

JBS

2Q25 Preview: Margins softening, awaiting repricing

LatAm Meatpackers

Main takeaways:

(i) Beef North America: Adjusted EBITDA of -R\$750mn Genial Est. (-27.7% q/q), with a margin of -2.0% (-0.4p.p. q/q; -2.2p.p. y/y), pressured by record cattle costs (fed/feeder cattle +14–21% y/y), the smallest herd since 1951 (~86.7 million head) and compression of the cattle-cutout spread; **(ii) USA Pork:** adjusted EBITDA of R\$1.0bn Genial Est. (-26.8% q/q; -15.5% y/y), with a margin of 8.8% (-3.0p.p. q/q; -1.7p.p. y/y), reflecting lower prices and stable feed costs; **(iii) PPC:** adjusted EBITDA of US\$687mn (+8.8% vs. Genial Est.; +1.4% q/q; +44.5% y/y) and margin of 14.4% (-0.1p.p. q/q; +3.5p.p. y/y). Estimated contribution to consolidated EBITDA of US\$432mn (USGAAP); **(iv) JBS Australia:** Adjusted EBITDA of R\$1.0bn Genial Est. (+10.4% q/q; -12.2% y/y), with a margin of 9.9% (flat q/q; -3.8p.p. y/y), limited by higher cattle and lamb costs (+3% q/q; +15% y/y); **(v) Seara:** adjusted EBITDA of R\$2.0bn Genial Est. (-21.2% q/q; -3.0% y/y), with a margin of 16.5% (-3.3p.p. q/q; -0.9p.p. y/y); **(vi) JBS Brazil:** adjusted EBITDA of R\$1.2bn Genial Est. (+57.6% q/q; +2.2% y/y), with a margin of 6.0% (+1.9p.p. q/q; -1.6p.p. y/y), still compressed compared to 2Q24 due to the cattle cycle; **(vii)** We maintain a cautious view in the short term, as we project **y/y margin compression** in virtually all business units in 25E vs. 24A; despite positive drivers, such as the appreciation of the USD/BRL (+8.5% y/y) and the robust increase in the price of beef in Brazil (+39% y/y), the effect of the **+50% tariffs** imposed by the US on Brazilian products — with an **expected impact in 3Q25** — and the **change in the cattle cycle** limit more significant gains; we reiterate that the main **driver of value** in the short term remains the potential **repricing** derived from the dual listing (NYSE + B3), which, combined with the dual-class structure, **access to global capital** and the immediate payment of R\$1.00/share in dividends, could generate a significant **rerating**; We maintain our **BUY rating**, with a **12M Target Price** of **R\$109.00** for **BDRs-B3** and **US\$20.00** for **JBS-NYSE**, implying an **upside** of **+40%**.

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Company

JBS US Equity

Buy

Price: US\$ 14.34 (12-Aug-2025)

Target Price 12M: US\$ 20.00 (NYSE)

JBSS32 BZ Equity

Target Price 12M: R\$ 109.00 (B3)

Table 1. Income Statement JBS (2Q25 Genial Est.)

(R\$ millions)	2Q25E Genial Est.	1Q25 Reported	% q/q	2Q24 Reported	% y/y
Net Revenue	117.249	114.127	2,7%	100.606	16,5%
COGS	(101.480)	(98.788)	2,7%	(85.094)	19,3%
Adjusted EBITDA	9.188	8.929	2,9%	9.882	-7,0%
EBITDA Margin (%)	7,8%	7,8%	0,0p.p	9,8%	-2,0p.p
EBIT	5.869	5.160	13,7%	5.917	-0,8%
EBIT Margin (%)	5,0%	4,5%	0,5p.p	5,9%	-0,9p.p
D&A	(3.320)	(3.131)	6,0%	(2.850)	16,5%
Financial Result	(1.282)	(1.120)	14,6%	(3.128)	-59,0%
Net Income	3.051	2.924	4,4%	1.715	77,9%
Net Margin (%)	2,6%	2,6%	0,0p.p	1,7%	0,9p.p

Source: JBS, Genial Investimentos

JBS will release its **2Q25** results on **August 13**, after markets close. In terms of margin, we expect a quarter marked by a **sequential improvement** in some business units, mainly linked to seasonality, but we still expect a **y/y decline**. The company is expected to report consolidated **Net revenue** of **R\$117.2bn Genial Est.** (+2.7% q/q; +16.5% y/y), reflecting **satisfactory performance** in the operations of **PPC, Australia, and Brazil**. The **Adjusted EBITDA** should total **R\$9.2bn Genial Est.** (+2.9% q/q; -7.0% y/y), with a **margin** of **7.8%** (flat q/q; -2.0p.p. y/y), indicating a gradual annual decline – as we had already anticipated in several reports – but still at a healthy level vs. the historical average. Only PPC should match its year-on-year margin performance, while all other business units should report **margins softening**. On the bottom line, we project **Net income** of **R\$3.0bn Genial Est.** (+4.4% q/q; +77.9% y/y), with the net margin remaining at **2.6%** (flat q/q; +0.9 p.p. y/y).

Avian flu in Brazil, tariffs, and cattle cycle in the US are the negative highlights.

In addition, we project that JBS's consolidated performance in 2Q25 will continue to be marked by heterogeneous dynamics across divisions. In **Beef North America**, the scenario remains structurally challenging: even with firm retail prices (ground beef at US\$13.5/kg; +1.2% q/q and premium cuts at US\$11.5/lb; +1.6% q/q), the rise in cattle prices (+14–21% y/y), associated with the smallest herd since 1951 (~86.7 million heads), should continue to compress spreads. We estimate **EBITDA** of **-R\$750mn** (-27.7% q/q) and **margin** of **-2.0%** (-0.4p.p. q/q; reversal to negative y/y), signaling that the operation's profitability should remain under strong pressure. In the **USA Pork** unit, the trade dispute between the US and China should have limited the sale of pork offal, forcing a redirection to lower value-added channels (pet food, mainly). As a result, we expect **EBITDA** of **R\$1.0bn** (-26.8% q/q; -15.5% y/y), with a margin of **8.8%** (-3.0p.p. q/q; -1.7p.p. y/y), evidence of a loss in profitability. The result at **Seara** should reflect the post-seasonal peak standardization vis a vis the temporary suspension of exports (China and EU) due to the case of avian flu in Brazil, which should reduce shipments and domestic prices, leading to a contraction in **EBITDA** to **R\$2.0bn** (-21.2% q/q; -3.0% y/y) and a margin of **16.5%** (-3.3p.p. q/q; -0.9p.p. y/y).

PPC with flat margins, Australia and Brazil with top line growth.

The **PPC** division remains the group's most important driver, having already released its results, reporting **EBITDA of US\$687mn** (+8.8% vs. Genial Est.; +5% y/y) and a margin of **14.4%** (+2.5p.p. q/q; flat y/y), with highlights in the US (EBITDA of US\$483mn; +9% y/y) and Mexico (EBITDA of US\$92mn; +5% y/y). In the **JBS Australia** operations, **Net revenue** is expected to reach **R\$10.5bn** (+10.5% q/q; +21.5% y/y), reflecting record exports (US +37% y/y; China +62% y/y), although the increase in cattle and lamb acquisition costs (+3% q/q; +15% y/y) will likely slow down more significant gains in profitability. We estimate **EBITDA** of **R\$1.0bn** (+10.4% q/q; -12.2% y/y), with a margin of **9.9%** (flat q/q; -3.8p.p. y/y). Finally, the **JBS Brazil** unit is projected in our model with **Net revenue** clocking in at **R\$20.1bn** (+8.6% q/q; +29.4% y/y), supported by stronger domestic consumption due to the release of household spending after typically tighter budgets in the 1Qs with tax payments and school supplies. Even so, on the cost side, the **cattle prices** will continue to inhibit margin recovery, as it stood at **~R\$315/arroba** (-1.3% q/q), with a very slight decline and a significant increase of **+39.4% y/y**. We believe that this should continue to limit the division's profitability despite better seasonality, with a projected margin of **6.0%** (+1.9p.p. q/q; -1.6p.p. y/y).

2Q25 Preview: In detail!

Beef North America: Margins should remain under pressure. For the Beef North America division, we project Net revenue of R\$38.3bn Genial Est. (+1.9% q/q; +22.4% y/y), driven mainly by higher prices in the domestic market, especially in retail. The current cycle phase, with a very tight domestic cattle supply, should support slightly higher cut out levels: ground beef exceeded US\$13.5/kg (+1.2% q/q), while the average price for premium cuts reached ~US\$11.5/lb (+1.6% q/q). We believe that demand for beef in the US remained on the rise, with household spending reaching US\$35.5 per capita in April (+9% y/y), which should reinforce consumption resilience even in the face of quite elevated price levels.

On the other hand, according to USDA data, prices for fed and feeder cattle reached almost all time high, up +14–21% y/y, a direct reflection of the US herd base at its lowest level since 1951 (~86.7 million heads) due to **(i)** continued retention of breeding females; **(ii)** the persistent effects of prolonged drought; and **(iii)** high feed costs. The continued spread compression between cutout prices and cattle costs should contribute to the expansion of operating losses—a trend widely observed across the US industry, including peers such as Tyson Foods. Although the company has ought to partially mitigate this pressure through internal initiatives such as carcass efficiency gains, portfolio readjustment, and greater industrial utilization of plants, these measures are still insufficient in the face of deteriorating margins. Given this context, we project negative adjusted EBITDA of -R\$750mn Genial Est. (-27.7% q/q), with a margin of -2.0% (-0.4p.p. q/q; reversal to negative y/y), in another quarter marked by compressed profitability.

USA Pork: Margin decline due to offal redirection. In the USA Pork business unit, our model points to Net revenue clocking in at R\$11.3bn Genial Est. (-3.6% q/q; flat y/y), with sequential decline and stability on an annual basis. In this context, it is worth highlighting the specific impact of the trade war between the US and China on shipments of pork offal, a by-product whose demand is practically restricted to the Chinese market. With the difficulty in exporting, the company has redirected part of these volumes to the pet food and animal feed industry, which implies significantly lower prices and, consequently, compression of operating margins. Given this expected price decline, we project adjusted EBITDA reaching R\$1.0bn Genial Est. (-26.8% q/q; -15.5% y/y), with margin of 8.8% (-3.0p.p. q/q; -1.7p.p. y/y).

PPC: High margins sustained; high shareholder remuneration. Pilgrim's Pride (PPC), JBS's chicken subsidiary focused mainly on the North American market, released its 2Q25 results on Aug. 7. We note that the company once again delivered an exceptional quarter. After adjustments of US\$58mn in litigation provisions, PPC reported Net revenue of US\$4.8bn (+2.5% vs. Genial Est.) and adjusted EBITDA of US\$687mn (+8.8% vs. Genial Est.), with a margin reaching 14.4% (+2.5p.p. q/q; flat y/y) - the 2nd highest in the company's history and hitting the peak of a 2Q in the last 8Y. Net income totaled US\$356mn (or US\$406mn after adjustments), in line vs. Genial Est. Highlights include: **(i)** Chicken spreads at historic highs in the US, driven by strong appreciation in chicken breast prices above other items, sustaining local EBITDA of US\$483mn (+9% y/y) and a margin of 17.1%. **(ii)** Mexico also stood out, with its second-best quarter ever, reaching EBITDA of US\$92mn and a margin of 16.3%, supported by volume growth (+5% y/y) and greater brand diversification in the sales mix. In **(iii)** Europe, the company achieved EBITDA of US\$112mn (+16% y/y) and a margin of 8.2%, benefiting from efficiency gains, a more profitable product mix, and stronger commercial relationships with strategic clients.

In addition to its solid performance, PPC ended the quarter with low leverage, at 1x Net Debt/EBITDA, even after paying US\$1.5bn in dividends in the last 6M. The company also announced an additional dividend of +US\$500mn, raising its 25E dividend yield to 18%. As JBS owns 80% of PPC, the unloading of dividend flows within the holding company's FCF reinforces the visibility of its commitment to return between US\$0.8-1.2bn 25E to shareholders. However, despite PPC's strong results, like the trend at Seara in Brazil, the company's momentum appears to be on a downward trajectory vs. its 3Q24 cycle peak, with US chicken spreads beginning to ease slightly, reinforcing our previous projection of a gradual deterioration in 25E margins vs. 2024.

JBS Australia: Consistent recovery with margins returning to historical levels.

Looking at the Australian division, our Net revenue forecast stands at R\$10.5bn Genial Est. (+10.5% q/q; +21.5% y/y), reflecting strong growth in beef exports, especially to the US, Japan, South Korea, and China. We believe that the external scenario remained favorable for Australia, considering that it is a region that historically ships a significant amount of meat to the US and still ended up with a 10% tariff, the lowest rate on the list announced by the Trump administration on Liberation Day (April 2). Between Apr-Jun, Australian shipments reached record volumes, with 135Kt in June—the highest monthly figure in the historical series—totaling more than 702Kt in 1H25.

Therefore, the market data we have collected continues to point to Australia as an important supplier to the US, considering the current apex of negative phase of the cattle cycle in North America. Therefore, both profitability and demand for Australian shipments to the US remain healthy, even accelerating +37% y/y. Canada (+40% y/y) and China (+62% y/y) are also among the regions to which Australian slaughterhouses are shipping the most, with grained beef standing out, which accumulated a +41% y/y increase through May. However, we highlight the hindrance (since 3Q24) caused by the cattle and lamb purchase costs on the rise, up +3% q/q and +15% y/y according to MLA.

We believe that pressure from cattle costs should limit a more robust recovery, even given expectations for a full return to salmon operations after setbacks at aquaculture farms, which drastically reduced sales in 2H24. As such, we estimate adjusted EBITDA of R\$1.0bn Genial Est. (+10.4% q/q; -12.2% y/y), with a margin that should clock in at 9.9% (flat q/q; -3.8p.p. y/y).

Seara: Avian flu should put some pressure on margins. This quarter, Seara's figures will certainly show some level of interference from avian flu. We project Net revenue reaching R\$11.9bn Genial Est. (-5.5% q/q; +2.4% y/y), reflecting the expected post-seasonal peak typical of the 1Qs, but also the one-off impact of avian flu, which led to the temporary suspension of exports to China and the European Union, among other markets. We believe that these restrictions, which began in Jun., had a moderate impact on performance, with the possibility of some residual effect in Jul. (so, 3Q25 may also experience some contraction). Even so, the impact is likely to be limited, given the volume's rerouting via plants with active licenses, in a dynamic like what we observed during last year's Newcastle disease episode.

In the domestic market, the redirecting of fresh chicken should ultimately deflate prices in the short term – according to our survey, wholesale prices fell -2.2% m/m in Jun. because of avian influenza, and the contraction in retail sales was close to -5% m/m.

However, as ~50% of Seara's revenue comes from the domestic market—and on this channel, the sales mix is mainly focused on prepared and processed products—the effect tends to be marginal when compared to the impact observed in companies more exposed to fresh products. On the other hand, corn prices down trended by -7.4% q/q, which should help alleviate some of the pressure on the operating expense structure, despite market volatility following the Trump administration's tariff announcement. Even so, we project EBITDA of R\$2.0bn Genial Est. (-21.2% q/q; -3.0% y/y), with a margin of 16.5% (-3.3p.p. q/q; -0.9p.p. y/y) — still a solid level and compatible with Seara's new post-cost inflation cycle benchmark.

JBS Brazil: Revenue grows, but cattle prices hinders profitability. For Brazilian operations, we project Net revenue of R\$20.1bn Genial Est. (+8.6% q/q; +29.4% y/y), reflecting stronger demand for beef in the domestic market, favored by the end of the seasonally weaker consumption period observed at the beginning of the year. With the dissipation of the effects of budget constraints in 1Q—with household income being directed toward tax and school supply expenses—2Q usually put out some recovery in consumption of higher value-added proteins, such as red meat. In addition, the rise in domestic retail prices should sustain the growth of the top line: the average price of cuts in the IPCA basket rose by +22.2% y/y in the last 12M, with popular options such as eye of round (+24.1% y/y) and thick flank (+25.2% y/y) standing out.

On the supply side, the price per arroba fell -1.3% q/q, but remains at a high level, in the range of R\$315/arroba. This should continue to limit more significant margin expansion, given that the cost of acquiring cattle represents ~85% of COGS/t of the operation. Thus, even with a slight sequential improvement in costs, the structure remains under pressure from the cattle cycle, which continues at challenging levels in terms of prices and availability. In this context, we estimate EBITDA of R\$1.2bn Genial Est. (+57.6% q/q; +2.2% y/y), with a margin of 6.0% (+1.9p.p. q/q; -1.6p.p. y/y), reflecting the significant improvement in sequential profitability, when the comparison base was more depressed by seasonal factors. Even so, the margin remains compressed compared to 2Q24, showing that, despite the sequential improvement, the current cycle still poses challenges, especially for 2H25.

Our take on JBS

Post-dual listing: Why has repricing not yet occurred? Although the thesis for JBS's repricing based on the convergence of global multiples remains intact — with theoretical upside potential of **+30%** vs. the current **EV/EBITDA** of **5.0x** — we believe that the market has not yet fully **priced in this rerating**. The **implicit value** of JBSS3 via JBSS32 (BDRs) listed on B3 indicates **R\$38.74**, representing a **decline of -6.2% vs. the closing price on the day of the EGM** (May 23) precisely when minority shareholders approved the dual listing structure. This disconnect reinforces the thesis that repricing is still underway and **is hampered by a technical phenomenon** of flow reallocation.

In practice, we believe that the transition from primary listing on B3 to the NYSE causes a disruption in the composition of institutional shareholders, especially regarding passive funds. With the company's **departure from the main Brazilian indices** (such as Ibovespa and IBrX), many ETFs and local index funds are systematically divesting, increasing the stock selling flow in the short term.

On the other hand, **passive funds in the US** — such as Russell 1000 replicators and, in the future, S&P 500 replicators — **have not yet established long positions**, since the company's eligibility for these indices depends on factors such as liquidity history, free float, and listing time. The next window for entry into the indices will not be until 2026.

This interval between the exit of Brazilian funds and the entry of global vehicles creates a delay in the buying flow, **postponing** the expected **compression of the multiple gap vs. peers**. In addition, the dual class share model adopted in the listing may have caused some discomfort among active funds, especially those most aligned with strict corporate governance practices, an argument reinforced by Institutional Shareholder Services (ISS) in the run-up to the shareholders' meeting. However, we believe that this discomfort will tend to be diluted as the potential gain in value exceeds the perceived governance opportunity cost in the short term.

The wait is technical, not structural. Given this context, we interpret the failure of the immediate repricing to materialize as **not reflecting a rejection re-rating thesis via multiples**, but rather a **timing misalignment** between the structural change in the listing and the rebalancing mechanics of global institutional funds. Following confirmation of the NYSE listing (which occurred in June), we expect that: **(i)** passive funds focused on the US will begin to gradually add JBS as eligibility criteria are met (such as liquidity and trading history); and **(ii)** active funds will reassess their position based on the still attractive valuation and potential upside vs. peers (trading at ~7x EV/EBITDA, much more stretched). As a result, we believe the base case scenario for share repricing remains credible: there is room for multiples to converge, but **the timing is influenced by technical and regulatory factors**. The market appears to be in a transition phase, with local investors reducing or eliminating positions, while global investors have not yet generated sufficient buying momentum.

US-Brazil tariffs: Symbolic direct impact, but with significant indirect effects. The imposition of **50% tariffs** by the US **on Brazilian beef** (and all other goods) has set off alarms in the market, but the direct impact on JBS Brazil, in absolute terms, is likely to be limited. In the 1H25, shipments to the US totaled ~185Kt — a volume that, although representing a significant share of bilateral trade, is equivalent to about 1M of the company's production in Brazil. Within the context of the JBS group, these exports **correspond to only ~1% of consolidated revenue**, which makes the effect quantitatively immaterial.

However, the concern is not limited to the volume itself, but to the **regulatory ambiguity of the measure**. It is still unclear whether the tariffs apply **(i)** only to products produced after Aug. 1 or **(ii)** also affect shipments already in transit. The overlap with previous quotas — 10% new tariff on liberation day or 26% of regular quota system, depending on interpretation — exacerbates the uncertainty, hampering the industry's logistical and commercial planning. In addition, if **(iii)** more meatpackers redirect supply to the domestic market instead of exporting, the effect could lead to a drop in cut out prices for domestic consumption in Brazil. Even if companies are forced to **soften prices in the domestic market**, we believe that the cattle cycle reversal process in Brazil is already underway, with a **higher number of female cattle expected to be retained for 2H25**, which should help to **further compress margins** in Brazilian operations.

Despite this, the company's view is that even if the tariff makes part of exports to the US economically unviable, the impact will be mitigated by a coordinated process of redirecting cargo. Strong global demand for protein—especially in Asian and Arab countries—continues to offer viable commercial alternatives with the potential to preserve volumes.

Brazil: A more subdued cycle turnaround than anticipated. We have anticipated the **turnaround in the cattle cycle** in Brazil **since 3Q24**, with the price per arroba of cattle rising +50% in 5M (Jul-Nov), which led us to downgrade the company to Neutral. However, due to events that we were unable to map at the time, the cycle transition is occurring gradually and in a more balanced manner than previously anticipated. Despite the forecast reduction in total market slaughter volume of -5% y/y in 25E, we believe that availability is still sufficient to sustain the ramp-up of the new MSA plants. The price of cattle for slaughter should move to the range of **R\$340-350/arroba** in **2H25** – currently trading at **~R\$300/arroba** due to the one-off effects of the **50% tariff imposed by the US** on Brazilian products.

But cattle prices will rise in 2H25... At this point, we expected a curve closer to R\$320/arroba, showing that the catalyst for the reduction in cattle prices – after peaking at R\$352/arroba in Nov. – was in fact the imposition of tariffs by the Trump administration, which created uncertainty about future shipments and abruptly slowed exports to the US market. We emphasize that the US is a major destination for Brazilian meat shipments, being the 2nd most important (12% of total exports). The uncertainty generated by the tariffs, in turn, slowed down the slaughter sequence and ended up expanding the supply of cattle, **causing price drops**. This move led large meat packers to suspend purchases, reallocate destinations and, in some cases, place plants on collective vacation. In the domestic market, the combination of higher supply of feedlot and **longer slaughter schedules** (which now exceed 9 business days on average) has allowed meatpackers to renegotiate lower prices paid to producers.

At this point, we are still seeing a considerable level of slaughter of reproductive females, which in turn have lower carcass yields. However, the tide should turn. In 1Q25, female slaughter reached a record high, accounting for 47% of the total herd. However, we believe that this trend will reverse in 2H25, with the **percentage of females slaughtered** cooling down to **43% Genial Est.** (vs. 45% in 2H24), and then falling **more sharply from 26E onwards**, given the withdrawal for breeding to ensure the replacement of calves. With fewer females on the slaughter scale in the coming months, the supply available to meatpackers will shrink and the price per arroba will tend to rise again. So, although the cycle turnaround is indeed slower, it is still structural and part of the nature of the business. Tariffs may have slowed the pace of the increase, but the turnaround in the Brazilian cattle cycle is evident given the combination of structural factors that limit the supply of animals for slaughter and **put pressure on costs** throughout the chain.

Margins softening, awaiting repricing. We continue to see no significant catalysts from a fundamental standpoint, justified by the **expected margin compression in 25E vs. 2024** – justified by the deterioration in the spending environment, spreads, avian flu, tariffs and their indirect effects. We believe that this preliminary report reinforces this, while we expect a contractionary behavior or, at best, stability in the y/y margin in all of the company's units.

This should happen despite the **(i)** significant distortions in the USD/BRL FX rate vs. 2Q24 – with a positive impact on annual basis results due to the strong appreciation of the USD vs. BRL (+8.5% y/y) –, despite **(ii)** robust y/y growth in the beef prices in Brazil (+39% y/y) – even with the possibility of one-off negative impact from the indirect effect of the +50% tariff imposed by the US on Brazilian products.

We therefore reiterate that the **clear value lever for the coming months** continues to be the eventual **effect of the repricing** resulting from **dual listing** (NYSE with primary shares and B3 with BDRs), even if there is an inherent delay in this becoming credible (as explained earlier in this report), combining a **(i)** dual-class share structure; **(ii)** access to global capital (passive funds and listing on indices such as the Russell 1000 and S&P 500); **(iii)** and an immediate extraordinary dividend (R\$1.00/share), the company should position itself for a **rerating of valuation**, reducing the **gap in trading vs. peers** (1.5x EV/EBITDA of gap, respecting diff of 0.5x vs. average we mentioned in other reports). We maintain our **BUY rating**, with a **12M Target Price of R\$109.00** for **BDRs-B3** and **US\$20.00** for **JBS-NYSE**, implying an **upside of +40%**.

It is worth noting, however, that despite the high upside potential implied for the company, our valuation is attributed both to our DCF model and to the value gain we see from the multiple repricing, which has not yet materialized.

Appendix: JBS

Figure 1. JBS – Income Statement in R\$ Millions (Genial Est. 25-28)

Income Statement	2025E	2026E	2027E	2028E
Net Revenue	449.409	479.849	490.099	497.450
(-) COGS	(387.531)	(419.032)	(422.696)	(429.037)
Gross Profit	61.879	60.817	67.403	68.414
(-) Expenses	(26.769)	(29.836)	(30.564)	(31.023)
Adjusted EBITDA	35.109	30.981	36.838	37.391
(-) D&A	(12.724)	(13.586)	(13.876)	(14.084)
EBIT	21.816	17.464	23.031	23.376
(+/-) Financial Result	(9.332)	(9.733)	(4.791)	(4.863)
(-) Taxes	(2.912)	(1.933)	(4.560)	(4.628)
Net income	9.572	5.799	13.680	14.022
Profitability				
Net margin (%)	2,1%	1,2%	2,8%	2,8%

Figure 2. JBS– Cash Flow in R\$ Millions (Genial Est. 25-28)

Cash Flow (FCFF)	2025E	2026E	2027E	2028E
Net Revenue	449.409	479.849	490.099	497.450
(-) COGS	(387.531)	(419.032)	(422.696)	(429.037)
Adjusted EBITDA	35.109	30.981	36.838	37.391
EBIT	21.816	17.464	23.031	23.376
(-) Taxes	(2.912)	(1.933)	(4.560)	(4.628)
(+) D&A	12.724	13.586	13.876	14.084
(+/-) Δ WK	(1.114)	(1.040)	(493)	(1.045)
(-) Capex	(8.988)	(9.597)	(9.802)	(9.949)
FCFF	21.527	18.481	22.052	21.838

Disclosure Section

1. GENERAL DISCLAIMER

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Genial Rating

	Definition	Coverage
Buy	Expected return above +10% in relation to the Company's sector average	49%
Neutral	Expected return between +10% and -10% relative to the Company's industry average	41%
Sell	Expected return below -10% in relation to the Company's sector average	5%
under Review	Under review	5%

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