

MARFRIG GLOBAL FOODS S.A.
Publicly-Held Company
CNPJ/ME Nº 03.853.896/0001-40
(B3: MRFG3)

MATERIAL FACT NOTICE

São Paulo, May 30, 2019 - Marfrig Global Foods S.A. ("**Marfrig**" or "**Company**" - B3: MRFG3 and ADR Level 1: MRRTY), pursuant to paragraph 4 of article 157 of the Brazilian Corporations Law and Brazilian Securities Commission's Rule no. 358/02, hereby informs that, on this date, the boards of directors of the Company and BRF S.A. have authorized their respective administrations to sign a Memorandum of Understanding setting forth rules and conditions regarding the access to information that allow the companies to deepen studies and discussions aiming at the implementation of a potential transaction that has the purpose of combining all operations of the Company and BRF S.A. ("**Transaction**"). The Memorandum of Understandings provides for an exclusivity period of ninety (90) days, renewable for additional thirty (30) days, during which neither party may begin negotiations with third parties. In the context of such studies, the companies shall evaluate, with their respective legal, accounting, financial and other advisors, the economic benefits that may result from the eventual implementation of the Transaction, as well as the most efficient corporate structure to be adopted.

It is expected that implementation of the Transaction will result in: (a) the creation of a world leader in the protein market with wide geographical and product diversification; and (b) risks reduction and exploitation of high potential operational and financial synergies due to the balance and complementarity of products, services and geographic diversification with relevance in Brazil, United States, Latin America, Middle East, Asia.

There is no definition in relation to the corporate structure for the combination, which may include the consolidation of assets of the two companies and their respective shareholders in a new company, with a focus, among others, on reducing the capital cost of the combined company. The Transaction will be structured based on the assumption that the combined company will: (a) have a high level of corporate governance, with stability of the direct administration and management; (b) adopt internal policies and metrics necessary to achieve investment grade rating; and (c) be managed with the aim of achieving an excellent reputation regarding its integrity, quality, safety, and sustainability.

Pursuant to the Memorandum of Understandings, the relative valuation of any combination will be based on the average of the daily weighted price quotation of the shares of each company in the last forty five (45) calendar days in B3 S.A. – Brasil, Bolsa, Balcão immediately prior to the date of disclosure of this Material Fact Notice, that is, between April 15 (inclusive) and May 29, 2019 (inclusive), which would result in an equity ownership by the shareholders of BRF S.A. of 84,98% and by the shareholders of the Company of 15,02%. The Company clarifies, however, that the companies will conduct a reciprocal due diligence process during the exclusivity period, which results may, at the joint option of both companies, cause the terms of the Transaction to be adjusted.

Finally, the Company informs that (a) except for the Memorandum of Understandings, there is no agreement, contract and/or document executed between the Company and BRF S.A. or its controlling shareholders, binding or non-binding, and, therefore, there is no guarantee that the Transaction will be implemented; (b) the studies and discussions object of the Memorandum of Understanding has the purpose of supporting the evaluation of the Transaction by the Company's shareholders, who will be responsible for the decision and all acts regarding the implementation of the Transaction (and its terms); and (c) the closing of any Transaction

shall be conditioned upon the analysis and approval of the parties involved and their competent management bodies and their shareholders, in addition to all necessary prior approvals from governmental authorities and third parties, as the case may be.

The Company will not disclose any new information in connection with the foregoing within ninety (90) days after the publication of this Material Fact Notice, unless there are acts or facts that constitute a regulatory disclosure obligation. The Company will keep its shareholders and the market timely and properly informed of any relevant developments arising from the studies and discussions related to the Transaction.

Marco Antonio Spada

Vice President of Finance and Director of Investor Relations

Marfrig Global Foods S.A.