



# 1Q22 RESULTS

# IMC records revenue growth above 50% and continues to advance in its transformation agenda

São Paulo, May, 12, 2022 - São Paulo -International Meal Company Alimentação S.A. ("IMC") -B3: MEAL3, one of the largest multi-brand companies in the Latin American food retail industry, announces its results for the first quarter of 2022 (1Q22). Unless otherwise indicated, the information herein is presented in a consolidated manner, in millions of Brazilian reais (R\$). Additionally, said information was prepared in accordance with the accounting principles adopted in CPC 21 (R1) and the International Financial Reporting Standards (IAS 34).

## Quarterly Highlights

- **Total system Sales<sup>1</sup>** of R\$ 674.1 MM in 1Q22, **48.0%** higher than 1Q21 and **24.2%** over 1Q20
- **Net Revenue** of R\$487.3 MM, up by **51.4%** over 1Q21, and by **32.9%** over 1Q20
- **Consolidated Same-Store Sales<sup>2</sup> (SSS)** of **38.6%** over 1Q21, and **16.2%** higher than in 1Q20
- **Total of 561 stores**, a net addition of 62 units vs. 1Q21, focused on strategic brands and long-term view
- **Adjusted EBITDA** of R\$38.8 MM, up by 291% over 1Q21, with a margin of 8.0%
- **Net Debt** of R\$289.9 MM and net debt-to-LTM EBITDA ratio of 2.4x, below required covenants (3.0x)

### PORTUGUESE CONFERENCE CALL WITH SIMULTANEOUS TRANSLATION

05/13/2022 12:00 pm (US EDT)/ 01:00h pm (BRT)

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### MEDIA RELATIONS | FSB Comunicação

Isabel Kopschitz and Letícia Volponi



## MESSAGE FROM MANAGEMENT

After a year of many lessons learned, in which we made important progress in our operations, organized our portfolio, mapped synergies, and created a technology platform with more solid data for the business, we are thrilled and confident about 2022, certain that we have already built the foundations for our growth.

The first quarter results already reflect a much more positive trajectory for our brands and operations, with recovery in all segments in Brazil and consistent evolution in the results of international operations. We ended the quarter with an Adjusted EBITDA of R\$39 million, an expansion of 291% in relation to the same period of the previous year, growth in Net Revenue of 51% and a with 561 stores in our system.

**We keep our transformation agenda with clear priorities and ambitious goals for our business, seeking to modernize the company, elevate the experience of our consumers and leverage profitability for all our stakeholders.**

**Digital sales continued on the growth path even with the resumption of flow in our physical stores.** Delivery sales reached R\$72 million vs. R\$86 million in 4Q21, with emphasis on the Pizza Hut and KFC brands in which the share of sales passing through these was approximately 30% of billing. We ended the quarter with 1 million customers registered in our CRM and growth of more than 80% in the number of sales identified against 4Q21.

**In our operational efficiency pillar, we have been working to extract synergies between brands and improvement in the profitability of operations.** We have seen the profitability of our stores increase in all marks. Our 4-Wall<sup>1</sup> Margin expanded 2.7 p.p. vs. the same period of the previous year. The Central Kitchen recorded during the quarter a production 32% above 2021 and our satisfaction indicators (NPS) remained at the same levels as in 4Q21.

**We opened 11 new units this quarter, continuing our expansion plan sustainable, valuing the balance between growth and profitability.** Still in line with our strategy to optimize value, we closed 15 low-performing units in the quarter. Additionally we increased the share of owned stores in our portfolio to 55%.

**Regarding Financial Discipline,** the generation of operational cash was R\$66 million, with financial leverage of 2.4x, a safe margin compared to the 3.0x defined by the covenants. We closed the quarter with a cash position of R\$412 million and net debt of R\$299 million. The balance sheet accounts also improved, with inventory and accounts receivable moving up by R\$13 million. Discounting the supplier line, cash increased by R\$4 million.

We remain focused on the progress of our strategic agenda and the profitability of our operation. It is worth mentioning that in April our brands registered SSS above 50% in the compared to April 2021. Additionally, in agreement with KFC International, we suspended arbitration in search of a solution to the conflict in question.

We are aware of our challenge and that we have a long way to go, but we remain confident that we will get there with the strength of the brands in our portfolio, with a focused team and a culture of ownership and result-oriented.

### Management

1- Excludes administrative and indirect expenses

## CONSOLIDATED HIGHLIGHTS

(in R\$ million)	1Q22	1Q21	YoY
Stores	561	499	62
SSS 1year basis	38.6%	-9.3%	+4794bps
System Total Sales	674.1	455.3	48.0%
<b>Net Revenues</b>	<b>487.3</b>	<b>321.9</b>	<b>51.4%</b>
Same Store Sales	51.4%	32.9%	+1848bps
<b>Gross Profit</b>	<b>128.4</b>	<b>74.5</b>	<b>72.3%</b>
Gross Profit	26.4%	23.2%	+320bps
<b>Adjusted EBITDA</b>	<b>38.8</b>	<b>9.9</b>	<b>291.3%</b>
Adjusted EBITDA Margin	8.0%	3.1%	+489bps
<b>Operating Cash Flow</b>	<b>23.2</b>	<b>9.7</b>	<b>139.3%</b>
Net Debt/EBITDA <sup>1</sup>	2.4X	-	-

<sup>1</sup> Ex-IFRS | Covenant Methodology

## SALES HIGHLIGHTS

(in R\$ million)	1Q22	1Q21	YoY
<b>Net Revenues</b>	<b>487.3</b>	<b>321.9</b>	<b>51.4%</b>
Brazil	<b>304.0</b>	<b>201.0</b>	<b>51.2%</b>
<i>Frango Assado</i>	<i>163.0</i>	<i>119.0</i>	<i>36.9%</i>
<i>Airports</i>	<i>29.9</i>	<i>18.3</i>	<i>63.5%</i>
<i>PH, KFC and Others</i>	<i>111.1</i>	<i>63.7</i>	<i>74.5%</i>
USA	<b>134.0</b>	<b>91.5</b>	<b>46.4%</b>
Caribbean	<b>49.2</b>	<b>29.3</b>	<b>68.0%</b>

## OPERATING RESULTS -EBITDA

(in R\$ million)	1Q22	1Q21	YoY
<b>Adjusted EBITDA</b>	<b>38.8</b>	<b>9.9</b>	<b>291.3%</b>
Brazil	<b>4.8</b>	<b>(7.2)</b>	<b>na</b>
<i>Frango Assado</i>	<i>14.1</i>	<i>8.3</i>	<i>69.9%</i>
<i>Airports</i>	<i>3.7</i>	<i>2.8</i>	<i>32.9%</i>
<i>PH, KFC and Others</i>	<i>1.7</i>	<i>(0.7)</i>	<i>na</i>
<i>G&amp;A</i>	<i>(20.0)</i>	<i>(19.2)</i>	<i>4.2%</i>
<i>Others</i>	<i>5.3</i>	<i>1.7</i>	<i>222.8%</i>
USA	<b>16.8</b>	<b>10.2</b>	<b>64.2%</b>
Caribbean	<b>17.3</b>	<b>6.9</b>	<b>149.8%</b>



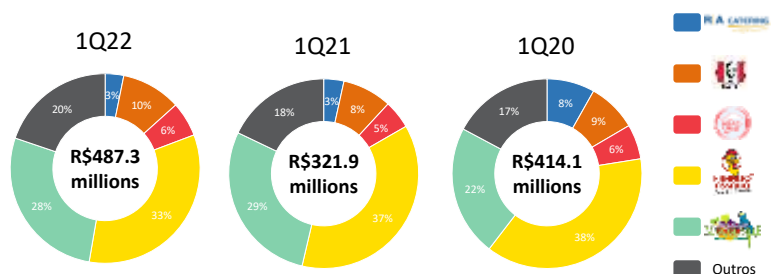
## COMMENTS ON PERFORMANCE

Total System Sales, which consider revenues from own stores and franchises, grew by 48.0% in 1Q22 over 1Q21, and by 24.2% over 1Q20, to R\$674.1 million in the quarter. **The Company's consolidated net revenue was R\$487.3 million in 1Q22, up by 51.4% over 1Q21, and by 32.9% over 1Q20.** This is the Company's best sales result ever for a first quarter, boosted by the recovery of all segments in Brazil and the consistent expansion of international operations. Consolidated same-store sales (SSS) growth in Reais was 41.3% vs. 1Q21, and 12.2% vs. 1Q20.

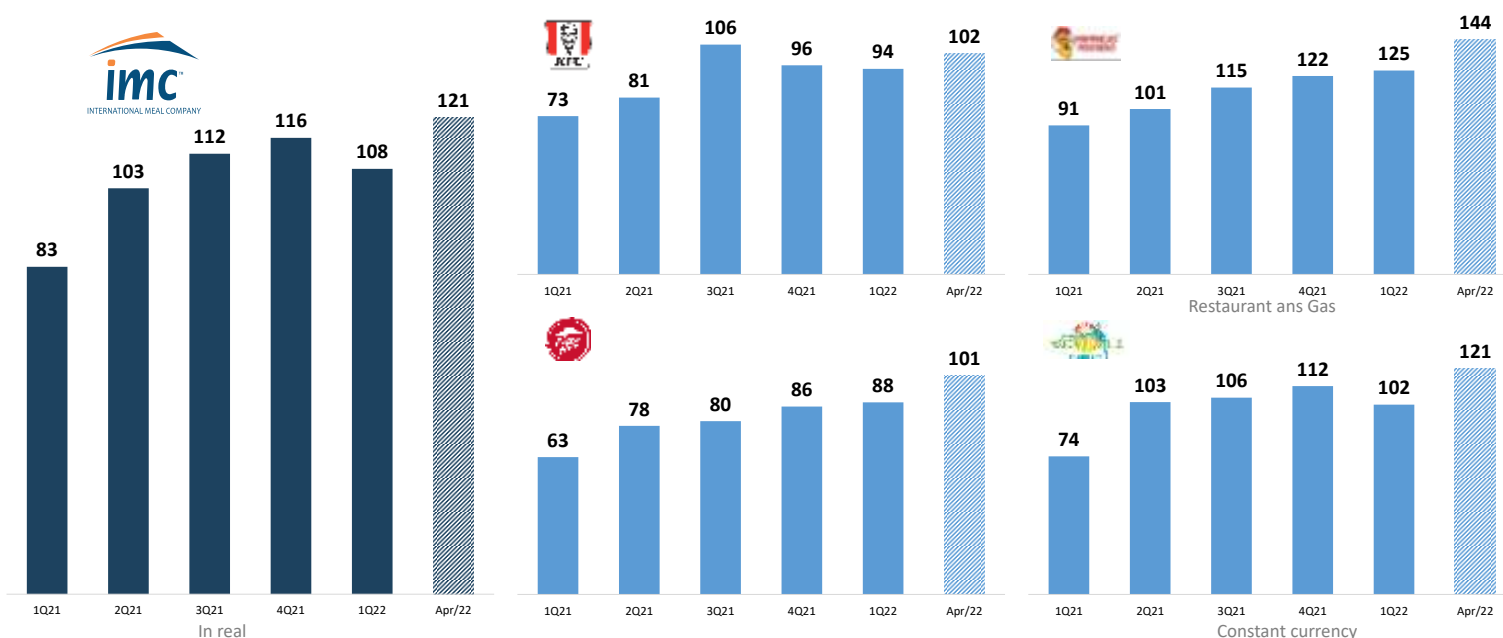
**The net revenue totaled R\$304.0 million in Brazil in 1Q22, up by 51.2% over 1Q21, an increase of R\$103 million in the group's revenue, especially with the recovery of the KFC and Frango Assado operations.** Same-store sales (SSS) in Brazil grew by 37.6% over 1Q21, and by 8.5% over 1Q20, reflecting improved activities and higher customer expenditure in all company brands.

**In the U.S., net revenue was R\$134.0 million, up by 46.4% over 1Q21, an increase of R\$42.5 million in the group's revenue.** Compared to 1Q20, revenue in Reais grew by 85.4%. It is worth mentioning that this growth was slightly impacted by the devaluation of the real and that in local currency the growth were 56.6% and 59.2% vs. 1Q21 and 1Q20, respectively. Same-store sales (SSS) in constant currency grew by 41.9% and 35.4% over 1Q21 and 1Q20, respectively (32.6% vs. 1Q21 and 57.7% vs. 1Q20 in Reais). This result was boosted by the higher sales of the new units, menu engineering efforts, price pass-through, and the strategic location of the operations.

**The Caribbean operations grew by 68.0% over 1Q21, boosted by the recovery of airport activity and lower travel restrictions.** Same-store sales (SSS) in constant currency grew by 84.6% and 1.3% over 1Q21 and 1Q20, respectively (+70.7% vs. 1Q21 and +15.6% vs. 1Q20 in Reais).



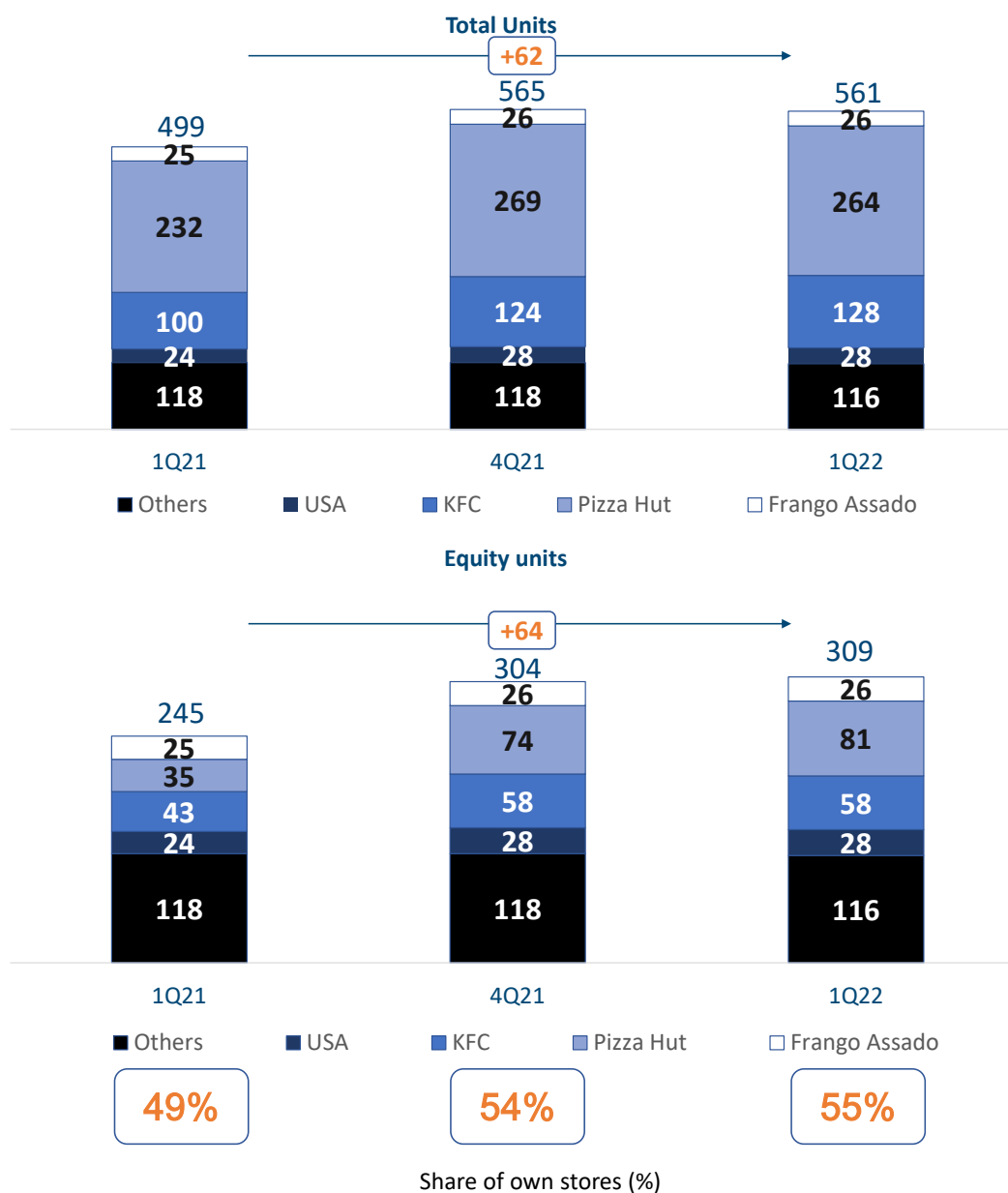
## Base 100 Index of Same-Store Sales Growth vs. 2019 (SSS)



## NUMBER OF STORES

IMC has a network of 561 stores, including its own stores and franchises in Brazil and abroad. In 1Q22, 11 new stores were opened, 8 Pizza huts and 3 KFC. In line with our strategy of optimizing value, we closed 15 low-performing units in the quarter.

The portion of owned stores in IMC's system continues to advance, and currently represents 55% of the portfolio, an increase of 1.0 p.p. vs. the previous quarter and 6.0 p.p. compared to the last twelve months.



## RESULTS OF BRAZILIAN OPERATIONS –FRANGO ASSADO <sup>1</sup>



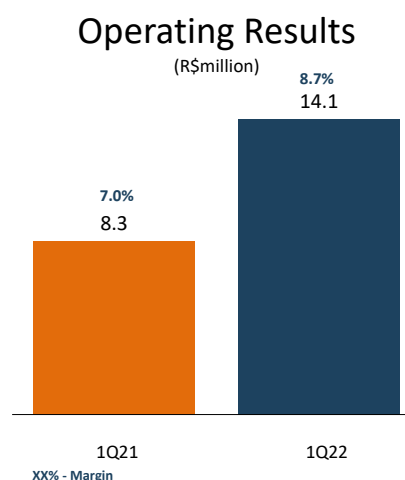
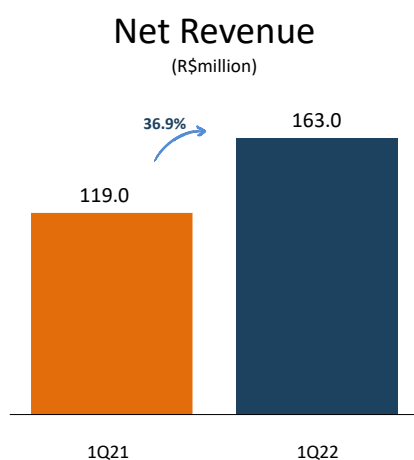
Frango Assado's net revenue totaled R\$163.0 million in 1Q22, up by 36.9% over 1Q21, and by 33.0% over 1Q20. It is worth noting that the flow of light vehicles on highways, as reported by ABCR, remained flat this quarter compared to 1Q20.

Same-store sales (SSS) in the segment ended at 36.5% above 1Q21 and 31.2% above 1Q20. Emphasis on the operation of restaurants, which had SSS 39.7% above the same quarter of the year with a resumption in the flow of stores and consequent growth in the number of transactions. The gas station operation recorded SSS growth of 34.5%, mainly influenced by the increase in prices of fuels.

The operation's EBITDA totaled R\$14.1 million, up by 69.9% over 1Q21. EBITDA margin expanded 168bps driven by the improvement in the cost of food, a gain resulting from the growth of Central Kitchen operations.

The operation continues to keep in track its recipes and menus and invest in digital transformation to improve its consumer experiences. During the quarter, there was an important growth in sales registered in the payment totems, which are already present in all stores, in addition to the completion of Frango Assado loyalty program.

(in R\$ million)	1Q22	1Q21	YoY
<b>Net Revenues</b>	<b>163.0</b>	<b>119.0</b>	<b>36.9%</b>
Restaurants & Others	62.1	54.7	13.4%
Gas Stations	100.9	64.3	56.9%
COGS	(142.2)	(107.3)	32.5%
<b>Gross Profit</b>	<b>20.8</b>	<b>11.7</b>	<b>77.0%</b>
Gross Profit	12.7%	9.8%	+289bps
Operating Expenses	(13.3)	(10.1)	31.1%
Store Pre-Openings	0.0	(0.1)	(100.0%)
<b>EBIT</b>	<b>7.5</b>	<b>1.5</b>	<b>413.0%</b>
(+) Depreciation & Amortization	6.7	6.7	(1.0%)
(+) Store Pre-Openings	0.0	0.1	100.0%
<b>Adjusted EBITDA</b>	<b>14.1</b>	<b>8.3</b>	<b>69.9%</b>
Adjusted EBITDA Margin	8.7%	7.0%	+168bps



## RESULTS OF BRAZILIAN OPERATIONS –CATERING AND AIR RETAIL



Revenue of the Airport segment in Brazil totaled R\$29.9 million in 1Q22, up by 63.5% over 1Q21, and down by 34.7% from 1Q20, despite the restricted food service during flights, which further impacted the Catering division.

According to ANAC's data, the number of passengers at airports that have IMC operations grew by 51.6% over 1Q21, but still 17.2% below 1Q20.

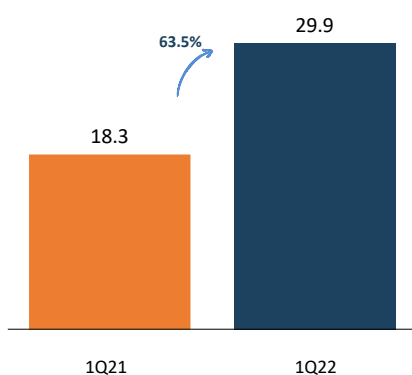
Same-store sales (SSS) consistently recovered in the quarter, recording a growth of 53.6% over 1Q21, but 26.8% below 1Q20, concentrated in the Catering division. Retail SSS at airports grew by 98.3% over 1Q21, and by 22.8% over 1Q20.

EBITDA totaled R\$3.7 million in 1Q22, up by 32.9% boosted by the growth in sales and gross margin.

(in R\$ million)	1Q22	1Q21	YoY
<b>Net Revenues</b>	<b>29.9</b>	<b>18.3</b>	<b>63.5%</b>
COGS	(20.7)	(13.8)	49.9%
<b>Gross Profit</b>	<b>9.2</b>	<b>4.5</b>	<b>105.4%</b>
Gross Profit	30.8%	24.5%	+628bps
Operating Expenses	(14.0)	(11.6)	20.4%
Store Pre-Openings	0.0	(0.0)	0.0%
<b>EBIT</b>	<b>(4.8)</b>	<b>(7.2)</b>	<b>(33.2%)</b>
(+) Depreciation & Amortization	8.5	9.9	(14.5%)
(+) Store Pre-Openings	0.0	0.0	0.0%
<b>Adjusted EBITDA</b>	<b>3.7</b>	<b>2.8</b>	<b>32.9%</b>
Adjusted EBITDA Margin	12.3%	15.2%	-283bps

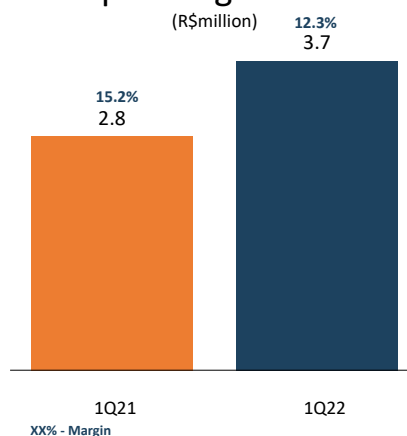
### Net Revenue

(R\$million)



### Operating Results

(R\$million)





## RESULTS OF BRAZILIAN OPERATIONS –Pizza Hut, KFC and Other <sup>1</sup>



Consolidated revenue from the Pizza Hut, KFC, and Other segment was R\$111.1 million in 1Q22, up by 74.5% over 1Q21. The Pizza Hut and KFC brands grew by 77.0% in the same period, mainly due to the reopening of shopping malls and the consequent increase in the flow of stores.

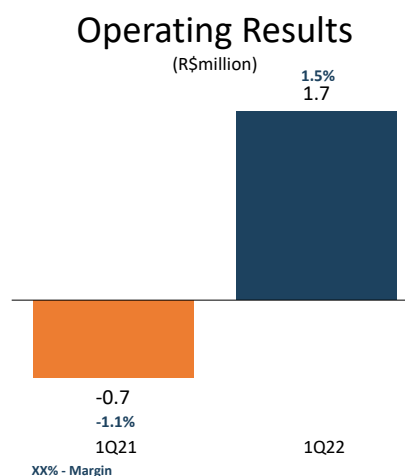
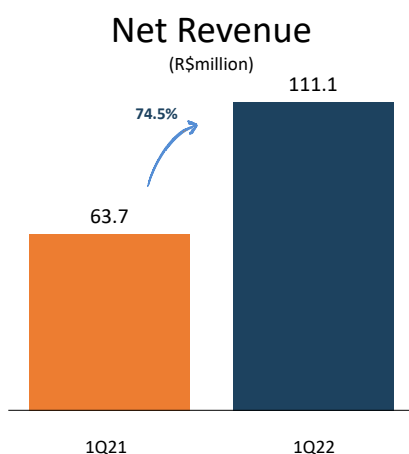
The segment's same-store sales (SSS) were 35.8% vs. 1Q21, and 0.9% vs. 1Q20, while KFC's SSS increased by 29.8% over 1Q21 and by 2.6% over 1Q20, and Pizza Hut's SSS grew by 30.3% over 1Q21 and fell by 0.6% from 1Q20.

The segment closed the quarter with 441 stores, a YoY increase of 60 units, and a QoQ decline of 2 units, mainly due to the closing of low profitability units.

EBITDA totaled R\$1.7 million, a growth of R\$2.4 million over 1Q21. It is important to note that despite of the evolution of operations, the operating result was impacted by supply challenges in key categories and the acceleration of store openings in the last quarter, given the natural maturation curve of the operation and the balance between income and expenses.

The operation continues to focus on improving the brands' positioning, increasing profitability, and optimizing investments, in addition to the progress made on fronts focused on franchise management. Innovative marketing initiatives, assertive and measurable communication, and digitalization projects will also consist of important levers to influence the performance of the brands.

(in R\$ million)	1Q22	1Q21	YoY
<b>Net Revenues</b>	<b>111.1</b>	<b>63.7</b>	<b>74.5%</b>
<b>Pizza Hut and KFC</b>	<b>75.4</b>	<b>42.6</b>	<b>77.0%</b>
<b>Others</b>	<b>35.7</b>	<b>21.1</b>	<b>69.5%</b>
COGS	(82.8)	(50.1)	65.4%
<b>Gross Profit</b>	<b>28.3</b>	<b>13.6</b>	<b>107.8%</b>
Gross Profit	25.5%	21.4%	+408bps
Operating Expenses	(34.6)	(21.7)	59.5%
Store Pre-Openings	(0.5)	(0.5)	(20.7%)
<b>EBIT</b>	<b>(6.8)</b>	<b>(8.6)</b>	<b>(20.7%)</b>
(+) Depreciation & Amortization	7.9	7.3	8.4%
(+) Store Pre-Openings	0.5	0.5	(193.8%)
<b>Adjusted EBITDA</b>	<b>1.7</b>	<b>(0.7)</b>	<b>(335.0%)</b>
Adjusted EBITDA Margin	1.5%	-1.1%	+265bps



## RESULTS OF THE U.S. OPERATIONS

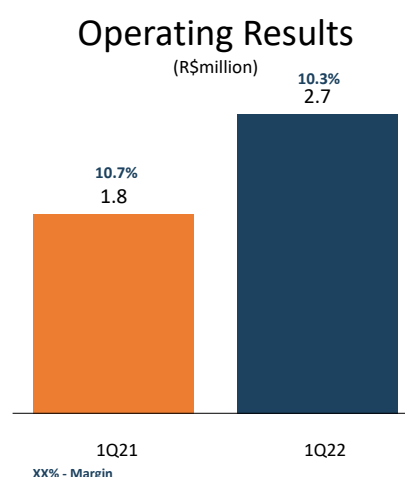
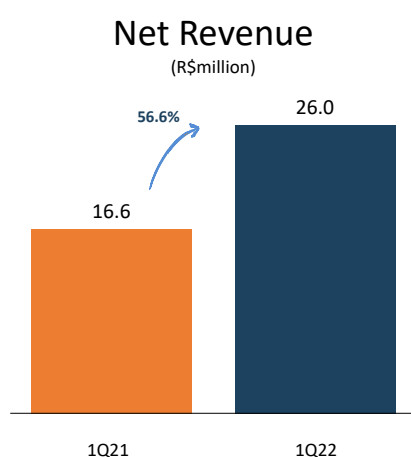


Revenue from the U.S. operations (in local currency) totaled US\$26.0 million, a growth of 56.6% over 1Q21. Same-store sales (SSS) grew by 41.9% over 1Q21, and by 35.4% over 1Q20 in constant currency (+32.6% vs. 1Q21 and +57.7% vs. 1Q20 in Reais).

Adjusted EBITDA totaled US\$2.7 million in 1Q22, up by 51.3% over 1Q21 (+US\$0.9 million). It is worth noting that the region has been impacted by inflationary pressures, and the Company has been able to pass through a major part of the increase without jeopardizing the flow of the stores.

The operation is prepared for the high season in the next quarters and will continue to focus on growth in strategic locations with a counter-seasonal profile, higher profitability of new stores, and attraction of new customers.

(in US\$ million)	1Q22	1Q21	YoY
<b>Net Revenues</b>	<b>26.0</b>	<b>16.6</b>	<b>56.6%</b>
COGS	(17.7)	(11.2)	58.5%
<b>Gross Profit</b>	<b>8.2</b>	<b>5.4</b>	<b>52.5%</b>
Gross Profit	31.6%	32.5%	-85bps
Operating Expenses	(9.3)	(6.0)	54.6%
(+) Depreciation & Amortization	3.7	2.4	0.0%
Store Pre-Openings	0.0	(0.1)	51.6%
<b>EBIT</b>	<b>2.7</b>	<b>1.7</b>	<b>59.2%</b>
(+) Store Pre-Openings	(0.0)	0.1	57.0%
<b>Adjusted EBITDA</b>	<b>2.7</b>	<b>1.8</b>	<b>51.3%</b>
Adjusted EBITDA Margin (%)	10.3%	10.7%	-4bps



## RESULTS OF THE CARIBBEAN OPERATIONS



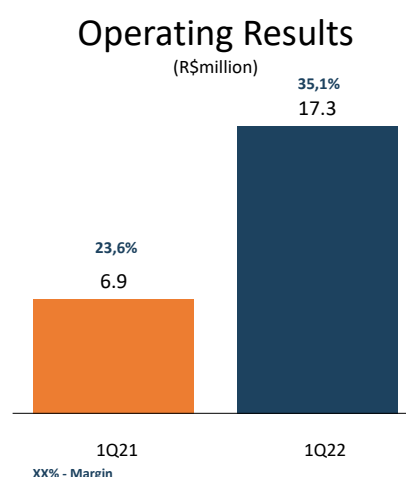
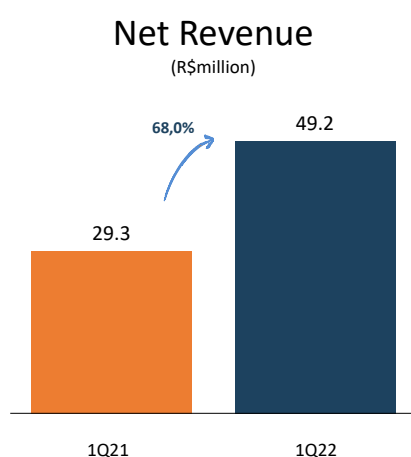
The Caribbean operation closed the quarter with net revenue of R\$49.2 million (+68.0%) vs. R\$29.3 million in 1Q21. Same-store sales (SSS) in constant currency were 84.6% vs. 1Q21, and 1.3% vs. 1Q21, especially the restaurants at airports and the gradual resumption of Catering operations in Colombia (+70.7% vs. 1Q21, and +57.7% vs. 1Q20 in Reais).

Despite the continuous improvement in passenger flow at the airports, the operation continues to be impacted by the restricted food offered during flights in the Catering segment. In Panama, the number of passengers at the Tocumen airport grew by 167.1% over 1Q21 and fell by 0.5% from 1Q20.

The region closed the year with 46 units ranging from Catering and Air Retail.

The Adjusted EBITDA in the Caribbean reached R\$17.3 million, +149.8% over 1Q21. The EBITDA margin grew by 11.5 p.p. to 35.1% driven by sales growth, better cost and expense management and consequent operating leverage.

R\$ million	1Q22	1Q21	YoY
<b>Net Revenues</b>	<b>49.2</b>	<b>29.3</b>	<b>68.0%</b>
COGS	(21.4)	(14.8)	45.4%
<b>Gross Profit</b>	<b>27.8</b>	<b>14.6</b>	<b>90.9%</b>
Gross Profit	56.4%	49.7%	+1bps
Operating Expenses	(16.9)	(14.8)	13.8%
(+) Depreciation & Amortization	6.4	7.2	4.6%
Store Pre-Openings	0.0	0.0	0.0%
<b>EBITDA</b>	<b>17.3</b>	<b>6.9</b>	<b>149.8%</b>
(+) Store Pre-Openings	0.0	0.0	0.0%
<b>Adjusted EBITDA</b>	<b>17.3</b>	<b>6.9</b>	<b>149.8%</b>
Adjusted EBITDA Margin (%)	35.1%	23.6%	+1148bps

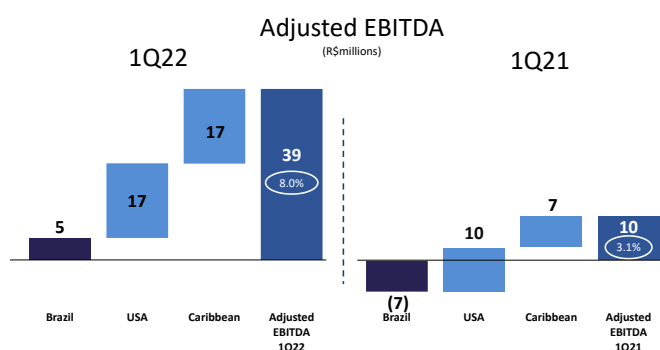


## FINANCIAL PERFORMANCE

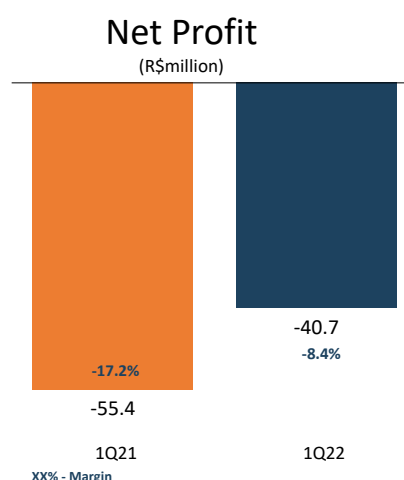
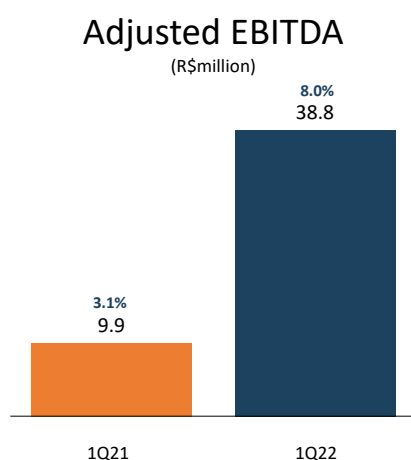
O Adjusted EBITDA was R\$38.8 million, an increase of R\$28.9 million over 1Q21, with a margin of 8.0% in the quarter, up by 4.9 p.p. over 1Q21. This result was influenced by the group's higher revenue, higher gross margin, and operational leverage.

The Adjusted EBITDA in Brazil was R\$4.8 million, R\$12 million more than the figure reported in 1Q21, with a positive contribution from all segments. The Adjusted EBITDA from the U.S. operations was R\$16.8 million and from the Caribbean operations was R\$17.3 million, an increase of R\$16.9 million from both operations over 1Q21, influenced by higher sales and efficient cost and spending management.

Despite the improved operating result, the financial expenses increased because of the higher interest rate in the quarter, which impacted the financial result by R\$13.4 million. The Company recorded a net loss of R\$40.7 million in 1Q22, compared to a loss of R\$55.4 million reported in 1Q21



(R\$ million)	1Q22	1Q21	YoY
<b>NET INCOME (LOSS)</b>	<b>(40.7)</b>	<b>(55.4)</b>	<b>-26.5%</b>
(+) Income Taxes	4.5	2.5	79.1%
(+) Net Financial Result	24.5	11.2	119.6%
(+) D&A and Write-offs	48.5	44.1	9.8%
<b>EBITDA</b>	<b>36.8</b>	<b>2.3</b>	<b>1498.3%</b>
(+) Special Items	1.6	6.5	-75.6%
(+) Pre-Opening Expenses	0.5	1.1	-55%
<b>Adjusted EBITDA</b>	<b>38.8</b>	<b>9.9</b>	<b>291.8%</b>
<i>EBITDA / Net Revenues</i>	<i>7.5%</i>	<i>0.7%</i>	<i>+683bps</i>
<i>Adjusted EBITDA / Net Revenues</i>	<i>8.0%</i>	<i>3.1%</i>	<i>+489bps</i>



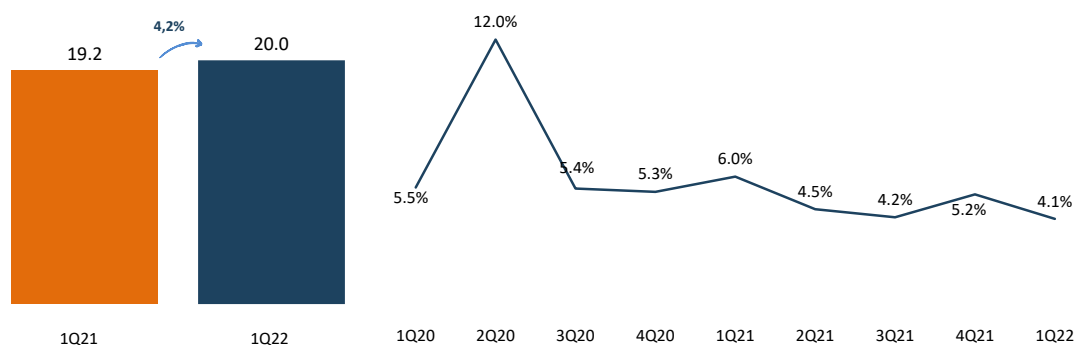
## GENERAL AND ADMINISTRATIVE EXPENSES

IMC closed the quarter with G&A Expenses of R\$20.0 million, accounting for 4.1% of the consolidated net revenue, and a consequent decline of 1.9 p.p. from 1Q21. Expenses declined QoQ in 1Q22, due to some reversals related to non-current events in R\$5.4 million and fewer professional and consulting services.

Other Operating Expenses totaled +R\$5.3 million in 1Q22, compared to the revenue of R\$1.7 million recorded in 1Q21.

### G&A over revenue

(% over revenue)



(in R\$ million)	1Q22	1Q21	YoY
G&A and Others	(14.7)	(17.6)	(16.3%)
G&A	(20.0)	(19.2)	4.2%
Others	5.3	1.7	222.8%

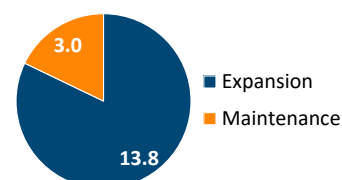
## EBITDA RECONCILIATION

(in R\$ million)	1Q22	1Q21	YoY
Adjusted EBITDA	38.8	9.9	291.3%
Adjustments	(2.1)	(7.6)	(72.7%)
EBITDA	36.8	2.3	1490.3%
IFRS effects	(26.9)	(19.3)	39.2%
EBITDA Ex-IFRS16	9.8	(17.0)	na

## INVESTMENT ACTIVITIES

Investments totaled R\$16.8 million in 1Q22, of which R\$13.8 million for the expansion of the store network, and R\$3.0 million for Maintenance and Remodeling.

CAPEX (in R\$ million)	1Q22	1Q21	YoY
Total Expansion Investments	13.8	19.4	-28.8%
Total Maintenance Investments	3.0	2.5	23.6%
Total CAPEX Investments	16.8	21.9	-22.9%





## CASH GENERATION

Operating Cash Generation came to R\$23.2 million in 1Q22, up by 139.3% over 1Q21, driven by the improvement in the Company's operating result.

(in R\$ million)	1Q22	1Q21	YoY
<b>Adjusted EBITDA</b>	<b>38.8</b>	<b>9.9</b>	<b>291.8%</b>
(-) Income Taxes	(4.5)	(2.5)	-
(-) Financial Results	(24.5)	(11.2)	119.6%
(-) Store Pre-openings	(0.5)	(1.1)	(55.4%)
(+/-) Non-Cashes	31.7	7.3	-
(=/-) Working Capital	(17.9)	7.2	(347.7%)
<b>Net Operating Cash Flow</b>	<b>23.2</b>	<b>9.7</b>	<b>139.3%</b>
(-) Capex	(16.8)	(21.9)	(22.9%)
<b>Free Cash Flow</b>	<b>6.3</b>	<b>(12.2)</b>	<b>-</b>

## NET DEBT

The Company closed 1Q22 with total cash of R\$417.9 million and net debt of R\$289.9 million. The leverage ratio was 2.4X compared to the covenants of 3.0X at the end of 1Q22.

R\$ million	1Q22	% total	4Q21	% total	3Q21	% total	1Q21	% Total
Short Term	81.5	12%	86.8	12%	40.2	6%	78.3	11%
Long Term	626.3	88%	649.4	88%	668.8	94%	626.8	89%
<b>Total Debt</b>	<b>707.8</b>	<b>100%</b>	<b>736.2</b>	<b>100%</b>	<b>709.0</b>	<b>100%</b>	<b>705.1</b>	<b>100%</b>
(-) Cash	(417.9)	-	(466.8)	-	(536.6)	-	(517.7)	-
<b>Net Debt</b>	<b>289.9</b>	<b>-</b>	<b>269.4</b>	<b>-</b>	<b>172.4</b>	<b>-</b>	<b>187.4</b>	<b>-</b>
<b>Leverage (ex-IFRS16)</b>	<b>2,4X</b>	<b>-</b>	<b>2,9X</b>	<b>-</b>	<b>1,9X</b>	<b>-</b>	<b>-</b>	<b>-</b>

## SUBSEQUENT EVENTS

As disclosed in a Material Fact on April 14, 2022, the Arbitration Court accepted the Company's request to suspend the arbitration procedure with KFC until May 14, which may be postponed for another 30 days.

## APPENDIX:

### CONSOLIDATED RESULT:

(R\$ thousand)	1Q22	1Q21	YoY
<b>NET REVENUE</b>	<b>487,296</b>	<b>321,893</b>	<b>51.4%</b>
<b>COST OF SALES AND SERVICES</b>	<b>(358,863)</b>	<b>(247,361)</b>	<b>45.1%</b>
<b>GROSS PROFIT</b>	<b>128,433</b>	<b>74,532</b>	<b>72.3%</b>
	<b>26.4%</b>	<b>23.2%</b>	<b>3.2 p.p.</b>
<b>OPERATING INCOME (EXPENSES)</b>			
Selling, General & Administrative Expense	(154,198)	(115,550)	33.4%
Impairment	0	0	-
Other income (expenses)	10,628	(2,431)	-537.2%
Equity income result	3,415	1,612	111.8%
	<b>(11,722)</b>	<b>(41,837)</b>	<b>-72.0%</b>
Net financial expenses	(24,518)	(11,144)	120.0%
<b>EARNINGS BEFORE TAXES</b>	<b>(36,240)</b>	<b>(52,981)</b>	<b>-31.6%</b>
Income Taxes	(4,493)	(2,468)	82.1%
<b>NET PROFIT (LOSS)</b>	<b>(40,733)</b>	<b>(55,449)</b>	<b>-26.5%</b>
	<b>-8.4%</b>	<b>-17.2%</b>	<b>8.9 p.p.</b>

## CONSOLIDATED BALANCE SHEET:

(R\$ thousand)	1Q22	1Q21
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	412,277	517,660
Accounts receivable	80,140	36,032
Inventories	49,748	42,662
Other current assets	48,743	103,255
<b>Total current assets</b>	<b>590,908</b>	<b>699,609</b>
<b>NONCURRENT ASSETS</b>		
Financial investments	5,634	0
Deferred income taxes	106,843	125,144
Other noncurrent assets	98,100	60,324
Property and equipment	417,866	375,124
Intangible	1,008,262	1,106,407
Property Use Right Asset	517,899	407,684
<b>Total noncurrent assets</b>	<b>2,154,604</b>	<b>2,074,683</b>
<b>TOTAL ASSETS</b>	<b>2,745,512</b>	<b>2,774,292</b>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Trade accounts payable	200,655	149,076
Loans, financing and acquisitions' payables	81,521	78,271
Salaries and social charges	62,246	58,452
Lease Liabilities	78,701	58,810
Other current liabilities	52,179	71,720
<b>Total current liabilities</b>	<b>475,302</b>	<b>416,329</b>
<b>NONCURRENT LIABILITIES</b>		
Loans, financing and acquisitions' payables	626,304	626,817
Provision for labor, civil and tax disputes	92,646	85,386
Deferred income tax and social contribution LP	40,109	47,019
LP Lease Liabilities	470,813	381,876
Other noncurrent liabilities	18,841	56,384
<b>Total noncurrent liabilities</b>	<b>1,248,713</b>	<b>1,197,482</b>
<b>EQUITY</b>		
Capital and reserves	1,537,076	1,533,852
Accumulated losses	(601,788)	(536,055)
Other comprehensive income	86,209	162,684
<b>Total equity</b>	<b>1,021,497</b>	<b>1,160,481</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>2,745,512</b>	<b>2,774,292</b>

## STATEMENT OF CASH FLOWS:

(R\$ thousand)	1Q22	1Q21	YoY
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Loss for the quarter	(40,733)	(55,449)	-26.5%
Depreciation and amortization	26,815	27,235	-1.5%
Depreciation of use right	21,670	16,175	34.0%
Impairment of intangible assets (using)	0	(8,237)	-100.0%
Impairment of intangible assets (provision)	0	0	0.0%
Retirement of fixed and intangible assets	14,245	7,106	100.5%
Investment amortization	677	780	-13.2%
Equity income result	(3,415)	(2,392)	42.8%
Provision for labor, civil and tax disputes	2,643	1,878	40.7%
Income taxes	4,493	2,468	82.1%
Interest expenses	19,609	7,904	148.1%
Interest on company acquisition and rights over point of sales	2,939	4,359	-32.6%
Effect of exchange rate changes	64	(551)	-111.6%
Deferred Revenue, Rebates	(326)	969	-133.6%
Expenses in payments to employees based in stock plan	1,585	1,155	37.2%
Others	(9,230)	(939)	882.9%
Changes in operating assets and liabilities	(17,876)	7,216	-347.7%
<b>Cash generated from operations</b>	<b>23,161</b>	<b>9,677</b>	<b>139.3%</b>
Income tax paid	3,521	(330)	-1167.0%
Income tax paid	(761)	(1,468)	-48.2%
Interest paid	(6,924)	(116)	5869.0%
<b>Net cash generated by (used in) operating activities</b>	<b>18,997</b>	<b>7,763</b>	<b>144.7%</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment of business acquisitions made in prior years	0	(3,165)	-100.0%
Additions to intangible assets	(808)	(132)	512.1%
Additions to property and equipment	(16,036)	(21,719)	-26.2%
<b>Net cash used in investing activities from continued operations</b>	<b>(16,844)</b>	<b>(25,016)</b>	<b>-32.7%</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Dividend Payments	0	(969)	-100.0%
Capital contributions from minority interest	0	0	0.0%
Shares in Treasury	0	0	0.0%
Shares in Treasury	(1,429)	(17,389)	-91.8%
New loans	75,000	0	0.0%
Payment of business acquisitions	0	0	0.0%
Payment of loans	(75,689)	(259)	29123.6%
<b>Net cash used in financing activities</b>	<b>(2,118)</b>	<b>(18,617)</b>	<b>-88.6%</b>
EFFECT OF EXCHANGE RATE VARIATIONS	-49,037	-15,949	207.5%
<b>NET INCREASE (DECREASE) FOR THE PERIOD</b>	<b>(49,002)</b>	<b>(51,819)</b>	<b>-5.4%</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD</b>	<b>461,280</b>	<b>569,479</b>	<b>-19.0%</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	<b>412,278</b>	<b>517,660</b>	<b>-20.4%</b>