the region - reaching 2,180 direct employees. The expansion will also impact the field. There will be 16 new integrated producers and 63 more aviaries serving the Itaiópolis unit. The company intends to increase monthly production by 1.4 thousand tons, going to 7.8 thousand tons of finished product/month.

Expomeat. 22/06/2021. Acesso em <<https://www.expomeat.com.br/noticias-pt/com-apoio-do-governo-do-estado-grupo-jbs-investira-r-442-milhoes-no-planalto-norte-de-sc>>

2. Investment Plans by Aurora

Aurora estimates to increase sales with poultry by 15%, hogs by 20% in 2021

Aurora Alimentos expects to increase the turnover of its poultry business by 15% in 2021 and that of pork by 20%, informed the company. The company estimates that revenues from poultry exports will increase by 24%

and pork exports by 40% this year, compared to last year. Aurora also designs increases of 3.3% in sales with the poultry business in the domestic market and 6% in pork in the domestic market. The third largest Brazilian animal protein company recorded growth of 18% in the total volume of exports in the first half of this year, to 291.5 thousand tons. Of this total exported, 55% was chicken protein and 45% pork. Exports in the first half generated US\$667.8 million in revenue for Aurora, 23% more than shipped from the same period last year. Exports of chicken meat accounted for 40% of total revenue from shipments and pork exports for 60%. Aurora Alimentos expects to increase the turnover of its poultry business by 15% in 2021 and that of pork by 20%, informed the company. The company estimates that revenues from poultry exports will increase by 24% and pork exports by 40% this year, compared to last year. Aurora also designs increases of 3.3% in sales with the poultry business in the domestic market and 6% in pork in the domestic market. The third largest Brazilian animal protein company recorded growth of 18% in the total volume of exports in the first half of this year, to 291.5 thousand tons. Of this total exported, 55% was chicken protein and 45% pork protein. Exports in the first half generated US\$667.8 million in revenue for Aurora, 23% more than shipped from the same period last year. Exports of chicken meat accounted for 40% of total revenue from shipments and pork exports for 60%.

Expomeat. 03/08/2021. Acesso em <<https://www.expomeat.com.br/noticias-pt/aurora-estima-elevar-faturamento-com-aves-em-15-suinos-em-20-em-2021>>

Aurora Alimentos takes over four new units in Tapejara and Ibiacá (RS)

The Aurora Alimentos Central Cooperative is experiencing a historic moment. After the end of negotiations with the Agrodanieli Group, activities began at the two poultry slaughterhouses, at the Feed Factory and at the hatchery recently acquired by the cooperative, in Tapejara and Ibiacá (RS). The two cold-storage units slaughter 205,000 chickens a day and the expectation is that this volume will reach 310,000 in the coming years. According to the manager of slaughterhouses Aurora Tapejara I and II, André Miotto, the new meatpacking plants meet the requirements for the domestic market and the Frigorífico Aurora Tapejara II is able to supply various world markets.

Aurora Alimentos. 25/05/2021. Acesso em <<https://www.auroraalimentos.com.br/comunicacao/noticia/566/aurora-alimentos-assume-quatro-novas-unidades-em-tapejara-e-ibiaca-rs>>

3. Investment Plans by Pamplona

Santa Catarina Pamplona plans to invest R\$600 million by 2024

Pamplona Alimentos, from Santa Catarina, increased its turnover by 40% in 2020, to R\$1.9 billion, and promises to invest around R\$600 million by 2024 to expand production and take advantage of the good prospects for pork in the country. The positive scenario is mainly a result of the heated demand from China for the Brazilian product. Last year, the advance was already driven by exports, which, with emphasis on the participation of the Asian country, grew 65%. The expansion of the portfolio in Brazil also contributed to the jump in sales and the rise of 335% in the company's net profit, which was R\$298 million. According to Irani Pamplona Peters, president of the Santa Catarina company - founded in Rio do Sul as a butcher in the late 1940s -, earnings before interest, taxes, depreciation and amortization (Ebitda) reached R\$ 369.5 million, with margin 21.2% - in the previous year, earnings had reached R\$ 145.8 million and the margin, 11.9%. Investments in the expansion plan include the development of new genetic lines, expansion of experimental units and grain storage capacity. Disbursements will be concentrated on two projects. The first is the doubling of slaughter and deboning at the Presidente Getúlio (SC) unit, to an additional 2,640 pigs per day. The increase will meet international demands, explains Irani, and meet the need for raw material for processed products.

R\$320 million will be invested in technologies based on the industry 4.0 concept, such as palletizing and storage chamber operated by robots, in addition to automated production systems. Another R\$125 million will be invested in biological assets and working capital, totaling approximately R\$445 million. The remaining R\$155 million will be invested in the Rio do Sul unit to expand the production of processed products, including the seasoned, fresh and cooked sausages, sliced and smoked sausage lines. The investment will add 16,500 tonnes of industrialized products per year, according to the company.

Expomeat. 29/03/2021. Acesso em <<https://www.expomeat.com.br/noticias-pt/catarinense-pamplona-pretende-investir-r-600-milhoes-ate-2024>>

Pamplona Alimentos invests to increase slaughter by 48%

Pamplona Alimentos intends to increase its pork slaughtering capacity at its own plants by 48%. The company said in a statement that it had signed a Technical and Financial Cooperation agreement with Banrisul, with an initial allocation of R\$50 million that will be invested in the swine production chain in the Alto Vale do Itajaí region, in Santa Catarina. Pamplona will invest in improving its processes, expanding its farms, increasing its own pork production and expanding its Presidente Getúlio plant.

Expomeat. 20/07/2021. Acesso em <<https://www.expomeat.com.br/noticias-pt/pamplona-alimentos-investe-para-elevar-abates-em-48>>