

MARFRIG GLOBAL FOODS S.A.
Publicly Held Corporation
Taxpayer ID (CNPJ/MF): 03.853.896/0001-40
(B3: MRFG3)

NOTICE TO THE MARKET

São Paulo, December 7, 2018 – Marfrig Global Foods S.A. (“Marfrig” or “Company” – B3: MRFG3 and Level 1 ADR: MRRTY), in accordance with Instruction 358 issued, on January 3, 2002 by the Securities and Exchange Commission of Brazil (CVM), as amended, hereby informs that it has entered into an agreement with BRF – Brasil Foods S.A. (“BRF”) to acquire shares representing 91.89% of the total and voting capital of Quickfood S.A. (“Quickfood”), a subsidiary of BRF based in Argentina (“Transaction”).

For Marfrig, a leading global producer of beef protein, the Transaction strengthens its portfolio of value added products and is aligned with its strategic growth plan. The Transaction also includes potential synergies and economies of scale with Marfrig’s operations in the country.

Quickfood, Argentina’s leading producer of beef products, has been listed on the Buenos Aires Stock Exchange since 2002 (Ticker: “PATY”). The company operates three plants in San Jorge, Baradero and Arroyo Seco, with primary processing capacity of 620 head/day and further processing capacity around of 6,000 tons/month of beef patties, franks, cold cuts and frozen vegetables.

The agreement envisages the acquisition by Marfrig of 532,041,681 shares representing 91.89% of the total and voting capital of Quickfood, held by BRF, to be paid on the settlement date of the Transaction. The value of the Transaction is based on the company’s equity value of US\$54.9 million.

The acquisition of a controlling interest will be carried out by Marfrig itself or through its subsidiaries. If the acquisition were conducted by the public corporation and after fulfilling all legal and regulatory requirements and concluding the corresponding

IR CONTACTS

valuation report, it will inform its shareholders and the market if the events fall under the requirements of Article 256 of Federal Law 6,404/76.

As a result of the acquisition, Marfrig is required to conduct a public stock tender offer of shares representing 8.11% of the capital of Quickfood traded on the Buenos Aires Stock Exchange (BCBA), in accordance with governing law.

Lastly, the Company informs that said Transaction will not entitle shareholders to withdrawal rights given that, under Article 256 jointly with Article 137, II of Brazilian Corporation Law: a) Marfrig is a component of a general index representing a portfolio of stocks admitted for trading on the stock exchange, namely the Bovespa Index (liquidity requirement); and b) the controlling shareholders hold less than 50% of the Company's total shares (disperse ownership requirement).

Marfrig further informs that, on the same date, it entered into an agreement with BRF to assume, for the amount of R\$100 million, the operation of the plant in Várzea Grande, Mato Grosso, Brazil, which includes the production of beef patties, with production capacity of 69,000 tons per year, meatballs and kibbeh, among others. In addition to the partnership with BRF, the agreement will enable Marfrig to resume its supply of products such as beef patties to global foodservice companies located in Brazil and to adjust the investment foreseen for a new beef patties plant in the country.

Marco Antonio Spada

Chief Financial and Investor Relations Officer

Marfrig Global Foods S.A.

IR CONTACTS