



3Q21 RESULTS

With same-store sales 12% above pre-pandemic levels, IMC records the highest revenue in its history

São Paulo, November 11, 2021 - 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 third quarter of 2021 (3Q21). 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

- **Net Revenue of R\$540.4M**, growth of **+80.9%** vs. 3Q20 and **27.2%** vs. 3Q19, with emphasis on all operations in Brazil
- **Consolidated Same-Store Sales (SSS) of +74.8%** vs. 3Q20 and **+11.7%** vs. 3Q19 (in reais), highlighting KFC with SSS of **+122.9%** vs. 3Q20 and **+5.8%** vs. 3Q19
- **515 stores**, expansion of 25 units vs. 3Q20 increasing our focus on strategic brands
- **Adjusted EBITDA of R\$77.9MM**, growth of **+83.0%** vs. 3Q20 and reaching an EBITDA margin of 14.4%
- **Free Cash Generation of +R\$14.4MM**, driven by better operational performance
- **Net debt of R\$172.4MM**, with a leverage ratio of 1.9x LTM EBITDA vs. Covenants of 7.5x



PORTUGUESE CONFERENCE CALL WITH SIMULTANEOUS TRANSLATION

11/12/2021 11:30 am (Brasília) / 09:30 am (US EST)

Webcast: [clique aqui](#)

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MESSAGE FROM MANAGEMENT

This quarter, IMC recorded the best sales result in its history. In an environment with lower level of restrictions we saw our operations grow continuously throughout the quarter, taking the first steps in the iMC transformation journey, which is based on four pillars: Operational Excellence, Expansion of focus brands, Digitization of our business and Financial Discipline.

Since 2Q21 we have been able to observe a recovery in all segments in Brazil and consistent evolution in the results of international operations. Our total revenue grew 81% mainly due to the recovery of Sales in the Same Stores in Roast Chicken, KFC, USA and Panama.

In our operational efficiency front, we have worked to extract synergies between brands and improve the profitability of operations. Our Central Kitchen had a 40% increase in production during the third quarter of 2021, being responsible for supplying 65% of the non-industrialized products of roast chicken operations. Additionally, we have seen the profitability of our stores increase across all brands.

We have intensified the opening of new stores in Brazil, expanding the presence and density in strategic regions and seeking a balance between growth and profitability. The KFC brand gained 10 new stores and reached 114 units in Brazil, and added 1 unit of Pizza Hut, reaching 230 units at the end of the quarter.

Sales via digital channels reached R\$ 96 million vs. R\$ 84 million in 3Q20, especially the Pizza Hut and KFC brands in which sales share through these channels exceeds 30% of revenues. Despite this evolution we still have many opportunities with the development of our own platforms for our brands, implementation of totems and loyalty programs. Our digital transformation agenda is moving towards seeking a unique experience from our consumers at all touchpoints of our brands, being one of our investment priorities for the coming quarters.

We have made significant progress in our financial discipline. Adjusted EBITDA was R\$77.9 million, up 83% vs. the same period in 2020, and we had a free cash generation of R\$14.4 million in the quarter. We prioritize the management of our liquidity, allowing investment in operations with higher return and optimizing costs. We ended the quarter with a Net Debt/EBITDA ratio of 1.9x, a level well below that required by covenants for this quarter and even below the target imposed for the first quarter of 2022. Our expectation is to keep debt levels below 3.0x.

We were excited about the third quarter result, but we are aware of the challenges ahead and that our journey of transformation is just beginning. We remain confident that we will get there with the strength of the brands of our portfolio, with a focused team and a culture of owner and focused on results.

Management

CONSOLIDATED HIGHLIGHTS

(in R\$ million)	3Q21	3Q20	YoY	09M21	09M20	YoY
Net Revenue	540.4	298.7	80.9%	1,307.7	815.9	60.3%
Same Store Sales	74.8%	-36.1%	+11090bps	61.0%	-37.8%	+9880bps
Gross Profit	185.5	90.8	104.4%	421.1	187.2	124.9%
Gross Margin	34.3%	30.4%	+395bps	32.2%	22.9%	+926bps
Adjusted EBITDA	77.9	42.5	83.5%	165.7	35.2	371.2%
Aj. EBITDA Margin (%)	14.4%	14.2%	+17bps	12.7%	4.3%	+836bps
Free Cash Flow	14.4	(9.5)	na	33.8	(124.1)	na
Net Debt/EBITDA LTM ¹	1,9X	- ²	na	1,9X	- ²	na

¹EX-IFRS16 | Covenants methodology ²Negative EBITDA in 3Q20, preventing comparison

SALES HIGHLIGHTS

(in R\$ million)	3Q21	3Q20	YoY	09M21	09M20	YoY
Net Revenue	540.4	298.7	80.9%	1,307.7	815.9	60.3%
Brazil	266.7	161.2	65.4%	677.4	503.1	34.6%
<i>Frango Assado</i>	<i>140.7</i>	<i>102.2</i>	<i>37.7%</i>	<i>378.2</i>	<i>280.0</i>	<i>35.1%</i>
<i>Air</i>	<i>26.7</i>	<i>8.5</i>	<i>212.8%</i>	<i>61.9</i>	<i>57.4</i>	<i>7.8%</i>
<i>PH, KFC e Others</i>	<i>99.3</i>	<i>50.5</i>	<i>96.7%</i>	<i>237.3</i>	<i>165.6</i>	<i>43.3%</i>
USA	229.4	130.8	75.4%	521.1	259.5	100.8%
Carribean	44.3	6.8	547.5%	109.2	53.4	104.5%

OPERATING RESULTS - EBITDA

(in R\$ million)	3Q21	3Q20	YoY	09M21	09M20	YoY
Adjusted EBITDA	77.9	42.5	83.0%	165.7	35.2	323.2%
Brazil	11.1	3.4	230.6%	5.0	(28.4)	na
<i>Frango Assado</i>	<i>12.5</i>	<i>14.0</i>	<i>(10.6%)</i>	<i>26.0</i>	<i>17.5</i>	<i>48.9%</i>
<i>Air</i>	<i>7.8</i>	<i>1.0</i>	<i>679.2%</i>	<i>13.8</i>	<i>3.4</i>	<i>308.1%</i>
<i>PH, KFC e Others</i>	<i>13.5</i>	<i>(0.7)</i>	<i>na</i>	<i>14.5</i>	<i>(2.4)</i>	<i>na</i>
SG&A	<i>(22.7)</i>	<i>(10.9)</i>	<i>107.5%</i>	<i>(49.3)</i>	<i>(46.8)</i>	<i>5.2%</i>
USA	51.0	40.0	27.5%	126.9	53.5	137.3%
Carribean	15.8	(0.8)	na	33.8	10.5	223.2%

COMMENTS ON IMC'S PERFORMANCE

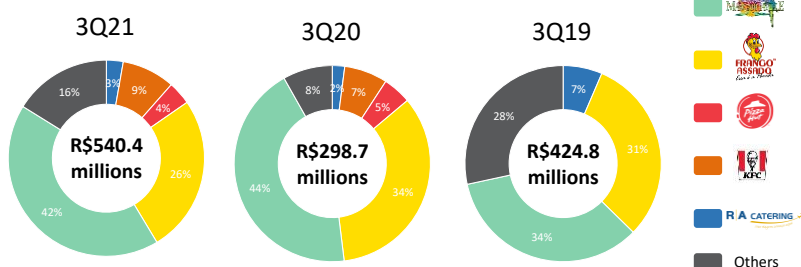
The company's consolidated net revenue in 3Q21 was R\$540.4 million, up 80.9% over 3Q20 and an increase of 27.2% vs. 3Q19. This result has been driven by the recovery of sales to pre-pandemic levels, especially with more normalized store operations, increased flow of people in shopping malls, general commerce and price adjustments to minimize the impact of inflation on our ingredients. Consolidated same-store growth was 74.8% vs. 3Q20 and 11.7% vs. 3Q19.

In Brazil, revenue for the quarter was R\$266.7 million, up 65.4% vs. 3Q20 and an increase of R\$105.5 million in the group's revenues, with emphasis on the recovery of KFC and the operations of Frango Assado's restaurant, that went up by 123.2% and 39.8% above 2020, respectively. Same-Store Sales in Brazil grew by 68.1% over 3Q20 and reduced by 3.8% from 2019, representing a notable evolution. Additionally, SSS grew by 13.3 p.p. over the previous period, reflecting the improved customer flow across our brands.

In the U.S., revenue was R\$229.4 million, up 75.4% over 3Q20 (80.6% in local currency), an increase of R\$98.6 million in the group's revenue. Compared to 3Q19, growth was 57.5% in reais and 19.0% in local currency. Same-Store Sales grew by +59.3% and by 39.7% compared to 3Q20 and 3Q19, respectively (63.3% vs. 3Q20 and 5.6% vs. 3Q19 in local currency). This result was driven by seasonality, the growth of domestic tourism in the U.S. and increased sales in new units.

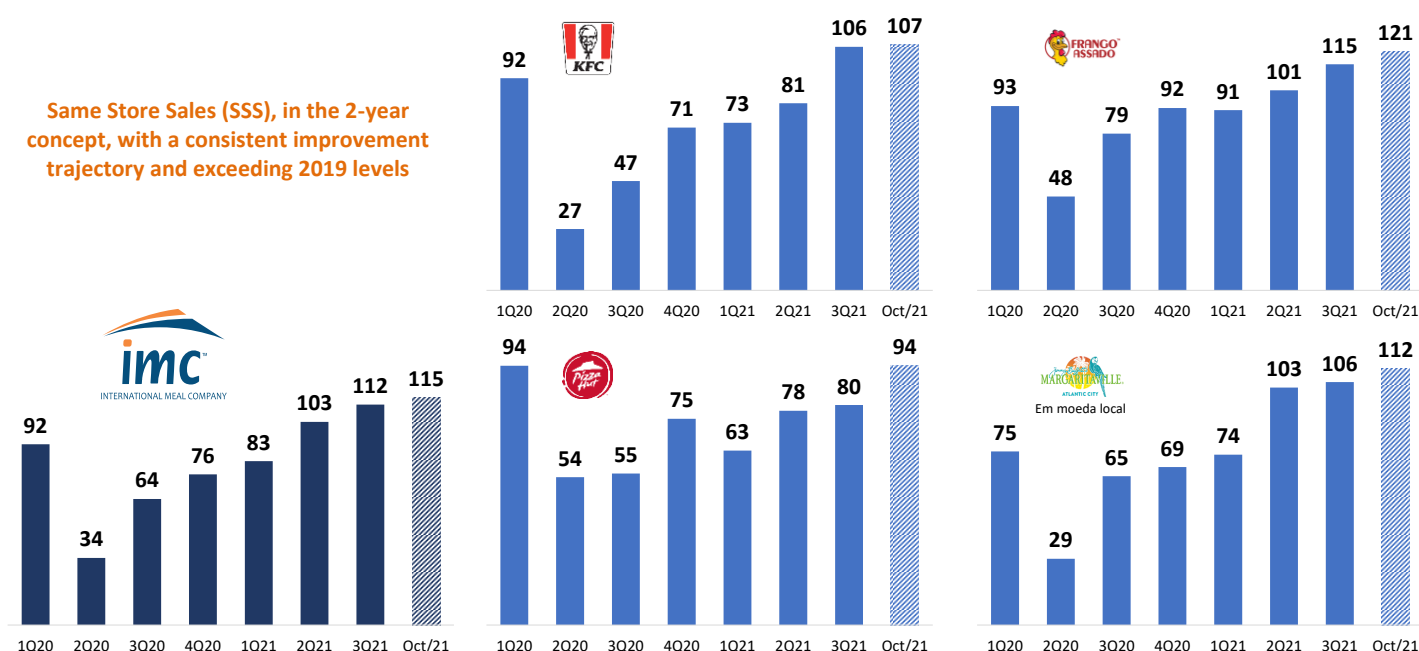
The Caribbean recorded growth of 547.5% compared to 3Q20, driven by the recovered flow at airports, resulting in a drop in sales of only 6.4% compared to 3Q19. Same-Store Sales grew +523.7% and declined 1.3% vs. 3Q20 and 3Q19, respectively (540.1% vs. 3Q20 and -21.1% vs. 3Q19 in local currency).

Sales Representativeness by Brand



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

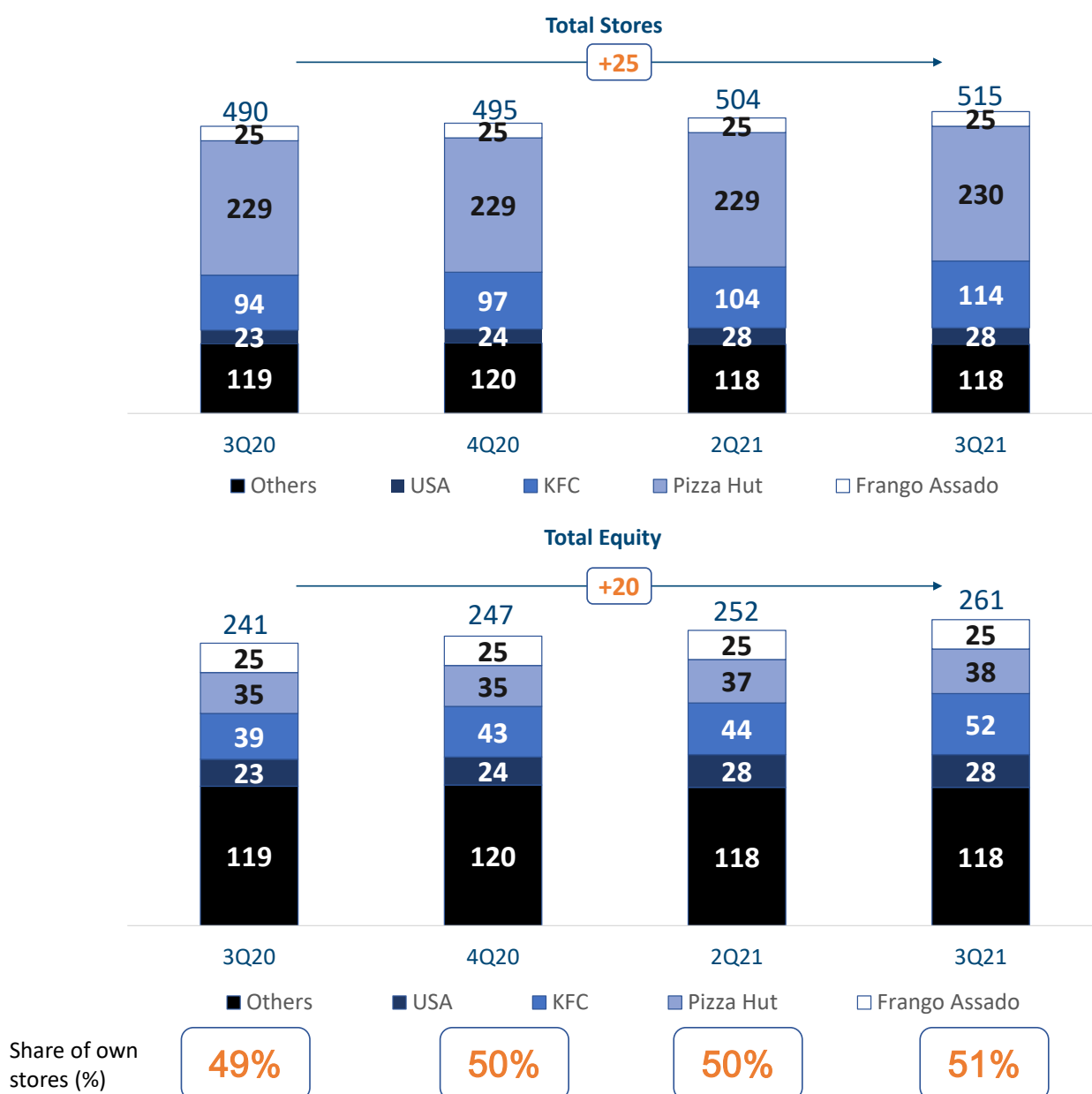
Same Store Sales (SSS), in the 2-year concept, with a consistent improvement trajectory and exceeding 2019 levels



EVOLUTION OF THE NUMBER OF STORES

IMC has a network of 515 stores, including own stores and franchises in Brazil and abroad. In line with the strategy of expanding the company's main brands, we opened 11 stores in the quarter, 9 of which are owned units and 2 are franchised units of the KFC and Pizza Hut.

The company continues to advance in the expansion cycle of its networks, aiming to increase presence and density in regions, leveraging volumes and generating synergies of results. The focus followed a strategy of implementation of own stores seeking balance in the proportion of the system. In 4Q21, the expectation is for opening 30 to 40 units between KFC, Pizza Hut, Frango Assado and Margaritaville.



RESULTS OF BRAZILIAN OPERATIONS – FRANGO ASSADO



Frango Assado's revenue was R\$140.7 million in the quarter, an increase of 37.7% vs. 3Q20. It is worth pointing out the higher revenue from restaurants, given the increase in high value-added offers, such as buffets, and the increased flow of travelers on the highways. Same-store sales from restaurants rebounded consistently throughout the quarter, recording an increase of 17.9 p.p. In October, restaurant operations followed a positive trend, surpassing pre-pandemic levels for the first time.

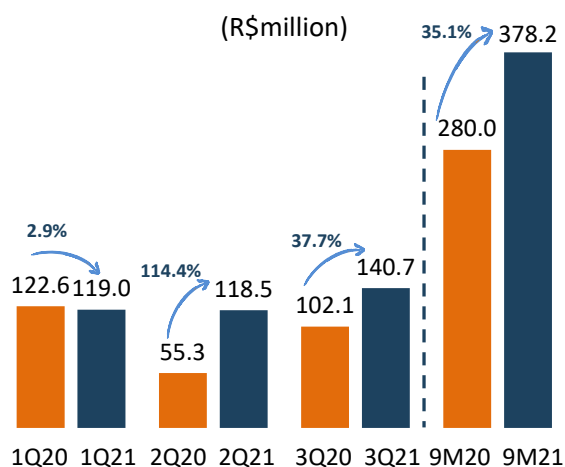
Light vehicle traffic on the São Paulo highways improved 12.1% compared to the same period of last year and 16.4% vs. the previous quarter, according to ABCR data. Additionally, several commercial actions were carried out to improve the profitable mix of gas stations in the quarter.

The Operating Result was R\$12.5 million down 10.6% vs. 3Q20. It is important to highlight that in 3Q20 there was a tax credit of R\$3.4 million positively impacting the result. Excluding this effect, operating income for the quarter grew 18%. Additionally, we were able to mitigate some cost lines by better managing the restaurant operation.

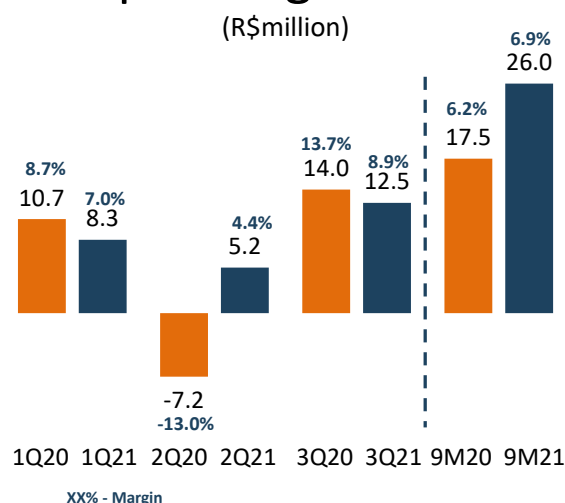
As priorities, we highlight the improvement of menu, image review and focus on accelerating the growth of the network in strategic locations. At the beginning of November, a new unit was opened in Guará, in the interior of São Paulo, resuming investments in the brand after 8 years without openings.

(in R\$ million)	3Q21	3Q20	YoY	09M21	09M20	A/A
Net Revenues	140.7	102.2	37.7%	378.2	280.0	35.1%
Restaurants & Others	53.0	37.9	39.8%	135.9	116.5	16.6%
Gas Stations	87.7	64.3	36.4%	242.3	163.5	48.2%
COGS	(123.0)	(86.3)	42.5%	(340.2)	(256.4)	32.7%
Gross Profit	17.7	15.8	11.7%	38.0	23.6	61.0%
Gross Profit	12.6%	15.5%	-292bps	10.1%	8.4%	+162bps
Operating Expenses	(11.8)	(9.1)	29.5%	(32.2)	(27.7)	16.2%
Store Pre-Openings	(0.1)	0.0	-	(0.5)	(0.1)	695.9%
EBIT	5.8	6.7	(13.2%)	5.4	(4.1)	(231.8%)
(+) Depreciation & Amortization	6.6	7.3	(9.0%)	20.1	21.5	(6.4%)
(+) Store Pre-Openings	0.1	0.0	-	0.5	0.1	695.9%
Adjusted Operating Income	12.5	14.0	(10.6%)	26.0	17.5	48.9%
Adjusted Operating Margin	8.9%	13.7%	-481bps	6.9%	6.2%	+64bps

Net Revenue



Operating Results



RESULTS OF BRAZILIAN OPERATIONS – CATERING AND AIR RETAIL



Revenue from the Airports segment in Brazil closed the quarter at R\$26.7 million, up 212.8% over 3Q20, despite the restricted food service during flights, having an impact on the Catering division. It is worth highlighting the positive trend seen throughout the quarter, in addition to the expected continuous improvement in this segment, together with the easing of social distancing rules.

Same-Store Sales in the segment posted a consistent recovery over the quarter, improving 18.3 p.p. compared to the last quarter.

According to data from ANAC, the number of passengers at the airports in which we operate grew by 142.8% compared to the same period of the previous year and by 58.9% compared to the previous quarter.

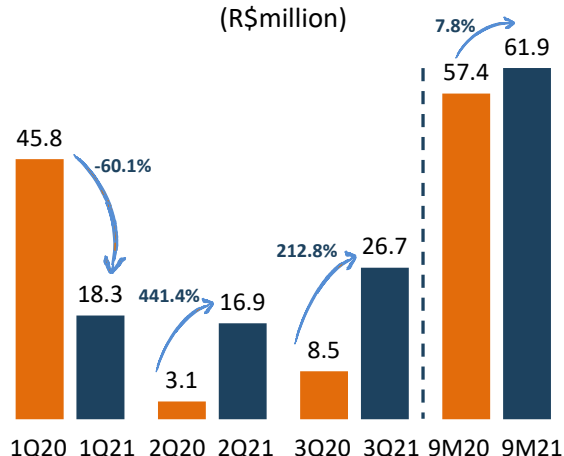
Adjusted Operating Results of the segment were R\$7.8 million, an improvement of 679.2% compared to 3Q20, and a margin of 29.4%. This result was driven by sales growth aligned with the labor management in the operation, and consequent operational leverage.

It is worth reiterating that the outlook for this segment is positive and encouraging as we observe the resumption of flights to countries that were with travel restrictions during the pandemic, and that are met by our Catering operation.

(in R\$ million)	3Q21	3Q20	YoY	09M21	09M20	A/A
Net Revenues	26.7	8.5	212.8%	61.9	57.4	7.8%
COGS	(17.1)	(7.5)	128.9%	(44.7)	(48.3)	(7.5%)
Gross Profit	9.6	1.1	791.6%	17.2	9.1	88.3%
Gross Profit	36.1%	12.7%	+2341bps	27.8%	15.9%	+1190bps
Operating Expenses	(11.2)	(9.7)	15.6%	(32.5)	(40.3)	(19.4%)
Store Pre-Openings	0.0	0.0	0.0%	(0.0)	(0.0)	0.0%
EBIT	(1.6)	(8.6)	(81.7%)	(15.3)	(31.1)	(50.9%)
(+) Depreciation & Amortization	9.4	9.6	(2.1%)	29.0	34.5	(15.8%)
(+) Store Pre-Openings	0.0	0.0	0.0%	0.0	0.0	0.0%
Adjusted Operating Income	7.8	1.0	679.2%	13.8	3.4	307.5%
Adjusted Operating Margin	29.4%	11.8%	+1759bps	22.3%	5.9%	+1641bps

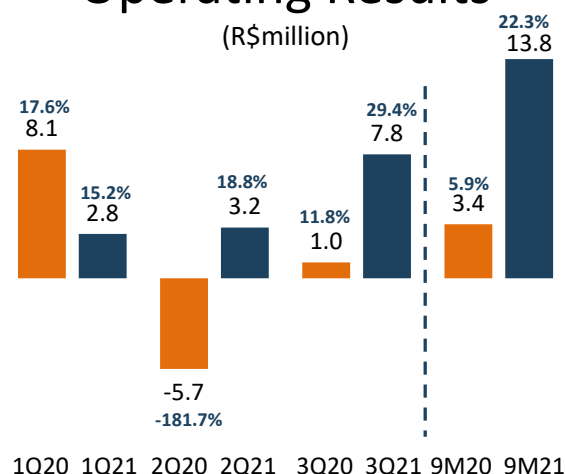
Net Revenue

(R\$million)



Operating Results

(R\$million)



XX% - Margin

RESULTS OF BRAZILIAN OPERATIONS – Pizza Hut, KFC and Other³



A Consolidated revenue of the Pizza Hut, KFC and Other in 3Q21 was R\$99.3 million, up 96.7% over 3Q20. The Pizza Hut and KFC brands grew by 100.4% in the same period, mainly due to the reopening of shopping malls and the consequent increase in the flow of stores.

The highlight of the quarter was KFC's operations, which already have same-store sales higher than 2019 (+5.8%) for the first time, mainly due to the growth of digital channels and the Kentucky Chicken Sandwich.

It is also worth highlighting our focus on commercial actions and campaigns during commemorative days, in addition to innovative menus and exclusive customer coupons issued by the proprietary CRM system. KFC's total active CRM base increased by 30% over 2020.

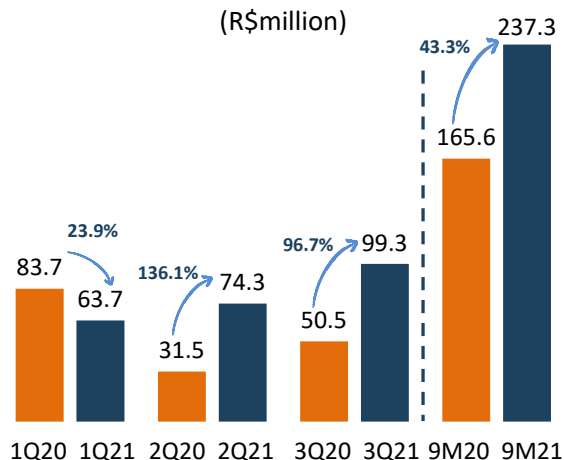
The segment's stores totaled 394, an increase of 11 units in the reported quarter.

Adjusted Operating Results reached R\$13.5 million, an important reversal of negative results in 3Q20, and a margin of 13.6%. This result was driven by sales growth in conjunction with the management of manpower in the operation, and consequent operational leverage.

(in R\$ million)	3Q21	3Q20	YoY	09M21	09M20	A/A
Net Revenues	99.3	50.5	96.7%	237.3	165.6	43.3%
Pizza Hut and KFC	68.0	33.9	100.4%	163.1	102.9	na
Others	31.3	16.5	89.0%	74.2	62.7	18.2%
COGS	(66.5)	(41.4)	60.7%	(169.4)	(141.8)	19.4%
Gross Profit	32.8	9.1	259.9%	67.9	23.8	185.2%
Gross Profit	33.0%	18.1%	+1498bps	28.6%	14.4%	+1425bps
Operating Expenses	(25.9)	(16.9)	53.6%	(74.2)	(50.7)	46.3%
Store Pre-Openings	(3.4)	(0.5)	(142.8%)	(4.8)	(4.2)	0.0%
EBIT	3.5	(8.2)	(42.8%)	(11.1)	(31.0)	35.7%
(+) Depreciation & Amortization	6.6	7.1	(6.6%)	20.7	24.5	(15.5%)
(+) Store Pre-Openings	3.4	0.5	(965.7%)	4.8	4.2	(248.0%)
Adjusted Operating Income	13.5	(0.7)	na	14.5	(2.4)	(708.0%)
Adjusted Operating Margin	13.6%	-1.4%	na	6.1%	-1.4%	+753bps

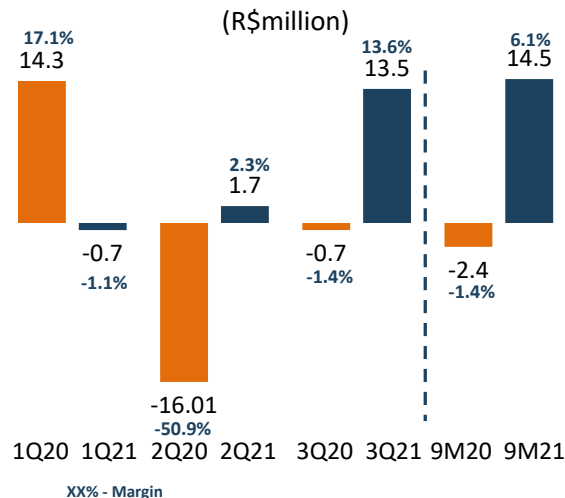
Net Revenue

(R\$million)



Operating Results

(R\$million)



RESULTS OF THE U.S. OPERATIONS



Revenue from U.S. operations (in local currency) was US\$44.0 million, up 80.6% over 3Q20. The U.S. market has been showing continuous improvement in activity levels, supported by the region's positive seasonality and the growth of tourism in the country.

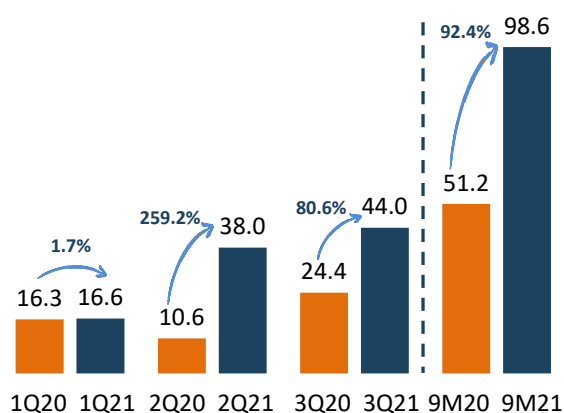
Adjusted EBITDA for the operation was US\$9.8 million in 3Q21, up 31.6% over 3Q20. It is worth noting that in the period between 3Q20 and 2Q21, U.S. operations benefited from the support of the PPP "Paycheck Protection Program", a Program of the U.S. government that benefits the payment of employees and rent during the pandemic period. During 3Q21 there was no impact of this benefit. The value of the benefit was US\$ 11.7 million and impacted 2Q20 (US\$ 6.2 million) and 3Q20 (US\$ 4.5 million).

In the last 12 months, we opened 5 new units, closing the quarter with 28 restaurants. It was opened 3 units in NY, a city welcoming a high number of tourists in the U.S and another unit is planned in Miami in 2021.

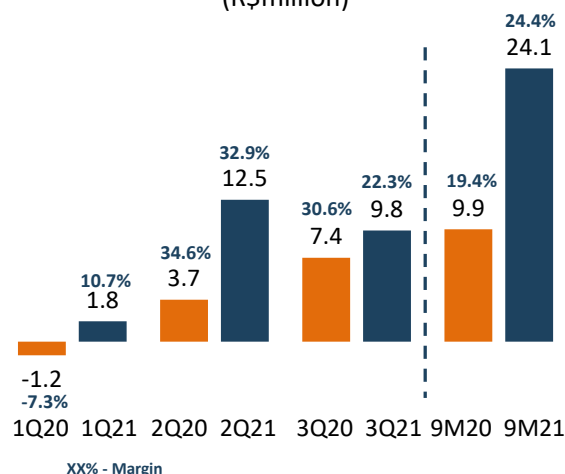
It is noteworthy that the U.S. operation continues to show consistent results and we continue to focus on boosting the business in a period of low seasonality.

(in US\$ million)	3Q21	3Q20	YoY	09M21	09M20	A/A
Net Revenues	44.0	24.4	80.6%	98.6	51.2	92.4%
COGS	(24.9)	(12.4)	100.3%	(53.7)	(29.4)	82.7%
Gross Profit	19.1	11.9	60.4%	45.2	21.9	106.5%
Gross Profit	43.4%	48.9%	-556bps	45.9%	42.7%	+313bps
Operating Expenses	(12.5)	(6.7)	86.1%	(30.3)	(18.7)	58.0%
(+) Depreciation & Amortization	3.3	2.3	0.0%	8.5	6.7	0.0%
Store Pre-Openings	(0.1)	(0.1)	26.6%	(1.3)	(0.2)	377.5%
EBITDA	9.7	7.4	31.4%	22.8	9.7	134.3%
(+) Store Pre-Openings	0.1	0.1	42.1%	1.3	0.2	25.9%
Adjusted EBITDA	9.8	7.4	31.6%	24.1	9.9	143.0%
Adjusted EBITDA Margin (%)	22.3%	30.6%	-83bps	24.4%	19.4%	+51bps

Net Revenue (R\$million)



Operating Results (R\$million)



RESULTS OF THE CARIBBEAN OPERATIONS



The Caribbean operation ended the quarter with revenue of R\$44.3 million vs. R\$6.8 million in 3Q20, a growth of 547.5%.

Despite the continuous improvement in the flow of passengers at airports, the operation continues to be impacted by the restriction of on-board food in the Catering segment in Colombia. In operations at panama's airport, the result was positively impacted by the resumption of passenger flow, which increased 53 times compared to 3Q20, according to the airport's own data.

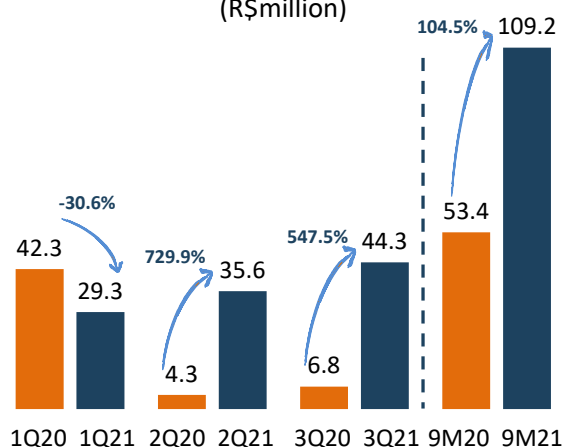
The region remains with 46 units ranging between Catering and Food Retail.

Caribbean Adjusted EBITDA reached R\$15.8 million with a margin of 35.6%, resulting from the resumption of revenues, expense management and consequent operational leverage.

R\$ million	3Q21	3Q20	YoY	09M21	09M20	A/A
Net Revenues	44.3	6.8	547.5%	109.2	53.4	104.5%
COGS	(18.6)	(5.9)	212.1%	(49.8)	(31.1)	60.2%
Gross Profit	25.8	0.9	2759.4%	59.4	22.3	166.2%
Gross Profit	58.1%	13.2%	+5bps	54.4%	41.8%	+2bps
Operating Expenses	(16.6)	(8.9)	87.1%	(46.2)	(32.5)	42.2%
(+) Depreciation & Amortization	6.6	7.2	47.3%	20.6	20.6	18.5%
Store Pre-Openings	0.0	(0.0)	(145.5%)	0.0	(0.1)	(111.5%)
EBITDA	15.8	(0.8)	(1996.9%)	33.9	10.4	225.4%
(+) Store Pre-Openings	(0.0)	0.0	145.5%	(0.0)	0.1	111.5%
Adjusted EBITDA	15.8	(0.8)	(2037.4%)	33.8	10.5	223.2%
Adjusted EBITDA Margin (%)	35.6%	-11.9%	+4743bps	31.0%	19.6%	+1138bps

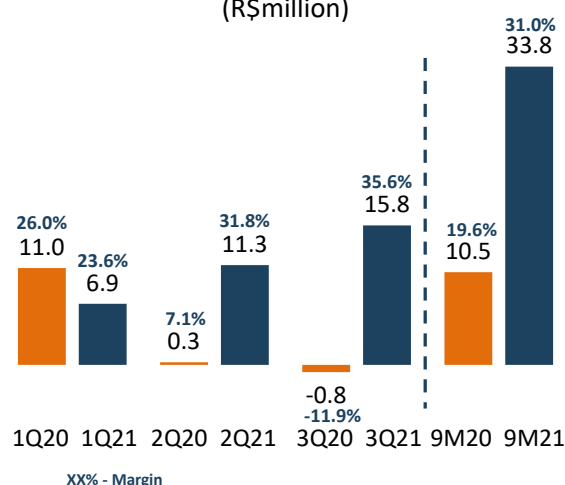
Net Revenue

(R\$million)



Operating Results

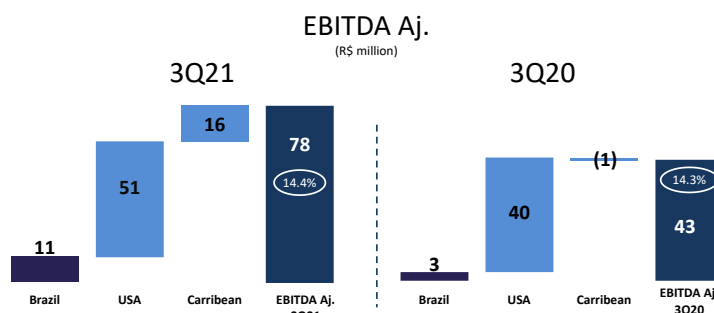
(R\$million)



FINANCIAL PERFORMANCE

Adjusted EBITDA was R\$77.9 million, up 83.0% over 3Q20, and the margin expanded 17 bps, to 14.4%. This result was influenced by the group's higher revenue and improved operating margin of the brands and segments. Excluding the effects of IFRS-16, which mainly have an impact on rental expenses, consolidated EBITDA ex-IFRS16 would have been R\$54.8 million.

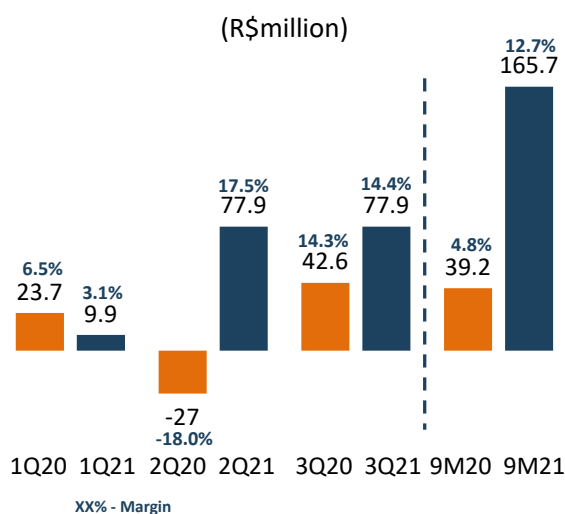
Adjusted EBITDA in Brazil was R\$11.1 million, a growth of 230.6% vs. 3Q20, influenced by higher revenues and improved operating margin, mainly from Pizza Hut, KFC and Frango Assado operations. It is worth noting that excluding the tax credit of R\$6.2 million in 3Q20, EBITDA growth was R\$13.9 million in the period. Adjusted EBITDA in the U.S. and the Caribbean was R\$51.0 and R\$15.8 million, respectively, influenced by the strategic position we operate and consequent sales growth aligned with efficient cost and expense management.



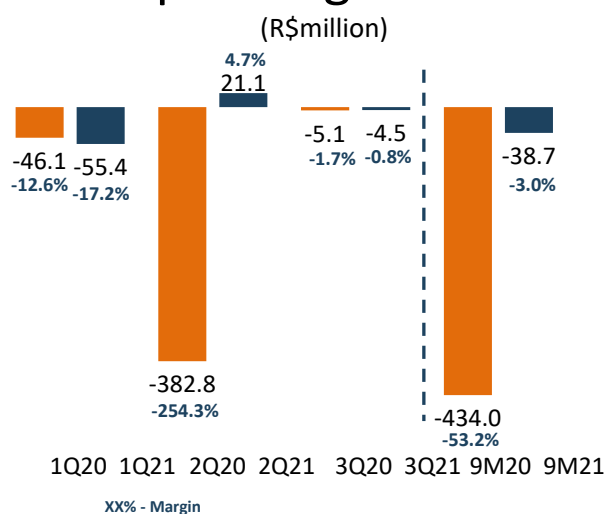
In the quarter, the company presented a net loss of R\$4.5 million vs. R\$5.1 million in 3Q20, as a result of the largest financial expense related to the increase in the interest rate, in addition to income tax related in U.S. operations.

(R\$ million)	3Q21	3Q20	YoY	09M21	09M20	YoY
NET INCOME (LOSS)	(4.5)	(5.1)	-11.9%	(38.7)	(434.0)	-91.1%
(+) Income Taxes	16.6	(13.3)	na	26.4	(118.5)	na
(+) Net Financial Result	15.8	10.5	50.5%	40.2	45.3	-11.4%
(+) D&A and Write-offs	45.3	42.5	6.6%	133.1	134.5	-1.1%
(+) Amortization of Investments in Joint Venture	0.7	0.8	-2.7%	2.3	0.8	197.7%
EBITDA	73.9	35.3	109.0%	163.2	(372.0)	na
(+) Impairment	0.0	0.0	-	0.0	327.4	-100%
(+) Special Items	(0.0)	6.3	na	(9.5)	78.5	na
(+) Pre-Opening Expenses	4.0	0.9	325%	12.0	5.2	130%
Adjusted EBITDA	77.9	42.6	83.0%	165.7	35.2	371.2%
<i>EBITDA / Net Revenues</i>	<i>13.7%</i>	<i>11.8%</i>	<i>+189bps</i>	<i>12.5%</i>	<i>-45.6%</i>	<i>+5,807bps</i>
<i>Adjusted EBITDA / Net Revenues</i>	<i>14.4%</i>	<i>14.2%</i>	<i>+17bps</i>	<i>12.7%</i>	<i>4.3%</i>	<i>+836bps</i>

Net Revenue



Operating Results



EBITDA RECONCILIATION

(in R\$ million)	3Q21	3Q20	YoY	09M21	09M20	YoY
Adjusted EBITDA	77.9	42.5	83.0%	165.7	35.2	323.2%
Adjustments	(4.0)	(7.2)	(44.3%)	(127.3)	(19.5)	553.4%
EBITDA	73.9	35.2	108.6%	163.2	(372.0)	na
IFRS16 effects	(19.1)	(15.1)	26.4%	(60.3)	343.3	na
EBITDA Ex-IFRS16	54.8	20.3	170.0%	102.9	(28.7)	na
(in R\$ million)	3Q21	3Q20	YoY	09M21	09M20	YoY
Ajusted EBITDA	77.9	42.5	83.5%	165.7	35.2	371.2%
Fiscal Credit	0.0	6.2	-	15.9	6.2	-
PPP	0.0	24.2	-	22.6	57.5	-
Aj. EBITDA Ex-Non-recurring	77.9	12.1	544.6%	127.3	(28.5)	na

INVESTMENT ACTIVITIES

In the quarter, the company invested R\$36.6 million, of which R\$19.8 million in expansion of new stores and R\$16.8 million in maintenance and renovations. The total realized by the company was 17.3% less than the last year, result of cash management, and is expected to intensify over the next quarter in line with the strategy expansion priorities.

CAPEX (em milhões de R\$)	3T21	3T20	A/A	09M21	09M20	A/A
Investimentos em Expansão	19.8	3.1	532.6%	41.1	35.5	15.7%
Investimentos em Manutenção, Reforma e Outros	16.8	10.8	55.5%	26.2	45.9	-42.9%
Total de Investimentos em Capex	36.6	13.9	163.0%	67.3	81.4	-17.3%

CASH GENERATION

Operating Cash Generation was R\$51.0 million, with Free Cash Generation was R\$14.4 million in the quarter versus an consumption of R\$ 9.5 million in 3Q20, mainly due to the improvement in the company's operating results and control of invested capital. It is worth highlighting the increase in working capital investment, since the company did not anticipate its receivables throughout the quarter.

R\$ million	3Q21	3Q20	09M21	09M20	YoY
Ajusted EBITDA	77.9	42.5	165.7	35.2	371.2%
(-) Income Taxes	(16.6)	13.3	(26.4)	118.5	-
(-) Resultado Financeiro	(15.8)	(10.5)	(40.2)	(45.3)	(11.4%)
(-) Net financial expenses	(4.0)	(0.9)	(12.0)	(5.2)	129.6%
(+/-) Non-Cahs	41.5	(14.5)	87.8	(133.8)	-
(+/-) Working Capital	(32.1)	(25.5)	(73.8)	(12.0)	515.1%
Net Operating Cash Flow	51.0	4.4	101.1	(42.7)	(336.9%)
(-) Capex	(36.6)	(13.9)	(67.3)	(81.4)	(17.3%)
Free Cash Flow	14.4	(9.5)	33.8	(124.1)	-

NET DEBT

The company ended 3Q21 with a cash position of R\$536.6 million and net debt of R\$172.4 million

The company's ex-IFRS leverage ratio to measure covenants was 1.9x compared to 7.5x required by the covenants.

R\$ million	3Q21	Total %	2Q21	Total %	3Q20	Total %
Short Term	40.2	6%	50.6	7%	59.9	10%
Long Term	668.8	94%	627.0	93%	511.5	90%
Total Debt	709.0	100%	677.6	100%	571.4	100%
(-) Cash	(536.6)	-	(523.8)	-	(532.8)	-
Net Debt	172.4	-	153.8	-	38.6	-

APPENDIX:

CONSOLIDATED INCOME STATEMENT:

(R\$ thousand)	3Q21	3Q20	YoY	09M21	09M20	YoY
NET REVENUE	540,402	298,669	80.9%	1,307,730	815,882	60.3%
COST OF SALES AND SERVICES	-354,893	-207,901	70.7%	-886,598	-628,641	41.0%
GROSS PROFIT	185,509	90,768	104.4%	421,132	187,241	124.9%
OPERATING INCOME (EXPENSES)						
Commercial and operating expenses	(93,471)	(50,201)	86.2%	(233,884)	(149,861)	56.1%
General and administrative expenses	(39,726)	(26,045)	52.5%	(108,960)	(90,892)	19.9%
Depreciation and amortization	(30,854)	(27,652)	11.6%	(88,598)	(89,413)	-0.9%
Impairment	0	0	-	0	(327,432)	-100.0%
Other income (expenses)	3,585	6,043	-40.7%	28,159	(30,808)	-191.4%
Equity income result	2,836	(815)	-448.0%	10,002	(6,020)	na
Net financial expenses	(15,769)	(10,477)	50.5%	(40,173)	(45,335)	-11.4%
EARNINGS BEFORE TAXES	12,110	(18,379)	-165.9%	(12,322)	(552,520)	-97.8%
Income Taxes	(16,560)	13,329	na	(26,426)	118,499	na
NET PROFIT (LOSS)	(4,450)	(5,050)	-11.9%	(38,748)	(434,021)	-91.1%

BALANCE SHEET:

(R\$ thousand)	3Q21	4Q20	3Q20	4Q19
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	536,569	537,581	200,445	332,806
Accounts receivable	99,106	35,380	45,097	62,905
Inventories	45,233	44,120	54,270	53,202
Other current assets	108,959	106,410	126,564	107,366
Total current assets	789,867	723,491	426,376	556,279
NONCURRENT ASSETS				
Deferred income taxes	105,834	134,072	97,835	17,509
Property and equipment	378,109	356,447	357,163	372,677
Intangible	1,042,769	1,085,858	1,112,263	1,300,340
Property Use Right Asset	577,382	399,058	389,518	385,042
Other noncurrent assets	82,156	54,052	48,319	53,803
Total noncurrent assets	2,186,250	2,029,487	2,005,098	2,129,371
TOTAL ASSETS	2,976,117	2,752,978	2,431,474	2,685,650
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Trade accounts payable	182,927	162,857	192,093	188,097
Loans and financing	40,195	70,093	82,933	89,596
Acquisitions payables	2,006	1,996		
Salaries and social charges	69,250	52,898	59,179	65,935
Lease Liabilities	69,772	54,177	105,968	92,060
Other current liabilities	71,573	57,055	89,365	59,274
Total current liabilities	435,723	399,076	529,538	494,962
NONCURRENT LIABILITIES				
Loans and financing	668,767	603,692	534,840	478,470
Acquisitions payables	7,720	7,598		35,164
Provision for labor, civil and tax disputes	82,637	85,654	79,152	84,680
Deferred income tax and social contribution LP	42,560	56,774	55,189	77,502
LP Lease Liabilities	505,668	374,272	310,732	309,162
Other noncurrent liabilities	74,991	44,512	45,380	60,604
Total noncurrent liabilities	1,382,343	1,172,502	1,025,293	1,045,582
EQUITY				
Capital and reserves	1,533,899	1,532,697	1,162,131	1,083,108
Accumulated losses	(519,354)	(480,606)	(435,999)	(7,028)
Other comprehensive income	143,506	129,309	150,511	69,026
Total equity	1,158,051	1,181,400	876,643	1,145,106
Non-Controlling Interest				
TOTAL LIABILITIES AND EQUITY	2,976,117	2,752,978	2,431,474	2,685,650

STATEMENT OF CASH FLOWS:

(R\$ thousand)	3Q21	3Q20	09M21	06M20
CASH FLOW FROM OPERATING ACTIVITIES				
Loss for the quarter	(4,450)	(5,050)	(38,748)	(434,021)
Depreciation and amortization	24,890	25,357	76,556	77,527
Depreciation of use right	20,437	(38,378)	56,500	0
Impairment of intangible assets (using)	8,449	0	0	(9,597)
Impairment of intangible assets (provision)	0	0	0	327,432
Investment amortization	745	766	2,280	2,180
Equity income result	(2,836)	(3,227)	(10,002)	3,840
Provision for labor, civil and tax disputes	1,497	1,958	8,587	3,518
Income taxes	16,560	(13,329)	26,426	(118,499)
Interest expenses	11,900	6,508	29,218	24,315
Interest on company acquisition and rights over point of sales	5,082	3,967	13,357	20,019
Effect of exchange rate changes	(801)	(706)	(985)	(642)
Disposal of property and equipment	63,028	5,315	13,171	20,752
Deferred Revenue, Rebates	4,108	(8,848)	3,656	(11,603)
Expenses in payments to employees based in stock plan	0	0	(15,558)	0
Others	(65,545)	55,536	10,435	64,085
Changes in operating assets and liabilities	(32,098)	(25,485)	(73,779)	(11,995)
Cash generated from operations	50,966	4,385	101,114	(42,689)
Income tax paid	833	221	4,568	(1,143)
Income tax paid	186	(388)	(1,030)	(9,644)
Interest paid	(1,802)	(1,018)	(2,229)	(15,646)
Net cash generated by (used in) operating activities	50,183	3,200	102,423	(69,122)
CASH FLOW FROM INVESTING ACTIVITIES				
Payment of business acquisitions made in prior years	4,381	(9,487)	0	(1,902)
Additions to intangible assets	(369)	(2,067)	(1,417)	(8,078)
Additions to property and equipment	(36,238)	(11,854)	(65,886)	(73,320)
Net cash used in investing activities from continued operations	(32,226)	(23,408)	(67,303)	(83,300)
Net cash used in investing activities from discontinued operations	-	-	-	-
Net cash used in investing activities	(32,226)	(23,408)	(67,303)	(83,300)
CASH FLOW FROM FINANCING ACTIVITIES				
Dividend Payments	(2,314)	(353)	(2,314)	(353)
Capital contributions from minority interest	1,536	322,859	0	370,258
Shares in Treasury	0	47,399	0	47,399
Shares in Treasury	(13,520)	(20,369)	(30,973)	(56,287)
	(4,351)	0	(4,351)	0
Payment of loans	(730)	(7,276)	(730)	(46,535)
Net cash used in financing activities	(19,379)	342,260	(38,368)	314,482
	14,162	3,737	2,236	37,918
NET INCREASE (DECREASE) FOR THE PERIOD	12,740	325,789	(1,012)	199,978
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	523,829	200,445	537,581	332,806
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	536,569	526,234	536,569	532,784

DETAILED 3Q21 RESULTS:

(in R\$ million)	3Q21	3Q20	YoY	09M21	09M20	YoY
Net Revenue	540.4	298.7	80.9%	1,307.7	815.9	60.3%
Restaurants & Others	452.7	234.5	93.0%	1,065.4	652.4	63.3%
Gas Stations	87.7	64.3	36.4%	242.3	163.5	48.2%
Brazil	266.7	161.2	65.4%	677.4	503.0	34.7%
US	229.4	130.8	75.4%	521.1	259.5	100.8%
Caribbean	44.3	6.8	547.5%	109.2	53.4	104.5%
Cost of Sales and Services	(354.9)	(207.9)	70.7%	(886.6)	(628.6)	41.0%
Direct Labor	(115.8)	(62.0)	86.7%	(275.3)	(201.9)	36.4%
Food	(114.9)	(59.2)	94.1%	(273.1)	(180.3)	51.5%
Others	(28.1)	(17.6)	59.1%	(72.9)	(54.2)	34.5%
Royalties Costs	(5.7)	(4.9)	17.6%	(12.7)	(14.1)	-9.7%
Fuel and Automotive Accessories	(76.0)	(49.3)	54.0%	(208.1)	(134.5)	54.7%
Depreciation & Amortization	(14.5)	(14.9)	-2.6%	(44.5)	(43.7)	1.8%
Gross Profit	185.5	90.8	104.4%	421.1	187.2	124.9%
<i>Gross Margin (%)</i>	<i>34.3%</i>	<i>30.4%</i>	<i>3.9p.p.</i>	<i>32.2%</i>	<i>22.9%</i>	<i>9.3p.p.</i>
Operating Expenses	(153.7)	(91.5)	67.9%	(390.7)	(287.4)	36.0%
Selling and Operating	(65.9)	(47.1)	39.8%	(172.3)	(123.3)	39.8%
Rents of Stores	(27.6)	(0.7)	3826.7%	(61.5)	(5.2)	1079.6%
Depreciation & Amortization	(30.9)	(27.7)	11.6%	(88.6)	(89.4)	-0.9%
J.V. Investment Amortization	(0.7)	(0.8)	-2.7%	(2.3)	(2.2)	4.6%
Equity income result	3.6	(0.0)	-7439.7%	12.3	(3.8)	-419.8%
General & Administrative and Others	(32.2)	(15.2)	111.3%	(78.3)	(63.4)	23.4%
Special Items - Write-offs	0.0	0.0	0.0%	0.0	(0.0)	-
Special Items - Other	0.0	(6.3)	-100.2%	9.5	(78.5)	-112.1%
Special Items - Impairment	0.0	0.0	0.0%	0.0	(327.4)	-100.0%
Store Pre-Openings	(4.0)	(0.9)	325.3%	(12.0)	(5.2)	129.6%
EBIT	27.9	(8.0)	na	27.9	(511.2)	-105.4%
(+) D&A	46.1	43.3	6.5%	135.3	135.3	0.1%
EBITDA	73.9	35.2	109.9%	163.2	(376.0)	-143.4%
<i>EBITDA Margin (%)</i>	<i>13.7%</i>	<i>0.1</i>	<i>1.9p.p.</i>	<i>12.5%</i>	<i>(46.1%)</i>	<i>58.6p.p.</i>

FRANGO ASSADO RESULTS IN 3Q21:

(in R\$ million)	3Q21	3Q20	YoY	09M21	09M20	YoY
Net Revenue	140.7	102.2	37.7%	378.2	280.0	35.1%
Restaurants & Others	53.0	37.9	39.8%	135.9	116.5	16.6%
Gas Stations	87.7	64.3	36.4%	242.3	163.5	48.2%
Cost of Sales and Services	(123.0)	(86.3)	42.5%	(340.2)	(256.4)	32.7%
Direct Labor	(18.0)	(14.9)	21.0%	(52.6)	(51.8)	1.7%
Food	(19.5)	(12.9)	51.5%	(50.8)	(42.5)	19.6%
Others	(6.0)	(4.8)	26.1%	(17.3)	(13.9)	24.8%
Fuel and Automotive Accessories	(76.0)	(49.3)	54.0%	(208.1)	(134.5)	54.7%
Depreciation & Amortization	(3.5)	(4.5)	-22.0%	(11.3)	(13.7)	-18.0%
Gross Profit	17.7	15.8	11.7%	38.0	23.6	61.0%
Operating Expenses¹	(11.8)	(9.1)	29.5%	(32.2)	(27.7)	16.2%
Selling and Operating	(6.9)	(5.6)	23.3%	(18.6)	(16.7)	11.5%
Rents of Stores	(1.8)	(0.7)	144.6%	(4.6)	(3.2)	46.7%
Depreciation & Amortization	(3.1)	(2.8)	11.8%	(8.9)	(7.8)	13.9%
Store Pre-Openings	(0.1)	0.0	0.0%	(0.5)	(0.1)	695.9%
EBIT	5.8	6.7	-13.2%	5.4	(4.1)	-231.8%
(+) Depreciation & Amortization	6.6	7.3	-9.0%	20.1	21.5	-6.4%
EBITDA	12.5	14.0	-11.0%	25.6	17.4	46.7%
(+) Store Pre-Openings	0.1	0.0	0.0%	0.5	0.1	695.9%
Adjusted Operating Income	12.5	14.0	-10.6%	26.0	17.5	48.9%

CATERING AND AIRPORT RETAIL 3T21:

(in R\$ million)	3Q21	3Q20	YoY	09M21	09M20	YoY
Net Revenue	26.7	8.5	212.8%	61.9	57.4	7.8%
Restaurants & Others	26.7	8.5	212.8%	61.9	57.4	7.8%
Cost of Sales and Services	(17.1)	(7.5)	128.9%	(44.7)	(48.3)	-7.5%
Direct Labor	(6.7)	(3.6)	84.5%	(19.0)	(24.7)	-23.1%
Food	(7.3)	(1.6)	349.1%	(17.1)	(13.9)	23.1%
Others	(1.9)	(1.0)	95.2%	(5.3)	(5.4)	-2.8%
Depreciation & Amortization	(1.1)	(1.2)	-8.7%	(3.3)	(4.3)	-22.4%
Gross Profit	9.6	1.1	791.6%	17.2	9.1	88.3%
Operating Expenses¹	(11.2)	(9.7)	15.6%	(32.5)	(40.3)	-19.4%
Selling and Operating	(1.1)	(2.0)	-46.2%	(3.1)	(8.4)	-63.0%
Rents of Stores	(1.8)	0.8	-333.6%	(3.6)	(1.6)	123.0%
Depreciation & Amortization	(8.3)	(8.4)	-1.2%	(25.7)	(30.2)	-14.9%
EBIT	(1.6)	(8.6)	(0.8)	(15.3)	(31.1)	-50.9%
(+) Depreciation & Amortization	9.4	9.6	-2.1%	29.0	34.5	-15.8%
EBITDA	7.8	1.0	679.2%	13.8	3.4	307.5%
Store Pre-Openings	0.0	0.0	-	0.0	0.0	na
Adjusted Operating Income¹	7.8	1.0	679.2%	13.8	3.4	308.1%

KFC, Pizza Hut and Others 3Q21:

(in R\$ million)	3Q21	3Q20	YoY	09M21	09M20	YoY
Net Revenue	99.3	50.5	96.7%	237.3	165.6	43.3%
Restaurants & Others	31.3	16.5	89.0%	74.2	62.7	18.2%
Pizza Hut and KFC	68.0	33.9	100.4%	163.1	102.9	58.5%
Cost of Sales and Services	(66.5)	(41.4)	60.7%	(169.4)	(141.8)	19.4%
Direct Labor	(19.7)	(13.0)	51.7%	(53.3)	(47.8)	11.4%
Food	(32.1)	(16.1)	99.4%	(76.3)	(56.6)	34.8%
Others	(6.1)	(4.3)	41.7%	(17.2)	(14.4)	19.6%
Royalties Costs	(5.7)	(4.9)	17.6%	(12.7)	(14.1)	-9.7%
Depreciation & Amortization	(2.9)	(3.1)	-7.1%	(9.9)	(8.9)	10.7%
Gross Profit	32.8	9.1	259.9%	67.9	23.8	185.2%
Operating Expenses²	(25.9)	(16.9)	53.6%	(74.2)	(50.7)	46.3%
Selling and Operating	(14.9)	(11.2)	33.2%	(45.1)	(26.2)	72.2%
Rents of Stores	(7.3)	(1.8)	313.6%	(18.2)	(8.9)	104.6%
Depreciation & Amortization	(3.7)	(3.9)	-6.2%	(10.9)	(15.6)	-30.4%
Store Pre-Openings	(3.4)	(0.5)	621.3%	(4.8)	(4.2)	15.5%
EBIT	3.5	(8.2)	-142.8%	(11.1)	(31.0)	
(+) Depreciation & Amortization	6.6	7.1	-6.6%	20.7	24.5	-15.5%
EBITDA	10.1	(1.2)	-965.7%	9.7	(6.5)	-248.0%
Store Pre-Openings	3.4	0.5	621.3%	4.8	4.2	15.5%
Adjusted Operating Income	13.5	(0.7)	-2014.3%	14.5	(2.4)	-708.0%

USA OPERATIONS 3Q21:

(in US\$ Million)	3Q21	3Q20	YoY	09M21	09M20	YoY
Net Revenue	44.0	24.4	80.6%	98.6	51.2	92.4%
Restaurants & Others	44.0	24.4	80.6%	98.6	51.2	92.4%
Gas Stations	0.0	0.0	0.0%	0.0	0.0	0.0%
Cost of Sales and ServiCHs	(24.9)	(12.4)	100.3%	(53.7)	(29.4)	82.7%
Direct Labor	(12.5)	(5.2)	141.2%	(25.1)	(13.0)	93.7%
Food	(8.6)	(4.8)	77.1%	(19.0)	(10.2)	85.7%
Others	(2.7)	(1.5)	83.0%	(6.2)	(3.3)	88.1%
Fuel and Automotive AcCHssories	0.0	0.0	21.2%	0.0	0.0	0.0%
Depreciation & Amortization	(1.2)	(1.0)	21.2%	(3.3)	(2.9)	16.2%
Gross Profit	19.1	11.9	60.4%	44.9	21.9	105.3%
Operating Expenses¹	(12.5)	(6.7)	86.1%	(30.3)	(18.7)	62.1%
Selling and Operating	(7.1)	(4.5)	57.0%	(16.7)	(11.5)	45.0%
Rents of Stores	(3.0)	(0.5)	453.2%	(6.3)	0.3	-2094.0%
Depreciation & Amortization	(1.9)	(1.1)	65.6%	(4.7)	(3.4)	37.5%
J.V. Investment Amortization	(0.1)	(0.1)	0.0%	(0.4)	(0.4)	-1.0%
Equity income result	0.7	(0.0)	7754.2%	2.3	(0.6)	-468.0%
General & Administrative and Others	(1.7)	(0.4)	175.6%	(4.5)	(3.0)	49.7%
Store Pre-Openings	(0.1)	(0.1)	51%	(1.3)	(0.2)	583.6%
EBIT	6.5	5.1	26.6%	13.3	3.0	343.4%
(+) Depreciation & Amortization	3.3	2.3	42.1%	8.5	6.7	25.9%
EBITDA	9.7	7.4	31.4%	21.8	9.7	124.0%
(+) Store Pre-Openings	0.1	0.1	51%	1.3	0.2	584%
Adjusted EBITDA	9.9	7.4	31.6%	23.1	9.9	132.9%

CARIBBEAN OPERATIONS 3Q21:

(in R\$ million)	3Q21	3Q20	YoY	09M21	09M20	YoY
Net Revenue	44.3	6.8	547.5%	109.2	53.4	104.5%
Restaurants & Others	44.3	6.8	547.5%	109.2	53.4	104.5%
Cost of Sales and ServiCHs	(18.6)	(5.9)	212.1%	(49.8)	(31.1)	60.2%
Direct Labor	(6.3)	(2.7)	129.4%	(18.5)	(13.6)	36.6%
Food	(11.4)	(2.7)	325.0%	(29.0)	(15.5)	86.6%
Others	(0.1)	0.3	-141.3%	(0.1)	0.2	-159.8%
Fuel and Automotive Accessories	0.0	0.0	0.0%	0.0	0.0	0.0%
Depreciation & Amortization	(0.7)	(0.8)	-4.8%	(2.2)	(2.2)	1.3%
Gross Profit	25.8	0.9	2759.4%	59.4	22.3	166.2%
Operating Expenses¹	(16.6)	(8.9)	87.1%	(46.2)	(32.5)	42.2%
Selling and Operating	(6.1)	(4.2)	47.3%	(16.8)	(14.2)	18.5%
Rents of Stores	(1.0)	4.0	-124.7%	(3.0)	6.3	-148.0%
Depreciation & Amortization	(5.9)	(6.4)	-8.1%	(18.4)	(18.5)	-0.3%
General & Administrative and Others	(3.6)	(2.3)	56.7%	(8.0)	(6.2)	29.0%
Store Pre-Openings	0.0	(0.0)	-145.5%	0.0	(0.1)	-111.5%
EBIT	9.1	(8.0)	-214.1%	13.2	(10.2)	-229.2%
(+) Depreciation & Amortization	6.6	7.2	-7.7%	20.6	20.6	-0.1%
EBITDA	15.8	(0.8)	-1996.9%	33.9	10.4	225.4%
(+) Store Pre-Openings	(0.0)	0.0	-145.5%	(0.0)	0.1	-111.5%
Adjusted EBITDA	15.8	(0.8)	-2037.4%	33.8	10.5	223.2%