EARNINGS RELEASE

4Q21

RESULTS WEBINAR
March 17, 2022
11a.m. (Brasília) / 10 a.m. (New York)

Videoconference in Portuguese
with simultaneous translation into English zoom

INVESTOR RELATIONS
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4Q21 EARNINGS RELEASE

São Paulo, March 15, 2022 – Smart Fit (SMFT3), the leader in the fitness sector in Latin America and the largest chain of fitness clubs outside the United States in membership[1], announces its results for the 4th quarter of 2021 (4Q21). To facilitate analysis, the results are shown without the effect of IFRS 16/CPC 06 (R02). The effects of IFRS 16/CPC 06 (R02) on the result are detailed from page 19 onwards.

4Q21 / 2021 HIGHLIGHTS

- ***Member base crosses 3 million mark***

Smart Fit closes 2021 with record membership after seven straight months of base recovery, adding 244 thousand members in 4Q21 and 700 thousand since the resumption in June. Member base continued to grow in the initial months of 2022 and the clubs opened before the pandemic reached, in February, 80% of the member base they had in March 2020.

- ***Accelerated expansion and guidance announced of 195 new units in 2022***

Accelerated growth, with the opening of 56 clubs in 4Q21 and 165 in 2021, bringing the total to 1,065 units at the end of the year (+18% vs. 2020). Given the current opportunities in the high-value low-price (HVLP) segment, the Company plans to close 2022 with 1,260 units, expanding the number of own clubs by 21%.

- ***23% growth of Net Revenue vs. 3Q21***

Significant growth of 18% in average member base of own clubs led to net revenue expansion of R$101 million versus 3Q21 to reach R$546 million in 4Q21.

- ***Reduction of 3% in cash cost of clubs opened until 2019[2]***

Sharp focus on cost management during the two years of the pandemic enabled us to reduce nominal costs, notably in personnel and club operating expenses.

- ***Improvement in EBITDA and Operating Cash Flow in 4Q21***

Continued expansion of member base and operating leverage drove EBITDA and Operating Cash Flow growth in 4Q21 to R$36 million and R$51 million, respectively.

4Q21 / 2021 Highlights	4Q21	4Q20	4Q21 vs. 4Q20	2021	2020	2021 vs. 2020
Clubs	1,065	900	18%	1,065	900	18%
Total Members (000) [a]	3,007	2,592	16%	3,007	2,592	16%
Net Revenue (R$ million)	546.4	385.8	42%	1,706.9	1,256.2	36%
EBITDA [b] (R$ million)	36.0	7.8	364%	47.2	53.8	(12%)
EBITDA Margin	6.6%	2.0%	4.6 p.p.	2.8%	4.3%	(1.5 p.p.)
Operating Cash Flow [c] (R$ milhões)	51.4	(35.1)	n/a	114.5	(38.0)	n/a

(a) Includes members of clubs, Studios and digital channel; (b) Excludes the effects of IFRS 16/CPC06 (R2). See section "EBITDA Breakdown". (c) See section "Operating Cash Flow".

(1) According to the International Health, Racquet & Sportsclub Association data, disclosed in 2020, with base date 2019 ("IHRSA"). (2) For a better analysis of our operational performance, we have shown "Cash Cost of Services Provided", which excludes the effects of IFRS-16, depreciation and amortization. To enable comparison of the costs in 4Q21 with pre-pandemic costs (January and February 2020), we compared the evolution of "Cost Cash" of the units opened until 2019 in the respective periods.

MESSAGE FROM MANAGEMENT

The year 2021 started with uncertainties and ended on a promising note. During the 16 months from the start of the pandemic until July 2021, a sizeable number of our clubs remained closed and numerous restrictions were imposed by local authorities on the use of clubs, which negatively affected the operating and financial results of the period. During the year, with a large part of the population getting vaccinated, the increase in urban mobility, the easing of restrictions on the functioning of clubs and the strict health safety protocol adopted by Smart Fit enabled a gradual recovery in the member base. By February 2022, we had regained 100% of the pre-pandemic member base, a gain of 38 p.p. in 8 months. Despite the outbreak of the Omicron variant in 4Q21, we continued to expand our member base in 2022.

Operating in a pandemic scenario also meant that 2021 was marked by important lessons learned. The continuous return of people to clubs and the higher frequency of use confirmed our understanding that the pandemic brought greater awareness on the importance of physical activity for health and a good quality of life. According to the survey "Resumption, New Year, New Life[1], taking care of health and doing physical exercises are two main priorities of respondents for 2022. We also observed an important increase in the frequency of utilization of clubs in the second half of 2021, which was 20% higher than in the twelve months before the pandemic broke out. Another highlight was the growing importance of connectivity for our members as a way of social engagement, which led us to invest in improvements to our app and digital services. Investments to improve the functionality, navigability and connectivity of our app increased the number of users to 1.4 million in February 2022, from 500 thousand in December 2020.

The year was also marked by important achievements, including the addition of 700 thousand members to our base since the resumption of activities in June, surpassing the mark of 3 million members at the end of the year - a record – and consolidating our leadership position in Latin America and our status as the biggest chain of fitness clubs outside the United States[2]. We decided to accelerate the pace of expansion in 2021 and achieved another feat, opening 165 clubs, more than any other major chain in the Americas and Europe[3], expanding our chain by 18% and surpassing the mark of 1,000 clubs. Driven by our confidence in the fitness segment, the competitiveness of our high-value low-price (HVLP) business model, attractive real estate opportunities and the strong financial liquidity, we plan to add at least 195 clubs in 2022, strengthening our competitive position, opening new growth avenues and giving the population of Latin America access to high-end fitness. Finally, in July we held a successful Initial Public Offering ("IPO") on B3, the first in Brazil by a company in the sector, through which we raised R$2.6 billion from the primary offering, strengthening our cash position and financial liquidity, besides expanding our financing capacity to support the Company's expansion plans.

During 2021 we continued to prioritize the safety of our employees and members, adopting a strict health safety protocol formulated and implemented in our clubs, which became an industry benchmark. We supplied hygiene kits, created conditions for physical distancing, implemented complete cleaning of clubs at least twice a day and required people to wear masks whenever necessary (in Chile and in some cities in Brazil, wearing masks is no longer necessary due to the high vaccination rate among the population).

[1] Google survey of 1,000 respondents aged between 18 and 64, conducted between November 25 and 27; [2] 2020 IHRSA Global Report

[3] Information made available by the largest publicly-held club chains until the preparation of this report.

Since July 2021, the reopening of clubs and improved urban mobility fueled the consistent recovery of the member base in all the regions where we operate. At the end of 2021, Smart Fit units opened before the pandemic had recovered 76% of their member base at the end of March 2020 (pre-pandemic period). Despite the Omicron outbreak in 4Q21, we continued to expand our member base in 2022. In February, the Smart Fit units opened before the pandemic had recovered 80% of their member base in March 2020. In the same month, three of the twelve countries where we were operating at the start of the pandemic had fully recovered their member base of units opened until March 2020, while seven had recovered over 90% of their member base.

Driven by our obsession for service excellence, we continued to invest in constantly renewing the training programs offered, layouts of clubs to optimize the training experience, qualification of instructors, dissemination of good practices of club leaders, a strict biosafety protocol and improvements to the Smart Fit app, all of which earned us a high Net Promoter Score (NPS) of 73 in 2021, which is much higher than that of our industry peers.

As part of our pursuit of service excellence, we continued to invest in developing the Smart Fit ecosystem. In 2021, we enhanced the functionality and navigability of our app to improve our members' training experience and expand their engagement. One example is we offered our members the possibility of sharing their training on social media. Queima Diária, our distance training service, started offering live workout classes that allow instructor-member interaction. We also accelerated investments in Smart Fit Nutri, the nutritional follow-up service, expanding the availability of bioimpedance scales at clubs, which increased the number of measurements almost threefold in relation to 2020, enabling members to more regularly monitor their progress through physical exercises and dietary reeducation.

We are a company of over 10,000 employees who serve over 3 million members across 14 countries and who play the important role of democratizing access to high-end fitness in the societies where we operate. Our contribution, however, is not restricted to fitness services. In 2021, we sponsored social inclusion projects at low-income communities, such as the Centro de Artes da Maré project, continued to invest in technologies that translate our website content into sign language ("Hand Talk") and audio ("Audima") and in improving accessibility features at all our clubs, besides intensifying our efforts to expand the share of renewable energy in our energy matrix.

In 2021 we continued to win important awards that reflect the strength of our brand and the efforts of our team to serve with excellence. Smart Fit was recognized as the most admired brand in the Gym category by the Casual Brands survey held by the magazine Exame among its newsletter subscribers. And as in previous years, we won the Top of Mind award in some cities where we operate.

We wish to thank our employees, members, suppliers and shareholders immensely for their tremendous support and trust even in a scenario of uncertainties that we have faced since the start of the pandemic. We are satisfied with the results obtained in 2021 and are very excited about the prospects for 2022.

OPERATING PERFORMANCE

CLUB NETWORK

The 4th quarter of 2021 was marked by the accelerated pace of club openings. Fifty-six units were added to our chain, the highest growth since the start of the pandemic and the second highest expansion in the Company's history. During the quarter, 18 units were opened in Brazil, 18 in Mexico and 20 in the Other Latin America region.

In 2021, 165 clubs were added, the highest expansion among leading club chains in the Americas and Europe[1]. At the end of the year, Smart Fit had 1,065 units, 18% more than in 2020. The accelerated pace of openings was driven by the confidence in the resumption of activities, the gradual loosening of restrictions on the normal functioning of clubs, opportunities in the real estate market, especially the higher offering of exclusive commercial points, and the Company's solid cash position and financial liquidity.

Evolution of Clubs

Clubs	End of the Period					Growth 4Q21 vs.		Variation 4Q21 vs.	
	4Q20	1Q21	2Q21	3Q21	4Q21	3Q21	4Q20	3Q21	4Q20
Total	**911**	**939**	**992**	**1,020**	**1,077**	**57**	**166**	**6%**	**18%**
Clubs	**900**	**928**	**981**	**1,009**	**1,065**	**56**	**165**	**6%**	**18%**
By Type									
Owned	704	715	746	781	834	53	130	7%	18%
Franchises	196	213	235	228	231	3	35	1%	18%
By Brand									
Smart Fit	867	896	950	978	1,033	55	166	6%	19%
Owned	676	688	720	755	807	52	131	7%	19%
Brazil [a]	343	342	366	394	408	14	65	4%	19%
Mexico	172	174	173	173	192	19	20	11%	12%
Other Latin America [b]	161	172	181	188	207	19	46	10%	29%
Franchises	191	208	230	223	226	3	35	1%	18%
Brazil [a]	154	167	187	162	165	3	11	2%	7%
Mexico	10	10	10	10	9	-1	-1	-10%	-10%
Other Latin America [b]	27	31	33	51	52	1	25	2%	93%
Bio Ritmo e O2	33	32	31	31	32	1	-1	3%	-3%
Owned	28	27	26	26	27	1	-1	4%	-4%
Franchises	5	5	5	5	5	0	0	0%	0%
By Region									
Brazil	527	538	581	584	602	18	75	3%	14%
Mexico	182	184	183	183	201	18	19	10%	10%
Other Latin America [b]	191	206	217	242	262	20	71	8%	37%
Studios [c]	**11**	**11**	**11**	**11**	**12**	**1**	**1**	**9%**	**9%**
Brazil	9	9	9	9	10	1	1	11%	11%
Other Latin America [b]	2	2	2	2	2	0	0	0%	0%

(a) In August 2021, Smart Fit acquired 26 clubs from SmartExp Escola de Ginástica e Dança S.A., which began to be reported as "own" instead of "franchises; (b) The "Other Latin America" region includes own operations in Argentina, Chile, Colombia, Costa Rica, Paraguay, Peru and Panama and the franchises in El Salvador, Ecuador, Guatemala, Dominican Republic and Honduras; (c) Studios include own clubs and franchises.

1 Information made available by the largest publicly-held club chains until the preparation of this report.

The expansion in 2021 strengthened the competitive position in markets and opened new growth avenues with the entry in a new country, Honduras, and in 30 new cities across Latin America, which have a total population of over 16 million.

In Brazil, 75 clubs were added in 2021, mainly in the southeastern and northeastern regions, which increased the number of units at the end of the year to 602 (+14% vs. 2020), expanding Smart Fit's leadership as the chain with the widest coverage and penetration in the country. In Brazil, Smart Fit is present in 155 cities, which include all state capitals.

In México, 19 clubs were added in 2021, which strengthened Smart Fit's competitive position in the country's central region and enabled it to enter the southern region. By the end of the year, the chain had 201 clubs in Mexico (+10% vs. 2020), the largest in the country with a footprint spanning 54 cities.

In the Other Latin America region, 71 units were added in 2021, expanding the chain to 262 clubs at the end of the year (+37% vs. 2020). The accelerated pace of openings in the region was positively affected by the advanced stage of member base recovery and the growth in markets with attractive potential demand. At the end of 2021, Smart Fit was present in 82 cities across 12 countries in the region.

Most of the units are located in malls and streets, which jointly account for 67% of total clubs. In 2021, 54 clubs were added in malls, 53 in streets, 20 in commercial centers, 29 in supermarkets and 9 in other formats. Smart Fit's adaptability enables the clubs to function in diverse locations, which, combined with the business model and brand strength, enables important alliances with major real estate operators in the region.

As in previous years, most of the growth in 2021 resulted from the opening of own clubs. During the year, 130 own clubs were added (79% of total), including the 26 units acquired from SmartExp (joint venture) in August 2021 and the 27 clubs acquired from Just Fit in June 2021. This year, 35 franchises were added to the chain, including the conversion of 17 units of the Colombian chain Action Fitness, the 2nd largest HVLP player in the country. At the end of 2021, the club chain consisted of 834 own units (78% of total) and 231 franchises (22%).

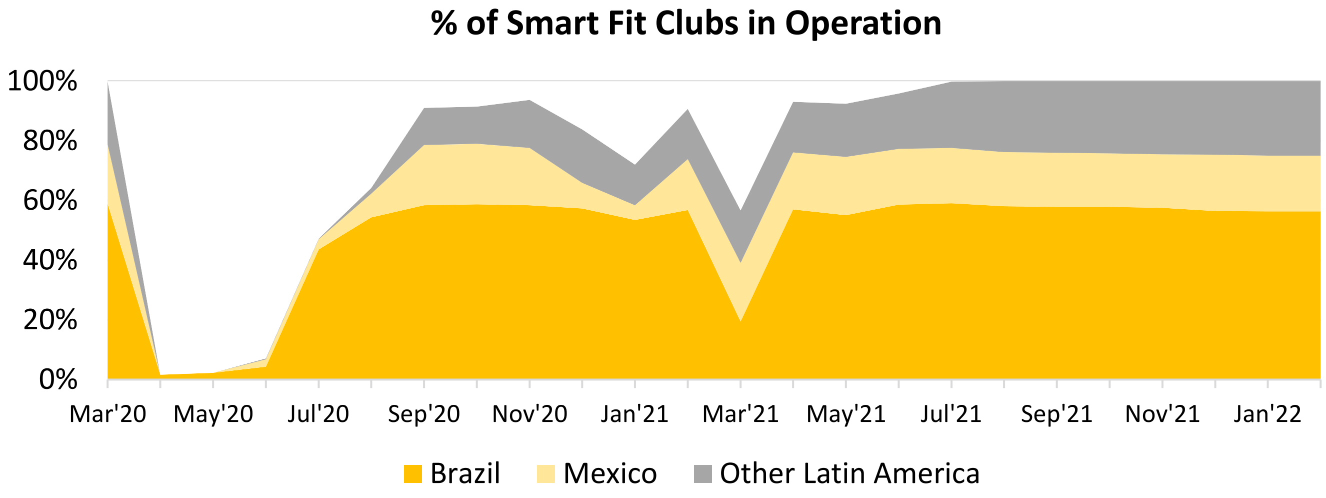
COVID-19 IMPACT

As in 2020, the first half of 2021 was significantly impacted by the COVID-19 pandemic, which forced the temporary closure of a sizeable number of clubs, resulting in a decline in the member base until May this year. Smart Fit started to recover from the COVID-19 pandemic in the second half of 2021 with the full reopening of clubs since July and better urban mobility.

In 2021, clubs remained open 90% of the days, compared to 58% in 2020, which helped the Company to recover 96% of the member base it had in 2019, in line with the recovery witnessed by the largest club chains in the United States and Europe. Moreover, until the end of the year, the restrictions imposed by local authorities on normal functioning of clubs remained in force, which limited the training routine of members, negatively affecting the recovery pace of the member base.

The main restrictions on the normal functioning of units include the requirement to wear masks at club facilities (except in Chile and some cities in Brazil) and in some regions, the maximum number of members that can use the club at the same time and restrictions on using certain areas and services offered, such as group classes and showers.

Despite the emergence of the Omicron variant in the final quarter of 2021, all clubs remained open and no significant changes were made by local authorities to the restrictions on the functioning of clubs, which contributed to the ongoing recovery of member base in the first two months of 2022, when 230 thousand members were added to the clubs.


% of Smart Fit Clubs in Operation
100%
80%
60%
40%
20%
0%
Mar'20
May'20
Jul'20
Sep'20
Nov'20
Jan'21
Mar'21
May'21
Jul'21
Sep'21
Nov'21
Jan'22
Brazil
Mexico
Other Latin America

MEMBER BASE

In 4Q21, 244 thousand members were added to the base, which enabled Smart Fit to surpass the mark of 3 million members, 7% more than the highest mark reached before the pandemic. In the same period, the member base of clubs reached 2.6 million at the end of 4Q21, up 16% from 2020, which represents a recovery of the member base of 91% of clubs before the pandemic.

In 2021, 415 thousand members were added, of which 364 thousand were added to the clubs. Note that the growth in the member base of clubs only started in June 2021 with the reopening of units and resumption of activities in all markets. In the second half of 2021 alone, 631 thousand members were added.

Despite the Omicron outbreak, the member base of clubs continued to recover in the first two months of 2022, growing 230 thousand to reach 2.8 million users in February, leading to the complete recovery of the member base of clubs to pre-pandemic levels. Considering only the units existing in March 2020, Smart Fit closed February 2022 with 80% of the pre-pandemic member base, with positive highlight to the Other Latin America region.

Evolution of Member Base

Total Members ('000)	End of the Period					Growth 4Q21 vs.		Variation 4Q21 vs.	
	4Q20	1Q21	2Q21	3Q21	4Q21	3Q21	4Q20	3Q21	4Q20
Total	**2,592**	**2,381**	**2,381**	**2,763**	**3,007**	**244**	**415**	**9%**	**16%**
In Clubs	**2,209**	**1,943**	**1,942**	**2,332**	**2,573**	**241**	**364**	**10%**	**16%**
By Type									
Owned	1,719	1,470	1,465	1,785	1,989	204	270	11%	16%
Franchises	490	474	477	547	584	37	95	7%	19%
By Brand									
Smart Fit	**2,165**	**1,902**	**1,901**	**2,291**	**2,529**	**238**	**364**	**10%**	**17%**
Owned	1,681	1,434	1,430	1,750	1,951	201	270	11%	16%
Brazil	888	759	693	864	956	93	68	11%	8%
Mexico	368	283	333	374	422	48	54	13%	15%
Other Latin America [a]	425	393	404	512	572	60	147	12%	35%
Franchises [b]	484	468	471	541	578	37	94	7%	19%
Bio Ritmo e O2	**44**	**42**	**41**	**41**	**44**	**3**	**0**	**6%**	**0%**
By Region									
Brazil	1,317	1,166	1,083	1,285	1,407	122	90	9%	7%
Mexico	395	305	360	404	449	46	54	11%	14%
Other Latin America [a]	497	472	498	644	717	73	220	11%	44%
Studios	**4**	**3**	**4**	**3**	**4**	**1**	**0**	**23%**	**4%**
Digital [c]	**379**	**434**	**435**	**428**	**430**	**2**	**51**	**0%**	**13%**

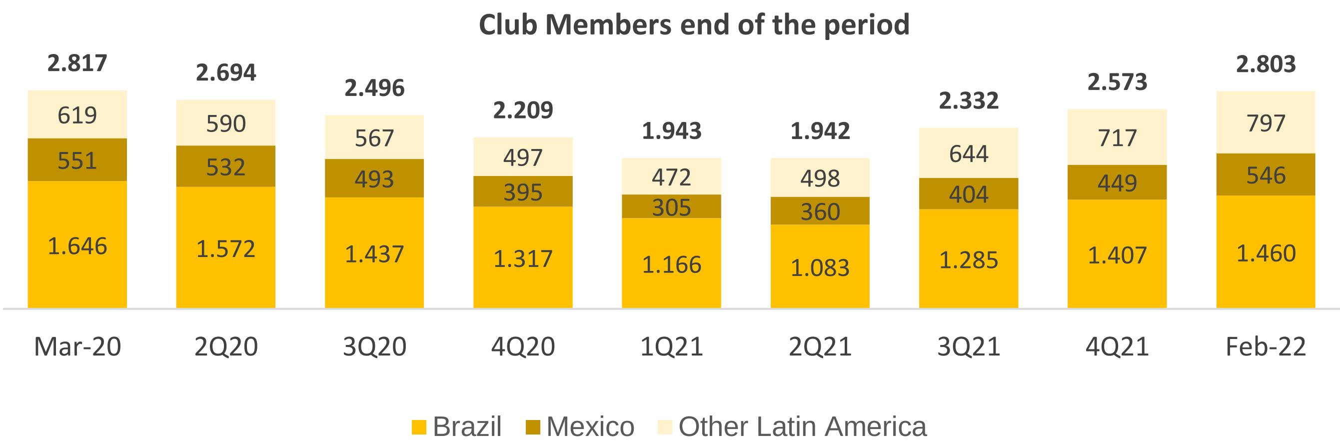
(a) The "Other Latin America" region includes own clubs in Argentina, Chile, Colombia, Costa Rica, Paraguay, Peru and Panama. For franchises includes El Salvador, Ecuador, Guatemala, Dominican Republic and Honduras; (b) In August 2021, Smart Fit acquired 26 clubs from SmartExp Escola de Ginástica e Dança S.A., which began to be reported as "own" instead of "franchises; (c) Due to the acquisition of the digital platform Queima Diária, the number of members in the digital channel began to be reported in 3Q20. To avoid double counting, members of our clubs who are also subscribers to our Smart Fit and Smart Nutri digital plans are considered only as members of clubs or Studios.

In Brazil, 122 thousand club members were added in 4Q21, a 9% increase in relation to 3Q21, which took the member base to 1.4 million, equivalent to 85% of the member base in March 2020. In the year, 90 thousand club members were added, an increase of 7% from 2020. Considering only Smart Fit clubs inaugurated before the pandemic, in December 2021 the business had recovered 71% of the member base in March 2020 and the recovery until February 2022 raised it to 73%.

In Mexico, 46 thousand members were added in 4Q21, an increase of 11% from 3Q21, to reach 449 thousand members, equivalent to 81% of the base in March 2020. In the year, 54 thousand club members were added, up 14% from 2020. Considering only Smart Fit clubs inaugurated before the pandemic, in December 2021 the business had recovered 72% of the member base registered in March 2020 and the improvement in the recovery in early 2022 raised it to 81% in February.

In the Other Latin America region, 73 thousand club members were added in 4Q21, a 11% increase in relation to 3Q21, which expanded the member base to 717 thousand, equivalent to 116% of the member base in March 2020. In 2021, 220 thousand members were added, an increase of 44% from the member base in 2020. In December 2021 and February 2022, the Smart Fit clubs inaugurated before the pandemic had recovered 89% and 96%, respectively, of their member base in March 2020.

The advanced stage of recovery across the Other Latin America region is due to the fact that operations in some countries were less affected by the second wave of COVID-19 (e.g. clubs in Colombia remained open since September 2020), which safeguarded its member base, and by fewer restrictions imposed on clubs in that region.



The digital services offering has expanded since 2020. Currently, Smart Fit offers on-demand video classes and nutritional follow-up services. At the end of December 2021, the number of exclusively digital members came to 430 thousand, up 13% from 4Q20. The digital products and services are complementary to the training experience at clubs and are designed to expand relations with, and consequently the loyalty of, members.

Queima Diária, Latin America's leader in on-demand fitness, is a digital platform that offers access to a varied assortment of physical exercise programs. At the end of 4Q21, this service had 413 thousand members, 10% more than in 2021. After the reopening of clubs in mid-2021, the platform maintained the high sales level registered during the pandemic, keeping its member base stable in the second half of 2021. Starting from 3Q21, Queima Diária members have access to live workout classes, which enables higher instructor-member interactivity and, thus, greater engagement. Until the end of December, we held over 311 live classes, which registered more than 130,000 views.

Smart Fit Nutri, the app-based service for nutritional follow-up and teleconsultations with nutritionists, reached 90 thousand active subscribers at the end of 2021 (+74% vs. 2020). The accelerated expansion is due to initiatives taken to provide a better member experience, such as the installation of bioimpedance scales at the clubs. In 2021, 297 thousand measurements were made, up 284% from 2020. During 4Q21, the method of contracting the services changed from monthly to annual in order to increase the lifetime value (LTV), albeit with a temporary impact on new sign-ups in the short term.

FINANCIAL PERFORMANCE

Main financial indicators [a] (R$ million)	**4Q21**	**4Q20**	**4Q21 vs. 4Q20**	**2021**	**2020**	**2021 vs. 2020**
Gross Revenue	586.0	415.3	41%	1,841.1	1,361.7	35%
Net Revenue	**546.4**	**385.8**	**42%**	**1,706.9**	**1,256.2**	**36%**
Cash costs of services [b]	(361.6)	(259.9)	39%	(1,190.4)	(828.3)	44%
Cash gross profit [b]	**184.8**	**125.9**	**47%**	**516.4**	**427.9**	**21%**
Pre-operating Costs	(7.9)	(4.3)	82%	(14.8)	(16.7)	(12%)
Cash gross profit before pre-operating costs [b]	192.7	130.2	48%	531.2	444.7	19%
Gross margin before pre-operating costs	*35.3%*	*33.8%*	*1.5 p.p.*	*31.1%*	*35.4%*	*(4.3) p.p.*
SG&A	(147.6)	(109.4)	35%	(454.2)	(358.3)	27%
% Net Revenue	*27.0%*	*28.4%*	*(1.4) p.p.*	*26.6%*	*28.5%*	*(1.9) p.p.*
Selling expenses [c]	(56.7)	(37.5)	51%	(178.0)	(124.4)	43%
% Net Revenue	*10.4%*	*9.7%*	*0.6 p.p.*	*10.4%*	*9.9%*	*0.5 p.p.*
General and administrative expenses [d]	(86.3)	(49.8)	73%	(271.6)	(204.4)	33%
% Net Revenue	*15.8%*	*12.9%*	*2.9 p.p.*	*15.9%*	*16.3%*	*(0.4) p.p.*
Pre-operating expenses	(5.3)	(2.9)	81%	(8.1)	(8.5)	(4%)
Other (expenses) revenues	0.7	(19.1)	(104%)	3.5	(21.1)	(117%)
Equity Income	(1.3)	(8.7)	(85%)	(15.0)	(15.8)	(5%)
EBITDA [e]	**36.0**	**7.8**	**364%**	**47.2**	**53.8**	**(12%)**
EBITDA Margin	*6.6%*	*2.0%*	*4.6 p.p.*	*2.8%*	*4.3%*	*(1.5) p.p.*
EBITDA before pre-operating expenses [f]	**49.2**	**15.0**	**227%**	**70.1**	**79.0**	**(11%)**
EBITDA Margin before pre-operating costs and expenses	*9.0%*	*3.9%*	*5.1 p.p.*	*4.1%*	*6.3%*	*(2.2) p.p.*
Depreciation and amortization	(124.8)	(81.8)	53%	448.4	371.3	21%
Profit (loss) for the period	**(110.2)**	**(88.7)**	**24%**	**(557.5)**	**(487.4)**	**14%**

(a) All indicators exclude the effects of IFRS 16 in relation to the leases of clubs and offices; (b) For a better analysis of our operational performance, we have shown "Cash Cost of Services", which excludes the effects of IFRS 16, depreciation and amortization. "Cash gross profit before pre-operating expenses" excludes depreciation and costs with opening new units. See section "Gross Profit" for the calculation of these measurements; (c) "Selling expenses" exclude expenses with opening new units; (d) "General and administrative expenses" exclude depreciation; (e) See section "EBITDA Breakdown" for the calculation of this measurement; (f) "EBITDA before pre-operating costs and expenses" excludes costs and expenses with opening new units. See section "EBITDA Breakdown" for the calculation of this measurement.

NET REVENUE

Net revenue in 4Q21 was R$546.4 million, up 42% from 4Q20, due to the increase in monthly fees since the clubs remained open throughout 4Q21, compared to 88% in 4Q20, and the inauguration of 165 units in 2021, an expansion of 18% of the chain in relation to 2020.

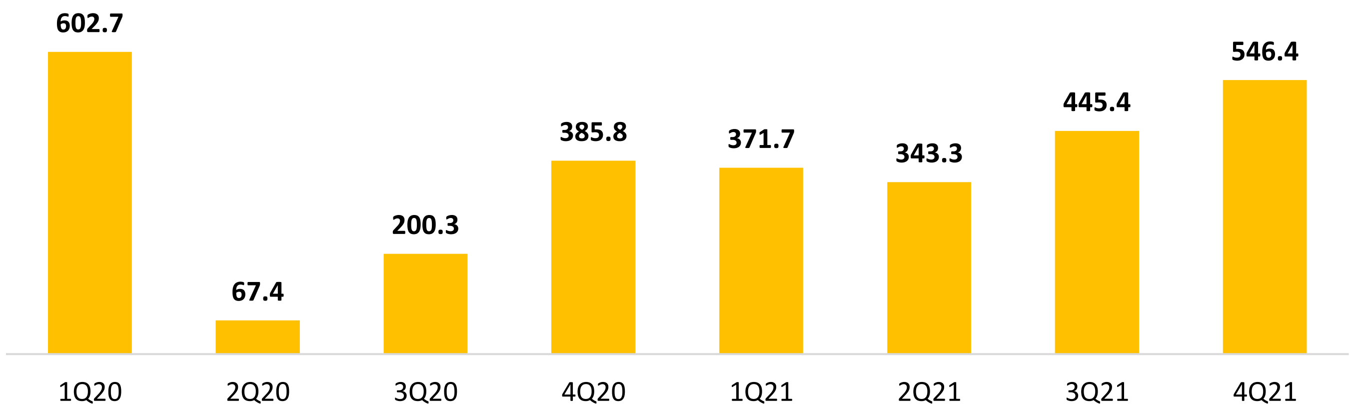
In 2021, net revenue increased 36% to R$1,706.9 million due to higher monthly fee collections at all the regions where we operate since the clubs remained open during 90% of 2021 compared to 58% of 2020. Note that the period between March 2020 and July 2021 was marked by high instability in monthly fee collections due to the temporary closure of clubs.

Net Revenue by Brand and Region

Net Revenue (R$ million)	4Q21	4Q20	4Q21 vs. 4Q20	2021	2020	2021 vs. 2020
Smart Fit	479.9	322.5	49%	1,484.3	1,090.0	36%
Brazil	212.4	164.8	29%	727.5	600.7	21%
Mexico	111.5	99.8	12%	349.2	291.7	20%
Other Latin America [a]	156.0	57.9	170%	407.5	197.6	106%
Bio Ritmo e O2	23.5	12.0	95%	63.3	66.4	-5%
Others [b]	43.1	51.3	-16%	159.2	99.9	59%
Total	**546.4**	**385.8**	**42%**	**1,706.9**	**1,256.2**	**36%**
International Revenue (% total)	50%	41%	8.9 p.p.	45%	40%	4.8 p.p.

(a) "Other Latin America" considers only own operations controlled in the region (Colombia, Chile, Peru, Argentina and Paraguay); (b) "Other" includes royalties received from franchises in Brazil and abroad, and other brands operated by the Company in Brazil.

Evolution of Net Revenue
(R$ million)



4Q21 was marked by strong revenue growth compared to 3Q21, being the second straight quarter of accelerated recovery in revenues. Net revenue in 4Q21 increased 23% (R$101 million) from 3Q21 due to the 18% increase in monthly average of members of own clubs and higher monthly fee payments.

Net revenue from Smart Fit clubs in Brazil increased 11% from 3Q21, driven by the significant expansion of member base of own clubs, which in turn was positively impacted by improved urban mobility. In 2021, net revenue from Smart Fit clubs increased 21%, due to the increased monthly fee collection resulting from the increase in number of days the units remained open compared to 2020. In Mexico, net revenue grew 19% in relation to 3Q21, due to the 13% increase in average monthly membership. In 2021, net revenue increased 20%, mainly due to the resumption of monthly collection with the reopening of clubs.

Net revenue from Smart Fit clubs in the Other Latin America region grew 48% in relation to 3Q21 due to the 19% increase in monthly average membership of own clubs and the resumption of monthly fee payments, notably in Chile, where the clubs functioned throughout 4Q21. In 2021, net revenue from Smart Fit clubs in the region increased 106% due to the reopening of clubs and the resumption of monthly fee collections.

CASH COST OF SERVICES PROVIDED

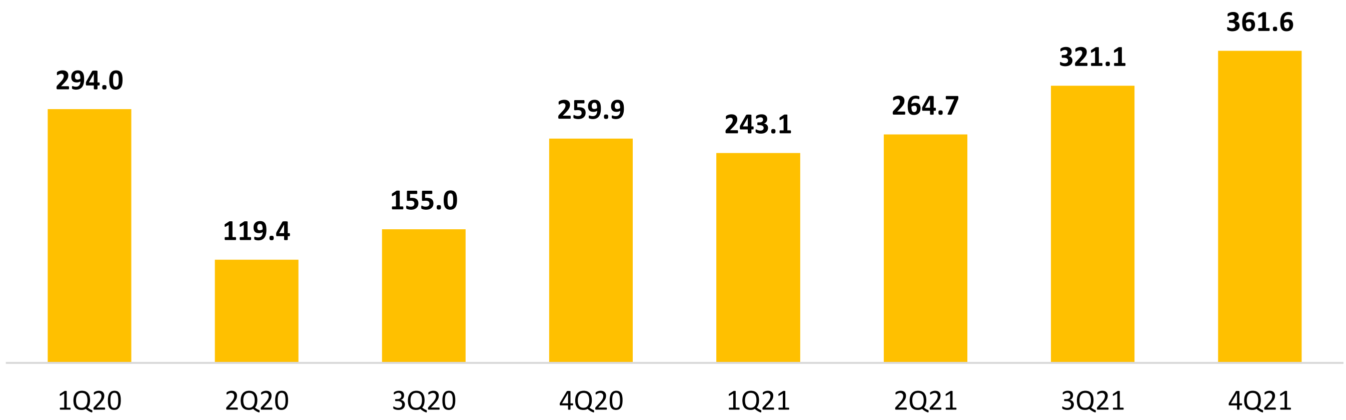
Cash cost of services provided totaled R$361.6 million in 4Q21, 39% higher than in the same period the previous year, chiefly due to the reopening of all the clubs as of mid-July 2021 and the 18% increase in the base of own clubs compared to 4Q20. The clubs remained open throughout 4Q21, while in 4Q20 they remained open 88% of the time, which significantly decreased the cost base during the period.

Cash Cost of Services Rendered by Type

Cash Cost of Services Rendered [a] (R$ million)	4Q21	4Q20	4Q21 vs. 4Q20	2021	2020	2021 vs. 2020
Occupation	149.4	100.9	48%	502.9	320.8	57%
Personnel	90.3	71.2	27%	303.9	238.5	27%
Consumption	61.1	37.4	63%	199.8	130.8	53%
Other	60.8	50.5	20%	183.9	138.2	33%
Cash Cost of Services Rendered	**361.6**	**259.9**	**39%**	**1,190.4**	**828.3**	**44%**

(a) For a better analysis of our operational performance, we have shown "Cash Cost of Services Provided", which excludes the effects of IFRS-16, depreciation and amortization. The rent of properties is considered in this caption, including discounts obtained during the pandemic.

Evolution of Cash Cost of Services Rendered
(R$ million)



Compared to 3Q21, cash cost in 4Q21 increased R$40.5 million (+13%), due to the 7% increase in the number of own clubs and the increase in operating costs since the clubs remained open throughout 4Q21.

The Company remains focused on cost management in order to mitigate the impact of the pandemic on its operations, thereby protecting its profitability. Considering only the units opened until 4Q19, the cash cost of services rendered in 4Q21 declined 3% (R$9.0 million) in comparison with the baseline in January and February 2020, due to the reduction of 18% in personnel costs and 13% in consumption costs, and constant negotiations of rents and other agreements with suppliers. In 4Q21, cash cost of clubs added as of 2020 and Queima Diária, acquired in 2020, totaled R$76.7 million, as against R$57.2 million in 3Q21 and R$35.8 million in 2Q21.

CASH GROSS PROFIT

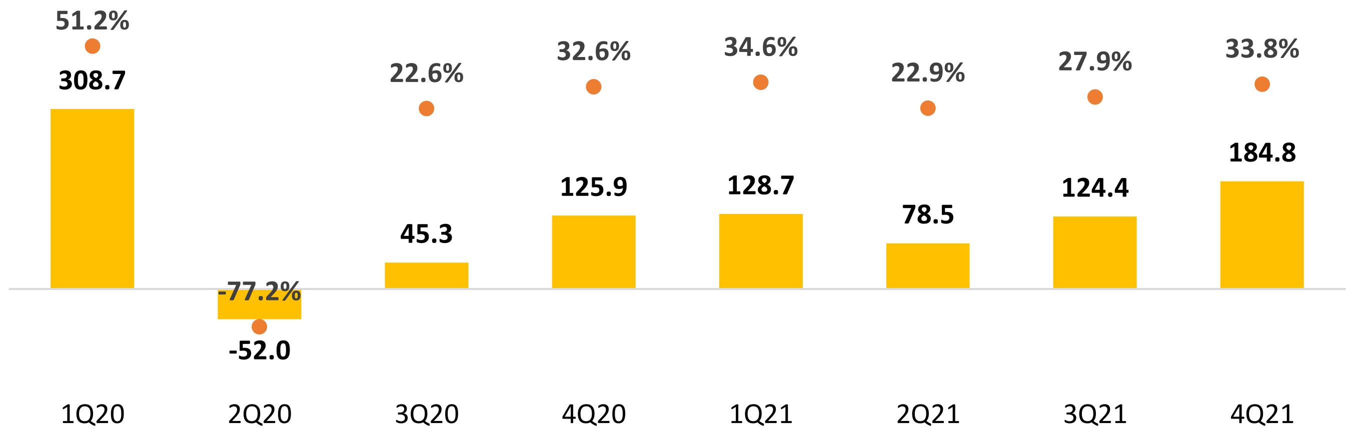
Cash gross profit in 4Q21 totaled R$184.8 million, increasing 47% from 4Q20, driven by the strong recovery in revenues, dilution of fixed costs and the focus on cost management. Cash gross margin rose 1.2 p.p. to 33.8% in 4Q21. In 2021, cash gross profit totaled R$516.4 million, resulting in cash gross margin of 30.3%.

Cash Gross Profit [a] (R$ million)	4Q21	4Q20	4Q21 vs. 4Q20	2021	2020	2021 vs. 2020
Net Revenue	**546.4**	**385.8**	**42%**	**1,706.9**	**1,256.2**	**36%**
(-) Costs of Services Rendered	460.7	368.4	25%	1,593.0	1,266.6	26%
Gross Profit	**85.7**	**17.4**	**n/a**	**113.8**	**(10.4)**	**n/a**
(+) Depreciation [b]	99.1	108.5	(9%)	402.6	438.3	(8%)
Cash Gross Profit [c]	**184.8**	**125.9**	**47%**	**516.4**	**427.9**	**21%**
Cash Gross Margin	*33.8%*	*32.6%*	1.2 p.p.	*30.3%*	*34.1%*	(3.8 p.p.)
(+) Pre-Operating Costs	7.9	4.3	82%	14.8	16.7	(12%)
Cash Gross Profit before Pre-Operating Costs [d]	**192.7**	**130.3**	**48%**	**531.2**	**444.7**	**19%**
Cash Gross Margin before Pre-Operating Costs	*35.3%*	*33.8%*	1.5 p.p.	*31.1%*	*35.4%*	(4.3 p.p.)

(a) For a better analysis of our operational performance, all indicators exclude the effects of IFRS 16, depreciation and amortization. (b) "Depreciation" relates to other depreciation costs included in the cost of services other than lease as it was already excluded from the "Cost of Services" calculation; (c) "Cash gross profit" excludes depreciation and amortization; (d) "Cash gross profit before pre-operating costs" excludes depreciation, amortization and the cost of opening new units.

Evolution of Cash Gross Profit and Cash Gross Margin

(R$ million and % of net revenue)



Compared to 3Q21, cash gross profit increased 49% in 4Q21, while cash gross margin rose 5.9 p.p. to 33.8%, due to a significant operating leverage driven by the dilution of clubs' key operating costs along with the recovery of the member base.

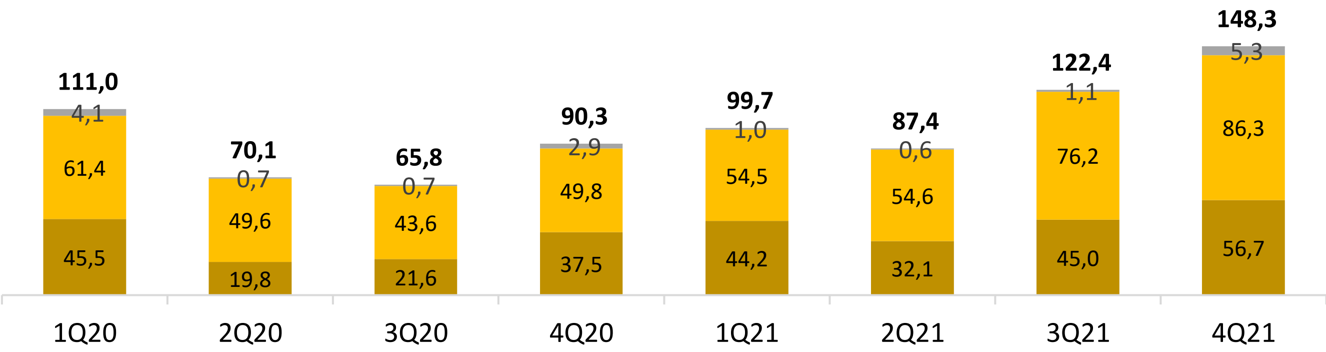
SELLING AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses [a;b] (R$ million)	4Q21	4Q20	4Q21 vs. 4Q20	2021	2020	2021 vs. 2020
Selling expenses	56.7	37.5	51%	178.0	124.4	43%
General and administrative expenses	86.3	49.8	73%	271.6	204.4	33%
Pre-operating expenses	5.3	2.9	81%	8.1	8.5	-4%
Total	**148.3**	**90.3**	**64%**	**457.7**	**337.2**	**36%**

(a) For a better analysis of our operational performance, all indicators exclude the effects of IFRS 16 regarding commercial leases related to the rents of clubs and offices; (b) Excludes "Other (expenses) / revenues".

Selling, general and administrative expenses totaled R$148.3 million in 4Q21, R$58.0 million more than 4Q20, due to the increase in selling expenses in 4Q21 to attract members in a scenario of improved mobility, a low comparison base as the first wave of COVID-19 SG&A expenses substantially down in 4Q20, and expenses with the long-term incentive plan.

Evolution of Selling, General and Administrative Expenses and Pre-Operating Expenses
(R$ million)



In 4Q21, selling, general and administrative expenses and pre-operating expenses totaled R$148.3 million, an increase of R$25.9 million from 3Q21. Selling expenses in 4Q21 remained stable at 10% of net revenue in relation to 3Q21. Compared to 3Q21, pre-operating expenses increased R$4.2 million due to the opening of 53 own units in 4Q21, while general and administrative expenses increased 13%, mainly due to expenses with new businesses and IT projects. Compared to 1Q20 (pre-pandemic period), excluding expenses with new businesses and the long-term incentive program, G&A expenses increased only R$3.8 million, or 6%, in 4Q21 despite the 25% expansion of the club chain during the period.

EBITDA

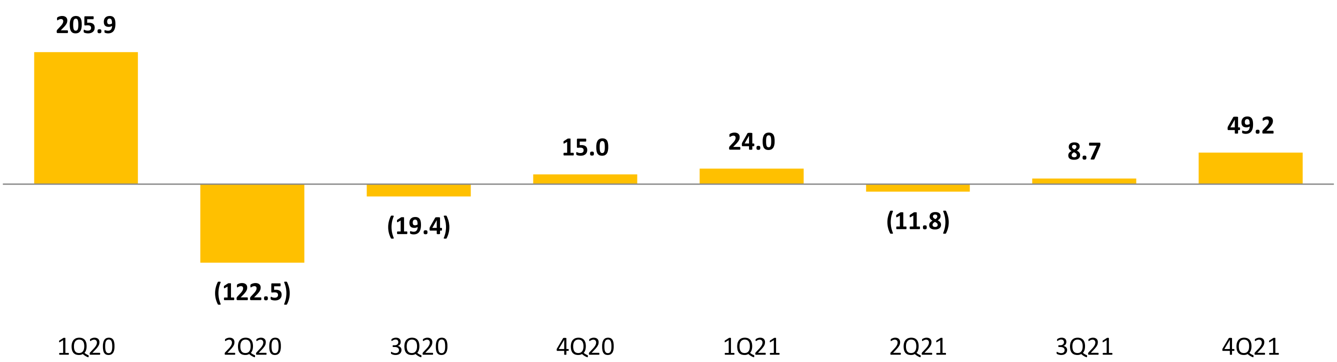
EBITDA Breakdown [a] (R$ million)	4Q21	4Q20	4Q21 vs,4Q20	2021	2020	2021 vs,2020
Net Income	**(110,2)**	**(88,7)**	**24%**	**(557,5)**	**(487,4)**	**14%**
(+) IR & CSLL	(11,4)	(51,1)	(78%)	(21,8)	(50,6)	(57%)
(+) Financial Result	32,7	65,7	(50%)	178,1	220,5	(19%)
(+) Depreciation	124.8	81.8	53%	448.4	371.3	21%
EBITDA	**36.0**	**7.8**	**364%**	**47.2**	**53.8**	**(12%)**
EBITDA Margin	*6.6%*	*2.0%*	*4.6p.p.*	*2.8%*	*4.3%*	*(1.5p.p.)*
(+) Pre-operating costs and expenses	(13.2)	(7.3)	82%	(22.9)	(25.2)	(9%)
EBITDA before pre-operating expenses	**49.2**	**15.0**	**227%**	**70.1**	**79.0**	**(11%)**
EBITDA margin before pre-operating costs and expenses	*9.0%*	*3.9%*	*5.1p.p.*	*4.1%*	*6.3%*	*(2.2p.p.)*

(a) For a better analysis of our operational performance, all indicators exclude the effects of IFRS 16 regarding commercial leases related to the rents of clubs and offices.

EBITDA before pre-operating costs and expenses was R$49.2 million in 4Q21, higher than EBITDA of R$15.0 million in 4Q20, due to the continued recovery of the member base and the consequent revenue growth and cost dilution.

In 2021, EBITDA before pre-operating costs and expenses totaled R$70.1 million (margin of 4.1%), lower than R$79.0 million registered in 2020, due to the strong comparison base in 1Q20, which was not affected by the pandemic.

Evolution of EBITDA before pre-operating costs and expenses (R$ million)



EBITDA before pre-operating costs and expenses in 4Q21 totaled R$49.2 million, the best performance since the start of the pandemic. Compared to 3Q21, EBITDA before pre-operating costs and expenses increased R$40.5 million, thanks to strong net revenue growth during two quarters in a row, which significantly diluted costs, driving an increase of 10.9 p.p. in cash gross margin, if compared to 2Q21.

EBITDA by Region

To enable a better analysis of the performance and contribution of each region to the consolidated EBITDA of the Company, starting from 3Q21, we are calculating the EBITDA of each region by subtracting the respective selling expenses from its cash gross profit. General and administrative expenses (G&A) and other operating expenses will be analyzed on a consolidated basis as they sustain the operations of the entire Company.

EBITDA by Region [a; b] (R$ milhões)	**4Q21**	**4Q20**	**4Q21 vs. 4Q20**	**2021**	**2020**	**2021 vs,2020**
Brazil	19.1	48.9	(61%)	106.6	166.0	(36%)
Mexico	34.2	19.9	72%	81.1	77.1	5%
Other Latin America	69.5	16.7	317%	142.6	51.9	175%
G&A expenses and other operating expenses	(85.6)	(69.0)	24%	(268.1)	(225.4)	19%
Equity Income	(1.3)	(8.7)	(85%)	(15.0)	(15.8)	(5%)
EBITDA	**36.0**	**7.8**	**363%**	**47.2**	**53.8**	**(12%)**

a) For a better analysis of our operational performance, all indicators exclude the effects of IFRS 16 regarding commercial leases related to the rents of clubs and offices; (b) For EBITDA of Regions, considers cash gross profit less selling expenses. General and administrative expenses (G&A) and other operating expenses will be analyzed on a consolidated basis as they sustain the operations of the entire Company.

In 4Q21, the EBITDA of the Brazilian business was R$19.1 million, lower than in 4Q20, mainly due to the resumption of expenses to attract members and the result of the first year of operation of the 65 own clubs added over the last 12 months. Compared to 3Q21, EBITDA from Brazil declined slightly despite the 16% growth in gross profit, due to the increase in expenses to attract new members. In 2021, EBITDA totaled R$106.6 million, declining from 2020, since the 1Q20 result was not affected by the COVID-19 pandemic.

EBITDA of the Mexican business increased 72% in relation to 4Q20 to R$34.2 million, since the previous year's result was negatively affected by the closure of clubs on account of the pandemic. Compared to 3Q21, EBITDA from Mexico grew 67% during the period, driven by the 19% revenue growth resulting from higher membership combined with diligent cost management, which led to an increase of 8.9 p.p. in cash gross margin in relation to 3Q21, reaching 37.8%. In 2021, EBITDA from Mexico grew 5% year on year to R$81.1 million, due to the reopening of clubs starting from 2Q21 and the consequent recovery of the member base.

In 4Q21, the Other Latin America region registered EBITDA of R$69.5 million, with the strong growth driven by the advanced stage of recovery of the member base, which resulted in a significant dilution of fixed costs. In 4Q21, EBITDA margin from the region was 43.7%, similar to the pre-pandemic level. In 2021, EBITDA from the region totaled R$142.6 million, up 175% from 2020 due to the strong impact of the pandemic on its operations in 2020.

PROFIT (LOSS) FROM THE PERIOD

The Company posted net loss of R$110.2 million in 4Q21, versus a net loss of R$88.7 million in 4Q20. The loss increased mainly due to the R$43.0 million increase in depreciation resulting from the addition of 130 own clubs in the last 12 months. This effect was partially offset by the R$33.0 million decline in financial expenses due to the reduction in financial leverage. In 2021, the net loss totaled R$557.5 million, higher than the loss of R$487.4 million in 2020, due to the increase in depreciation and amortization expenses resulting from opening of own clubs in the year.

OPERATING CASH FLOW

Operating Cash Flow [a] (R$ million)	4Q21	4Q20	4Q21 VS. 4Q20	2021	2020	2021 VS. 2020
EBITDA	**36.0**	**7.8**	**364%**	**47.2**	**53.8**	**(12%)**
Items of result with no impact on cash [a]	36.1	(48.4)	n/a	102.6	44.1	133%
IR/CSLL Paid	(17.5)	(2.7)	556%	(19.1)	(34.4)	(44%)
Working capital variation	**(3.1)**	**8.3**	**n/a**	**(16.3)**	**(101.4)**	**(84%)**
Receivables	8.7	(0.5)	n/a	(41.6)	(17.2)	142%
Suppliers	2.0	34.6	(94%)	31.1	(26.3)	n/a
Wages, provisions and social contributions	(15.7)	(12.9)	22%	14.8	(5.1)	n/a
Taxes [b]	1.8	(12.9)	n/a	(20.6)	(52.9)	(61%)
Operating Cash Flow	**51.4**	**(35.1)**	**n/a**	**114.5**	**(38.0)**	**n/a**

(a) Includes mainly equity income, asset write-offs, deferred revenue and provisions, (b) Includes taxes on sales and services

In 4Q21, operating cash flow was positive at R$51.4 million, higher than in 4Q20, due to the better operating result and the variations in non-cash items of the result, such as the long-term incentive plan, deferred revenue and provisions for contingencies.

In 2021, operating cash flow was positive at R$114.5 million, compared to operating cash consumption of R$38.0 million in 2020. This variation is mainly due to the resumption of operations and the expansion of the member base since 2Q21, which led to the normalization of the Company's working capital, provisions and deferred revenue.

CAPEX

Capex (R$ million)	4Q21	4Q20	4Q21 vs. 4Q20	2021	2020	2021 vs. 2020
Capex	**296.4**	**80.3**	**269%**	**611.3**	**486.4**	**26%**
Expansion [a]	256.6	62.6	310%	503.2	404.5	24%
Maintenance	27.7	11.4	143%	71.9	51.8	39%
Corporate and Innovation	12.2	6.3	93%	36.2	30.1	20%

(a) Includes investments of R$134.0 million made by SmartExp prior to its acquisition by Smart Fit, since these units were merged with Smart Fit's own club base starting from August 2021, when we acquired 100% of the capital stock of the joint venture SmartExp.

In 4Q21, capex was R$296.4 million, higher than in 4Q20, due to the construction and addition of 53 own clubs to its chain, compared to 27 in 4Q20. Maintenance capex totaled R$27.7 million, compared to R$11.4 million in 4Q20, due to the reopening of clubs and, hence, higher utilization of the units.

In 2021, capex totaled R$611.3 million, up 26% from 2020, due to the opening of 130 own clubs, compared to 60 in 2020. As in 4Q21, maintenance capex in 2021 increased due to the reopening of clubs and higher utilization. Finally, capex on corporate projects totaled R$36.2 million, compared to R$30.1 million in 2020, due to higher investments in technology projects for digitizing services and improving customer experience.

CASH AND DEBT

Cash and Debt (R$ million)	**4Q21**	**3Q21**	**2Q21**	**1Q21**	**4Q20**
Cash and Cash Equivalents [a]	3,677	3,372	907	908	1,064
Gross Debt [b]	3,755	3,085	2,815	2,896	2,833
By nature:					
Loans and debentures	3,590	2,915	2,641	2,684	2,616
Lease liability - equipment	165	170	174	212	217
By maturity					
Short-term	552	599	542	590	345
Long-term	3,203	2,485	2,273	2,307	2,488
Net Debt (Net cash)	78	-287	1,908	1,988	1,769
Net Debt/ EBITDA LTM [c]	0.18	-0.76	6.72	15.75	5.69

(a) In this table, "Cash and Equivalents" considers the balance of guarantees provided for the 4th issue of debentures of the Company; "Net debt" considers short- and long-term loans, financing and operating leases (excluding property leases) with financial institutions, less cash and guarantees; (b) "Gross Debt" includes the operational lease liability of equipment; (c) the "Net Debt/EBITDA" indicator uses the definition of net debt and EBITDA of the Company's debentures.

At the end of 2021, Smart Fit held a solid cash position of R$3,677 million and gross debt of R$3,755 million, 85% of it maturing in the long term. Accordingly, net debt ended the year at R$78 million, resulting in a net debt/EBITDA LTM ratio of 0.18x. The solid financial liquidity resulted from the proceeds of R$2.6 billion from the primary public offering and loans of R$2.1 billion, which enabled the Company to increase its cash position and lengthen its debt profile.

In December 2021, the Company concluded the 6th issue of debentures totaling R$1,060 million, maturing in 7 years, to repay the debentures of the 4th issue, thus lengthening the duration of the debt by approximately 2 years. At the end of 2021, the balance of debentures of the 4th issue was approximately R$500 million, which can be repaid starting from April 2022.

The Company seeks to align the maturities of loans and financing to its capacity to generate operating cash and to access local financing lines to drive the expansion and meet the cash needs of its operations in the countries where it operates. At the end of 4Q21, the debt maturity schedule was as follows:

Gross Debt Maturites [a]	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**Total**
% total	15%	17%	21%	13%	16%	9%	9%	**100%**
Total	552	636	617	638	611	351	351	**3,755**
Brazil	116	228	227	281	595	351	351	**2,147**
Mexico	164	178	139	51	0	0	0	**533**
Other Latin America [b]	272	230	251	306	16	0	0	**1,075**

(a) In this table, "Financial Debt" is defined as short- and long-term loans, financing and leasing of equipment with financial institutions; (b) "Other Latin America" includes financial debt in Chile, Colombia, and Peru.

<u>Financial numbers shown from this point reflect the adoption of IFRS-16</u>

IMPACT OF THE ADOPTION OF IFRS 16

On January 1, 2019, the Company adopted the IFRS 16/CPC 06 (R02) – Leases standard. The application of the standard substantially affected the booking of lease agreements for spaces where the Company's clubs operate. Future commitments from lease agreements are recognized as lease liabilities and the right to use the spaces is recognized as an asset of the same value. For the purpose of effects in the result, the fixed lease payments are replaced by depreciation of the lease right and a financial expense on the lease liability. Variable lease payments continue to be recognized as costs of services provided.

The Company chose to adopt IFRS 16/CPC 06(R2) by the modified retrospective method (applied only from January 1, 2019). The impacts of IFRS 16/CPC 06(R2) on the Company's results are detailed below.

smart fit

Statement of Profit and Loss (R$ million)	4Q21 Reported	Impacts of IFRS 16	4Q21 excluding IFRS 16	4Q20 Reported	Impacts of IFRS 16	4Q20 excluding IFRS 16	2021 Reported	Impacts of IFRS 16	2021 excluding IFRS 16	2020 Reported	Impacts of IFRS 16	2020 excluding IFRS 16
Net Revenue	546.4		546.4	385.8		385.8	1,706.9		1,706.9	1,256.2		1,256.2
Cost of services	(460.7)	23.0	(483.7)	(368.4)	(28.6)	(339.9)	(1,593.0)	39.7	(1,632.7)	(1,266.6)	(76.1)	(1,190.5)
Rents	(36.2)	117.0	(153.2)	(12.5)	92.7	(105.2)	(132.7)	378.1	(510.9)	(74.2)	256.1	(330.3)
Depreciation and amortization (cost)	(216.1)	(94.0)	(122.1)	(201.2)	(121.2)	(79.9)	(780.7)	(338.4)	(442.3)	(694.4)	(332.2)	(362.2)
Gross profit	85.7	23.0	62.7	17.4	(28.6)	46.0	113.8	39.7	74.1	(10.4)	(76.1)	65.7
SG&A	(149.7)	0.6	(150.3)	(111.4)	(0.1)	(111.3)	(458.4)	1.9	(460.3)	(367.5)	(0.1)	(367.5)
Selling expenses	(56.7)	-	(56.7)	(37.5)	-	(37.5)	(178.0)	-	(178.0)	(124.4)	-	(124.4)
General and administrative	(84.6)	1.7	(86.3)	(48.7)	1.1	(49.8)	(265.4)	6.2	(271.6)	(200.6)	3.7	(204.4)
Rents	(0.7)	1.7	(2.4)	(1.3)	1.1	(2.4)	(2.2)	6.2	(8.4)	(2.6)	3.7	(6.3)
Expenses with the opening of new clubs	(5.3)	-	(5.3)	(2.9)	-	(2.9)	(8.1)	-	(8.1)	(8.5)	-	(8.5)
Depreciation and amortization (expense)	(3.9)	(1.1)	(2.8)	(3.1)	(1.2)	(1.9)	(10.4)	(4.3)	(6.2)	(12.9)	(3.8)	(9.2)
Other (expenses) revenues	0.7	-	0.7	(19.1)	-	(19.1)	3.5	-	3.5	(21.1)	-	(21.1)
Equity accounting	(1.3)	-	(1.3)	(8.7)	-	(8.7)	(15.0)	-	(15.0)	(15.8)	-	(15.8)
Operating profit (loss) before financial result	(65.3)	23.6	(88.9)	(102.7)	(28.6)	(74.0)	(359.5)	41.7	(401.2)	(393.7)	(76.2)	(317.5)
Financial Result	(80.4)	(47.7)	(32.7)	(78.3)	(12.6)	(65.7)	(295.2)	(117.1)	(178.1)	(261.4)	(40.8)	(220.5)
Income tax and Social Contribution	11.4	-	11.4	51.1	-	51.1	21.8	-	21.8	50.6	-	50.6
Net profit	(134.3)	(24.1)	(110.2)	(129.9)	(41.2)	(88.7)	(633.0)	(75.5)	(557.5)	(604.4)	(117.0)	(487.4)

Impacts of IFRS-16 in the breakdown of Gross Profit excluding depreciation, amortization, and EBITDA

	4Q21 Reported	Impacts of IFRS 16	4Q21 excluding IFRS 16	4Q20 Reported	Impacts of IFRS 16	4Q20 excluding IFRS 16	2021 Reported	Impacts of IFRS 16	2021 excluding IFRS 16	2020 Reported	Impacts of IFRS 16	2020 excluding IFRS 16
Gross profit	85.7	23.0	62.7	17.4	(28.6)	46.0	113.8	39.7	74.1	(10.4)	(76.1)	65.7
Depreciation and amortization (costs)	216.1	94.0	122.1	201.2	121.2	79.9	780.7	338.4	442.3	694.4	332.2	362.2
Gross profit excluding depreciation	301.8	117.0	184.8	218.6	92.7	125.9	894.5	378.1	516.4	684.0	256.1	427.9
Gross Margin excluding depreciation	*55.2%*		*33.8%*	*56.7%*		*32.6%*	*52.4%*		*30.3%*	*54.4%*		*34.1%*
Net profit	(134.3)	(24.1)	(110.2)	(129.9)	(41.2)	(88.7)	(633.0)	(75.5)	(557.5)	(604.4)	(117.0)	(487.4)
(-) IR & CSLL	(11.4)	-	(11.4)	(51.1)	-	(51.1)	(21.8)	-	(21.8)	(50.6)	-	(50.6)
(-) Financial Result	80.4	47.7	32.7	78.3	12.6	65.7	295.2	117.1	178.1	261.4	40.8	220.5
(-) Depreciation and amortization	219.9	95.1	124.8	204.2	122.4	81.8	791.1	342.7	448.4	707.3	336.0	371.3
EBITDA	154.7	118.7	36.0	101.5	93.8	7.8	431.6	384.3	47.2	313.6	259.8	53.8
EBITDA Margin	*28.3%*		*6.6%*	*26.3%*		*2.0%*	*25.3%*		*2.8%*	*25.0%*		*4.3%*

**Costs and Selling, General and Administrative Expenses include pre-operating expenses*

PRESENTATION OF RESULTS

The Company has its own operations in Brazil, Mexico, Colombia, Chile, Peru, Panama, Costa Rica, Argentina, and Paraguay and franchised operations in Brazil, Mexico, Colombia, Dominican Republic, El Salvador, Ecuador and Guatemala. The consolidation in the Income Statement for each period is detailed below:

Operation	Recognition in Income Statement for the period		Recognition in Balance sheet for the period	
	4Q21	4Q20	4Q21	4Q20
Brazil, Mexico, Colombia, Chile, Peru, Argentina and Paraguay	Consolidated	Consolidated	Consolidated	Consolidated
Panama and Costa Rica	Equity accounting [a]	Equity accounting [a]	Investment	Investment
Colombia, Dominican Republic, El Salvador, Ecuador, Guatemala and Honduras	Royalties for the use of the brand	Royalties for the use of the brand	N/A	N/A
Queima Diária	Consolidated	Consolidated	Consolidated	Consolidated

a) In 1Q20, the Company acquired shared control of the operation in Panama, holding shared control with local partners and its results are now included through equity accounting.

BALANCE SHEET

ASSETS (R$ million)	**4Q21**	**4Q20**
CURRENT	**4,170.0**	**1,311.0**
Cash and cash equivalents	3,719.6	1,019.6
Receivables	195.8	154.2
Other receivables	254.5	137.2
NON-CURRENT	**7,484.5**	**7,182.9**
Fixed Asset	2,697.0	2,425.1
Right-of-use assets	2,810.4	2,726.9
Intangible assets	1,519.8	1,540.9
Investment	127.2	125.2
Other assets	330.1	364.8
TOTAL ASSETS	**11,654.5**	**8,493.9**

LIABILITY (R$ million)	**4Q21**	**4Q20**
CURRENT	**1,428.9**	**1,084.6**
Loans	488.7	277.7
Lease liabilities	389.8	339.4
Suppliers	200.9	139.8
Deferred revenue	180.6	132.5
Other liabilities	168.9	195.3
NON-CURRENT	**5,796.3**	**4,940.6**
Loans	3,101.8	2,338.4
Lease liabilities	2,631.2	2,534.4
Other liabilities	63.3	67.8
SHAREHOLDERS' EQUITY	**4,429.3**	**2,468.8**
Equity Capital	2,970.4	325.4
Capital reserves	2,285.7	2,312.0
Accumulated losses	(1,286.4)	(651.8)
Other comprehensive income	426.8	460.5
Noncontrolling interest	32.8	22.7
TOTAL LIABILITY AND NET EQUITY	**11,654.5**	**8,493.9**

INCOME STATEMENT

INCOME STATEMENT (R$ million)	4Q21	4Q20	4Q21 vs. 4Q20	2021	2020	2021 vs. 2020
Net Revenue	**546.4**	**385.8**	**42%**	**1,706.9**	**1,256.2**	**36%**
Costs of Services Rendered	(460.7)	(368.4)	25%	(1,593.0)	(1,266.6)	26%
Gross Profit	**85.7**	**17.4**	**392%**	**113.8**	**(10.4)**	**n/a**
Operating revenues (expenses)						
Sales	(62.0)	(40.5)	53%	(186.1)	(132.9)	40%
General and administrative	(88.5)	(51.8)	71%	(275.8)	(213.6)	29%
Equity accounting	(1.3)	(8.7)	(85%)	(15.0)	(15.8)	(5%)
Other (expenses) revenues	0.7	(19.1)	n/a	3.5	(21.1)	(117%)
Profit before financial result	(65.3)	(102.7)	(36%)	(359.5)	(393.7)	(9%)
Financial result	(80.4)	(78.3)	3%	(295.2)	(261.4)	13%
Profit before IR/CS	(145.7)	(181.0)	(20%)	(654.8)	(655.1)	(0%)
Income tax and Social Contribution	11.4	51.1	(78%)	21.8	50.6	n/a
Net profit (loss)	**(134.3)**	**(129.9)**	**3%**	**(633.0)**	**(604.4)**	**5%**

CASH FLOW STATEMENT

Cash Flow Statement (R$ million)	4Q21	4Q20	4Q21 VS. 4Q20	2021	2020	2021 VS. 2020
CASH FLOW FROM OPERATING ACTIVITIES						
Result for the Period	(134.3)	(129.9)	3%	(633.0)	(604.4)	5%
Depreciation and amortization	219.9	198.0	11%	791.1	704.1	12%
Write-off of intangible assets and property and equipment	15.5	(14.3)	(208%)	23.5	30.6	(23%)
Accrued interest on debt and exchange variation	78.5	28.7	174%	223.5	173.4	29%
Accrued interest on leases	64.4	59.1	9%	248.7	215.8	15%
Others	(44.9)	(127.9)	(65%)	(115.2)	(205.0)	(44%)
Working capital variation	(7.1)	77.9	(109%)	(96.0)	(93.5)	3%
Cash generated by operating activities	**192.0**	**91.5**	**110%**	**442.5**	**221.1**	**100%**
Interest paid on loans and debentures	(96.7)	(25.7)	276%	(187.4)	(199.1)	(6%)
Interest paid on leases	(57.3)	(112.7)	(49%)	(202.5)	(143.8)	41%
Income tax and social contribution paid	(17.5)	(2.7)	555%	(19.1)	(34.4)	(44%)
Net cash generated by (used in) operating activities	**20.5**	**(49.5)**	**n/a**	**33.5**	**(156.3)**	**n/a**
CASH FLOW FROM INVESTMENT ACTIVITIES						
Additions to property and equipment	(294.9)	(74.7)	295%	(475.9)	(487.8)	(2%)
Additions to intangible assets	(23.8)	101.3	n/a	(27.7)	(7.3)	280%
Payments for the acquisition of group of assets, subsidiary and joint venture	71.1	(45.1)	n/a	(215.8)	(121.2)	78%
Capital increase in subsidiary and joint venture	(4.2)	(5.6)	(25%)	(15.9)	(22.7)	(30%)
Financial Investments	(75.9)	(17.9)	323%	(1,612.1)	(54.7)	n/a
Related parties and loans with third parties	(4.6)	(29.1)	(84%)	(0.9)	(34.0)	n/a
Net cash used in investment activities	**(332.3)**	**(71.2)**	**367%**	**(2,348.3)**	**(727.7)**	**223%**
CASH FLOW FROM FINANCING ACTIVITIES						
Payment of loans and costs	(697.7)	(10.7)	n/a	(974.7)	(210.0)	364%
Proceeds from loans	1,374.7	7.7	n/a	1,930.4	441.9	337%
Payment of lease	(85.2)	(115.8)	(26%)	(286.3)	(200.8)	43%
Capital Increase	0.0	435.7	n/a	2,596.7	435.8	496%
Repurchase of shares, net of receipts	0.0	0.0	n/a	0.0	(30.6)	n/a
Others	(6.8)	(16.4)	(59%)	(6.8)	(16.3)	n/a
Net cash generated by (used in) financing activities	**585.0**	**300.4**	**95%**	**3,259.3**	**420.0**	**676%**
INCREASE (REDUCTION) OF BALANCE OF CASH AND EQUIVALENT	**273.2**	**179.7**	**52%**	**944.6**	**(464.0)**	**n/a**
Opening balance	1,760.2	798.1	121%	1,019.6	1,351.4	(25%)
Closing balance	1,957.8	1,019.6	92%	1,957.8	1,019.6	92%
Cash acquired by acquisition of group of assets and business combination	(71.1)	0.0	n/a	0.0	0.0	n/a
Exchange variation on cash and cash equivalents	(4.3)	41.8	n/a	(6.2)	132.3	n/a