



Earnings Release

First Quarter 2023



PORTUGUESE CONFERENCE CALL WITH SIMULTANEOUS TRANSLATION

May 12, 2023 1:00 PM (Brasília) / 12:00 PM (US EST)

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Quarterly Highlights

R\$742.5

System sales¹
16.3% over 1Q22

+10.7%

**Consolidated Same-Store Sales²
(SSS)**

R\$530 million

Net Revenue
growth of **16.6%**

30% of share of Digital

Sales³
Growth of 24.8% over 1Q22

Total of 561 stores, expansion
of 23 stores on strategic brands

48.1M

Adjusted EBITDA
growth of 98.3% and margin of 9.1%

Leverage of 1.8X LTM EBITDA, below the required covenants (3.0x), and **Net Debt of R\$300.1M**

¹ - Sales of company-owned stores and franchises | ² - in BRL | ³ - PH and KFC |

Consistent execution of the strategy takes IMC to the eighth consecutive quarter of results evolution, registering the best first quarter in its history, with net revenue of R\$530 million (+16.6%) and adjusted EBITDA of R\$48.1 million (+98.3%)

São Paulo, May 11, 2023 - 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 2023 (1Q23). Unless otherwise indicated, the information herein is presented in a consolidated manner, in millions of Brazilian reais (R\$).

To better present the company's standing and better compare the results, the results for 1Q22 are pro-forma and adjusted, excluding the Panamá operation.

MESSAGE FROM MANAGEMENT

“To be the best food service platform in Brazil.”

This is the vision of the future driving and guiding our actions and decisions every day to achieve our strategic ambitions.

Currently, we are a platform primarily consisting of 4 major systems (Frango Assado, KFC, Pizza Hut and Margaritaville), with revenues over R\$700 million each, with a great value creation potential going forward yet to be captured.

This year, we remain committed to and focused on executing our solid transformation agenda that is based on operational efficiency, digital transformation, financial discipline and expansion. The consistent execution over the last 24 months, with focus and discipline on our strategic pillars, once again boosted our results, registering an uninterrupted sequence of evolutions in the comparability of periods.

In the first quarter, we continued to enhance our operations and grow our business. Net revenue rose by 17%, and adjusted EBITDA reached R\$48.1 million, up by 98% YOY.

Our financials also reflect our commitment to operational excellence and the constant pursuit of productive brands and operations. The 4-wall margin in Brazil reached 11.4%, 807 bps above last year's, with a significant reduction in the management of store losses, optimized labor and innovative products. Our teams are working hard and ensure the provision of high-quality food services for our consumers. Our NPS grew 450 points in the LTM, reaching 84.7%.

Our efforts to digitize the company also stood out in the first quarter of 2023. The Frango Assado App, Fran-Go, has already been downloaded over 101k times, up by 42% over 4Q22. At Pizza Hut, our new call center launched in December 2022 has been very well received by consumers. This channel was responsible for capturing more than 10,000 orders in the quarter, with strong growth week after week. As for KFC, sales via self-service kiosks are on the rise, accounting for 19% of sales in the stores with this functionality.

We continue to make very solid progress in our company's financial position. We ended the quarter with free cash generation of R\$23.0 million, reversing the R\$2.5 billion consumption recorded last year, with a total cash position of R\$205.5 million. We ended the quarter with a net debt of R\$300.1 million, and the financial leverage ratio stood at 1.8x (net debt/EBITDA), 0.6X lower than the same quarter of 2022. We will continue optimizing our capital structure by extending debt terms and reducing the cost of debt.

As we maintain a responsible pace of growth, we will continue to be on the lookout for growth opportunities in new markets and regions. We currently have a network of 561 stores, a rise of 23 net units in the LTM. In the quarter, we inaugurated 5 KFC stores and 1 Pizza Hut store. Additionally, in April we started a pilot project with Pizza Hut in partnership with the AmPm convenience chains, with the aim of further increasing the points of contact with our consumers and expanding the visibility of our brands and products.

We are aware that we still have many challenges ahead, we continue with our commitment to generating value in the long term, through the strength of our brand portfolio, franchise system, and strong team, which thinks and acts like an owner.

Management

Highlights

CONSOLIDATED HIGHLIGHTS

(in R\$ million)	1Q23	1Q22	YoY
Stores	561	538	23
SSS (YoY R\$)	10.7%	39.8%	-29bps
System Total Sales	742.5	638.7	16.3%
Net Revenues	530.0	454.4	16.6%
Gross Profit	155.3	107.3	44.8%
Gross Margin (%)	29.3%	23.6%	+570bps
Adjusted EBITDA	48.1	24.3	98.3%
Adjusted EBITDA margin (%)	9.1%	5.3%	+374bps
Free Cash Flow	23.0	(2.5)	na
Net Debt/EBITDA LTM ¹	1.8x	2.4x	-0,7x

¹ Ex-IFRS 16 | Covenant Methodology

SALES HIGHLIGHTS

(in R\$ million)	1Q23	1Q22	YoY
Net Revenues	530.0	454.4	16.6%
Brazil	355.8	304.0	17.0%
Frango Assado	164.5	163.0	0.9%
Airports	34.8	29.9	16.5%
PH, KFC and Others	156.4	111.1	40.7%
USA	156.3	134.0	16.7%
Caribbean	17.9	16.4	9.2%

OPERATING RESULTS - Adjusted EBITDA

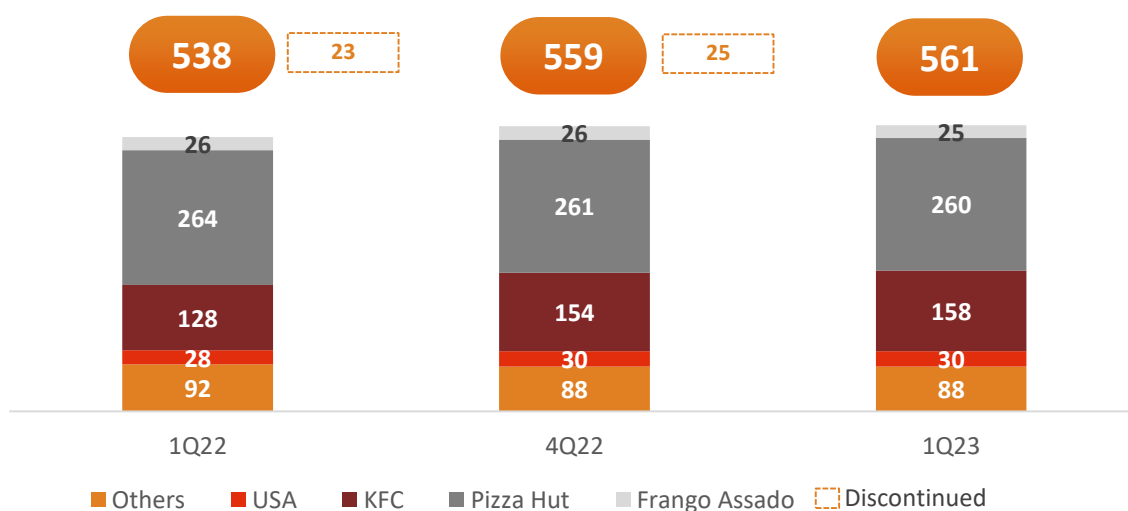
(in R\$ million)	1Q23	1Q22	YoY
Adjusted EBITDA	48.1	24.3	98.3%
Brazil	23.6	4.8	391.8%
Frango Assado	23.3	14.1	64.9%
Airports	5.0	3.7	36.8%
PH, KFC and Others	22.3	1.7	1218.2%
G&A and Others *	(27.0)	(14.7)	83.6%
USA	20.7	16.8	23.7%
Caribbean	3.8	2.7	38.9%

STORE PERFORMANCE

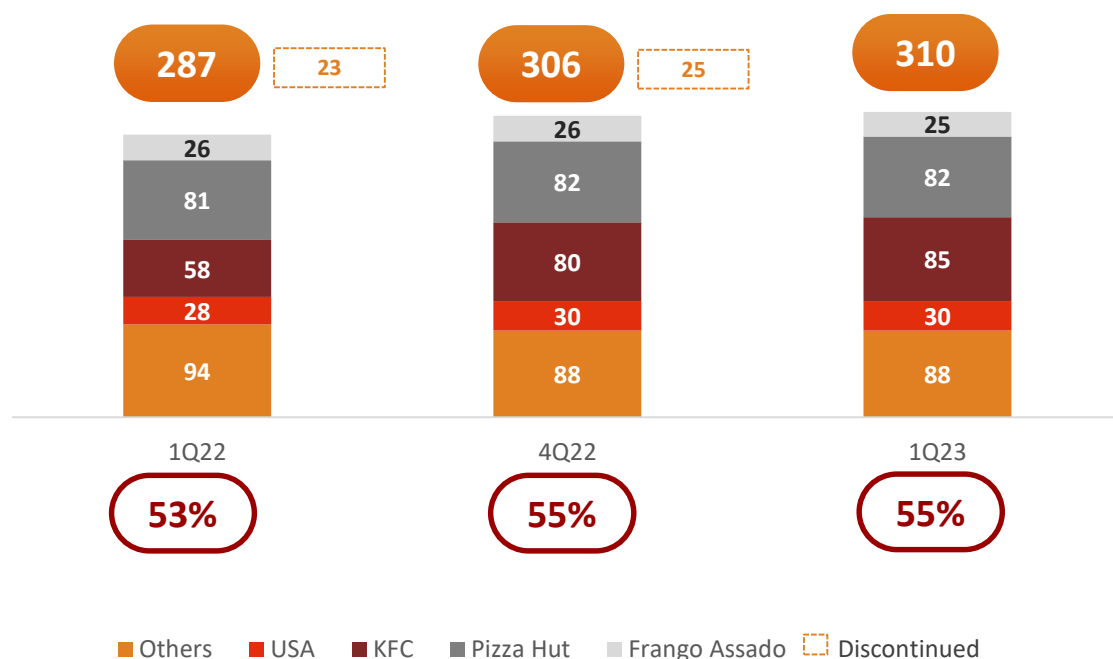
IMC ended the first quarter with 561 stores, including company-owned and franchises, in Brazil, Colombia, and the USA. In the last 12 months, the Company expanded 23 net units. In Q1, we opened 6 stores, 5 of which KFC and 1 Pizza Hut, as per our expansion plan. We also closed down 4 stores – 1 KFC, 2 Pizza Hut and 1 Frango Assado. The Frango Assado unit located in the city of Sumaré was in deficit and was no longer economically viable after an important change in the Anhanguera highway that gave access to the store. Company-owned stores currently account for 55% of IMC's system.

The Company continues implementing its expansion plan with dedication and discipline, in addition to ensuring a healthy network of stores and franchisees in its system.

Total Stores



Company Stores



Share of Company stores (%)

RESULTS OF BRAZILIAN OPERATIONS



The Frango Assado restaurant chain reported a net revenue of R\$77.0 million in the quarter, up by 24.1%, above the increase in the flow of light vehicles on highways during this period, which stood at 9.9%, according to an ABCR report. Gas station sales slowed down by 13.3%, driven by lower fuel prices.

Same-store sales (SSS) of the restaurant chain closed the quarter at 20.1% vs. 1Q22, driven by the higher number of transactions and average ticket. The gas station operations fell by 10.9% in the quarter, driven by lower fuel prices, as previously mentioned.

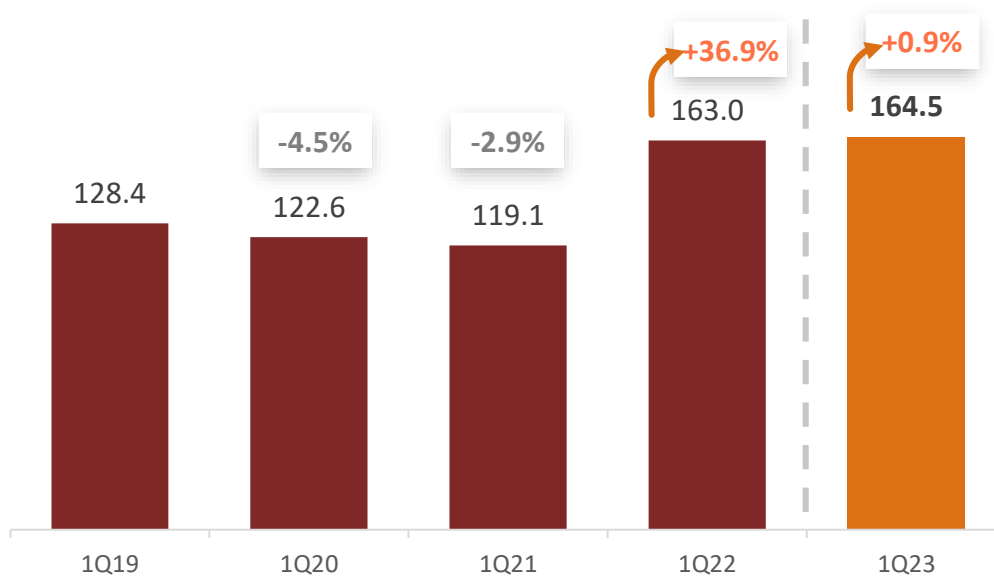
The Adjusted EBITDA of the consolidated operation totaled R\$23.3 million, up by 64.9% over 1Q22, with an increase of 549 bps in the EBITDA margin to 14.2%, mainly driven by transformation productivity actions, workforce planning and gains arising from the greater efficiency of the Central Kitchen. The fuel operation also contributed to this evolution through a healthier sales mix.

In addition to modernizing the Frango Assado brand and renovating the main stores, the customer loyalty platform through the Fran-GO app, which offers offers and discount coupons, grew by 42% in the number of downloads compared to 4Q22. Additionally, another step was implemented in improving the digital experience, with the installation of self-service and self-checkout totems, streamlining the customer journey and experience. The share of these sales reached 50% in the main markets.

(in R\$ million)	1Q23	1Q22	YoY
Net Revenues	164.5	163.0	0.9%
Restaurants & Others	77.0	62.1	24.1%
Gas Stations	87.5	100.9	(13.3%)
COGS	(131.5)	(142.2)	(7.5%)
Gross Profit	33.0	20.8	58.9%
Gross Profit	20.0%	12.7%	+731bps
Operating Expenses	(16.8)	(13.3)	26.5%
Store Pre-Openings	0.0	0.0	0.0%
EBIT	16.2	7.5	116.7%
(+) Depreciation & Amortization	7.1	6.7	6.9%
(+) Store Pre-Openings	0.0	0.0	0.0%
Adjusted EBITDA	23.3	14.1	64.9%
Adjusted EBITDA Margin	14.2%	8.7%	+549bps

Net Revenue

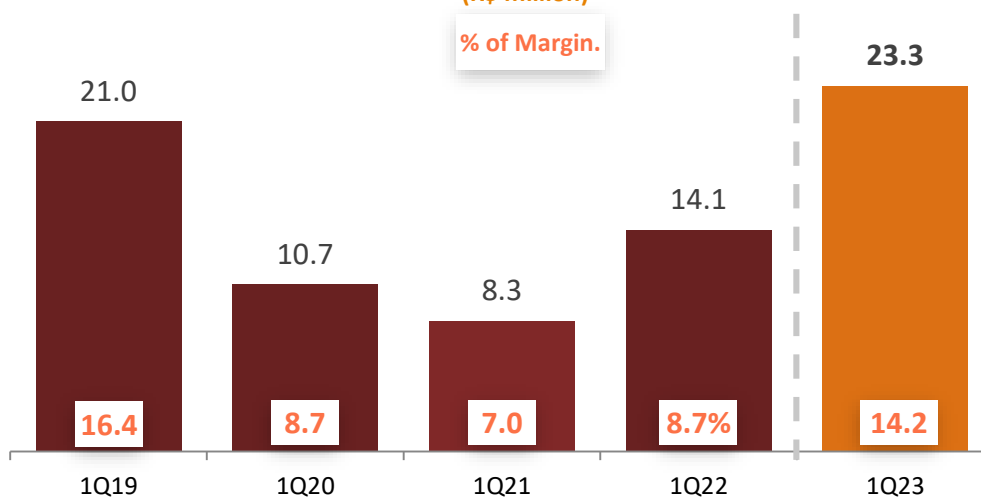
(R\$ million)

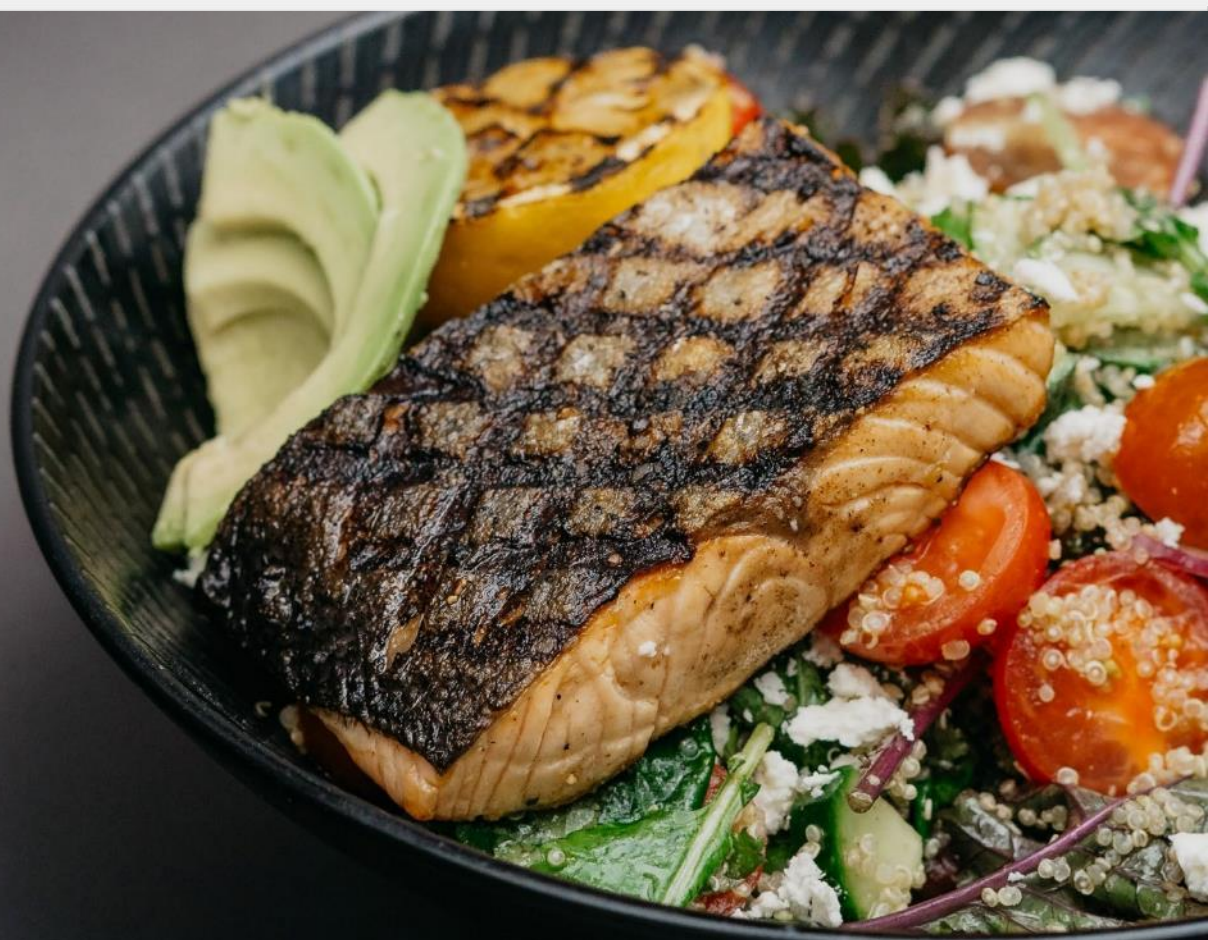


Adjusted EBITDA

(R\$ million)

% of Margin.





RESULTS OF BRAZILIAN OPERATIONS CATERING AND RETAIL AT AIRPORTS

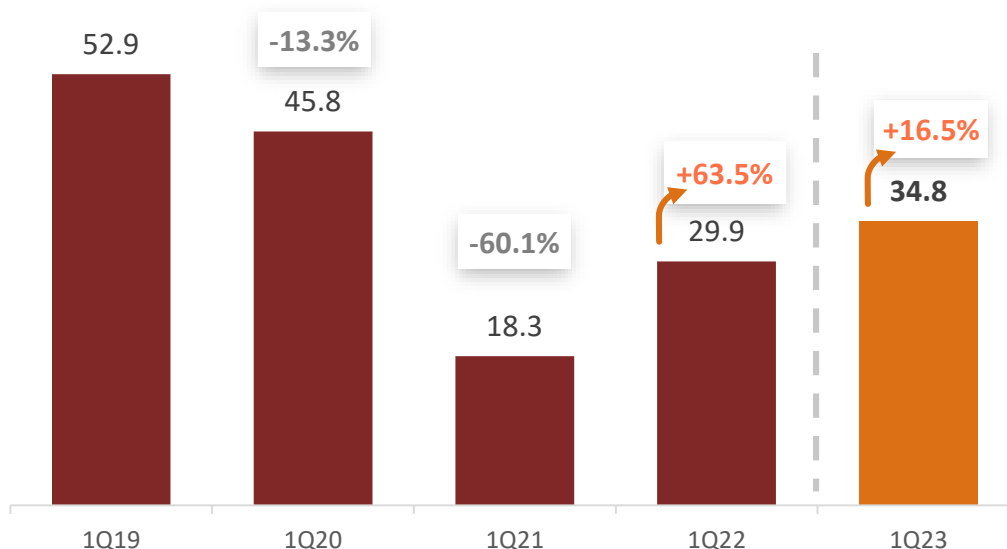
Revenue from the Airports segment in Brazil closed the quarter at R\$34.8 million, up by 16.5% over 1Q22, driven by the higher passenger flow at airports and the stabilization of aircraft catering services. Same-store sales (SSS) ended the quarter at 26.0% compared to 1Q22, above the 15.4% decrease in the number of passengers at the airports where IMC is present, according to ANAC data.

Adjusted EBITDA of the operation was R\$5.0 million in 1Q23, up by 36.8% over 1Q22, with a margin of 14.5%. The result was impacted by the increase in the revenue from the segment and the higher airport traffic compared to 1Q22. The Company remains focused on recovering margins, improving service level and reviewing contracts.

(in R\$ million)	1Q23	1Q22	YoY
Net Revenues	34.8	29.9	16.5%
COGS	(24.7)	(20.7)	19.4%
Gross Profit	10.1	9.2	9.9%
Gross Profit	29.0%	30.8%	-174bps
Operating Expenses	(13.9)	(14.0)	(0.4%)
EBIT	(3.8)	(4.8)	(20.1%)
(+) Depreciation & Amortization	8.9	8.5	4.7%
(+) Store Pre-Openings	0.0	0.0	0.0%
Adjusted EBITDA	5.0	3.7	36.8%
Adjusted EBITDA Margin	14.5%	12.3%	+214bps

Net Revenue

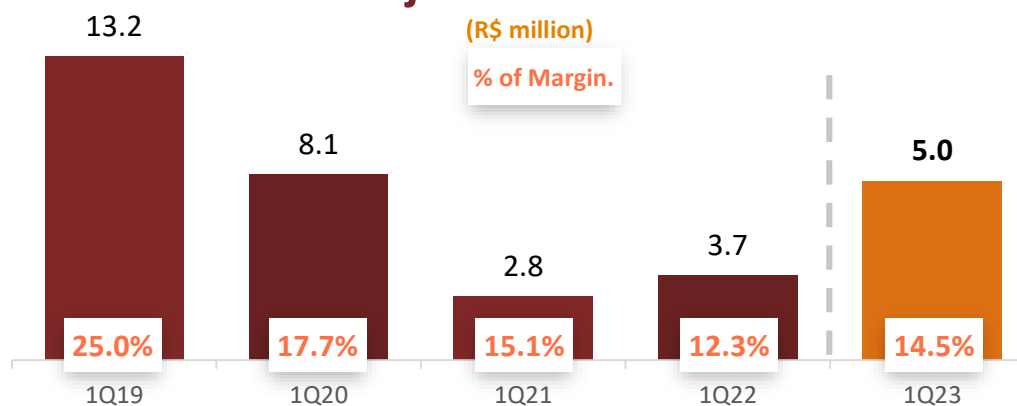
(R\$ million)



Adjusted EBITDA

(R\$ million)

% of Margin.





RESULTS OF BRAZILIAN OPERATIONS

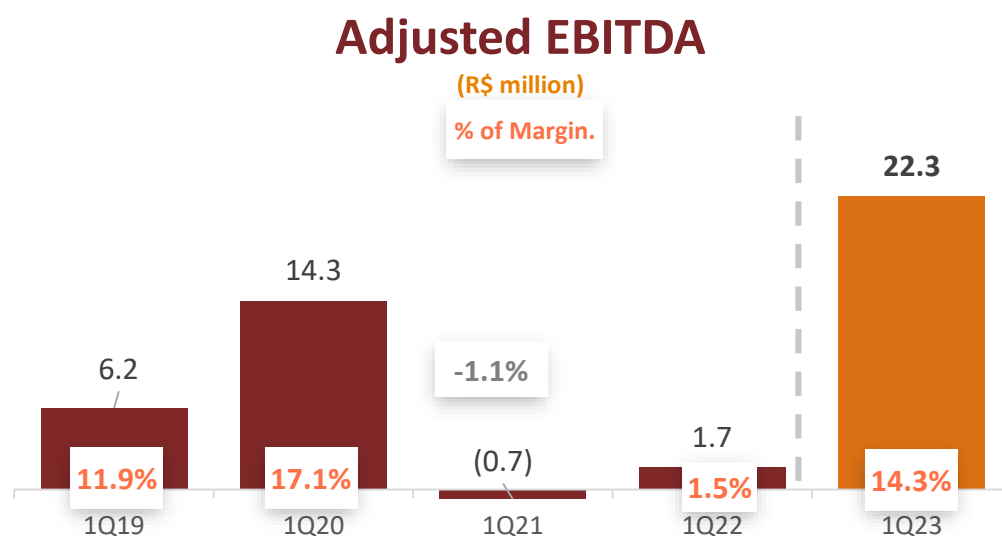
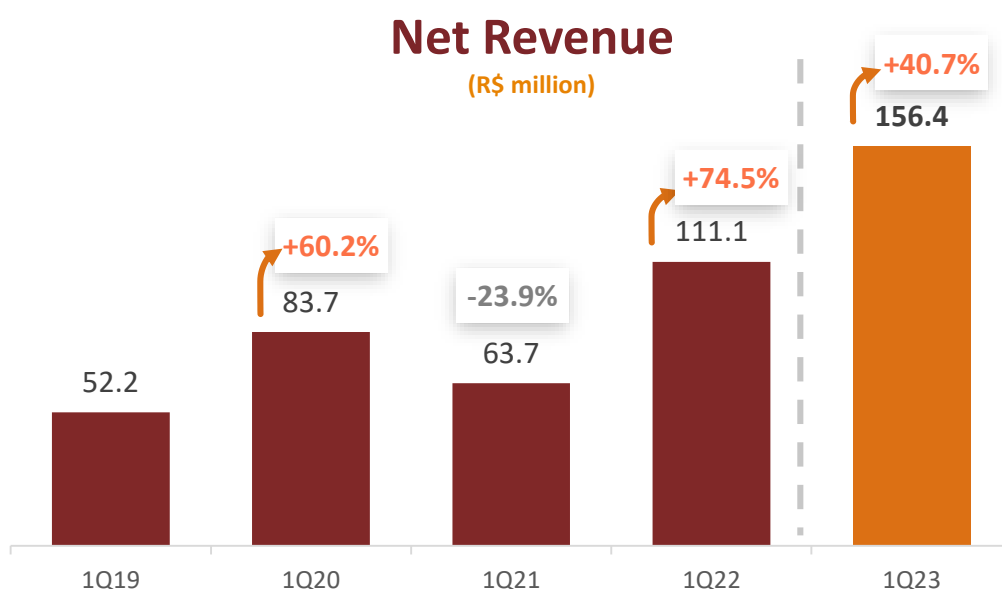
Pizza Hut, KFC and OTHER BRANDS¹

The segment's consolidated net revenue was R\$156.4 million in 1Q23, up by 40.7% over 1Q22. Pizza Hut and KFC grew by 52.1% in the period, mainly driven by store expansions and higher average tickets. As for KFC, SSS rose by 22.1% compared to 1Q22. As for Pizza Hut, SSS increased by 10.5% compared to 1Q22 with both brands growing above the food market as of IFB (Instituto Foodservice Brasil).

The Adjusted EBITDA of the operations was R\$22.3 million, up by 1218.2% over 1Q22, with a margin of 14.3%, an increase of 1273 bps, reflecting maturation of stores, better performance, efficient control of food costs, and management of the promotional mix. It is worth mentioning the important evolution of these operations.

The brands continued innovating their product portfolio and commercial activation. We'd like to highlight the competitiveness of KFC's and Olive Garden's promotional campaigns, and the fact that Pizza Hut launched a new pizza with thinner crust called "*Estilo Nova York*", bringing a new point of contact with consumers. Another major highlight of the brand was the launch of the store-in-store pilot project with the AmPm chains. KFC continues growing, increasing the quantity of tickets and gaining market share, extending its lead and improving profitability with increased operating leverage.

(in R\$ million)	1Q23	1Q22	YoY
Net Revenues	156.4	111.1	40.7%
Pizza Hut and KFC	114.7	75.4	52.1%
Others	41.7	35.7	16.7%
COGS	(103.6)	(82.8)	25.1%
Gross Profit	52.8	28.3	86.4%
Gross Profit	33.8%	25.5%	+828bps
Operating Expenses	(45.1)	(34.6)	30.3%
Store Pre-Openings	(0.9)	(0.5)	62.1%
EBIT	6.9	(6.8)	-201.1%
(+) Depreciation & Amortization	14.6	7.9	83.1%
(+) Store Pre-Openings	0.9	0.5	62.1%
Adjusted EBITDA	22.3	1.7	1218.2%
Adjusted EBITDA Margin	14.3%	1.5%	+1273bps





RESULTS OF THE U.S. OPERATIONS

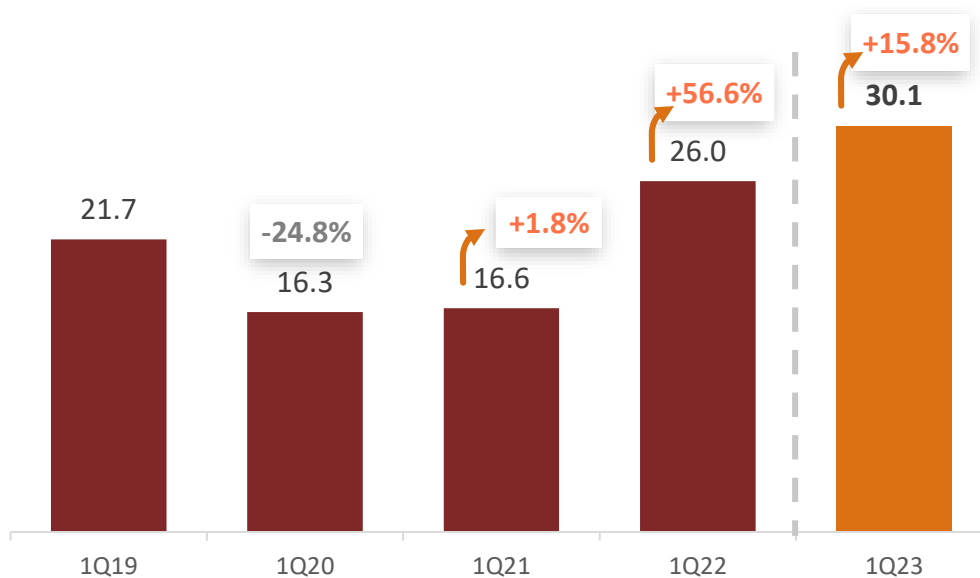
Net revenue from the US operations was US\$30.1 million, up by 15.8% over 1Q22. In Brazilian reais, growth came to 16.7%. In constant currency, SSS rose by 6.8% over 1Q22. The operations benefited from the higher average ticket, price pass-through, higher traffic at the stores, and disciplined margin management. Additionally, the menu received new dishes, and the loyalty program started to be implemented.

The adjusted EBITDA of the operations was US\$4.1 million in the quarter, up by 51.5% over 1Q22, with a margin of 13.6%. It is worth noting the positive impact of US\$700k resulting from the refund of social security charges paid to the U.S. government during the pandemic (ERTC – Employee Retention Tax Credit).

(in US\$ million)	1Q23	1Q22	YoY
Net Revenues	30.1	26.0	15.8%
COGS	(19.9)	(17.7)	12.5%
Gross Profit	10.1	8.2	23.8%
<i>Gross Profit</i>	33.8%	31.6%	+216bps
Operating Expenses	(11.4)	(9.3)	22.2%
Store Pre-Openings	0.0	0.0	0.0%
EBIT	(1.2)	(1.1)	10.7%
(+) Depreciation & Amortization	5.3	3.7	41.5%
(+) Store Pre-Openings	0.0	0.0	0.0%
Adjusted EBITDA	4.1	2.7	51.5%
<i>Adjusted EBITDA Margin (%)</i>	13.6%	10.3%	+329bps

Net Revenue

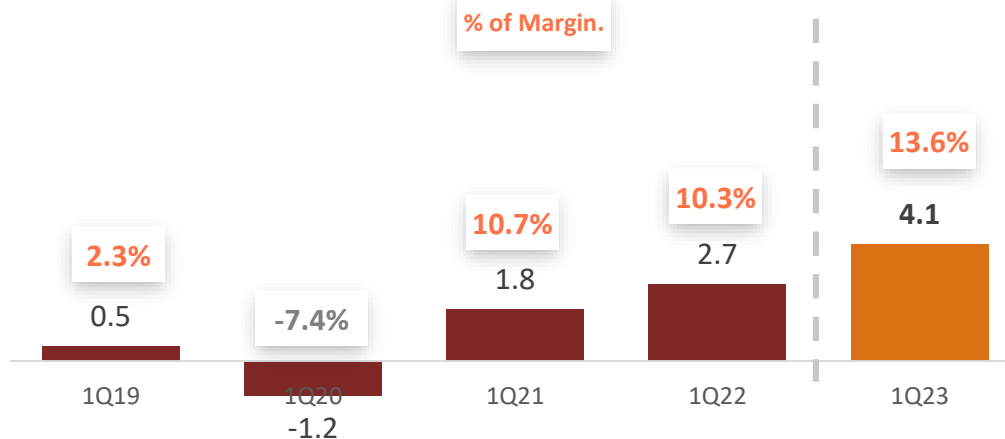
(US\$ million)



Adjusted EBITDA

(US\$ million)

% of Margin.





RESULTS OF CARIBBEAN OPERATIONS

The Caribbean operations, concentrated in Colombia, ended the quarter with a net revenue of R\$17.9 million, up by 9.2% vs. the same period of last year. This growth was the result of the recovery in airport traffic and the catering operations in Colombia.

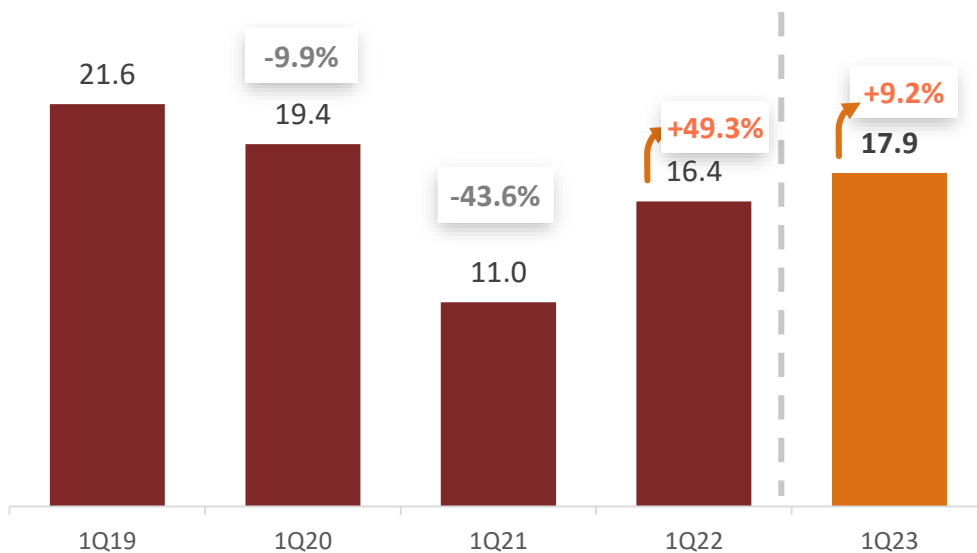
In terms of SSS, the country saw a 32.5% growth in the quarter, in constant currency.

The adjusted EBITDA reached R\$3.8 million, down by 38.9%, with a margin of R\$21.0% in the quarter growing 450bps.

(in US\$ million)	1Q23	1Q22	YoY
Net Revenues	17.9	16.4	9.2%
COGS	(10.4)	(9.7)	7.4%
Gross Profit	7.4	6.6	11.9%
<i>Gross Profit</i>	<i>41.5%</i>	<i>40.5%</i>	<i>+100bps</i>
Operating Expenses	(5.3)	(5.4)	(2.4%)
Store Pre-Openings	0.0	0.0	0.0%
EBIT	2.1	1.2	75.8%
(+) Depreciation & Amortization	1.6	1.5	8.9%
(+) Store Pre-Openings	0.0	0.0	0.0%
Adjusted EBITDA	3.8	2.7	38.9%
<i>Adjusted EBITDA Margin (%)</i>	<i>21.0%</i>	<i>16.5%</i>	<i>+450bps</i>

Net Revenue

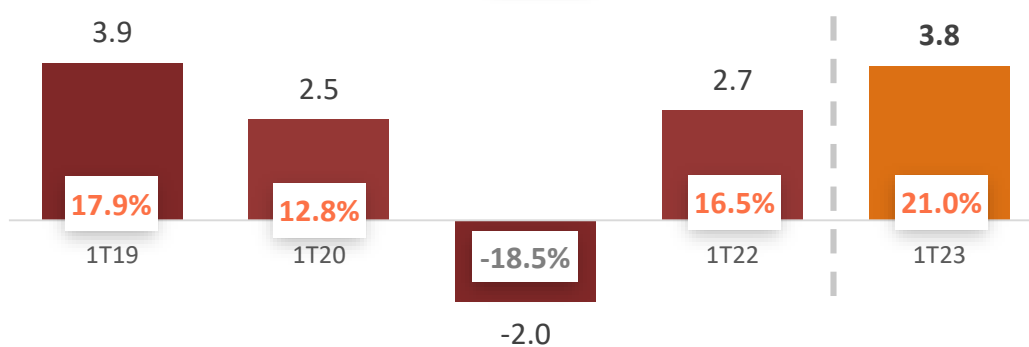
(R\$ million)



Adjusted EBITDA

(R\$ million)

% of



COMMENTS ON IMC'S PERFORMANCE

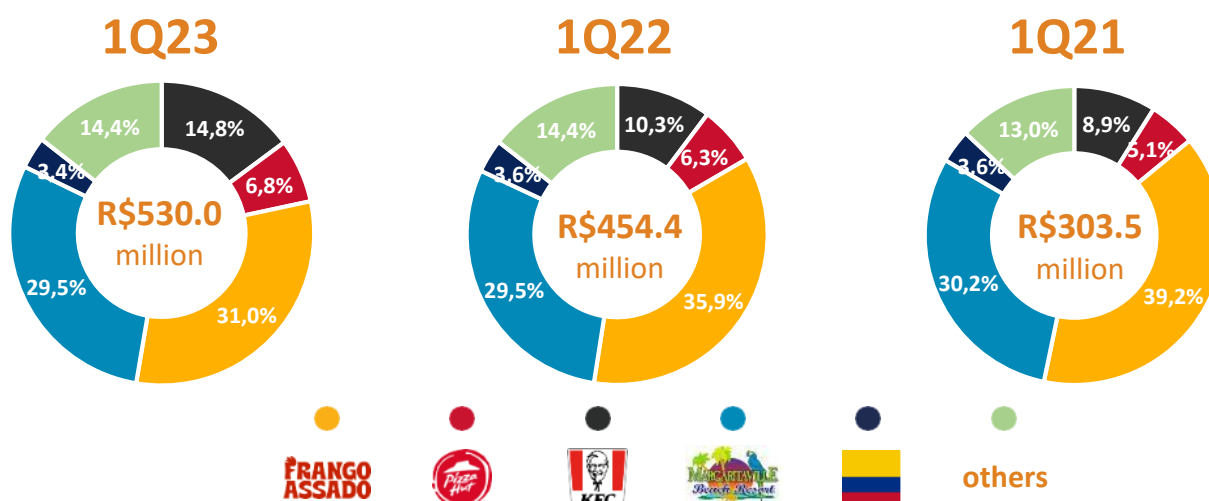
Total system sales, which consider revenues from company-owned stores and franchises, grew by 16.3% YOY in 1Q23, totaling R\$742.5 million. The company's consolidated net revenue was R\$530.0 million in 1Q23, up by 16.6% over 1Q22. The result was driven by the recovery of all segments in Brazil and the consistent expansion of international operations. Consolidated SSS in BRL was 10.7% in the quarter.

In Brazil, the net revenue totaled R\$355.8 million, up by 17.0% over 1Q22, featuring the KFC and Pizza Hut operations, which, together, reported a growth of 52.1% in the year. SSS in Brazil grew by 16.8%, not only because of the price management in the period but also reflecting the improved flow and higher customer tickets in virtually all company brands.

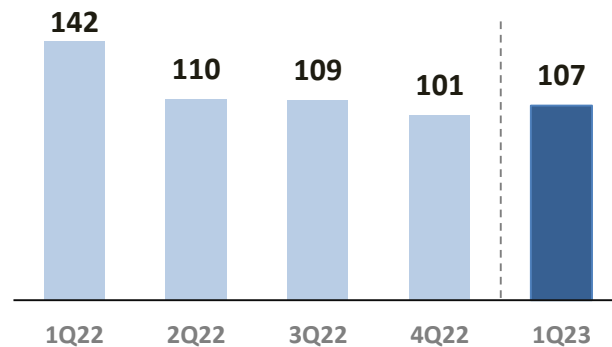
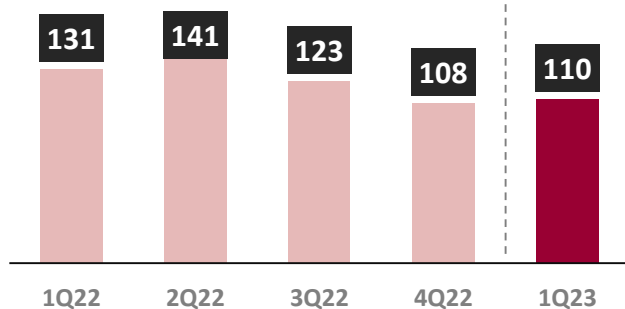
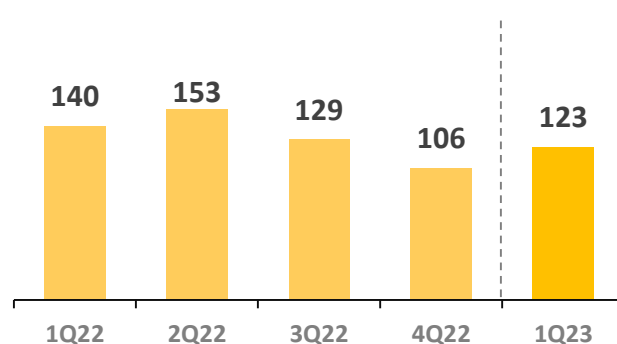
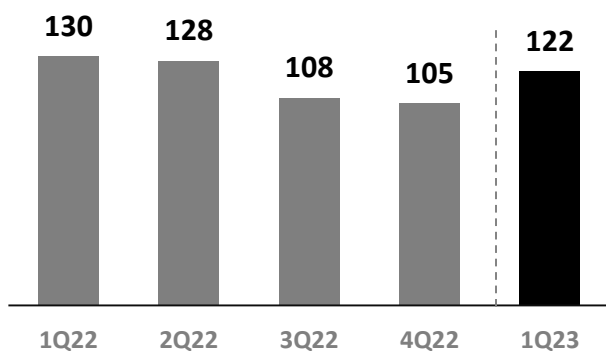
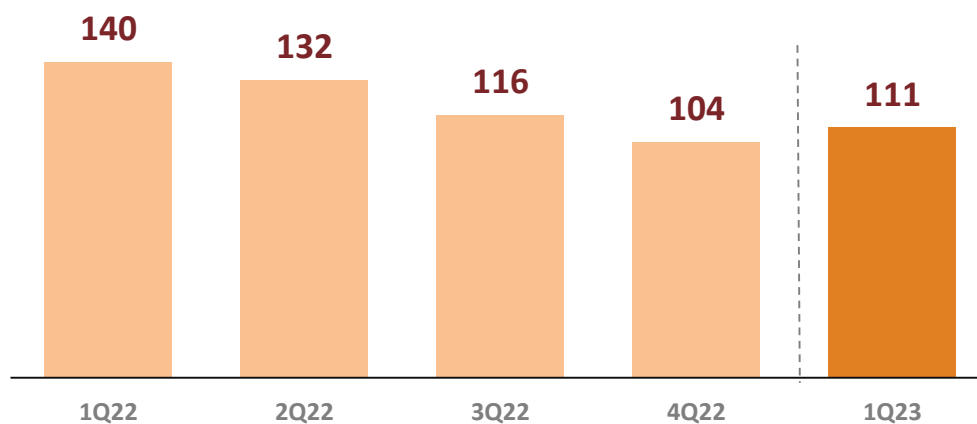
In the U.S., net revenue was R\$156.3 million, up by 16.7% vs. 1Q22. In local currency, the U.S. revenue was R\$15.8% in the quarter. SSS in constant currency grew by 6.8% over 1Q22. This result was driven by the higher sales of the new units, revenue management efforts, and the strategic location of the operations.

The Caribbean saw a growth of 9.2% over 1Q22, due to the recovery in the airport traffic and the catering operations in Colombia. SSS in constant currency grew by 32.5% over 1Q22.

Share of Sales by Brand



Base 100 Index of SSS Growth vs. the Previous Year (SSS)

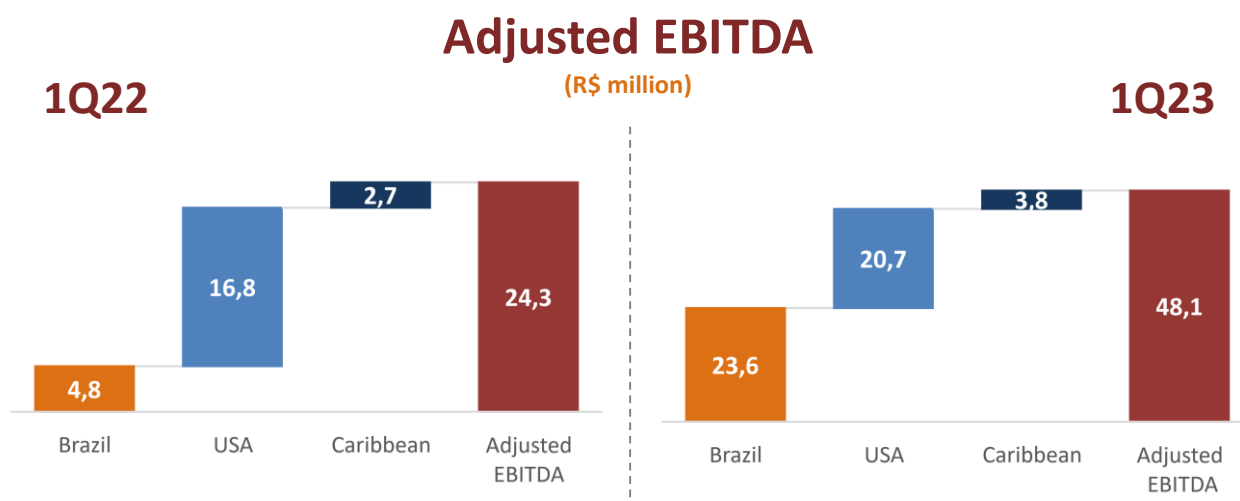


Consolidated adjusted EBITDA was R\$48.1 million, up by 98.3% over 1Q22, driven by higher revenue and controlled costs and expenses in all operations. The consolidated adjusted EBITDA margin was 9.1% in 1Q23, up by 374bps.

The adjusted EBITDA in Brazil grew by 391.8% over 1Q22, to R\$23.6 million, expanding the margin by 506bps, to 6.6%. The result was driven by higher revenues reported in all segments, cost management efficiency, and the operating leverage on the company operations.

Adjusted EBITDA from the U.S. and the Caribbean operations totaled R\$20.7 million and R\$3.8 million, respectively, an increase of R\$24.5 million arising from the international operations.

The company reported a net loss of R\$57.3 million in 1Q23, a comparable growth of 15.5%, chiefly due to a negative finance result impacted by the early payment of debentures, in replacement of a longer and lower cost debt.



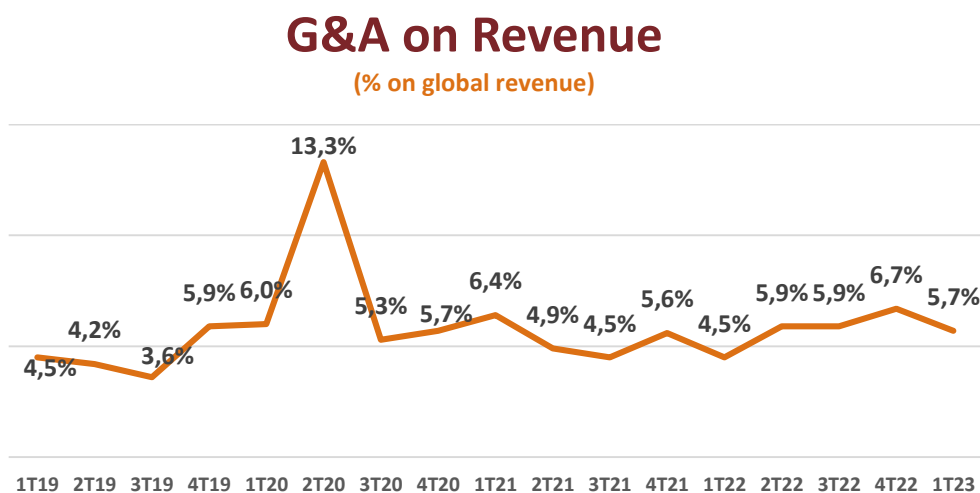
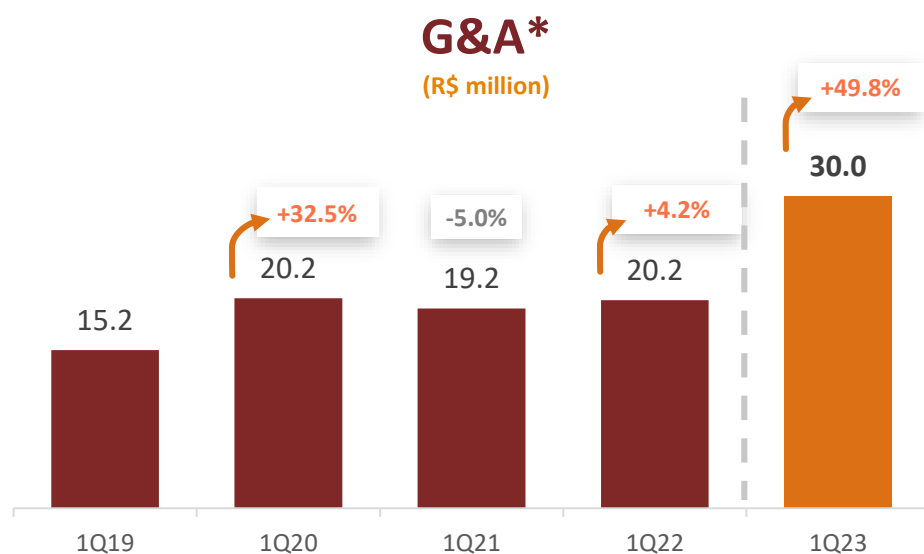
(R\$ million)	1Q23	1Q22	YoY
NET INCOME (LOSS)	(57.3)	(40.7)	40.6%
(+) Income Taxes	0.0	8.8	na
NET INCOME (LOSS)	(57.3)	(49.6)	15.5%
(+) Income Taxes	8.3	4.4	88.2%
(+) Net Financial Result	37.4	23.8	57.4%
(+) D&A and Write-offs	59.2	43.6	35.7%
EBITDA	47.6	22.2	114.4%
(+) Special Items	(0.3)	1.5	(120.6%)
(+) Pre-Opening Expenses	0.9	0.5	62.1%
Adjusted EBITDA	48.1	24.3	98.3%
<i>EBITDA / Net Revenues</i>	9.0%	4.9%	+409bps
<i>Adjusted EBITDA / Net Revenues</i>	9.1%	5.3%	+374bps

(R\$ million)	1Q23	1Q22	YoY
Adjusted EBITDA	48.1	24.3	98.3%
(+) Tax Credit	0.0	(4.1)	-100%
(+) ERTC - EUA	(4.0)	0.0	na
Adjusted EBITDA Recurrent	44.1	20.2	118.8%

ERTC (Employee Retention Tax Credit)

GENERAL AND ADMINISTRATIVE EXPENSES IN BRAZIL (ADJUSTED)

IMC ended the quarter with General, Administrative and Other Expenses* of R\$27.0 million. G&A's share of consolidated net revenue was 5.7%, reflecting the company's investment in structuring projects, reinforcement of strategic areas in addition to the strengthening of technology systems. It is also worth mentioning a fine refund credit in 1Q22 in the amount of R\$3.6 million that did not occur in this quarter. Other operating revenues decreased by 43.5%, attributed to expense credits in 1Q22.



(in R\$ million)	1Q23	1Q22	YoY
G&A and Others *	(27.0)	(14.7)	83.6%
G&A*	(30.0)	(20.0)	49.8%
Others	3.0	5.3	(43.5%)

*G&A Adjusted

EBITDA RECONCILIATION - EX-IFRS 16

(in R\$ million)	1Q23	1Q22	YoY
Adjusted EBITDA	48.1	24.3	98.3%
Adjustments	(0.6)	(2.1)	(73.4%)
EBITDA	47.6	22.2	114.4%
IFRS effects	(37.4)	(22.8)	63.8%
EBITDA Ex-IFRS16	10.2	(0.6)	na

INVESTMENT ACTIVITIES

During the quarter, the company invested R\$37.9 million, of which R\$26.8 million were allocated to expansion and R\$11.1 million to Maintenance and Renovations. Growth compared to the previous quarter is in line with scheduled and reflects the different store opening schedule. The pace of investment will be directly linked to the Company's operational and financial performance, ensuring financial discipline in building IMC's future.

CAPEX (in R\$ million)	1Q23	1Q22	YoY
Total Expansion Investments	26.8	13.8	93.9%
Total Maintenance Investments	11.1	3.0	270.7%
Total CAPEX Investments	37.9	16.8	125.4%

CASH GENERATION

Pro-forma operating cash generation was R\$60.8 million in the quarter, up by 324.7% over 1Q22, driven by the company's improved operating result in all units and the addition to the partial receipt of R\$16.8 million referring to the ERTC (Employee Retention Tax Credit) which comprises the positive variation of other operating assets/liabilities. Free cash flow was R\$23.0 million, up by R\$20.4 million YOY, driven by the improved result of the operations and investment discipline.

(in R\$ million)	1Q23	1Q22	YoY
Adjusted EBITDA	48.1	24.3	98.3%
(-) Fees and taxes	(0.5)	(6.5)	(91.6%)
(-) Store Pre-openings	(0.9)	(0.5)	62.1%
(-) Variation in operating assets and liabilities and Others	14.1	(2.9)	-
Net Operating Cash Flow Pro Forma	60.8	14.3	324.7%
(-) Capex	(37.9)	(16.8)	125.4%
Free Cash Flow	23.0	(2.5)	-

* Pro Forma does not consider restricted cash investments of R\$101 million

NET DEBT

The company ended 1Q23 with a cash position of R\$205.5 million and net debt was R\$300.1 million. The leverage ratio stood at 1.8x (LTM EBITDA, ex-IFRS16), down by 0.6x from the previous year (1Q22). The Company has been making efforts to improve its capital structure and was able to reduce gross debt by R\$202.2 million in the LTM.

R\$ million	1Q23	% total	4Q22	% total	1Q22	% total
Short Term	113.7	22%	264.5	40%	81.5	12%
Long Term	392.0	78%	399.9	60%	626.3	88%
Total Debt	505.7	100%	664.3	100%	707.8	100%
(-) Cash	(205.5)	-	(411.2)	-	(417.9)	-
Net Debt	300.1	-	253.1	-	289.9	-
Leverage (ex-IFRS16)	1.8x	-	1.5x	-	2.4x	-

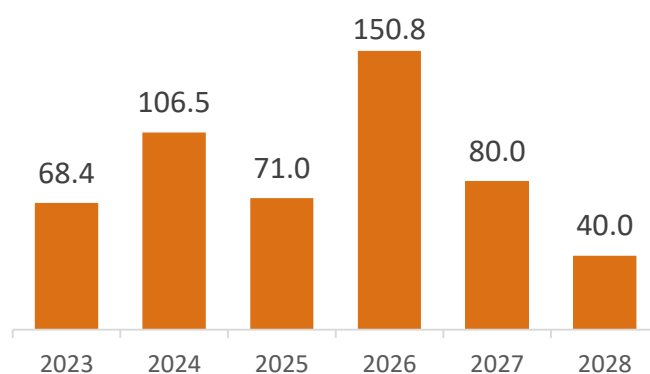
Debt by Index

(R\$ million)

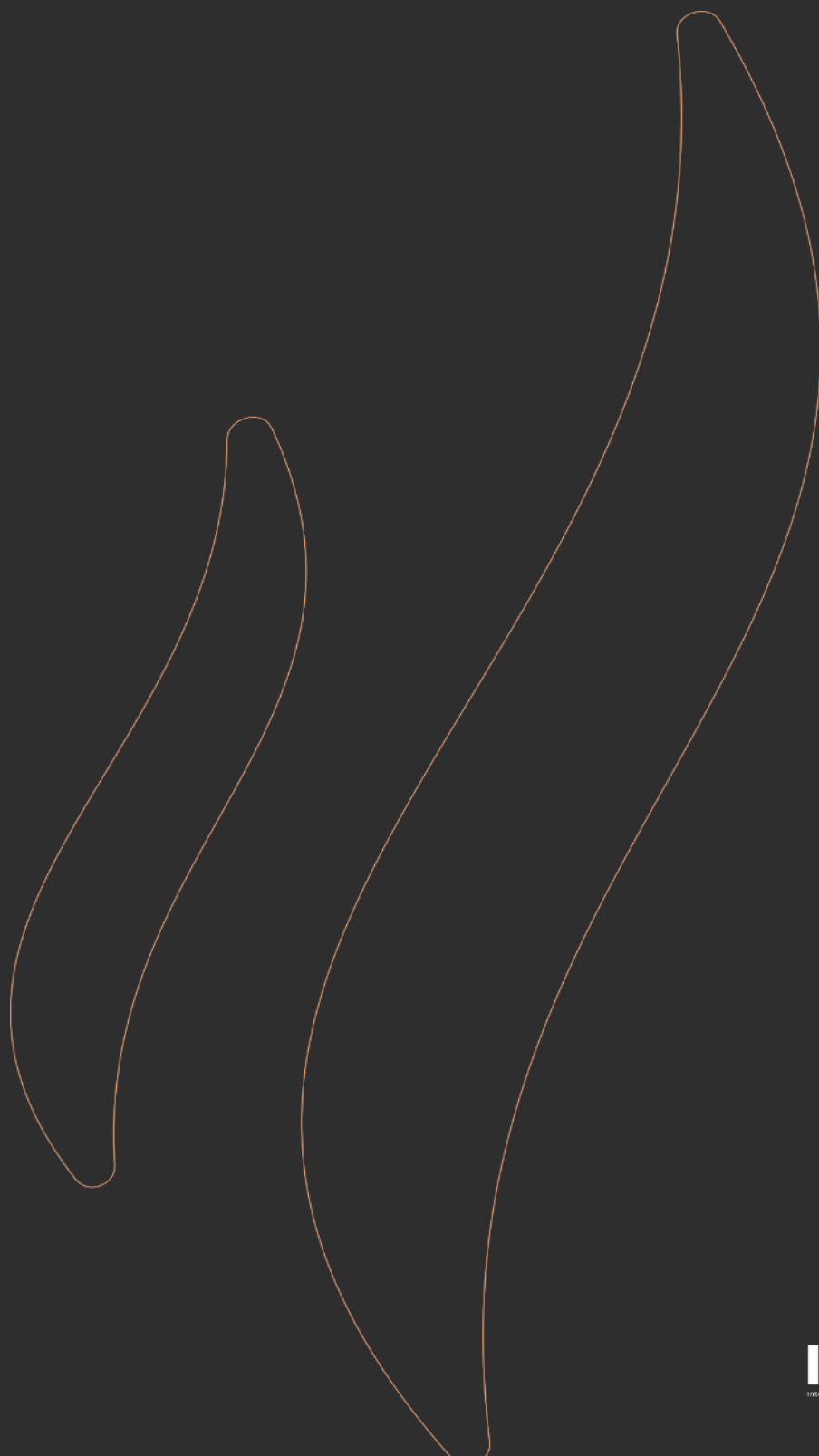
Instrument	Index	Debt in March/2023
MEAL21 Debenture	CDI + 5.30% a.a.	140.9
4131	CDI + 3.35% a.a.	55.9
Nota Comercial	CDI + 2.7% a.a.	50.2
4131	CDI + 2.74% a.a.	43.2
MEAL13 Debenture	CDI + 3.60% a.a.	200.9
Working Capital	3.05% a.a.	25.5
Total (R\$):		516.7

Amortization Schedule

(R\$ million)



Exhibits



CONSOLIDATED INCOME STATEMENT:

(R\$ thousand)	1Q23	1Q22	YoY
NET REVENUE	529,977	454,412	16.6%
COST OF SALES AND SERVICES	(374,637)	(347,142)	7.9%
GROSS PROFIT	155,340	107,270	44.8%
	29.3%	23.6%	5.7 p.p.
OPERATING INCOME (EXPENSES)			
Sales, general and administrative expenses	(180,420)	(142,924)	26.2%
Sales and operational expenses	(135,615)	(105,917)	28.0%
General and administrative expenses	(48,731)	(34,183)	42.6%
Expense/reversal with estimated credit loss	3,925	(2,824)	-239.0%
Equity income	2,116	3,415	-38.1%
Other operating expenses	11,354	10,818	na
)	(11,611)	(21,421)	na
Net financial expenses	(37,389)	(23,761)	57.4%
EARNINGS BEFORE TAXES	(49,000)	(45,182)	na
Income Taxes	(8,260)	(4,389)	na
NET PROFIT (LOSS) CONTINUED OPERATIONS	(57,260)	(49,571)	na
Net Margin	-10.8%	-10.9%	0.1 p.p.
Profit (Loss) Discontinued Operations	0	8,838	na
NET PROFIT (LOSS)	(57,260)	(40,733)	na
Net Margin	-10.8%	-9.0%	-1.8 p.p.

CONSOLIDATED BALANCE SHEET:

(R\$ thousand)	1Q23	1Q22
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	180,733	412,277
Financial Investments	7,603	-
Accounts receivable	101,398	80,140
Inventories	59,996	49,748
Other current assets	114,837	48,743
Total current assets	464,567	590,908
NONCURRENT ASSETS		
Financial investments	17,174	5,634
Deferred income taxes	81,796	106,843
Other noncurrent assets	87,405	98,100
Property and equipment	468,505	417,866
Intangible	995,683	1,008,262
Property Use Right Asset	573,049	517,899
Total noncurrent assets	2,223,612	2,154,604
TOTAL ASSETS	2,688,179	2,745,512
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Trade accounts payable	183,863	200,655
Loans, financing and acquisitions' payables	113,680	81,521
Salaries and social charges	83,604	62,246
Lease Liabilities	89,809	78,701
Other current liabilities	86,147	52,179
Total current liabilities	557,102	475,302
NONCURRENT LIABILITIES		
Loans, financing and acquisitions' payables	391,976	626,304
Provision for labor, civil and tax disputes	104,842	92,646
Deferred income tax and social contribution LP	35,731	40,109
Lease Liabilities	519,284	470,813
Other noncurrent liabilities	17,272	18,841
Total noncurrent liabilities	1,069,106	1,248,713
EQUITY		
Capital	1,154,462	1,154,358
Capital Reserves	349,993	349,993
Reserve for stock option plan	40,029	38,276
Treasury	(5,551)	(5,551)
Accumulated losses	(545,646)	(601,788)
Other comprehensive income	68,684	86,209
Total equity	1,061,971	1,021,497
TOTAL LIABILITIES AND EQUITY	2,688,179	2,745,512

CASH FLOW:

(R\$ thousand)	1Q23	1Q22	YoY
CASH FLOW FROM OPERATING ACTIVITIES			
Loss of continuing operations	(57,260)	(49,571)	15.5%
Profit from discontinued operations	0	8,838	n/a
Loss for the quarter	(57,260)	(40,733)	40.6%
Depreciation and amortization	25,049	25,407	-1.4%
Depreciation of use right	34,135	18,205	87.5%
Impairment of intangible assets (provision)	(355)	-	0.0%
Retirement of fixed and intangible assets	3,154	14,245	-77.9%
Investment amortization	-	677	n/a
Equity income result	(2,116)	(3,415)	-38.0%
Provision for labor, civil and tax disputes	1,030	2,643	-61.0%
Income taxes	8,260	4,389	88.2%
Interest expenses / acquisition	24,840	18,891	31.5%
Interest on company acquisition and rights over point of sales	9,118	2,185	317.3%
Effect of exchange rate changes	982	64	1435.1%
Deferred Revenue, Rebates	(821)	(326)	151.8%
Expenses in payments to employees based in stock plan	(751)	1,585	-147.4%
Others	(12,955)	(2,781)	365.9%
Changes in operating assets and liabilities	28,524	(17,876)	n/a
Cash generated from operations	60,834	23,160	162.7%
Income tax paid	(544)	(6,474)	-91.6%
Income tax paid	(9,118)	(761)	1098.2%
Interest paid	(42,770)	(7,286)	487.0%
	-	10,357	0.0%
Net cash generated by (used in) operating activities	8,402	18,996	-55.8%
CASH FLOW FROM INVESTING ACTIVITIES			
Payment of business acquisitions made in prior years	101,367	0	0.0%
Additions to intangible assets	(37,866)	(16,802)	125.4%
Cash from investment from discontinued op.	0	(42)	-100.0%
Net cash used in investing activities from continued operations	63,501	(16,844)	-477.0%
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend Payments	(3,504)	-	n/a
Shares in Treasury	(34,980)	(1,429)	n/a
New loans	242,400	75,000	223.2%
Payment of loans	(378,612)	(71,625)	428.6%
Net cash from discontinued op.	-	(4,065)	n/a
Net cash used in financing activities	(174,696)	(2,119)	8144.7%
EFFECT OF EXCHANGE RATE VARIATIONS	(1,729)	(49,036)	-96.5%
NET INCREASE (DECREASE) FOR THE PERIOD	(104,522)	(49,003)	113.3%
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	285,255	461,280	-38.2%
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	180,733	412,277	-56.2%

A woman with long blonde hair is smiling and looking down at a slice of pizza she is holding with a fork. She has red nail polish. In the foreground, there is a large pepperoni pizza on a metal tray. In the background, there is a blurred restaurant setting with warm lighting and some orange wavy lines in the upper right corner.

Thank you!