

International Meal
Company
Alimentação S.A.

**Individual and consolidated interim
financial information in
March 31, 2022 with independent
auditor's report**

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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 Sales¹** 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 Sales² (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)

Webcast: [click here](#)

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Isabel Korschitz and Leticia Volsoni

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-Wall¹ 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%
Net Revenues	487.3	321.9	51.4%
Same Store Sales	51.4%	32.9%	+1848bps
Gross Profit	128.4	74.5	72.3%
Gross Profit	26.4%	23.2%	+320bps
Adjusted EBITDA	38.8	9.9	291.3%
Adjusted EBITDA Margin	8.0%	3.1%	+489bps
Operating Cash Flow	23.2	9.7	139.3%
Net Debt/EBITDA ¹	2.4X	-	-

¹ Ex-IFRS | Covenant Methodology

SALES HIGHLIGHTS

(in R\$ million)	1Q22	1Q21	YoY
Net Revenues	487.3	321.9	51.4%
Brazil	304.0	201.0	51.2%
<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	134.0	91.5	46.4%
Caribbean	49.2	29.3	68.0%

OPERATING RESULTS -EBITDA

(in R\$ million)	1Q22	1Q21	YoY
Adjusted EBITDA	38.8	9.9	291.3%
Brazil	4.8	(7.2)	na
<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>
G&A	<i>(20.0)</i>	<i>(19.2)</i>	<i>4.2%</i>
Others	<i>5.3</i>	<i>1.7</i>	<i>222.8%</i>
USA	16.8	10.2	64.2%
Caribbean	17.3	6.9	149.8%

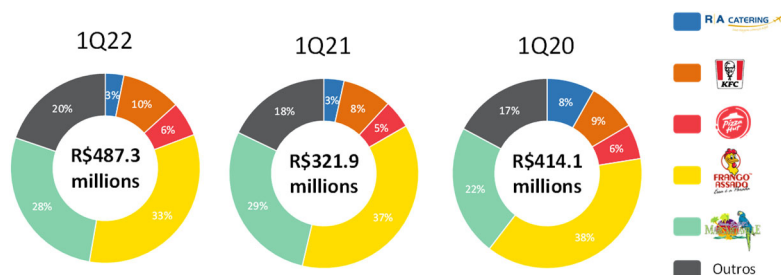
COMMENTS ON PERFORMANCE

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.

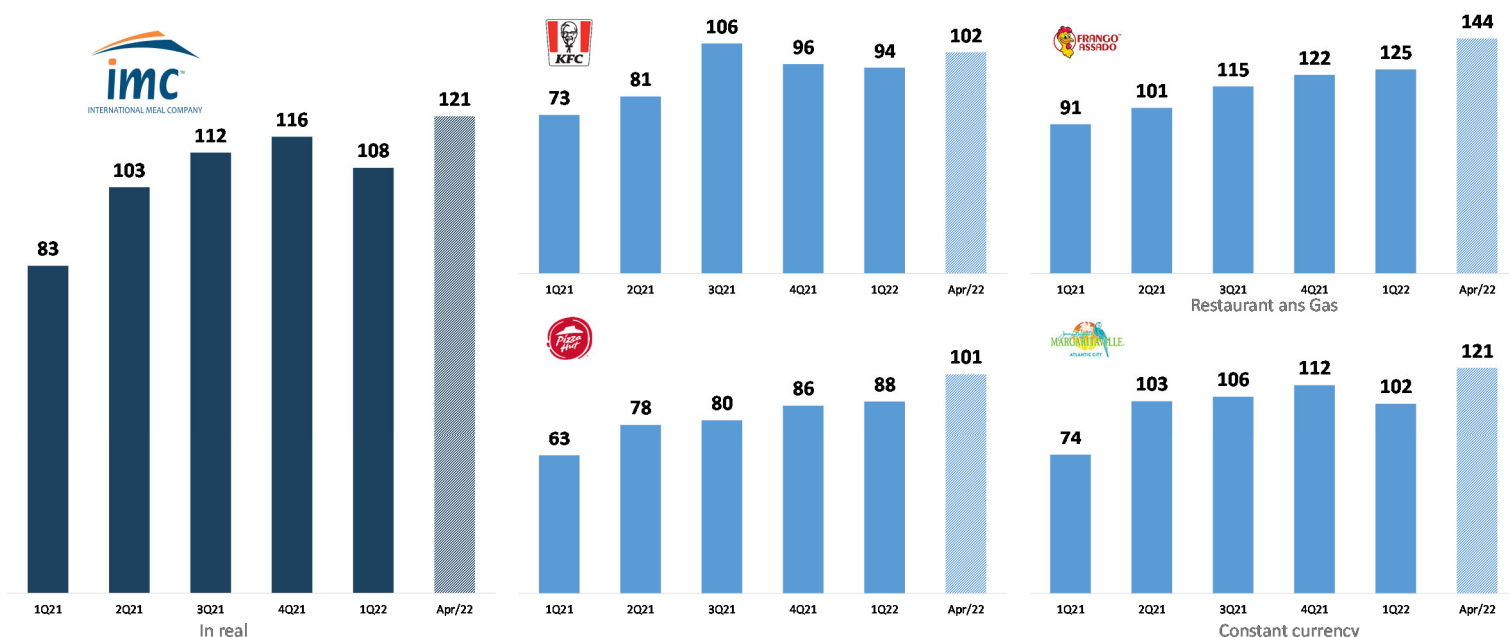
The net revenue totaled R\$304.0 million in Brazil in 1Q22, up by 51.2% over 1Q21, an increase of R\$103 million in the group's revenue, especially with the recovery of the KFC and Frango Assado operations. Same-store sales (SSS) in Brazil grew by 37.6% over 1Q21, and by 8.5% over 1Q20, reflecting improved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



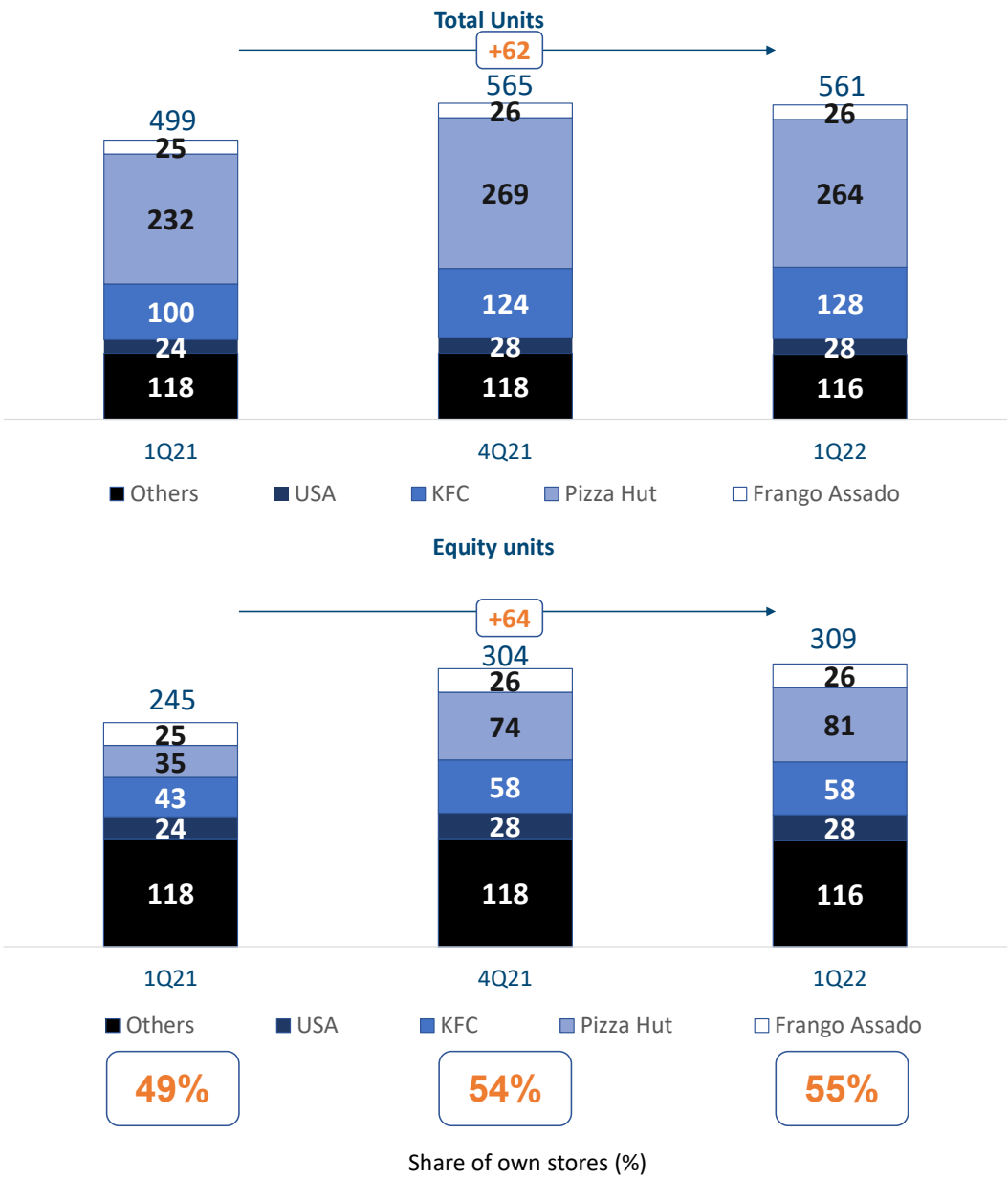
Base 100 Index of Same-Store Sales Growth vs. 2019 (SSS)



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 ortion 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 ¹



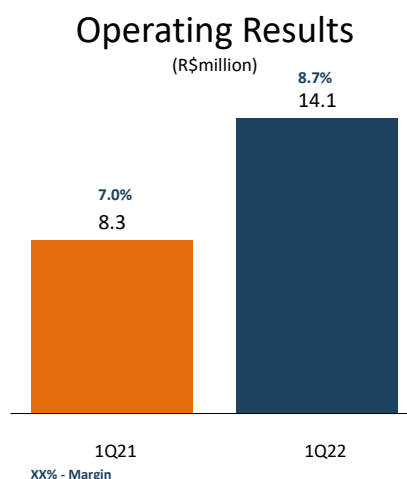
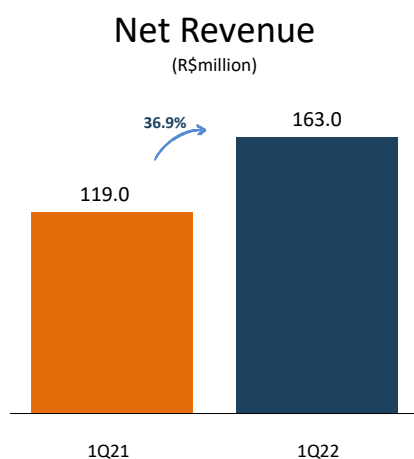
Frango Assado's net revenue totaled R\$163.0 million in 1Q22, up by 36.9% over 1Q21, and by 33.0% over 1Q20. It is worth noting that the flow of light vehicles on highways, as reported by ABCR, remained flat this quarter compared to 1Q20.

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
Net Revenues	163.0	119.0	36.9%
Restaurants & Others	62.1	54.7	13.4%
Gas Stations	100.9	64.3	56.9%
COGS	(142.2)	(107.3)	32.5%
Gross Profit	20.8	11.7	77.0%
Gross Profit	12.7%	9.8%	+289bps
Operating Expenses	(13.3)	(10.1)	31.1%
Store Pre-Openings	0.0	(0.1)	(100.0%)
EBIT	7.5	1.5	413.0%
(+) Depreciation & Amortization	6.7	6.7	(1.0%)
(+) Store Pre-Openings	0.0	0.1	100.0%
Adjusted EBITDA	14.1	8.3	69.9%
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.

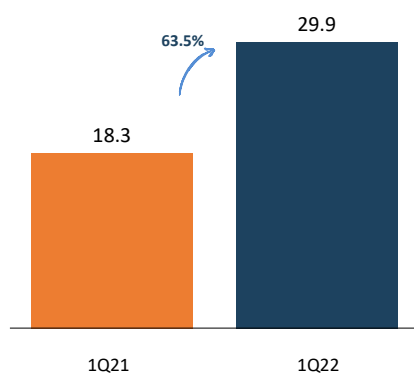
Same-store sales (SSS) consistently recovered in the quarter, recording a growth of 53.6% over 1Q21, but 26.8% below 1Q20, concentrated in the Catering division. Retail SSS at airports grew by 98.3% over 1Q21, and by 22.8% over 1Q20.

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
Net Revenues	29.9	18.3	63.5%
COGS	(20.7)	(13.8)	49.9%
Gross Profit	9.2	4.5	105.4%
Gross Profit	30.8%	24.5%	+628bps
Operating Expenses	(14.0)	(11.6)	20.4%
Store Pre-Openings	0.0	(0.0)	0.0%
EBIT	(4.8)	(7.2)	(33.2%)
(+) Depreciation & Amortization	8.5	9.9	(14.5%)
(+) Store Pre-Openings	0.0	0.0	0.0%
Adjusted EBITDA	3.7	2.8	32.9%
Adjusted EBITDA Margin	12.3%	15.2%	-283bps

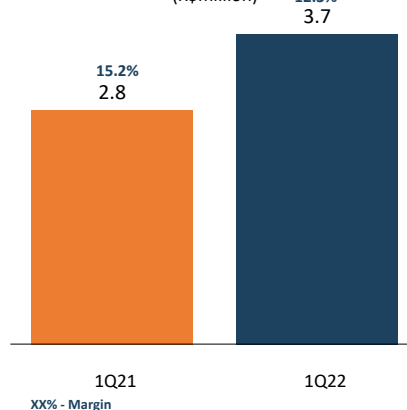
Net Revenue

(R\$million)



Operating Results

(R\$million)



RESULTS OF BRAZILIAN OPERATIONS –Pizza Hut, KFC and Other ¹



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.

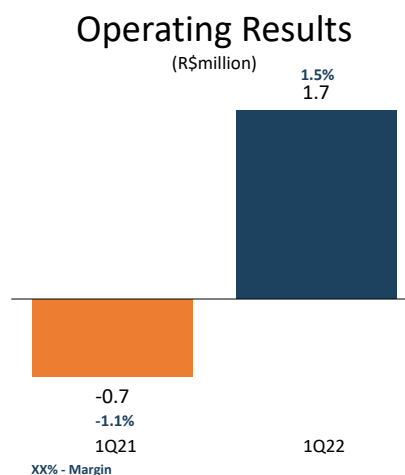
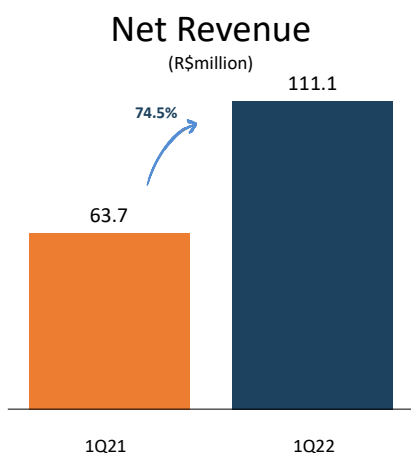
The segment's same-store sales (SSS) were 35.8% vs. 1Q21, and 0.9% vs. 1Q20, while KFC's SSS increased by 29.8% over 1Q21 and by 2.6% over 1Q20, and Pizza Hut's SSS grew by 30.3% over 1Q21 and fell by 0.6% from 1Q20.

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



RESULTS OF THE U.S. OPERATIONS

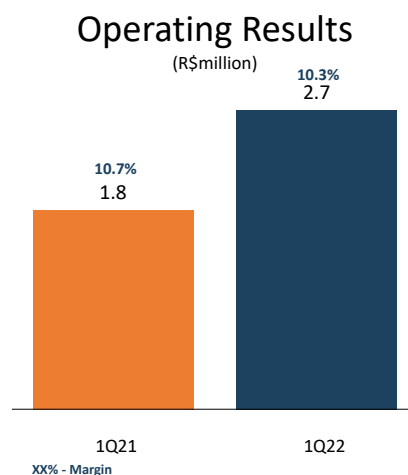
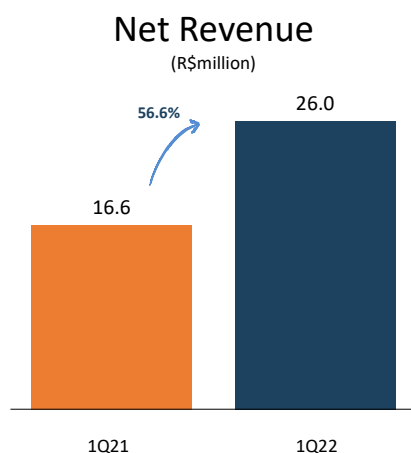


Revenue from the U.S. operations (in local currency) totaled US\$26.0 million, a growth of 56.6% over 1Q21. Same-store sales (SSS) grew by 41.9% over 1Q21, and by 35.4% over 1Q20 in constant currency (+32.6% vs. 1Q21 and +57.7% vs. 1Q20 in Reais).

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
Net Revenues	26.0	16.6	56.6%
COGS	(17.7)	(11.2)	58.5%
Gross Profit	8.2	5.4	52.5%
<i>Gross Profit</i>	<i>31.6%</i>	<i>32.5%</i>	<i>-85bps</i>
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%
EBIT	2.7	1.7	59.2%
(+) Store Pre-Openings	(0.0)	0.1	57.0%
Adjusted EBITDA	2.7	1.8	51.3%
<i>Adjusted EBITDA Margin (%)</i>	<i>10.3%</i>	<i>10.7%</i>	<i>-4bps</i>



RESULTS OF THE CARIBBEAN OPERATIONS



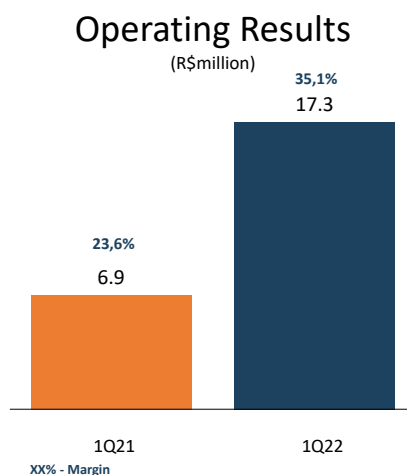
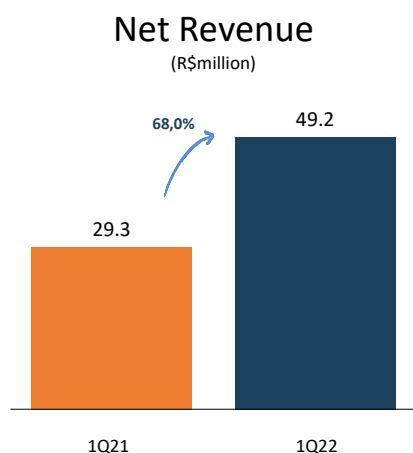
The Caribbean operation closed the quarter with net revenue of R\$49.2 million (+68.0%) vs. R\$29.3 million in 1Q21. Same-store sales (SSS) in constant currency were 84.6% vs. 1Q21, and 1.3% vs. 1Q21, especially the restaurants at airports and the gradual resumption of Catering operations in Colombia (+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
Net Revenues	49.2	29.3	68.0%
COGS	(21.4)	(14.8)	45.4%
Gross Profit	27.8	14.6	90.9%
<i>Gross Profit</i>	<i>56.4%</i>	<i>49.7%</i>	<i>+1bps</i>
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%
EBITDA	17.3	6.9	149.8%
(+) Store Pre-Openings	0.0	0.0	0.0%
Adjusted EBITDA	17.3	6.9	149.8%
<i>Adjusted EBITDA Margin (%)</i>	<i>35.1%</i>	<i>23.6%</i>	<i>+1148bps</i>

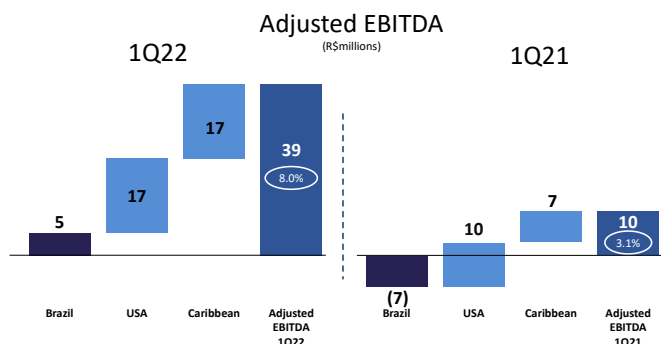


FINANCIAL PERFORMANCE

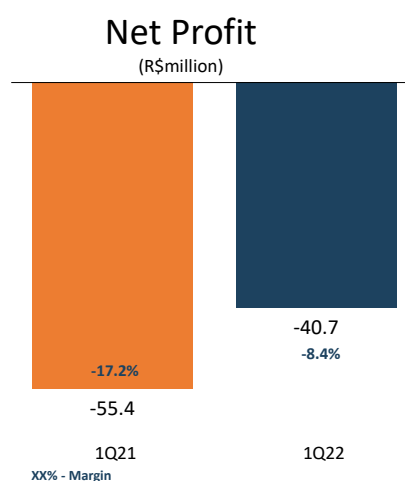
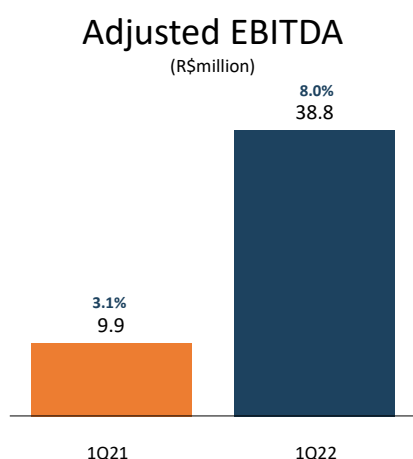
O Adjusted EBITDA was R\$38.8 million, an increase of R\$28.9 million over 1Q21, with a margin of 8.0% in the quarter, up by 4.9 p.p. over 1Q21. This result was influenced by the group's higher revenue, higher gross margin, and operational leverage.

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



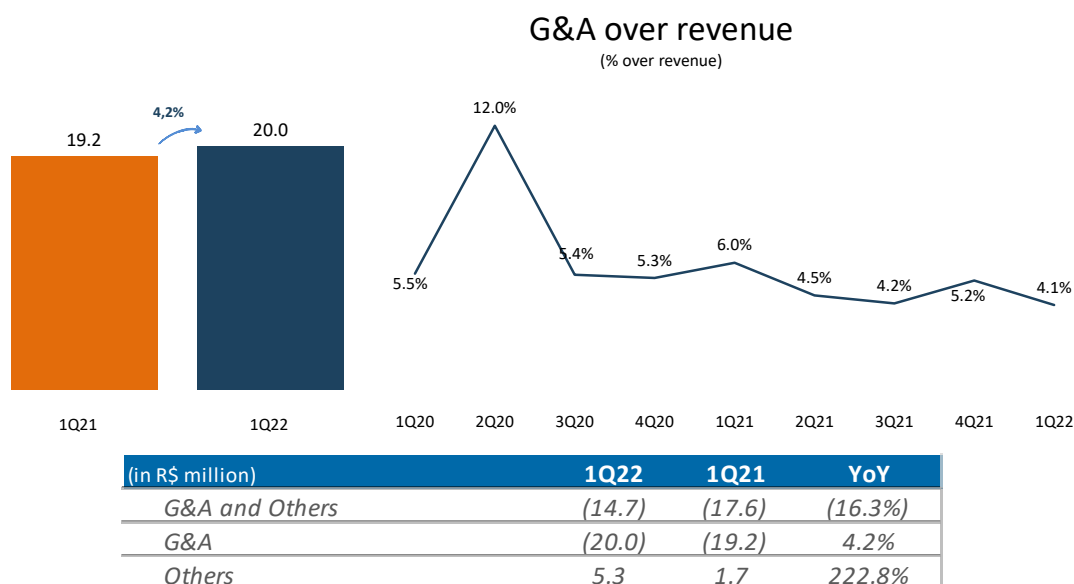
(R\$ million)	1Q22	1Q21	YoY
NET INCOME (LOSS)	(40.7)	(55.4)	-26.5%
(+) Income Taxes	4.5	2.5	79.1%
(+) Net Financial Result	24.5	11.2	119.6%
(+) D&A and Write-offs	48.5	44.1	9.8%
EBITDA	36.8	2.3	1498.3%
(+) Special Items	1.6	6.5	-75.6%
(+) Pre-Opening Expenses	0.5	1.1	-55%
Adjusted EBITDA	38.8	9.9	291.8%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



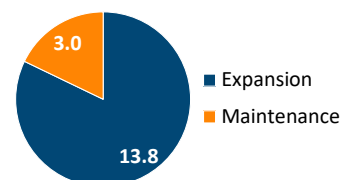
EBITDA RECONCILIATION

(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
Adjusted EBITDA	38.8	9.9	291.8%
(-) Income Taxes	(4.5)	(2.5)	-
(-) Financial Results	(24.5)	(11.2)	119.6%
(-) Store Pre-openings	(0.5)	(1.1)	(55.4%)
(+/-) Non-Cashs	31.7	7.3	-
(=/-) Working Capital	(17.9)	7.2	(347.7%)
Net Operating Cash Flow	23.2	9.7	139.3%
(-) Capex	(16.8)	(21.9)	(22.9%)
Free Cash Flow	6.3	(12.2)	-

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%
Total Debt	707.8	100%	736.2	100%	709.0	100%	705.1	100%
(-) Cash	(417.9)	-	(466.8)	-	(536.6)	-	(517.7)	-
Net Debt	289.9	-	269.4	-	172.4	-	187.4	-
Leverage (ex-IFRS16)	2,4X	-	2,9X	-	1,9X	-	-	-

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
NET REVENUE	487,296	321,893	51.4%
COST OF SALES AND SERVICES	(358,863)	(247,361)	45.1%
GROSS PROFIT	128,433	74,532	72.3%
	26.4%	23.2%	3.2 p.p.
OPERATING INCOME (EXPENSES)			
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%
	(11,722)	(41,837)	-72.0%
Net financial expenses	(24,518)	(11,144)	120.0%
EARNINGS BEFORE TAXES	(36,240)	(52,981)	-31.6%
Income Taxes	(4,493)	(2,468)	82.1%
NET PROFIT (LOSS)	(40,733)	(55,449)	-26.5%
	-8.4%	-17.2%	8.9 p.p.

CONSOLIDATED BALANCE SHEET:

(R\$ thousand)	1Q22	1Q21
ASSETS		
CURRENT ASSETS		
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
Total current assets	590,908	699,609
NONCURRENT ASSETS		
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
Total noncurrent assets	2,154,604	2,074,683
TOTAL ASSETS	2,745,512	2,774,292
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
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
Total current liabilities	475,302	416,329
NONCURRENT LIABILITIES		
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
Total noncurrent liabilities	1,248,713	1,197,482
EQUITY		
Capital and reserves	1,537,076	1,533,852
Accumulated losses	(601,788)	(536,055)
Other comprehensive income	86,209	162,684
Total equity	1,021,497	1,160,481
TOTAL LIABILITIES AND EQUITY	2,745,512	2,774,292

STATEMENT OF CASH FLOWS:

(R\$ thousand)	1Q22	1Q21	YoY
CASH FLOW FROM OPERATING ACTIVITIES			
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%
Cash generated from operations	23,161	9,677	139.3%
Income tax paid	3,521	(330)	-1167.0%
Income tax paid	(761)	(1,468)	-48.2%
Interest paid	(6,924)	(116)	5869.0%
Net cash generated by (used in) operating activities	18,997	7,763	144.7%
CASH FLOW FROM INVESTING ACTIVITIES			
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%
Net cash used in investing activities from continued operations	(16,844)	(25,016)	-32.7%
CASH FLOW FROM FINANCING ACTIVITIES			
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%
Net cash used in financing activities	(2,118)	(18,617)	-88.6%
EFFECT OF EXCHANGE RATE VARIATIONS	-49,037	-15,949	207.5%
NET INCREASE (DECREASE) FOR THE PERIOD	(49,002)	(51,819)	-5.4%
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	461,280	569,479	-19.0%
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	412,278	517,660	-20.4%



KPMG Auditores Independentes Ltda.

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Report on review of quarterly financial information - ITR

To the Management and Shareholders of
International Meal Company Alimentação S.A.
São Paulo-SP

Introduction

We have reviewed the individual and consolidated interim financial information of International Meal Company Alimentação S.A. ("The Company"), contained in the Quarterly Financial Information Form (ITR) for the quarter ended March 31, 2022, comprising the balance sheets as of March 31, 2022 and the respective statements of profit or loss, comprehensive income (loss) for the three-month period then ended and statements of changes in equity and cash flows for the three-month period then ended, including the explanatory notes.

Management is responsible for the preparation of the individual interim financial information in accordance with the Accounting Pronouncement CPC 21(R1) and for the consolidated interim financial information in accordance with the Accounting Pronouncement CPC 21(R1) and IAS 34 – Interim Financial Reporting, issued by International Accounting Standards Board – IASB, and for the presentation of this information in accordance with the standards issued by the Brazilian Securities and Exchange Commission, applicable to the preparation of the Quarterly Financial Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with the Brazilian and International standards on review engagements (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the individual interim financial information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 (R1), applicable to the preparation of Quarterly Financial Information (ITR) and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission.

Conclusion on the consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 applicable to the preparation of Quarterly Financial Information (ITR) and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission.

Other matters – Statements of value added

The quarterly information referred above includes the individual and consolidated statements of value added (DVA) for the three-month period ended March 31, 2022, prepared under the responsibility of the Company's management, and presented as a supplementary information for the purpose of IAS 34. These statements were submitted to the review procedures performed together with the review of the Company's quarterly financial information in order to conclude whether these statements are reconciled with the interim financial information and accounting records, as applicable, and whether their form and content are in accordance with the criteria set on Accounting Pronouncement CPC 09 – Demonstração do Valor Adicionado (Statement of Value Added). Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been prepared, in all material respects, in accordance with the criteria set forth in this standard and with the individual and consolidated interim financial information taken as a whole.

São Paulo, May 12, 2022

KPMG Auditores Independentes Ltda.
CRC 2SP014428/O-6
Original report in Portuguese signed by
Fábio Lopes do Carmo
Accountant CRC 1SP192172/O-3

International Meal Company Alimentação S.A. and Subsidiaries

Balance sheets

March 31, 2022 and December 31, 2021

(Amounts in thousands of reais - R\$)

	<u>Note</u>	<u>Parent</u>		<u>Consolidated</u>	
		<u>03/31/2022</u>	<u>12/31/2021</u>	<u>03/31/2022</u>	<u>12/31/2021</u>
Assets					
Current assets					
Cash and cash equivalents	7	78,284	99,638	412,277	461,280
Trade receivables	8	8,630	10,808	80,140	89,386
Inventories	9	2,580	2,804	49,748	53,236
Taxes recoverable	10	7,975	7,960	39,240	43,582
Receivables from related parties	28	1,568	1,568	1,568	1,568
Prepaid expenses		2,283	2,187	2,920	3,645
Other current assets		734	435	5,015	2,239
Total current assets		102,054	125,400	590,908	654,936
Noncurrent assets					
Financial investments		5,634	5,533	5,634	5,533
Judicial deposits		1,245	1,277	6,119	6,209
Receivables from related parties	28	257,713	258,255	11,399	11,399
Deferred income tax and social contribution	21.a)	-	-	106,843	109,315
Taxes recoverable	10	4,595	4,481	41,314	36,221
Other noncurrent assets		-	-	12,655	17,980
Total long-term assets		269,187	269,546	183,964	186,657
Investments	11	828,890	911,114	26,613	30,233
Property, plant and equipment	12	29,711	29,697	417,866	447,298
Intangible assets	13	474,963	479,681	1,008,262	1,049,566
Right of use	14	5,171	6,793	517,899	582,508
Total noncurrent assets		1,607,922	1,696,831	2,154,604	2,296,262
Total assets		1,709,976	1,822,231	2,745,512	2,951,198

The accompanying notes are an integral part of this individual and consolidated interim financial information.

International Meal Company Alimentação S.A. and Subsidiaries

Balance sheets

March 31, 2022 and December 31, 2021

(Amounts in thousands of reais - R\$)

	Note	Parent		Consolidated	
		03/31/2022	12/31/2021	03/31/2022	12/31/2021
Liabilities and equity					
Current liabilities					
Trade payables	15	17,482	12,505	200,655	191,256
Borrowings and debentures	16	70,659	73,089	81,521	86,810
Payroll and related taxes	17	13,230	17,724	62,246	71,702
Taxes payable		120	153	6,590	6,693
Deferred revenue	20	703	825	7,968	8,999
Installment payment of business acquisitions	18	841	942	3,110	2,538
Agreements and installment payment of labor suits		926	861	1,165	1,331
Lease liabilities	14	4,457	4,457	78,701	87,984
Other current liabilities		-	-	33,346	30,849
Total current liabilities		108,418	110,556	475,302	488,162
Noncurrent liabilities					
Borrowings and debentures	16	399,938	381,279	626,304	649,388
Payables to related parties	28	43,594	43,594	-	-
Provision for labor, civil and tax risks	19	43,784	44,055	92,646	92,479
Deferred revenue	20	848	1,460	12,705	16,044
Deferred income tax and social contribution	21.a)	20,553	18,637	40,109	40,204
Installment payment of business acquisitions	18	5,000	5,521	5,000	6,194
Lease liabilities	14	7,770	8,681	470,813	525,883
Provision for investment losses	11	55,789	75,701	-	-
Other noncurrent liabilities		2,785	6,061	1,136	6,158
Total noncurrent liabilities		580,061	584,989	1,248,713	1,336,350
Equity					
Capital	22	1,154,358	1,154,358	1,154,358	1,154,358
Capital reserve		344,442	344,442	344,442	344,442
Reserve for stock option plan	23	38,276	36,691	38,276	36,691
Accumulated losses		(601,788)	(561,055)	(601,788)	(561,055)
Other comprehensive income (loss)		86,209	152,250	86,209	152,250
Total equity		1,021,497	1,126,686	1,021,497	1,126,686
Total liabilities and equity		1,709,976	1,822,231	2,745,512	2,951,198

The accompanying notes are an integral part of this individual and consolidated interim financial information.

International Meal Company Alimentação S.A. and Subsidiaries

Statements of profit or loss
March 31, 2022 and March 31, 2021
(Amounts in thousands of reais - R\$)

	Note	Parent		Consolidated	
		03/31/2022	03/31/2021	03/31/2022	03/31/2021
Net revenue	24	23,743	14,864	487,296	321,893
Cost of sales and services	25	(17,612)	(11,513)	(358,863)	(247,361)
Gross profit		6,131	3,351	128,433	74,532
Operating income (expenses)					
Selling and operating expenses	25	(10,367)	(1,596)	(115,291)	(56,001)
(Reversal of) allowance for expected credit losses	25	(859)	-	(2,824)	-
General and administrative expenses	25	(5,219)	(6,407)	(36,083)	(31,511)
Depreciation and amortization	25	-	(7,789)	-	(28,038)
Other operating income (expenses), net	26	2,954	(4,845)	10,628	(2,431)
Share of profit (loss) of investees	11 and 25	(18,298)	(31,747)	3,415	1,612
Operating profit (loss) before finance income (expense) and income tax and social contribution		(25,658)	(49,033)	(11,722)	(41,837)
Finance income (expense), net	27	(13,159)	(7,228)	(24,518)	(11,144)
Loss before income tax and social contribution		(38,817)	(56,261)	(36,240)	(52,981)
Current income tax and social contribution	21.b)	-	-	(3,286)	-
Deferred income tax and social contribution	21.b)	(1,916)	812	(1,207)	(2,468)
Loss for the period		(40,733)	(55,449)	(40,733)	(55,449)
Attributable to:					
Owners of the Company		(40,733)	(55,449)	(40,733)	(55,449)
Loss per share - R\$					
Basic (cents per share)	30	(0.14270)	(0.19281)	(0.14270)	(0.19281)
Diluted (cents per share)	30	(0.14270)	(0.19281)	(0.14270)	(0.19281)

The accompanying notes are an integral part of this individual and consolidated interim financial information.

International Meal Company Alimentação S.A. and Subsidiaries

Statements of comprehensive income (loss)
March 31, 2022 and March 31, 2021
(Amounts in thousands of reais - R\$)

	Parent		Consolidated	
	01/01/2022 to 03/31/2022	01/01/2021 to 03/31/2021	01/01/2022 to 03/31/2022	01/01/2021 to 03/31/2021
Loss for the period	(40,733)	(55,449)	(40,733)	(55,449)
Translation adjustments in the balance sheet of foreign subsidiaries (Note 11)	(66,041)	33,375	(66,041)	33,375
	(66,041)	33,375	(66,041)	33,375
Total comprehensive income (loss) for the period	(106,774)	(22,074)	(106,774)	(22,074)
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO				
Owners of the Company	(106,774)	(22,074)	(106,774)	(22,074)
	(106,774)	(22,074)	(106,774)	(22,074)

The accompanying notes are an integral part of this individual and consolidated interim financial information.

International Meal Company Alimentação S.A. and Subsidiaries

Statements of changes in equity
March 31, 2022 and December 31, 2021
(Amounts in thousands of reais - R\$)

	Capital	Capital reserve			Reserve for stock option plan	Earnings reserve			Other comprehensive income (loss)	Total equity
		Capital reserve	Treasury shares	Total capital reserve		Legal reserve	Earnings reserve	Accumulated losses		
Balance as of December 31, 2020	1,154,358	349,993	(5,551)	344,442	33,897	578	(578)	(480,606)	129,309	1,181,400
Loss for the period	-	-	-	-	-	-	-	(80,449)	-	(80,449)
Translation adjustments in the balance sheet of foreign subsidiaries	-	-	-	-	-	-	-	-	22,941	22,941
Total comprehensive income (loss) for the period	-	-	-	-	-	-	-	(80,449)	22,941	(57,508)
Stock option plan	-	-	-	-	2,794	-	-	-	-	2,794
Balance as of December 31, 2021	<u>1,154,358</u>	<u>349,993</u>	<u>(5,551)</u>	<u>344,442</u>	<u>36,691</u>	<u>-</u>	<u>-</u>	<u>(561,055)</u>	<u>152,250</u>	<u>1,126,686</u>
Loss for the period	-	-	-	-	-	-	-	(40,733)	-	(40,733)
Translation adjustments in the balance sheet of foreign subsidiaries	-	-	-	-	-	-	-	-	(66,041)	(66,041)
Total comprehensive income (loss) for the period	-	-	-	-	-	-	-	(40,733)	(66,041)	(106,774)
Stock option plan (Note 23)	-	-	-	-	1,585	-	-	-	-	1,585
Balance as of March 31, 2022 (Note 22)	<u>1,154,358</u>	<u>349,993</u>	<u>(5,551)</u>	<u>344,442</u>	<u>38,276</u>	<u>-</u>	<u>-</u>	<u>(601,788)</u>	<u>86,209</u>	<u>1,021,497</u>

The accompanying notes are an integral part of this individual and consolidated interim financial information.

International Meal Company Alimentação S.A. and Subsidiaries

Statements of cash flows

March 31, 2022 and March 31, 2021

(Amounts in thousands of reais - R\$)

	Note	Parent		Consolidated	
		03/31/2022	03/31/2021	03/31/2022	03/31/2021
Cash flows from operating activities					
Loss for the period		(40,733)	(55,449)	(40,733)	(55,449)
Adjustments to reconcile loss for the period to net cash provided by (used in) continuing operations:					
Depreciation and amortization	25	6,081	7,828	26,815	27,235
Depreciation of right of use	25	1,559	894	21,670	16,175
Impairment of property, plant and equipment and intangible assets (uses)	12 and 13	-	-	-	(8,237)
Impairment of property, plant and equipment and intangible assets (provision)	12 and 13	-	(23)	-	-
Disposal of property, plant and equipment and intangible assets	12 and 13	4	-	14,245	7,106
Amortization of investment in joint venture	11 and 25	-	-	677	780
Share of profit (loss) of investees	11 and 25	18,298	31,747	(3,415)	(2,392)
Provision for labor, civil and tax risks	19	200	757	2,643	1,878
Current and deferred income tax and social contribution	21 b)	1,916	(812)	4,493	2,468
Interest on borrowings	16 and 27	16,918	7,144	19,609	7,904
Interest on lease liabilities	14	160	322	2,939	4,359
Exchange gains (losses)	27	208	(24)	64	(551)
Share-based payment	23	1,585	1,155	1,585	1,155
Deferred revenue	20	(317)	1,373	(326)	969
Net effect of the write-off of lease contracts		-	(113)	-	13,226
(Reversal of) allowance for expected credit losses	25	859	-	2,824	-
Sundry provisions and others		(4,985)	3,640	(12,054)	(14,165)
		1,753	(1,561)	41,035	2,461
Changes in operating assets and liabilities:					
Trade receivables		3,037	2,455	12,070	9,714
Inventories		239	564	2,203	3,214
Taxes recoverable		(3,832)	1,294	(1,926)	9,982
Prepaid expenses		(96)	(415)	725	(5,212)
Trade payables		(5,042)	(29)	(9,233)	(23,809)
Related parties	28	(14,199)	(35,718)	-	-
Payment of labor, civil and tax risks	19	(472)	(1,194)	(2,177)	(3,564)
Other assets and liabilities		8,319	1,239	(19,538)	(1,661)
Government grant		-	-	-	18,552
Cash provided by (used in) operating activities		(10,293)	(33,365)	23,160	9,677
Income tax and social contribution paid		-	-	3,521	(330)
Interest paid on borrowings	16	-	-	(6,302)	(116)
Interest paid on lease liabilities	14	(644)	(86)	(761)	(1,468)
Interest paid on business acquisitions and on commercial rights	18	(622)	(546)	(622)	-
Net cash provided by (used in) operating activities		(11,559)	(33,997)	18,996	7,763
Cash flows from investing activities					
Payment of business acquisitions made in prior periods		-	-	-	(3,165)
Loans granted	28	(13,730)	-	-	-
Loans received	28	6,149	-	-	-
Additions to intangible assets, net of balance payable in installments	13	(400)	-	(808)	(132)
Additions to property, plant and equipment, net of balance payable in installments	12	(698)	(4,250)	(16,036)	(21,719)
Net cash used in investing activities		(8,679)	(4,250)	(16,844)	(25,016)
Cash flows from financing activities					
Payment of dividends		-	-	-	(969)
New borrowings, net of borrowing costs	16	75,000	-	75,000	-
Amortization of lease liabilities	14	(427)	(1,051)	(1,429)	(17,389)
Repayment of borrowings and debentures	16	(75,689)	-	(75,689)	(259)
Net cash provided by (used in) financing activities		(1,116)	(1,051)	(2,118)	(18,617)
Effect of exchange rate changes on cash and cash equivalents		-	-	(49,036)	15,949
NET CHANGE IN THE PERIOD		(21,354)	(39,298)	(49,003)	(19,921)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		99,638	271,896	461,280	537,581
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		78,284	232,598	412,277	517,660
Non-cash transaction					
Forgiveness of debt with related parties	11	22,322	-	-	-

The accompanying notes are an integral part of this individual and consolidated interim financial information.

International Meal Company Alimentação S.A. and Subsidiaries

Statements of value added
March 31, 2022 and March 31, 2021
(Amounts in thousands of reais - R\$)

	Note	Parent		Consolidated	
		03/31/2022	03/31/2021	03/31/2022	03/31/2021
Revenues					
Sales of goods, products and services	24	23,743	16,553	487,296	350,627
Other revenues	26	4,475	262	12,679	4,835
Allowance for expected credit losses	25	(859)	905	(2,824)	802
		27,359	17,720	497,151	356,264
Inputs purchased from third parties					
Cost of sales and services		(9,273)	(4,062)	(239,152)	(136,982)
Materials, energy, services and other		6,309	(6,152)	(31,237)	(47,511)
Other		(1,521)	1,425	(2,051)	(33,419)
		(4,485)	(8,789)	(272,440)	(217,912)
Gross value added		22,874	8,931	224,711	138,352
Depreciation and amortization	25	(7,640)	(7,828)	(48,485)	(28,015)
Impairment of intangible assets	25	-	(894)	-	(16,175)
Value added created by the Company		15,234	209	176,226	94,162
Value added received through transfer					
Share of profit (loss) of investees	11	(18,298)	(31,747)	3,415	2,391
Exchange rate changes	27	-	24	-	551
Finance income	27	5,962	1,365	8,914	1,791
Total value added for distribution		2,898	(30,149)	188,555	98,895
Value added distributed					
Personnel:					
Payroll and related taxes		13,929	7,564	138,043	92,420
Management fees		2,970	6,487	2,970	6,487
Share-based payment		1,585	1,155	1,585	1,155
	25	18,484	15,206	142,598	100,062
Taxes, fees and contributions:					
Taxes on sales	24	2,261	1,671	21,249	13,193
Income tax and social contribution	21	1,916	(812)	4,493	2,468
		4,177	859	25,742	15,661
Lenders and lessors:					
Interest	27	19,121	7,466	33,432	12,263
Royalties	25	-	-	4,741	7,501
Rentals		1,849	1,769	22,775	18,857
		20,970	9,235	60,948	38,621
Shareholders:					
Loss for the period		(40,733)	(55,449)	(40,733)	(55,449)
		(40,733)	(55,449)	(40,733)	(55,449)
		2,898	(30,149)	188,555	98,895

The accompanying notes are an integral part of this individual and consolidated interim financial information.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

1. General information

1.1. Operations

International Meal Company Alimentação S.A. ("Company" or "IMC"), headquartered at Avenida Doutora Ruth Cardoso, 4.777, 12º andar, in the city of São Paulo, State of São Paulo, established in 1965, is a publicly-held company with shares traded on B3 S.A. - Brasil, Bolsa, Balcão ("B3") under the ticker symbol "MEAL3" and listed in the Novo Mercado (New Market) segment.

The Company and its subsidiaries ("Group") are engaged in the sale of food and beverages to restaurants, snack bars and coffee shops ("stores"), sale of food for airline catering services ("catering") and operation of franchises. The Group also subleases stores and spaces for promotional and commercial purposes in its store chain, with the sale of fuel, and provides general services related to these segments.

As of March 31, 2022, the Group has operations in Brazil, Panama, Colombia and the United States of America.

2. Preparation and presentation of the interim financial information

2.1. Basis of preparation

a) Statement of compliance

The interim financial information was prepared: (i) in the consolidated, in accordance with the accounting practices adopted in Brazil CPC 21 (R1) and in accordance with the International Financial Reporting Standards (IFRS) issued by IASB (International Accounting Standards Board) (IAS 34) and (ii) in the parent, in accordance with accounting practices adopted in Brazil CPC 21 (R1).

The Company's interim financial information was approved by the Board of Directors on May 12, 2022.

Information on the accounting policies adopted by the group, including amendments to such policies, is presented in Note 3.

All significant information specific to the interim financial information is being disclosed and corresponds to the information used by Management in managing the Company's activities.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

2. Preparation and presentation of interim financial information-- Continued

2.2. Functional and reporting currency

The interim financial information is presented in Reais (R\$), which is the Company's reporting currency. All balances have been rounded to the nearest thousand, unless otherwise stated.

The Company defines the functional currency of each of its subsidiaries analyzing which currency significantly influences the sales price of its products and services and the currency in which most of its operating and administrative costs is paid or incurred, as follows:

<u>Country</u>	<u>Functional currency</u>
Brazil	Real - R\$
United States of America	US Dollar - US\$
Panama	Balboa - PAB\$
Colombia	Colombian Peso - COP\$

2.3. Measurement basis

The individual and consolidated interim financial information has been prepared based on the historical cost, except for (i) certain financial instruments; (ii) assets and liabilities arising from business combinations measured at their fair values, and (iii) liabilities for share-based payment transactions are measured at fair value.

2.4. Analysis of the effects of COVID-19

On January 30, 2020, the World Health Organization (WHO) announced that the "new coronavirus" (COVID-19) is a global health emergency. The outbreak triggered significant decisions by governments and private sector entities, which, added to the potential impact of the outbreak, increased the degree of uncertainty about the amounts recognized in the interim financial information.

On March 10, 2020, the Brazilian Securities and Exchange Commission (CVM) issued Official Letter CVM/SNC/SEP 02/20, instructing Publicly-held Companies to carefully assess

the impacts of COVID-19 on their businesses and report in the interim financial information the main risks and uncertainties arising from such assessment, observing the applicable accounting standards.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

2.4. Analysis of the effects of COVID-19--Continued

In this sense, among the several risks and uncertainties to which the Company is exposed, Management has paid particular attention to economic events related to going concern and/or to accounting estimates used, such as: recoverability of financial and non-financial assets, income taxes, measurement of lease assets and liabilities, fair value measurement, provisions and contingent liabilities, recognition of revenue and liquidity, and compliance with financial commitments.

In accordance with the guidance of the Brazilian Securities and Exchange Commission - CVM, through OFÍCIO-CIRCULAR/CVM/SNC/SEP nº 02/2020 of March 10, 2020 and OFÍCIO-CIRCULAR/CVM/SNC/SEP/n.º 01/2021 of January 29, 2021, the Company and its subsidiaries assess and observe the risks and uncertainties arising from the current pandemic scenario, always considering the applicable accounting standards, where their main concern throughout all quarters of the year was the preservation of cash, aiming to guarantee the operation of its entire business.

The Company constantly monitors the unexpected changes that may result in a downturn of the economic and business environment and, consequently, affect its ability to meet its obligations and/or lead to the recognition of impairment losses related to its assets.

The detailed assessments and conclusions regarding the impacts of the pandemic on the main transactions of the Company are presented below.

Impairment of financial assets (IFRS 9 / CPC 48)

As disclosed in Note 6 - Financial instruments, the Company is subject to credit risk regarding its balances of cash and cash equivalents, financial investments, receivables from credit card company and receivables from franchisees and airlines.

Financial investments and bank deposits

The Group has amounts invested in financial institutions totaling R\$ 83,796 in Parent and R\$ 412,411 in Consolidated. These funds are held at solid financial institutions and, although there is a possibility of an increase in default caused by the current scenario, there are no indications of a significant increase in the credit risk of these counterparties, given that the Group's complete portfolio was rated by Standard & Poor's rating as BB-. In addition, it should be noted that the Central Bank of Brazil has implemented several measures to increase the liquidity of financial institutions, so that no loss is expected due to the pandemic.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

2.4. Analysis of the effects of COVID-19--Continued

Trade receivables (allowance for expected credit losses)

The credit risk of the balance of "trade receivables" is mitigated by the fact that approximately 50% of the Group's sales are made through debit and credit cards. Concentration of operations on the main credit card companies, normally linked to solid financial institutions.

Consequently, the Company considers that the risk of default by credit card companies is extremely low and that the effects of the pandemic on these counterparties are not significant and, therefore, no additional loss is expected.

As of March 31, 2022, Management reassessed the allowance for expected losses for customers listed as airlines, contracts, marketing funds, royalties and receivables from franchisees, and carried out a reversal of the allowance for the period in the amount of R\$ 859 in Parent and R\$ 2,824 in Consolidated.

Impairment of non-financial assets (CPC 16 - IAS 2)

Inventories

Thus, as in stores, the distribution center and carriers were authorized to operate, through the adoption of measures to contain the spread of the virus. In compliance with the guidelines of the authorities, the Company started to place its purchase orders with suppliers, and these continue to be delivered normally, with no interruption in the supply chain.

As of March 31, 2022, Management revised the calculation of the provision for losses on perishable and/or slow-moving inventories and concluded on the sufficiency of the provisioned amount.

Analysis and impairment of assets with indefinite useful lives (CPC 16 – IAS 2)

Management monitors the future cash flow generation capacity of its segments to ensure that the discounted cash flows at present value are not lower than the carrying amount of business units, including goodwill.

Management performed an impairment test at December 31, 2021 considering, among other factors, the market value-to-book value ratio, and did not identify indications of impairment. For the quarter ended March 31, 2022, considering the results obtained by the Company, no aspects were identified that would indicate the need for a new impairment test.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

2.4. Analysis of the effects of COVID-19--Continued

Income tax (CPC 32– IAS12)

The Company updated for December 31, 2021 the projections and analyses carried out on the recoverability of the income taxes, considering the effects of COVID-19, and did not identify any adjustments to be made. For the quarter ended March 31, 2022, considering the results obtained by the Company, no aspects were identified that would indicate the need for a new impairment test.

Measurement of lease assets and liabilities (IFRS 16 – CPC 06)

The Brazilian Securities and Exchange Commission (CVM) issued, on July 7, 2020, CVM Resolution 859, which approves the Document for Revision of Technical Pronouncements 16. The document approves and makes mandatory for publicly-held companies the amendments to Technical Pronouncement NBC TG 16, issued by the Brazilian Accounting Standards (NBC), and is related to the revision approved by the International Accounting Standards Board (IASB) in 2020, in view of the impacts caused on leases due to the COVID-19 pandemic. The impacts of this resolution are presented in Note 14, as established by the new paragraphs included in the aforementioned standard.

Fair value measurement

Given the nature of the transactions, Management considered that the crisis caused by the COVID-19 pandemic does not have impacts on the fair value measurement of the Company's operations.

Provisions and contingent liabilities

Management assessed the nature of provisions and contingent liabilities and concluded that the economic crisis caused by the COVID-19 pandemic has no impact on the accounting measurement of these transactions.

Master Franchise Agreement - KFC

Pursuant to the material fact disclosed on January 19, 2021, the COVID pandemic impacted the Company's goals and terms for the opening of stores, and on January 18, 2021, the Company received a notice of resolution of the master franchise agreement by Kentucky Fried Chicken International Holdings LLC ("KFC"), with effects as from that date. On January 26, 2021, the Company became aware of the request for arbitration filed by KFC.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

2.4. Analysis of the effects of COVID-19--Continued

In addition, KFC filed for a provisional remedy with the 2nd Business and Arbitration Court of the Judicial District of São Paulo, which is being prosecuted under a closed proceeding ("Provisional Remedy"), and on February 26, 2021, a decision was issued, which: (i) denied KFC's requests under the Provisional Remedy, especially regarding the request to recognize the resolution of the agreement (which, therefore, remains in effect) and revoke the exclusivity of KSR Master Franquia Ltda., a subsidiary of the Company, in conducting the operation of KFC; and (ii) only authorized KFC to negotiate with potential partners the expansion of the KFC network in Brazil, emphasizing that the existence of the dispute subject of the Provisional Remedy constitutes essential information to any interested party.

The decision regarding the Provisional Remedy was upheld in a monocratic decision of the São Paulo State Court of Justice, which rejected the request for a preliminary injunction in an interlocutory appeal filed by KFC. After the arbitration was initiated and the Arbitration Court was constituted, the Provisional Remedy was dismissed and filed. The dispute will be definitively resolved in an arbitration, which is currently in the evidentiary stage.

The Company, based on its best judgment, supported by the opinion of its legal counsel, and considering the evidence available at this time and the arguments that will be presented to the Arbitration Court, understands that the chances of the arguments presented by KFC for termination of the KFC Master Franchise Agreement prevailing at the end of the ongoing proceedings are remote.

As disclosed in Note 31, on April 19, 2022, the Arbitration Court issued an order granting the joint request of the Company, Guarantors and Kentucky Fried Chicken International Holdings LLC ("KFC") for the suspension of the arbitration proceeding filed by KFC against the Company and the Guarantors, which involves discrepancies regarding the master franchise agreement entered into by the parties.

The suspension was requested so that the parties may negotiate and mutually agree a solution for such dispute. The arbitration proceeding will be suspended up to May 14, 2022, and can be extended for another 30 days. The Company will inform any significant developments related to the matter, observing the secrecy imposed in the arbitration proceeding.

Revenue recognition

Management assessed the revenue recognition criteria, as well as the existence of any changes in the return policies or other performance commitments assumed with our customers and concluded that the crisis caused by the COVID-19 pandemic did not have impacts on the Group's revenue recognition criteria.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

3. Significant accounting policies

The accounting policies adopted in preparing this individual and consolidated interim financial information were the same as those adopted in preparing the individual and consolidated financial statements for the year ended December 31, 2021, disclosed on March 30, 2022 and, accordingly, they should be read in conjunction, except for income taxes, which were determined in accordance with CPC 21 / IAS 34, by applying the estimated annual effective rate on Income (loss) before Income Tax and Social Contribution for the interim period. The accounting practices adopted in Brazil comprise the Brazilian Corporate Law and the pronouncements, guidelines and interpretations issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM), and in accordance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB).

a) Foreign currency

a.1) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are retranslated to the functional currency at the exchange rate on the date in which the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss and presented within finance expense.

a.2) Foreign operations

The assets and liabilities of foreign operations are translated into Real at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Real at the exchange rates calculated based on the average rates for the period.

Foreign currency differences arising from translation to the presentation currency are recognized in other comprehensive income and accumulated in carrying value adjustments, in equity.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

3. Significant accounting policies--Continued

a.3) Foreign subsidiaries

The results of operations and the financial position of all subsidiaries included in the interim financial information that have a functional currency different from the reporting currency are translated into the reporting currency, as follows:

- (i) Assets and liabilities are translated into reais at the exchange rate prevailing at the end of the reporting period.
- (ii) Income and expense accounts are translated at the average monthly exchange rate.
- (iii) All currency translation differences are recognized in the statement of comprehensive income in line item "Translation adjustments in the balance sheet of foreign subsidiaries" and accumulated in equity.

b) Basis of consolidation

The consolidated interim financial information includes the interim financial information of the Company and its subsidiaries.

Control is achieved when the company has the power to govern the financial and operating policies of an entity so as to benefit from its activities. Control over an entity is achieved when the company has the power to govern the financial and operating policies of an entity so as to benefit from its activities.

When necessary, the subsidiaries' interim financial information is adjusted to conform their accounting policies to those set by the Group.

All intragroup transactions, balances, income, and expenses were fully eliminated in the consolidated interim financial information.

In the Company's individual interim financial information, investments in subsidiaries are accounted for under the equity method.

The investments disclosed in Note 11 represent the same consolidated companies disclosed in the individual and consolidated financial statements for the year ended December 31, 2021, disclosed on March 29, 2022.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

4. Key estimates and judgments

The preparation of interim financial information requires the Company's management to use certain accounting estimates and judgment in applying the accounting policies.

The accounting estimates and underlying assumptions are reviewed on an ongoing basis and are based on historical experience and other factors that are considered to be reasonable in the circumstances. Actual results may differ from those estimates. The effects resulting from the revision of accounting estimates are recognized in the period in which the review is made.

The key assumptions and estimates used for the individual and consolidated interim financial information for the three-month period ended March 31, 2022 are the same as those adopted in the individual and consolidated financial statements for the year ended December 31, 2021, disclosed on March 30, 2022.

5. Segment information

The information reported to the Group's chief decision maker, for the purpose of capital allocation and segment performance evaluation, is more specifically focused on the categories of customer for each type of product and service. The main categories of customers for these products and services are restaurants in shopping malls, airports and highways. Each of these operating segments is managed separately, considering that each one of these product lines requires different resources, including differentiated marketing approaches. The Company's main products consist of meals and related services.

	Segment information					
	Brazil and the Caribbean			United States of America	Other	Total
	Airports	Shopping malls	Highways			
March 31, 2022:						
Net revenue	65,544	124,825	162,919	134,008		487,296
EBITDA	20,889	(9,073)	11,517	16,798	(3,368)	36,763
Depreciation and amortization	(8,690)	(5,580)	(4,144)	(8,397)	(4)	(26,815)
Amortization of right of use	(3,659)	(4,898)	(2,488)	(10,625)		(21,670)
Finance income (expense)	(13,776)	(4,235)	(1,981)	(4,094)	(432)	(24,518)
Income tax benefit (expense)	(2,310)	(3,880)	(108)	1,805	-	(4,493)
March 31, 2021:						
Net revenue	34,766	76,538	119,045	91,544	-	321,893
EBITDA	3,249	(6,218)	3,376	9,749	(7,844)	2,312
Depreciation and amortization	(9,930)	(6,167)	(4,648)	(7,225)	(45)	(28,015)
Amortization of right of use	(4,256)	(4,083)	(2,092)	(5,743)	-	(16,174)
Finance income (expense)	(6,038)	(514)	(2,067)	(2,171)	(354)	(11,144)
Income tax benefit (expense)	210	(5,969)	(1,290)	4,581	-	(2,468)

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

5. Segment information--Continued

The reconciliation of EBITDA to loss for the period is as follows:

	Consolidated	
	03/31/2022	03/31/2021
Reconciliation of loss for the period:		
Loss for the period	(40,733)	(55,449)
Depreciation and amortization	(26,815)	(27,975)
Amortization of right of use	(21,670)	(16,175)
Finance income (expense)	(24,518)	(11,144)
Income tax and social contribution	(4,493)	(2,468)
EBITDA	36,763	2,312

The Company's total assets by business segment are as follows:

	Consolidated	
	03/31/2022	03/31/2021
Brazil and the Caribbean:		
Shopping malls	843,398	627,692
Airports	926,642	713,260
Highways	59,543	559,130
United States of America	915,929	870,541
Subtotal	2,745,512	2,770,623
Assets not allocated to the segments	-	3,669
	2,745,512	2,774,292

a) Disclosures at the Company's level

Geographical information

The Group operates in the following main areas: Brazil, the Caribbean (Colombia and Panama), and the United States of America. Segment reporting on the Group's sales by geographic market based on the location of its customers, regardless of the origin of assets/services, is as follows:

	Consolidated	
	03/31/2022	03/31/2021
Net revenue:		
Brazil	304,040	201,036
The Caribbean	49,248	29,313
United States of America	134,008	91,544
	487,296	321,893

b) Information on major customers

The Group does not have customers or a group of customers under common control accounting for more than 10% of its revenue.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

6. Financial instruments

a) Capital management

The Group's Management manages the Group's capital to ensure the continuity of the Group as a going concern and to maximize its funds to allow for investments in new stores, refurbishments, and redesign of existing stores, as well as the acquisition of other entities.

The Group's capital structure consists of financial liabilities with financial institutions, cash and cash equivalents and financial investments, including issued capital and retained earnings.

The Group can change its capital type and structure, depending on economic conditions, to optimize its financial leverage. In addition, Management periodically reviews the capital structure and its capacity to settle its liabilities taking the appropriate actions, when necessary, to balance the Group's debt and liquidity ratios.

b) Categories and hierarchy of fair value of financial instruments

Management considers that the carrying amounts of financial assets and liabilities recorded at amortized cost in the individual and consolidated interim financial information, except for borrowings and debentures, approximate their fair values, since these are short-term instruments or instruments indexed to the variation of the CDI, as shown below:

		Parent 03/31/2022			
(In thousands of Reais)	Level	Carrying amount	FV	Amortized cost	FVHA Fair value
Cash		225	-	225	225
Financial investments	2	78,059	78,059	-	78,059
Trade receivables		8,630	-	8,630	8,630
Receivables from related parties		259,281	-	259,281	259,281
Long-term investments		5,634	-	5,634	5,634
Assets		351,829	78,059	273,545	351,829
Trade payables		17,482	-	17,482	17,482
Borrowings and debentures	2	470,597	-	470,597	508,369
Installment payment of business acquisitions		5,841	-	5,841	5,841
Payables to related parties		43,594	-	43,594	43,594
Liabilities		537,514	-	537,514	575,286

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

6. Financial instruments--Continued

	Consolidated					
	03/31/2022					
(In thousands of Reais)	Level	Carrying amount	FV	Amortized cost	FVHA	Fair value
Cash		277,270		277,270	-	277,270
Financial investments	2	135,007	135,007	-		135,007
Trade receivables		80,140	-	80,140	-	80,140
Receivables from related parties		12,967	-	12,967	-	12,967
Long-term investments		5,634	-	5,634	-	5,634
Assets		511,018	135,007	376,011	-	511,018
Trade payables		200,655	-	200,655	-	200,655
Borrowings and debentures	2	707,825	-	707,825	-	723,676
Installment payment of business acquisitions		8,211	-	8,211	-	8,211
Liabilities		916,691	-	916,691	-	932,542

Parent					
12/31/2021					
(In thousands of Reais)	Level	Carrying amount	FV	Amortized cost	Fair value
Cash and cash equivalents	2	99,638	99,638	-	99,638
Trade receivables		10,808	-	10,808	10,808
Receivables from related parties		258,225	258,225	-	258,225
Receivables from related parties		1,568	-	1,568	1,568
Long-term investments		5,533		5,533	5,533
Assets		374,234	357,893	16,341	374,234
Trade payables		13,026	-	13,026	13,026
Borrowings and debentures		454,368	-	454,368	454,368
Installment payment of business acquisitions		5,942	-	5,942	5,942
Payables to related parties		43,594	-	43,594	43,594
Liabilities		516,930	-	516,930	516,930

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

6. Financial instruments--Continued

(In thousands of Reais)	Level	Consolidated			
		Carrying amount	FV	Amortized cost	Fair value
					12/31/2021
Cash and cash equivalents	2	461,280	461,280	-	461,280
Trade receivables		89,386	-	89,386	89,386
Receivables from related parties	2	12,967	-	12,967	12,967
Long-term investments	2	5,533		5,533	5,533
Assets		569,166	479,780	89,386	569,166
Trade payables		191,256	-	191,256	191,256
Borrowings and debentures		736,198		736,198	736,198
Installment payment of business acquisitions		8,732	-	8,732	8,732
Payables to related parties		-		-	-
Liabilities		936,186	-	936,186	936,186

c) Liquidity

Liquidity management entails maintaining sufficient funds, such as cash, securities, and committed credit facilities, to manage the capacity to settle the Group's obligations.

Management monitors the Group's liquidity level considering the expected cash flows against unused credit facilities.

The table below details the remaining contractual maturity of the Group's financial liabilities, and the agreed repayment terms. The tables below were prepared using the undiscounted cash flows of the financial liabilities based on the nearest date on which the Group can be required to make the related payment or collect its receivables. As interest flows are based on floating rates, the undiscounted amount obtained is based on the interest rates in the twelve-month period ended March 31, 2022. Accordingly, the disclosed balances do not match the balances stated in the balance sheets.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

6. Financial instruments--Continued

	Weighted average effective interest rate - %	Parent						Total
		Carrying amount	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 ya rs	Over 5 years	
March 31, 2022:								
Trade payables		17,482	14,584	1,842	696	360	-	17,482
Borrowings and debentures	12.48%	470,597	-	-	197,701	462,398	-	660,100
Lease liabilities	10.84%	12,227	381	764	4,411	2,504	6,026	14,086
Installment payment of business acquisitions		5,841	-	207	-	5,634	-	5,841
Total		506,147	14,965	2,813	202,808	470,896	6,026	697,509
	Weighted average effective interest rate - %	Consolidated						Total
		Carrying amount	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 ya rs	Over 5 years	
March 31, 2022:								
Trade payables		200,655	169,060	20,081	7,589	3,925	-	200,655
Borrowings and debentures	12.48%	707,825	-	-	273,111	689,042	-	962,152
Lease liabilities	10.84%	549,514	6,885	13,771	61,980	440,466	53,888	576,990
Installment payment of business acquisitions		8,211	-	2,577	-	5,634	-	8,211
Total		1,466,205	175,945	36,429	342,680	1,139,067	53,888	1,748,008

d) Credit risk

Credit risk refers to the risk of a counterparty not complying with its contractual obligations, which would result in financial losses for the Group. Group sales are basically made using various means of payment, especially credit and debit cards, which reduce significantly the risk of default. A portion of the catering segment sales is made to airlines, the creditworthiness of which is monitored. As a result of such management, expected losses are recorded in 'Allowance for expected credit losses', as described in Note 8.

The Group is also exposed to credit risks related to financial instruments contracted for the management of its business, which consist basically of cash and cash equivalents and short-term investments. Management believes that the credit risk of transactions with financial institutions is low, as these are considered by the market as prime banks, with a rating of BB- in Brazil.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

6. Financial instruments--Continued

e) Interest rate risk

The Group has loans and debt agreements denominated in US dollars (US\$), Colombian pesos (COP) and Brazilian reais (R\$), indexed to LIBOR (long-term rate), Colombian Banking Reference Index - IBR and Brazilian Interbank Deposit Rate - CDI.

There is an inherent risk in these liabilities due to usual fluctuations of rates in the markets in which they were contracted.

The Group does not have any derivative contract to mitigate this risk since Management understands there is no significant risk of abrupt fluctuation of these interest rates.

e.1) Sensitivity analysis

In order to carry out the sensitivity analysis of the interest rate levied on the exposed assets and liabilities, an increase in rates for loans and for cash equivalents was projected. The Group uses, for a probable scenario, the market rate being the future 12-month CDI (B3), Libor (Fedprimerate) and the future 6-month IBR (Central Bank of Colombia) to measure the impacts on finance income and expense. Each of the analyzed transactions considers the probable scenario and an increase of 25% and 50% in scenarios I and II, respectively. Considering the sensitization of the rates, the balances would be:

Transactions	Parent				
	Carrying amount	Rate	Probable	Scenario I	Scenario II
Financial investments - CDI of 99% to 106%	83,693	11.65%	12.71%	15.89%	19.07%
Impact related to CDI increase	-	-	887	3,546	6,206
Debentures - CDI plus interest from 4.85% to 5.30% p.a.	(395,240)	16.79%	18.41%	23.01%	27.62%
Impact related to CDI increase	-	-	(6,410)	(24,602)	(42,795)
Credit note - CDI plus interest of 2.30% p.a.	(75,357)	14.22%	15.30%	19.13%	22.95%
Impact related to CDI increase	-	-	(817)	(3,700)	(6,583)
Total	(386,904)		(6,340)	(24,756)	(43,172)

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

6. Financial instruments--Continued

e) Interest rate risk--Continued

Transactions	Consolidated				
	Carrying amount	Rate	Probable	Scenario I	Scenario II
Financial investments - CDI of 99% to 106%	140,641	11.65%	12.71%	15.89%	19.86%
Impact related to CDI increase	-	-	1,491	5,960	11,546
Debentures - CDI plus interest from 4.85% to 5.30% p.a.	(395,240)	16.79%	18.41%	23.01%	27.62%
Impact related to CDI increase	-	-	(6,403)	(24,594)	(42,804)
Credit note - CDI plus interest of 2.30% p.a.	(75,357)	14.22%	15.30%	19.13%	22.95%
Impact related to CDI increase	-	-	(814)	(3,696)	(6,579)
30-day LIBOR plus interest of 3% p.a.	(168,603)	3.32%	4.93%	6.16%	9.24%
Impact related to LIBOR increase	-	-	(2,711)	(4,788)	(9,982)
180-day LIBOR plus interest of 4.40% p.a.	(57,127)	4.86%	6.33%	7.91%	11.87%
Impact related to LIBOR increase	-	-	(837)	(1,741)	(4,001)
180-day IBR plus interest of 3.70% p.a.	(11,498)	8.30%	10.23%	12.79%	19.18%
Impact related to IBR increase	-	-	(222)	(516)	(1,251)
Total	(567,184)		(9,496)	(29,375)	(53,071)

f) Exchange risk

The Group companies only carry out transactions for payment of royalties of R\$ 3,913 (R\$ 5,198 as of December 31, 2021) and reimbursement of expenses receivable of R\$ 5,306 (R\$ 5,306 as of December 31, 2021) and payable of R\$ 4,151 (R\$ 4,151 as of December 31, 2021) between group companies with exchange rate exposure. Considering the amounts outstanding as of March 31, 2022, even if there were a fluctuation with a 25% increase, there would be no material impact on the Company's results.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

7. Cash and cash equivalents

	Parent		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Cash	122	159	5,500	6,895
Banks	103	81	271,770	290,563
Financial investments	78,059	99,398	135,007	163,822
	<u>78,284</u>	<u>99,638</u>	<u>412,277</u>	<u>461,280</u>

Financial investments classified as cash and cash equivalents are broken down as follows:

Transactions	Average yield	Liquidity	Country	Parent	
				03/31/2022	12/31/2021
Bank deposit certificate	98.5% to 105% of CDI	Immediate	Brazil	76,471	97,699
Overnight deposits (CDB)	30% to 60% of CDI	Immediate	Brazil	1,588	1,699
				<u>78,059</u>	<u>99,398</u>
Transactions	Average yield	Liquidity	Country	Consolidated	
				03/31/2022	12/31/2021
Bank deposit certificate	90% to 103.0% of CDI	Immediate	Brazil	37,400	107,319
Bank Deposit Certificates (fixed income)	100.2% to 101.5% of CDI	Immediate	Brazil	1,711	41,522
Overnight deposits	30% to 60% of CDI	Immediate	Brazil	78,213	8,634
Overnight deposits	7.41% p.a.	Immediate	Colombia	17,683	6,347
				<u>135,007</u>	<u>163,822</u>

8. Trade receivables

	Parent		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Means of payment (credit and debit cards, and meal tickets)	1,094	1,197	49,439	49,610
Trade receivables (*)	11,100	12,292	44,370	28,008
Rebates and commercial agreements	-	-	3,653	4,724
Trade receivables - franchisees (**)	-	-	5,696	37,455
Others	267	291	4,318	233
	<u>12,461</u>	<u>13,780</u>	<u>107,476</u>	<u>120,030</u>
Allowance for expected credit losses	(3,831)	(2,972)	(27,336)	(30,644)
	<u>8,630</u>	<u>10,808</u>	<u>80,140</u>	<u>89,386</u>

(*) The balance of "Trade receivables" refers mainly to receivables from airlines.

(**) Include amounts receivable from franchisees of the KFC and Pizza Hut brands, mainly related to royalties calculated based on percentages on sales of franchised stores. It also includes amounts allocated to the Marketing Fund.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

8. Trade receivables--Continued

The balance of 'Trade receivables' before deduction of allowance for expected credit losses is denominated in the following local currencies of the countries where the Group operates:

	Consolidated	
	03/31/2022	12/31/2021
In Reais - R\$	94,735	102,637
In US dollars - US\$ (*)	4,333	10,450
In Panamanian balboas - PAB\$ (*)	543	726
In Colombian pesos - COP\$ (*)	7,865	6,217
	107,476	120,030

Receivables are comprised of current and past-due receivables, as follows:

	Parent		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Not yet due	7,146	7,988	66,124	80,596
Past due:				
Up to 30 days	2,167	2,075	9,404	4,926
31 to 60 days	103	898	2,886	3,552
61 to 90 days	292	85	8,950	7,213
Over 90 days	2,753	2,734	20,112	23,740
Allowance for expected credit losses	(3,831)	(2,972)	(27,336)	(30,641)
	8,630	10,808	80,140	89,386

Allowance for expected credit losses

The variation in the allowance for expected credit losses is as follows:

	Parent		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
At the beginning of the period	(2,972)	(6,926)	(30,641)	(32,859)
Additions	(859)	(5,570)	(3,586)	(20,425)
Reversals and write-offs	-	9,259	762	21,863
Other (a)	-	265	6,129	780
At the end of the period	(3,831)	(2,972)	(27,336)	(30,641)

(a) The amount of R\$ 5,768 refers to the derecognition of receivables from franchisee.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

9. Inventories

	Parent		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Food and beverages	1,591	1,834	21,830	26,086
Fuel and vehicle accessories	-	-	5,025	7,190
Nonfood products and souvenirs for resale	950	-	18,326	12,499
Supplies and fixtures	613	1,559	5,852	8,760
Provision for inventory losses	(574)	(589)	(1,285)	(1,299)
	2,580	2,804	49,748	53,236

As of March 31, 2022, the total cost of inventories sold disclosed in line item 'Cost of sales and services' was R\$7,735 (R\$3,922 as of March 31, 2021) in Parent and R\$200,018 (R\$133,421 as of March 31, 2021) in Consolidated (see Note 29).

The variation in the provision for inventory losses is as follows:

	Parent		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Opening balance	(589)	(650)	(1,299)	(2,056)
Additions and reversals	15	61	14	788
Exchange rate changes	-	-	-	(31)
Closing balance	(574)	(589)	(1,285)	(1,299)

10. Income tax and social contribution and taxes and contributions recoverable

	Parent		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Prepaid income tax and social contribution	-	-	10,668	11,193
Withholding income tax (IRPJ) and income tax and social contribution recoverable	5,289	4,847	10,332	9,661
Income tax and social contribution recoverable	5,289	4,847	21,000	20,854
Taxes on revenue (PIS and COFINS)	6,908	7,225	56,537	58,023
INSS recoverable	-	-	2,109	-
Other	373	369	908	926
Subtotal of taxes recoverable	7,281	7,594	59,554	58,949
Total	12,570	12,441	80,554	79,803
Current assets	7,975	7,960	39,240	43,582
Noncurrent assets	4,595	4,481	41,314	36,221

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

11. Investments

Information on subsidiaries

The summarized financial information relating to each of the subsidiaries in which the Company has interests is presented below, before the eliminations of intragroup transactions:

a) 03/31/2022

Direct subsidiaries	Ownership interest - %	Total assets	Total liabilities	Equity (*)	Investments and provisions for investment losses	Revenue	Profit (loss) for the year	Share of profit (loss) of investees
IMCMV Holdings Inc.	100.00	915,929	(590,554)	(325,375)	(325,375)	134,008	(4,512)	(4,512)
IMC Puerto Rico Ltd. (The Caribbean)	100.00	300,903	(153,152)	(147,751)	(147,751)	49,248	9,389	9,389
Pimenta Verde Alimentos Ltda. (Brazil)	100.00	893,679	(592,284)	(301,395)	(301,395)	154,877	(17,541)	(17,541)
Niad Restaurantes Ltda. (Brazil)	64.74	20,760	(21,893)	1,133	734	6,108	(467)	(302)
Centro de Serviços Frango Assado Norte Ltda. (Brazil)	91.30	138,063	(78,519)	(59,544)	(54,369)	101,927	385	352
KSR Master Franquias Ltda. (Brazil)	100.00	27,755	(47,530)	19,775	19,775	3,290	(372)	(372)
PHSR Master Franquia Ltda. (Brazil)	100.00	32,087	(67,367)	35,280	35,280	4,924	(5,312)	(5,312)
Total		2,329,176	(1,551,299)	(777,877)	(773,101)	454,382	(18,430)	(18,298)

(*) The negative equity values of the subsidiaries, amounting to R\$55,789 (R\$ 75,701 at December 31, 2021), are presented as provision for losses on investments.

b) 03/31/2021

Direct subsidiaries	Ownership interest - %	Total assets	Total liabilities	Equity (*)	Investments and provisions for investment losses	Revenue	Profit (loss) for the year	Share of profit (loss) of investees
IMCMV Holdings Inc.	100.00	881,699	(534,635)	(347,120)	(347,120)	91,544	(808)	(808)
IMC Puerto Rico Ltd. (The Caribbean)	100.00	321,454	(193,202)	(128,229)	(128,229)	29,313	676	676
Pimenta Verde Alimentos Ltda. (Brazil)	99.99	735,514	(376,865)	(358,649)	(358,613)	97,466	(36,159)	(36,161)
Niad Restaurantes Ltda. (Brazil)	63.95	20,660	(54,885)	34,225	21,887	4,806	(2,524)	(1,614)
Centro de Serviços Frango Assado Norte Ltda. (Brazil)	91.30	112,953	(48,147)	(64,806)	(59,168)	75,785	1,880	1,716
KSR Master Franquias Ltda. (Brazil)	100.00	25,321	(41,057)	15,736	15,736	1,978	1,696	1,696
PHSR Master Franquia Ltda. (Brazil)	100.00	32,148	(63,655)	31,507	31,507	5,094	2,747	2,747
Total		2,129,749	(1,312,446)	(817,336)	(824,000)	305,987	(32,492)	(31,747)

(*) The negative equity values of the subsidiaries, amounting to R\$81,468 (R\$ 83,386 at December 31, 2020), are presented as provision for losses on investments.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

11. Investments--Continued

The variation in investments in subsidiaries presented in the individual interim financial information is as follows:

	Pimenta Verde	Niad	Frango Assado Norte	IMC USA	IMC The Caribbean	KSR Master	PHSR Master	Total
Balance as of December 31, 2020	394,911	(24,470)	58,239	318,930	123,177	(17,431)	(34,254)	819,102
Share of profit (loss) of investees	(72,049)	(2,230)	(3,440)	44,357	27,930	(1,972)	4,286	(3,118)
Translation adjustments	-	-	-	24,031	(1,090)	-	-	22,941
Balance as of December 31, 2021	322,862	(26,700)	54,799	387,318	150,017	(19,403)	(29,968)	838,925
Share of profit (loss) of investees	(17,541)	(302)	352	(4,512)	9,389	(372)	(5,312)	(18,298)
Carrying value adjustments	(3,926)	3,946	(782)	(55)	(2,990)	-	-	(3,807)
Forgiveness of debt with related parties	-	22,322	-	-	-	-	-	22,322
Translation adjustments	-	-	-	(57,376)	(8,665)	-	-	(66,041)
Balance as of March 31, 2022	301,395	(734)	54,369	325,375	147,751	(19,775)	(35,280)	773,101
Total assets								828,890
Total liabilities								(55,789)

The variation in investments in joint venture presented in the consolidated interim financial information is as follows:

	Margaritaville (Orlando)
Balance as of December 31, 2020	23,136
Share of profit (loss) of investees	12,445
Translation adjustments of foreign joint venture	(5,348)
Balance as of December 31, 2021	30,233
Share of profit (loss) of investees (*)	3,415
Translation adjustments of foreign joint venture	(7,035)
Balance as of March 31, 2022	26,613

(*) Share of profit (loss) of investees net of the amortization of investment in joint venture incurred in the three-month period ended March 31, 2022 amounting to R\$677 (R\$ 3,076 as of December 31, 2021). The investment is amortized because the joint venture has an undetermined duration.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

12. Property, plant and equipment

The breakdown and variation in property, plant and equipment for the periods ended March 31, 2022 and March 31, 2021 are as follows:

	Parent			
	Balance as of December 31, 2021	Additions (*)	Write-offs	Balance as of March 31, 2022
Cost				
Machinery and equipment	29,543	-	-	30,021
Furniture and fixtures	9,269	-	-	9,308
Leasehold improvements	28,486	-	-	28,882
Computers, vehicles and other items	25,315	-	(4)	25,541
Works and construction in progress	8,141	1,379	-	8,363
Total cost	100,754	1,379	(4)	102,115
Depreciation				
Machinery and equipment	(20,035)	(496)	-	(20,524)
Furniture and fixtures	(6,830)	(106)	-	(6,936)
Leasehold improvements	(16,186)	(498)	-	(16,684)
Computers, vehicles and other items	(23,156)	(249)	2	(23,403)
Total depreciation	(66,207)	(1,349)	2	(67,554)
Impairment				
Leasehold improvements	(1,492)	-	-	(1,492)
Works and construction in progress	(794)	-	-	(794)
Furniture and fixtures	(213)	-	-	(213)
Machinery, equipment and facilities	(1,892)	-	-	(1,892)
Computers, vehicles and other items	(459)	-	-	(459)
Total	(4,850)	-	-	(4,850)
Total, net	29,697	30	(2)	29,711

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

12. Property, plant and equipment--Continued

	Parent		
	Balance as of December 31, 2020	Additions	Transfers, write-offs and others
			Balance as of March 31, 2021
Cost			
Machinery and equipment	28,716	-	765
Furniture and fixtures	8,815	-	311
Leasehold improvements	24,764	-	1,463
Computers, vehicles and other items	25,339	-	(34)
Works and construction in progress	2,067	5,340	(2,518)
Total cost	89,701	5,340	(13)
Depreciation			
Machinery and equipment	(18,301)	(517)	-
Furniture and fixtures	(6,322)	(148)	-
Leasehold improvements	(14,534)	(483)	-
Computers, vehicles and other items	(22,482)	(334)	41
Total depreciation	(61,639)	(1,482)	41
Impairment			
Leasehold improvements	(217)	-	-
Works and construction in progress	(776)	-	-
Furniture and fixtures	(223)	-	-
Machinery, equipment and facilities	(2,000)	-	-
Computers, vehicles and other items	(463)	-	-
Total	(3,679)	-	-
Total, net	24,383	3,858	28

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

12. Property, plant and equipment--Continued

	Consolidated					
	Balance as of December 31, 2021	Additions (*)	Write-offs	Transfers	Effects of exchange differences	Balance as of March 31, 2022
Cost						
Land and buildings	5,205	-	-	-	(413)	4,792
Machinery and equipment	271,872	-	(2,088)	8,611	(9,063)	269,332
Furniture and fixtures	104,460	-	(7,887)	2,755	(8,443)	90,885
Leasehold improvements	535,726	-	(2,586)	21,704	(39,614)	515,230
Computers, vehicles and other items	99,603	-	(1,626)	1,699	(4,523)	95,153
Works and construction in progress	138,723	20,978	(58)	(35,175)	(5,788)	118,680
Total cost	1,155,589	20,978	(14,245)	(406)	(67,844)	1,094,072
Depreciation						
Land and buildings	(3,736)	(5)	-	-	296	(3,445)
Machinery and equipment	(168,991)	(4,903)	154	-	6,794	(166,946)
Furniture and fixtures	(82,442)	(5,219)	70	-	5,726	(81,865)
Leasehold improvements	(303,117)	(7,090)	379	-	33,224	(276,604)
Computers, vehicles and other items	(75,651)	(2,095)	30	-	4,298	(73,418)
Total depreciation	(633,937)	(19,312)	633	-	50,338	(602,278)
Impairment						
Machinery and equipment	(55,545)	-	9	-	107	(55,429)
Works and construction in progress	(800)	-	49	-	-	(751)
Furniture and fixtures	(2,193)	-	6	-	-	(2,187)
Leasehold improvements	(15,300)	-	255	-	-	(15,045)
Computers, vehicles and other items	(516)	-	-	-	-	(516)
Total (**)	(74,354)	-	319	-	107	(73,928)
Total, net	447,298	1,666	(13,293)	(406)	(17,399)	417,866

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

12. Property, plant and equipment--Continued

	Consolidated					Balance as of March 31, 2021
	Balance as of December 31, 2020	Uses	Additions (*)	Transfers, write-offs and others	Effects of exchange differences	
Cost						
Land and buildings	5,612	-	-	(956)	1,220	5,876
Machinery and equipment	258,868	-	1,228	(11,142)	8,081	257,035
Furniture and fixtures	101,838	-	1,358	(781)	4,799	107,214
Leasehold improvements	483,651	-	8,514	(4,374)	24,911	512,702
Computers, vehicles and other items	91,184	-	277	(7,650)	5,827	89,638
Works and construction in progress	55,865	-	11,072	1,895	5,153	73,985
Total cost	997,018	-	22,449	(23,008)	49,991	1,046,450
Depreciation						
Land and buildings	(3,838)	-	(58)	-	(181)	(4,077)
Machinery and equipment	(157,174)	-	(5,438)	1,047	(3,543)	(165,108)
Furniture and fixtures	(76,286)	-	(2,125)	504	(3,643)	(81,550)
Leasehold improvements	(262,506)	-	(10,159)	948	(13,021)	(284,738)
Computers, vehicles and other items	(71,337)	-	(1,183)	141	(2,281)	(74,660)
Total depreciation	(571,141)	-	(18,963)	2,640	(22,669)	(610,133)
Impairment						
Machinery and equipment	(55,241)	232	-	7,538	-	(47,471)
Works and construction in progress	-	7,538	-	(7,538)	-	-
Furniture and fixtures	(2,186)	182	-	-	-	(2,004)
Leasehold improvements	(11,496)	285	-	-	-	(11,211)
Computers, vehicles and other items	(507)	-	-	-	-	(507)
Total (**)	(69,430)	8,237	-	-	-	(61,193)
Total, net	356,447	8,237	3,486	(20,368)	27,322	375,124

(*) The additions to property, plant and equipment presented in the statements of cash flows as of March 31, 2022 reflect the amount actually paid in the period, therefore, R\$ 698 (R\$ 4,250 as of March 31, 2021) was added in the Parent and R\$ 16,036 (R\$ 21,719 as of March 31, 2021) in the Consolidated.

(**) Amount related to impairment, based on an analysis performed by Management.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

12. Property, plant and equipment--Continued

The balances net of depreciation are as follows:

Net balances	Parent		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Land and buildings	-	-	1,347	1,469
Machinery and equipment	7,597	7,616	47,267	47,336
Furniture and fixtures	2,159	2,226	6,827	19,825
Leasehold improvements	10,706	10,808	223,326	217,309
Computers, vehicles and other items	1,679	1,700	21,219	23,436
Works and construction in progress	7,570	7,347	117,880	137,923
	29,711	29,697	417,866	447,298

Depreciation charges are allocated as follows:

	Parent		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Allocated to cost of sales and services	895	1,006	16,682	16,021
Allocated to general and administrative expenses	454	476	2,630	2,942
Total depreciation expenses	1,349	1,482	19,312	18,963
PIS and COFINS credits on depreciation (*)	(140)	(152)	(779)	(899)
Total depreciation expenses, net of tax credits	1,209	1,330	18,533	18,064

(*) PIS and COFINS credits on items of property, plant and equipment allocated to operations.

13. Intangible assets

The variation in intangible assets for the periods ended March 31, 2022 and March 31, 2021 was as follows:

	Parent			
	Balance as of December 31, 2021	Additions (*)	Write-offs	Balance as of March 31, 2022
Cost:				
Goodwill	250,417	-	-	250,417
Software	33,469	-	-	33,483
Rights over trademarks	4,100	-	-	4,100
Licensing rights	353,113	-	-	353,113
Total cost	641,099	-	-	641,113
Amortization:				
Software	(24,997)	(785)	-	(25,782)
Licensing rights	(96,370)	(3,947)	-	(100,317)
Total amortization	(121,367)	(4,732)	-	(126,099)
Impairment:				
Goodwill	(34,673)	-	-	(34,673)
Software	(1,278)	-	-	(1,278)
Rights over trademarks	(4,100)	-	-	(4,100)
Total	(40,051)	-	-	(40,051)
Total, net	479,681	(4,732)	-	474,963

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

13. Intangible assets--Continued

	Parent			
	Balance as of December 31, 2020	Additions (*)	Transfers, write-offs and others	Balance as of March 31, 2021
<u>Cost:</u>				
Goodwill	250,417	-	-	250,417
Software	30,710	-	1	30,711
Rights over trademarks	4,100	-	-	4,100
Commercial rights	30,921	-	-	30,921
Licensing rights	354,628	-	-	354,628
Leasehold rights	25,532	-	-	25,532
Total cost	696,308	-	1	696,309
 Amortization:				
Software	(19,227)	(739)	-	(19,966)
Commercial rights	(22,059)	(684)	684	(22,059)
Licensing rights	(85,720)	(5,076)	(684)	(91,480)
Leasehold rights	(25,532)	-	-	(25,532)
Total amortization	(152,538)	(6,499)	-	(159,037)
 Impairment:				
Goodwill	(34,673)	-	-	(34,673)
Software	(1,278)	-	-	(1,278)
Rights over trademarks	(4,100)	-	-	(4,100)
Commercial rights	(8,862)	-	-	(8,862)
Total	(48,913)	-	-	(48,913)
 Total, net	494,857	(6,499)	1	488,359

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

13. Intangible assets--Continued

	Consolidated				Effects of exchange differences	Balance as of March 31, 2022
	Balance as of December 31, 2021	Additions (*)	Write-offs	Transfers		
Cost						
Goodwill	939,603	-	-	-	(42,729)	896,874
Software	49,269	-	(116)	406	(120)	49,439
Rights over trademarks	77,614	-	-	-	(1,859)	75,755
Licensing rights	417,100	9,208	-	-	(3,581)	422,727
Non-compete agreements	3,676	-	-	-	(292)	3,384
Intangibles in progress and other assets	2,686	-	(95)	-	-	2,591
Total cost	1,489,948	9,208	(211)	406	(48,581)	1,450,770
Amortization:						
Software	(36,455)	(1,091)	9	-	264	(37,273)
Licensing rights	(147,216)	(6,412)	-	-	4,643	(148,985)
Non-compete agreements	(3,208)	-	-	-	215	(2,993)
Other	(999)	-	-	-	-	(999)
Total amortization	(187,878)	(7,503)	9	-	5,122	(190,250)
Impairment						
Goodwill	(223,849)	-	-	-	-	(223,849)
Software	(7,315)	-	-	-	-	(7,315)
Rights over trademarks	(21,323)	-	-	-	246	(21,077)
Licensing rights	(17)	-	-	-	-	(17)
Total	(252,504)	-	-	-	246	(252,258)
Total, net	1,049,566	1,704	(202)	406	(43,212)	1,008,262

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

13. Intangible assets--Continued

	Consolidated			
	Balance as of December 31, 2020	Additions (*)	Transfers, write-offs and others	Effects of exchange differences
				Balance as of March 31, 2021
Cost				
Goodwill	922,759	-	-	25,463
Software	47,095	132	842	204
Rights over trademarks	79,446	-	-	1,187
Commercial rights	120,979	-	1	501
Licensing rights	397,263	-	(2)	2,111
Leasehold rights	27,291	-	452	164
Non-compete agreements	3,963	-	-	186
Intangibles in progress and other assets	1,071	-	(225)	44
Total cost	1,599,867	132	1,068	29,860
Amortization:				
Software	(31,804)	(976)	626	(734)
Commercial rights	(71,551)	(1,993)	-	(328)
Licensing rights	(118,848)	(6,163)	2,745	(3,531)
Leasehold rights	(25,531)	-	-	-
Non-compete agreements	(2,933)	-	510	(635)
Other	(750)	-	-	(32)
Total amortization	(251,417)	(9,132)	3,881	(5,260)
Impairment				
Goodwill	(223,849)	-	-	-
Software	(7,315)	-	-	-
Rights over trademarks	(21,323)	-	-	-
Commercial rights	(10,088)	-	-	-
Licensing rights	(17)	-	-	-
Total (**)	(262,592)	-	-	-
Total, net	1,085,858	(9,000)	4,949	24,600

(*) The value of additions to intangible assets in the statements of cash flows, at March 31, 2022, reflects what was actually paid throughout the period, therefore, R\$ 400 (R\$ 0 at March 31, 2021) was added in the Parent and R\$ 808 (R\$ 132 at March 31, 2021) in the Consolidated.

(**) Amount related to impairment, based on an analysis performed by Management.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

13. Intangible assets--Continued

<u>Net balances</u>	<u>Parent</u>		<u>Consolidated</u>	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Goodwill (a)	215,744	215,744	673,025	715,754
Software	6,423	7,194	4,851	5,499
Rights over trademarks (b)	-	-	54,678	56,291
Commercial rights (c)	-	-	-	-
Licensing rights (d)	252,796	256,743	273,725	269,867
Leasehold rights (e)	-	-	-	-
Non-compete agreements	-	-	391	468
Intangibles in progress and other assets	-	-	1,592	1,687
	474,963	479,681	1,008,262	1,049,566

Main intangible assets

a) *Goodwill*

Allocation of goodwill to cash-generating units

Goodwill is allocated to each cash-generating unit, defined as follows:

- Shopping malls - Brazil: fast food in restaurant chains and coffee shops located in shopping malls in Brazil and provision of services to franchisees of the KFC and Pizza Hut brands, after the acquisition of MultiQSR operations.
- Shopping malls - the Caribbean (Panama and Colombia): fast food in restaurant chains and coffee shops located in shopping malls in the Caribbean.
- Airports: meals served in restaurants and coffee shops, and airline catering and other related services in Brazil.
- Airports - the Caribbean (Panama and Colombia): meals served in restaurants and coffee shops, and airline catering and other related services in the Caribbean.
- Highways: food courts in service stations and restaurant chains located along highways in Brazil, and sale of vehicle fuel.
- United States of America: meals in restaurants in captive markets in the United States of America and consumables in the retail market.

The carrying amount of goodwill was allocated to the following cash-generating units:

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

13. Intangible assets--Continued

a) *Goodwill--Continued*

	Consolidated	
	03/31/2022	03/31/2021
Brazil:		
Shopping malls	158,626	158,626
Airports	57,119	57,119
Highways	206,186	206,187
	421,931	421,932
Caribbean:		
Airports	21,076	25,841
	21,076	25,841
United States of America	230,018	276,600
	673,025	724,373

b) *Rights over trademarks*

Refers to those trademarks identified in the acquisitions made. Including Viena, Frango Assado, Batata Inglesa and J&C Delicias (the Caribbean).

c) *Commercial rights*

Refer to amounts paid to acquire commercial rights and/or acquired in business combinations. The balances under this line item were transferred to Right of Use.

d) *Licensing rights*

A portion of the price attributable to the acquisition of catering operations was allocated to the licenses and permits to operate airline-catering services and restaurants in certain airports.

After the acquisition of MultiQSR operations in 2019, the Company acquired the right to operate exclusively the KFC and Pizza Hut brands in Brazil under Master Franchise agreements.

e) *Leasehold rights*

Refers to the portion of the purchase price allocated to lease agreements entered into with airport authorities (leasehold rights) and/or airport managers for the lease of space in the airports to operate restaurants, snack bars, coffee shops, and other similar retail outlets. The balances under this line item were transferred to Right of Use.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

13. Intangible assets--Continued

Impairment testing for assets with indefinite useful lives

Assets with indefinite useful lives are tested for impairment annually or whenever there are indications that some of the cash-generating units might be impaired.

As of March 31, 2022, Management concluded that there were no indicators of impairment of any of its cash-generating units (CGU).

14. Right of use and lease liabilities ("right of use")

The changes in the right-of-use assets and lease liabilities ("right of use") are substantially comprised of real estate contracts.

The variation in the periods ended March 31, 2022 and March 31, 2021 is as follows:

a) Changes in the right-of-use asset

	Parent				Total
	Real estate	Machinery and equipment	Vehicles	Commercial rights	
Balance as of 12/31/2021	10,661	902	9	(4,779)	6,793
(-) Amortization	(1,548)	(11)	-	-	(1,559)
(-) Discounts	(63)	-	-	-	(63)
Balance as of 03/31/2022	9,050	891	9	(4,779)	5,171

	Parent				Total
	Real estate	Machinery and equipment	Vehicles	Commercial rights	
Balance as of 12/31/2020	13,217	931	9	-	14,157
(-) Amortization	(887)	(7)	-	-	(894)
(+) Additions	1,517	-	-	-	1,517
(-) Write-offs	(1,630)	-	-	-	(1,630)
Balance as of 03/31/2021	12,217	924	9	-	13,150

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

14. Right of use and lease liabilities ("right of use")--Continued

	Consolidated				
	Real estate	Machinery and equipment	Vehicles	Commercial rights	Total
Balance as of 12/31/2021	551,546	902	9	30,051	582,508
(-) Amortization	(21,505)	(11)	-	(153)	(21,670)
(+) Additions	37,600	-	-	-	37,600
(-) Write-offs	(3,144)	-	-	-	(3,144)
(+) Exchange rate changes	(77,395)	-	-	-	(77,395)
Balance as of 03/31/2022	487,101	891	9	29,898	517,899

	Consolidated				
	Real estate	Machinery and equipment	Vehicles	Commercial rights	Total
Balance as of 12/31/2020	398,119	931	9	-	399,059
(-) Accumulated depreciation	(16,167)	(7)	-	-	(16,175)
(+) Additions	29,520	-	-	-	29,520
(-) Write-offs	(16,294)	-	-	-	(16,294)
(+) Exchange rate changes	11,574	-	-	-	11,574
Balance as of 03/31/2021	406,752	924	9	-	407,684

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

14. Right of use and lease liabilities ("right of use")--Continued

b) Changes in lease liabilities

	Parent			Total
	Real estate	Machinery and equipment	Vehicles	
Balance as of 12/31/2021	12,108	991	39	13,138
(+) Interest	159	1	-	160
(-) Principal paid	(419)	(8)	-	(427)
(-) Interest paid	(644)	-	-	(644)
(+) Additions	-	-	-	-
(-) Write-offs	-	-	-	-
Balance as of 03/31/2022	11,204	984	39	12,227

Current	4,457
Noncurrent	7,770

	Parent			Total
	Real estate	Machinery and equipment	Vehicles	
Balance as of 12/31/2020	14,357	995	39	15,391
(+) Interest	320	2	-	322
(-) Principal paid	(1,042)	(9)	-	(1,051)
(-) Interest paid	(86)	-	-	(86)
(+) Additions	1,517	-	-	1,517
(-) Write-offs	(1,630)	-	-	(1,630)
Balance as of 03/31/2021	13,436	988	39	14,463

Current	5,087
Noncurrent	9,376

	Consolidated			Total
	Real estate	Machinery and equipment	Vehicles	
Balance as of 12/31/2021	612,837	991	39	613,867
(+) Interest	2,938	1	-	2,939
(-) Principal paid	(1,421)	(8)	-	(1,429)
(-) Interest paid	(757)	(4)	-	(761)
(+) Additions	37,600	-	-	37,600
(-) Write-offs	(3,144)	-	-	(3,144)
(+) Exchange rate changes	(99,559)	-	-	(99,559)
Balance as of 03/31/2022	548,494	980	39	549,513

Current	78,701
Noncurrent	470,813

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

14. Right of use and lease liabilities ("right of use")--Continued

	Consolidated			
	Real estate	Machinery and equipment	Vehicles	Total
Balance as of 12/31/2020	427,415	995	39	428,449
(+) Interest	4,357	2	-	4,359
(-) Principal paid	(17,380)	(9)	-	(17,389)
(-) Interest paid	(1,468)	-	-	(1,468)
(+) Additions	29,625	-	-	29,625
(-) Write-offs	(16,399)	-	-	(16,399)
(+) Exchange rate changes	13,509	-	-	13,509
Balance as of 03/31/2021	439,659	988	39	440,886
Current				58,810
Noncurrent				381,876

c) Schedule of lease liabilities recognized in noncurrent liabilities

Year	Parent	Consolidated
2023	2,026	122,729
2024	1,460	88,472
2025	1,412	85,562
Over 5 years	2,872	174,050
Total	7,770	470,813

The amounts shown in the schedule above refer to lease liability amounts and do not reflect the discounts on leases caused by the COVID-19 pandemic.

Pursuant to CVM Resolution 859 of July 7, 2020, with the revisions of technical pronouncement 16/2020, which amends NBC TG 6 (R2), the Company applied the practical expedient to all contracts that met the conditions of item 46B, electing to not assess the benefits received in lease payments and directly related to the COVID-19 pandemic as a contractual amendment. Accordingly, the group's lease payments were renegotiated in 2021, and the discount obtained amounted to R\$ 4,152 in the consolidated. There were no new renegotiations in the first three months of 2022.

d) Short-term leases, leases of low-value assets and variables:

As of March 31, 2022, payments made by the Company relating to short-term lease contracts and low-value assets referring to printers, peripherals, and office equipment totaled R\$168 (R\$991 as of March 31, 2021) in the Consolidated and R\$54 in the Parent. Payments for contracts with variable value totaled R\$4,044 (R\$2,434 as of March 31, 2021) in the Consolidated and R\$790 in the Parent.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

14. Right of use and lease liabilities ("right of use")--Continued

e) PIS and COFINS credits

The entities located in Brazil are entitled to PIS and COFINS credit on lease contracts when making payments. We present below the potential amounts of these taxes, considering the par values and the amounts adjusted to present value:

	Parent	
	Nominal value	Adjustment to present value
Lease consideration	5,171	5,032
Potential PIS and COFINS (9.25%)	478	465

	Consolidated	
	Nominal value	Adjustment to present value
Lease consideration	517,899	503,968
Potential PIS and COFINS (9.25%)	47,906	46,617

f) Additional information

If the Group had adopted the calculation methodology projecting the inflation embedded in the nominal incremental rate and bringing it to present value by the nominal incremental rate, the following data should be considered:

	Inflation to be projected by year	Average contract term
Brazil operations	4.38%	5 years
International operations		
United States of America	1.36%	6 years
Panama	1.36%	5 years
Colombia	1.61%	3 years

15. Trade payables

	Parent		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Product suppliers	9,214	5,288	128,640	111,721
Service providers	8,268	7,217	70,520	76,029
Suppliers - others	-	-	1,495	3,506
	17,482	12,505	200,655	191,256

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

16. Borrowings

	Financial charges	Maturity	Parent		Consolidated	
			03/31/2022	12/31/2021	03/31/2022	12/31/2021
Bank Credit Note - CCB – United States of America (a)	30-day LIBOR + spread of 3% p.a.	Annual until 11/21/2026	-	-	168,755	198,550
Bank Credit Note – CCB – Panama (b)	180-day LIBOR + spread of 4.40% p.a.	Quarterly up to 5/21/2025	-	-	57,127	67,306
Bank Credit Note – CCB – Colombia (c)	180-day IBR + spread of 3.70% p.a.	Quarterly up to 4/09/2025	-	-	11,499	12,516
Debentures 1st Series (d)	CDI + spread of 4.85% p.a.	Annual until 03/15/2024	93,275	143,744	93,275	143,744
Debentures 2nd Series (d)	CDI + spread of 5.30% p.a.	Annual until 03/15/2026	140,848	144,857	140,848	144,857
Single series issuance (e)	CDI + spread of 5.00% p.a.	Annual until 09/10/2025	168,514	173,085	168,514	173,085
Commercial notes (f)	CDI + spread of 2.30% p.a.	01/18/2023	75,357	-	75,357	-
Costs to be recognized			(7,397)	(7,318)	(7,550)	(7,318)
Other			-	-	-	3,458
			470,597	454,368	707,825	736,198

The changes in borrowings are presented below:

	Parent	Consolidated
Balance as of 12/31/2020	413,485	673,786
Repayment of borrowings	-	(972)
Interest paid on borrowings	-	(659)
Changes in cash flows from financing activities	-	(1,631)
Interest on borrowings	40,883	52,191
Exchange rate changes on borrowings	-	11,852
Total non-cash variation	40,883	64,043
Balance as of 12/31/2021	454,368	736,198
	-	-
Proceeds from borrowings	75,000	75,000
Repayment of borrowings	(75,689)	(75,689)
Changes in cash flows from financing activities	(689)	(689)
Interest paid on borrowings	-	(6,302)
Changes in cash flows from operating activities	-	(6,302)
Interest on borrowings	16,918	19,609
Exchange rate changes on borrowings	-	(40,991)
Total non-cash variation	16,918	(21,382)
Balance as of 03/31/2022	470,597	707,825

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

16. Borrowings--Continued

Classified as:

	Parent		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Current:				
Foreign currency-denominated borrowings	-	-	11,765	13,717
Local currency-denominated borrowings (R\$)	70,659	73,089	69,756	73,093
	70,659	73,089	81,521	86,810
Noncurrent:				
Foreign currency-denominated borrowings	-	-	226,366	264,655
Local currency-denominated borrowings (R\$)	399,938	381,279	399,938	384,733
	399,938	381,279	626,304	649,388

Guarantees and commitments

The Group has bank loans that contain covenants. Future non-compliance with these covenants may require the Group to repay the loans before the date indicated in the table above. The covenants are regularly monitored by the treasury and periodically reported to Management to ensure that the contracts are being fulfilled. As of March 31, 2022, the Group was compliant with these covenants.

Interest payments on loans at a post-fixed interest rate and the debt securities included in the table above reflect forward market interest rates at the balance sheet date and these amounts may change as the post-fixed interest rates change.

- (a) Borrowing raised in the United States in US dollars (US\$) with annual floating interest rate determined by the bank of 3% above the Libor.
The borrowing is guaranteed by International Meal Company Alimentação S.A. and by certain parent companies of the Company, and has covenants calculated based on the financial statements. Borrowing payable in 3 annual installments, corresponding to 15% in 2023, 15% in 2024 and 70% in 2025, with monthly payment of interest starting in January 2022.
- (b) Borrowing raised by Panama in US dollars (US\$) with annual floating interest rate determined by the bank of 4.4% above the Libor, which is payable in 12 quarterly equal installments starting in 2022.
- (c) Borrowing raised by Colombia in Colombian pesos - COP\$ with annual floating interest rate determined by the bank of 3.7% above IBR, which is payable in 12 quarterly equal installments starting in 2022.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

16. Borrowings--Continued

- (d) First issue of 250,000 simple non-convertible debentures, in two series of 125,000 debentures each, with unit par value of R\$1,000.00, of the unsecured type with collateral, issued on March 18, 2019, with interest of 100% of the accumulated variation of the average rates of DI – Interbank Deposits of one day, plus a spread of 4.85% p.a., with maturity in 2024, with interest paid semiannually until the due date for the first series, and 5.30% p.a., with maturity in 2026 for the second series.

The financial ratios established in the agreement are evaluated quarterly, by the trustee, and consist basically of net debt-to-EBITDA ratios and minimum cash.

As of June 4, 2020, the Company renegotiated the following clauses of the debenture indenture, which was unanimously approved by the debenture holders:

- Suspension of compliance with the Financial Ratio based on the consolidated interim financial information (ITRs) from March 31, 2020 to June 30, 2021, with resumption of compliance at September 30, 2021, related to the net debt-EBITDA ratio;
 - Change in the exponential spread of the 1st series, from 1.15% p.a. to 4.85% p.a., maturing in 2024;
 - Change in the exponential spread of the 1st series, from 1.60% p.a. to 5.30% p.a., maturing in 2026.
- (e) Second issue of 150,000 simple non-convertible debentures, in two series of 150,000 debentures each (only one series was issued up to December 31, 2019), with par value of R\$ 1,000 of the unsecured type with collateral, issued on September 14, 2019, with interest of 100% of the accumulated variation of the average rates of DI - Interbank Deposits of one day, plus a spread of 5.00% p.a., with maturity in 2025, with interest paid semiannually until the due date.

The financial ratios established in the agreement are evaluated quarterly, by the trustee, and consist basically of net debt-to-EBITDA ratios and minimum cash.

As of June 4, 2020, the Company renegotiated the following clauses of the debenture indenture, which was unanimously approved by the debenture holders:

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

16. Borrowings--Continued

- Suspension of compliance with the Financial Ratio based on the consolidated interim financial information (ITRs) from March 31, 2020 to June 30, 2021, with resumption of compliance at September 30, 2021, related to the net debt-EBITDA ratio;
 - Change in the exponential spread of the 2nd series, from 1.30% p.a. to 5.00% p.a., maturing in 2025.
- (f) On March 18, 2022, the Company issued a single series of 75,000 commercial notes with unit nominal value of R\$ 1,000.00, with interest of 100% of the accumulated variation of the average rates of DI - Interbank Deposits of one day, plus a spread of 2.30% p.a., with maturity on January 18, 2023, with interest paid bimonthly until the due date.

The financial ratios established in the agreement are evaluated semiannually, in June and December 2022, by the trustee, and consist basically of net debt-to-EBITDA ratios.

The maturities of the portion recorded in noncurrent liabilities are as follows:

	Parent	Consolidated
2023	104,804	104,804
2024	100,903	205,914
2025	124,582	245,937
2026 onwards	69,649	69,649
	399,938	626,304

17. Payroll and related taxes

	Parent		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Payroll and related taxes	4,691	10,205	13,374	40,193
Accrued vacation and related taxes	5,529	5,678	44,871	28,511
Other	3,010	1,841	4,001	2,998
Total	13,230	17,724	62,246	71,702

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

18. Installment payment of business acquisitions

	Parent		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Business acquisitions in Brazil	5,841	6,463	5,741	5,942
Business acquisitions in other countries (a)	-	-	2,369	2,790
Total	5,841	6,463	8,110	8,732
Current	841	942	3,110	2,538
Noncurrent	5,000	5,521	5,000	6,194

(a) The installment payment amounts are denominated in US dollars and are subject to interest of 5.75% p.a.

The installment recorded in noncurrent liabilities is due as of 2025.

Cash disbursement for acquisitions

	Parent	Consolidated
Balance as of December 31, 2021	6,463	8,732
Interest on company acquisitions	(622)	(622)
Changes in cash flows from operating activities	(622)	(622)
Balance as of March 31, 2022	5,841	8,110

19. Provision for labor, civil and tax risks

The Group is a party to labor and social security, civil and tax proceedings. The Group filed appeals against claims filed with courts. Judicial deposits were made when required by the authorities.

	Parent		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Labor and social security (a)	38,551	38,822	74,465	75,011
Tax (b)	628	628	9,103	9,103
Civil (c)	4,605	4,605	9,078	8,365
	43,784	44,055	92,646	92,479

(a) Provision recognized to cover labor and social security risks arising from labor relationships established in the normal course of its businesses. As the Group is a defendant in labor lawsuits that have similar nature, that is, lawsuits with recurring content filed in general by plaintiffs who held certain positions and functions and that make claims based on common offenders, it is understood that the best estimate of the risk of loss (and consequently of the recognition of a provision) is the assessment of the historical performance based on actual losses on lawsuits of such nature. Based on the analyses performed by the Company, the historical losses of the last 5 years were on average approximately 20.18% (20.18% as of December 31, 2021) when compared with the amounts of the respective causes.

(b) The Group is exposed to risks related to challenges by tax authorities (federal, state and municipal) and, based on the opinion of its legal counsel, recognized a provision to cover probable losses for such risks.

(c) The Group is a party to civil and various other lawsuits, such as, claim of economic imbalance or claims filed by suppliers/manufacturers, related to quality discounts. Management recognized a provision for lawsuits in which the risk of loss is considered probable, based on the opinion of the Company's legal counsel.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

19. Provision for labor, civil and tax risks--Continued

The variation in the provision for risks in the periods is as follows:

	Parent			
	Labor and social security	Tax	Civil	Total
Balance as of December 31, 2020	20,508	19,993	3,125	43,627
Additions	4,511	-	1,484	5,995
Uses	(5,563)	-	(3)	(5,566)
Reclassifications	19,367	(19,365)	(1)	(1)
Balance as of December 31, 2021	38,823	628	4,605	44,055
Additions	200	-	-	200
Uses	(472)	-	-	(472)
Balance as of March 31, 2022	38,551	628	4,605	43,784

	Consolidated			
	Labor and social security	Tax	Civil	Total
Balance as of December 31, 2020	51,748	27,547	6,360	85,654
Additions	21,002	-	4,075	25,077
Uses	(18,048)	-	(204)	(18,252)
Reclassifications	20,309	(18,444)	(1,866)	-
Balance as of December 31, 2021	75,011	9,103	8,365	92,479
Additions	2,643	-	-	2,643
Uses	(2,177)	-	-	(2,177)
Reversals	(299)	-	-	(299)
Balance as of March 31, 2022	75,178	9,103	8,365	92,646

The Group is a party to tax and civil lawsuits that, according to the opinion of its legal counsel, involve possible risk of losses amounting to R\$4,194, of which R\$318 refers to Civil claims and R\$3,876 to Tax claims (R\$3,336 as of December 31, 2021 - R\$318 (Civil) and R\$3,018 (Tax)) in the Parent, and R\$ 90,210, of which R\$50,684 refers to Civil claims and R\$39,526 to Tax claims (R\$86,873 as of December 31, 2021 - R\$50,684 (Civil) and R\$36,189 (Tax)) in the Consolidated and, therefore, no provision for these lawsuits was recognized.

Among the main lawsuits classified as possible loss we highlight the infringement notices issued against the subsidiary Comercial Frango Assado (merged into Pimenta Verde in August 2017) in November 2012, relating to the requirement of PIS and COFINS tax credit for the period from January to December 2009. The amount involved is R\$ 3,399 (R\$3,399 as of December 31, 2021). The lawsuit is under discussion at the administrative level.

Among the main civil actions classified as possible loss, we highlight a contractual resolution action combined with a request for indemnity for damages and a request for the granting of urgent relief filed against the subsidiary PHSR Master Franquia Ltda., in March 2021, referring to the request for a declaration of contractual termination due to the franchisor's fault, abstention from charging any amount as royalties and advertising contribution of the terminating contracts, removal of the barrier clause for ceasing to operate with the Pizza Hut brand and system, as well such as the conviction of the Franchisor in loss of profits. As of March 31, 2022, the amount involved is R\$48,734. The lawsuit is suspended since September 16, 2021.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

19. Provision for labor, civil and tax risks--Continued

As of March 31, 2022, the Group has a total exposure related to labor lawsuits comprised as follows: in the Parent, R\$ 33,063, of which R\$ 18,799 is considered possible and R\$ 12,566 as probable (R\$40,228 as of December 31, 2021), and in the Consolidated, R\$ 91,768, of which R\$ 57,837 is considered possible and R\$ 30,595 as probable (R\$95,681 as of December 31, 2021).

20. Deferred revenue

Refers to the preference and exclusivity in the use of their services and/or resale of their products.

	Parent		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Exclusive contracts - Brazil	1,551	2,285	11,078	14,669
Exclusive contracts - USA	-	-	9,544	10,289
Exclusive contracts - The Caribbean	-	-	51	85
	<u>1,551</u>	<u>2,285</u>	<u>20,673</u>	<u>25,043</u>
Current liabilities	703	825	7,968	8,999
Noncurrent liabilities	<u>848</u>	<u>1,460</u>	<u>12,705</u>	<u>16,044</u>
	<u>1,551</u>	<u>2,285</u>	<u>20,673</u>	<u>25,043</u>

	Parent	Consolidated
Balance as of December 31, 2021	2,285	25,043
(-) Allocation to profit or loss	(375)	(2,353)
Reclassification to other liabilities	(676)	(2,343)
(+) Addition	<u>317</u>	<u>326</u>
Balance as of March 31, 2022	<u>1,551</u>	<u>20,673</u>

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

21. Income tax and social contribution

a) Deferred income tax and social contribution

Deferred income tax and social contribution arise from recognized tax loss carryforwards and temporary differences. These tax credits are recorded in noncurrent assets and noncurrent liabilities, based on expected future taxable income measured as per the prevailing tax law at the reporting date.

As of March 31, 2022 and December 31, 2021, deferred income tax and social contribution is as follows:

	Parent	
	03/31/2022	12/31/2021
Tax loss carryforwards	-	-
Temporary differences:		
Provision for labor, civil and tax risks	2,985	3,078
Impairment	5,097	5,141
Deferred income tax liability on amortization of goodwill of acquired companies	(28,979)	(28,979)
Deferred income tax liability on surplus value of merged companies	(7,484)	(7,484)
Deferred tax liability arising from fair value allocation of business combinations	(1,394)	(1,394)
Accrued liabilities and others	9,222	11,001
	(20,553)	(18,637)
Liabilities	(20,553)	(18,637)

	Consolidated	
	03/31/2022	12/31/2021
Tax loss carryforwards	72,339	72,339
Temporary differences:		
Provision for labor, civil and tax risks	18,598	19,199
Impairment	27,078	27,217
Accrued liabilities	45,562	49,571
Asset appreciation and difference between accounting and tax law depreciation rates	16,713	16,711
Deferred income tax liability on amortization of goodwill of companies acquired and fair value allocation of business combinations	(117,026)	(119,025)
Deferred income tax liability on surplus value of merged companies	(7,484)	(7,484)
Other temporary differences (a)	10,954	10,583
	66,734	69,111
Assets	106,843	109,315
Liabilities	(40,109)	(40,204)
	66,734	69,111

- (a) The amount comprises the effect of temporary additions, as follows: R\$ 5,866 referring to the difference in the amortization rate of Right of use, R\$ 2,088 refers to the difference of the amortization rate of Intangible assets – Commercial rights and Assignment rights, and R\$ 3,000 refers to Impairment of trademarks and patents.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

21. Income tax and social contribution--Continued

	03/31/2022	
	Parent	Consolidated
Deferred income tax and social contribution - assets	17,304	191,244
Deferred income tax and social contribution - liabilities	(37,857)	(124,510)
Deferred income tax and social contribution - net	(20,553)	66,734

In accordance with CPC 32, the Company, based on the expected generation of future taxable profits and based on a technical study approved by Management, recognizes the tax assets and liabilities on the deductible temporary differences and on the accumulated tax losses, which can be carried forward indefinitely and can be utilized up to the limit of 30% of the annual taxable profits. The carrying amount of the deferred tax asset and liability and the projections are reviewed annually.

b) Reconciliation of income tax and social contribution at statutory and effective rates

	Parent	
	03/31/2022	03/31/2021
Loss before income tax and social contribution	(38,817)	(56,261)
Statutory tax rate	34%	34%
Income tax and social contribution benefit (expense) at statutory rate	13,198	19,129
Adjustments made:		
Permanent differences	(537)	5,373
Share of profit (loss) of investees	(6,221)	(12,305)
Deferred income tax credits on tax loss carryforwards not recognized	(13,790)	(4,723)
Others	5,434	(6,662)
Income tax and social contribution	(1,916)	812
Current	-	-
Deferred	(1,916)	812
Effective IRPJ/CSLL rate (%)	(4.94%)	1.44%

	Consolidated	
	03/31/2022	03/31/2021
Loss before income tax and social contribution	(36,240)	(52,981)
Statutory tax rate	34%	34%
Income tax and social contribution benefit (expense) at statutory rate	12,322	18,014
Adjustments made:		
Permanent differences	(549)	68,138
Share of profit (loss) of investees	1,161	12,561
Tax loss with no recognition of tax credit	(26,182)	(105,632)
Others	8,755	4,451
Income tax and social contribution	(4,493)	(2,468)
Current	(3,286)	-
Deferred	(1,207)	(2,468)
Effective IRPJ/CSLL rate (%)	(12.40%)	(4.66%)

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

21. Income tax and social contribution--Continued

As of March 31, 2022, there are tax loss carryforwards in the amount of R\$163,529 (R\$ 125,784 as of December 31, 2021) in Parent and R\$ 639,689 (R\$506,511 as of December 31, 2021) in Consolidated, for which deferred taxes have been recorded in the amount of R\$72,339 (R\$ 72,339 as of December 31, 2021) in Consolidated, based on projections of future taxable income.

22. Equity

a) Capital

The Company is authorized to increase capital by up to 100,584,077 common shares without par value.

As of March 31, 2022, the Company's capital comprises 286,369,530 shares (286,369,530 as of December 31, 2021) that represent an amount of R\$1,154,358 (R\$1,154,358 as of December 31, 2021).

b) Allocation of profit

A portion of 5% of the profit shall be deducted to recognize the legal reserve, which cannot exceed 20% of the capital.

Shareholders are entitled to a noncumulative annual dividend of at least 25% of the profit, in conformity with Article 202 of Law 6404/76.

The remaining balance, after deducting legal costs, shall be allocated as decided by the Annual Shareholders' Meeting, in conformity with applicable legislation.

In conformity with applicable legal provisions and as decided by the Annual Shareholders' Meeting, the Company may pay to its shareholders interest on capital which may be deducted from the mandatory minimum dividend.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

22. Equity--Continued

c) Treasury shares

On November 7, 2019, Company's Board of Directors approved a "share buyback program" effective through November 7, 2020 (inclusive) and for a volume of up to 4,911,436 common shares with the objective of increasing shareholder value generation.

On January 8, 2020, the Company's Board of Directors approved the closing of the Company's program to buy back Company shares approved by the Board of Directors on November 7, 2019 ("Buyback Program"); and authorized the sale of shares, by the Executive Board, issued by the Company and held in treasury.

The variation in treasury shares in the period ended March 31, 2022 and in the year ended December 31, 2021 was as follows:

	Number of shares	Amount	Average price per share - R\$
Balance as of December 31, 2020	925,600	5,551	6.03
(-) Treasury shares sold	-	-	-
(-) Stock options exercised	-	-	-
Balance as of December 31, 2021	925,600	5,551	6.03
(-) Treasury shares sold	-	-	-
(-) Stock options exercised	-	-	-
Balance as of March 31, 2022	925,600	5,551	6.03

d) Other comprehensive income (loss)

Refer to differences arising on translating foreign currency-denominated profit or loss calculated on the equity of foreign subsidiaries.

23. Share-based payment plan

Under the Stock Option Plan ("Stock Option Plan - 2015"), approved at the Extraordinary General Meeting held on April 30, 2015, the Company and its subsidiaries' management and employees ("Beneficiaries") are eligible to receive stock options for common shares issued by the Company ("Option").

The granting of options must meet the maximum limit of 8,326,580 common shares, corresponding to 5% of the Company's capital.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

23. Share-based payment plan--Continued

The Stock Option Plan – 2015 is managed by the Company's Board of Directors or, at its discretion, by the Compensation Committee ("Committee") and, where applicable, its members will have full powers to, subject to the terms and conditions of the plan and, in the case of the Committee, the guidelines of the Company's Board of Directors, organize and manage the plan and the stock option agreements within its scope.

The Board of Directors or the Committee, where appropriate, will define: (a) the Beneficiaries; (b) the total number of Company's shares subject to grant; (c) the division of grant in lots, if applicable; (d) the exercise price; (e) possible restrictions on the shares received through the exercise of the option; and (f) possible provisions on penalties, in conformity with the general guidelines set forth in the Plan, and will determine the terms and conditions of each option in a Stock Option Agreement ("Agreement"), to be entered into among the Company and each Beneficiary. The Agreement will define the number and class of shares which the Beneficiary will be entitled to acquire or subscribe upon exercise of the option and any other terms and conditions, in conformity with the general guidelines set forth in the Plan.

The exercise price is updated monthly by the fluctuation of the Extended Consumer Price Index (IPCA) or the variation of the General Market Price Index from Fundação Getúlio Vargas (IGP- M/FGV) from the grant date.

Subject to the condition of remaining in the Company, at every 12 months the Beneficiaries will acquire the right to exercise the percentage of vested options set out in each Agreement, within a maximum period of up to two years after the vesting period.

The options will be exercised through the issuance of new shares and/or disposal of treasury shares held by the Company, based on the option to be adopted by the Board of Directors or Committee.

With characteristics similar to the Stock Option Plan - 2015, on October 27, 2017, the Board of Directors approved the Stock Options Plan - 2017 with option grants limited to 4,550,000 common shares, equivalent on that date to 2.73% of the Company's issued capital. Different from Stock Option Plan - 2015, under this plan, the beneficiaries may exercise the vested options within a maximum period of up to three months after the vesting period.

At the Extraordinary General Meeting held on August 28, 2019, the Stock Option Plan - 2019 was approved, with options granted limited to 4,325,000 common shares, equivalent to 2.21% of the Company's capital. The 2019 Stock Option Plan has characteristics similar to previous plans.

At the Extraordinary General Meeting held on April 30, 2021, the Stock Option Plan – 2021 was approved, with options granted that do not exceed 7% of the total amount of shares issued by the Company on each grant date; for the calculation of the Maximum Amount, the Company should consider, on each grant date, all the Options granted and not exercised

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

23. Share-based payment plan--Continued

subject to this Plan, as well as all stock options granted and not exercised under the Company's stock option plans approved in 2015, 2017 and 2019. If any option under this Plan and the Former Plans is extinguished or canceled without being fully exercised, the shares subject to these options will become available again for future grant of options under this Plan, and the resulting effect will be recognized in profit or loss for the year.

Once the option is exercised by the participant, the corresponding shares will be issued through the Company's capital increase. Alternatively, the Company may sell, through a private operation, treasury shares. The Board of Directors will be responsible for defining how the shares arising from the exercise of the Options to Participants will be delivered.

The position of the granted options outstanding as of March 31, 2022 is as follows:

Exercise of grant	Number of shares				Fair value of the option ⁽¹⁾	Exercise price ⁽¹⁾	
	Granted	Not exercised due to withdrawal ⁽²⁾	Exercised	Outstanding		On grant	Updated
<u>Stock Option Plan - 2015</u>							
2015	2,700,000	(1,508,000)	(1,192,000)	-	4.75 ⁽³⁾	4.00	6.31
2016	3,975,000	(1,067,000)	(2,808,000)	-	2.19	4.00	5.55
2017	3,975,000	(2,510,000)	(1,290,000)	175,000	3.56	6.56	6.07
2018	100,000	(50,000)	-	50,000	1.94	6.75	4.00
2019	350,000	(350,000)	-	-	3.01	6.00	4.00
2020	1,880,000	(994,000)	-	886,000	1.25	4.00	4.26
	12,980,000	(6,579,000)	(5,290,000)	1,111,000			
<u>Stock Option Plan - 2017</u>							
2017	4,300,000	(2,197,500)	-	2,102,500	2.99	7.47	5.27
2018	900,000	(295,000)	(25,000)	580,000	1.97	6.37	4.22
2020	150,000	-	-	150,000	1.26	4.00	4.26
	5,350,000	(2,492,500)	(25,000)	2,832,500			
<u>Stock Option Plan - 2019</u>							
2019	3,550,000	(1,650,000)	-	1,850,000	3.04	7.57	5.60
	3,550,000	(1,650,000)	-	1,850,000			
<u>Stock Option Plan - 2021</u>							
2021	11,668,527	(60,085)	-	11,608,442	1.88	3.53	3.57
	11,668,527	(60,085)	-	11,608,442			
	33,548,527	(10,781,585)	(5,315,000)	17,401,942			

⁽¹⁾ Amounts expressed in R\$.

⁽²⁾ As set out in the grant agreement, the beneficiaries who resigned and/or are terminated from the Company lose the right to exercise the non-vested options.

⁽³⁾ Corresponds to the fair value of the stock option plan at the grant date, without the impact of the clauses amended in 2016.

The variation in the granted options outstanding is as follows:

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

23. Share-based payment plan--Continued

	Stock Option Plan - 2015	Stock Option Plan - 2017	Stock Option Plan - 2019	Stock Option Plan - 2021	Total
Number of options outstanding as of December 31, 2020	2,925,000	4,100,000	3,250,000	-	10,275,000
(+) Options granted in 2021	-	-	-	11,668,527	11,668,527
(-) Not exercised due to withdrawal / expired					
2020 grant	(664,000)	-	-	-	(664,000)
2019 grant	(350,000)	-	(1,410,000)	-	(1,760,000)
2018 grant	(50,000)	(180,000)	-	-	(230,000)
2017 grant	(180,000)	(1,007,500)	-	-	(1,187,500)
Number of options outstanding as of December 31, 2021	1,681,000	2,912,500	1,840,000	11,668,527	18,102,027
(-) Not exercised due to withdrawal / expired					
2021 grant	-	-	-	(60,085)	(60,085)
2020 grant	(330,000)	-	-	-	(330,000)
2019 grant	-	-	10,000	-	10,000
2018 grant	-	-	-	-	-
2017 grant	(40,000)	(80,000)	-	-	(120,000)
2016 grant	(200,000)	-	-	-	(200,000)
Number of options outstanding as of March 31, 2022	1,111,000	2,832,500	1,850,000	11,608,442	17,401,942

The fair value of the options was calculated on the grant date of each plan and adjusted in accordance with the amendment aforementioned, based on the "Black & Scholes" pricing model. The effects were reflected in line item 'General and administrative expenses' in the statement of profit or loss, and in line item 'Reserve for stock option plan' in equity, as follows:

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

23. Share-based payment plan--Continued

Exercise of grant	Accumulated at 12/31/2021	Appropriated to the results in 2022	Accumulated at 03/31/2022	Amounts to be recorded in future periods ⁽¹⁾
Stock Option Plan - 2015				
2015	5,659	-	5,659	-
2016	6,389	-	6,389	-
2017	5,976	34	6,010	13
2018	72	-	72	-
2019	-	-	-	-
2020	748	108	856	775
	18,844	142	18,986	788
Stock Option Plan - 2017				
2017	8,516	-	8,516	83
2018	1,107	24	1,131	95
2020	91	-	91	97
	9,714	24	9,738	275
Stock Option Plan - 2019				
2019	4,678	17	4,695	129
	4,678	17	4,695	129
Stock Option Plan - 2021				
2021	3,455	1,402	4,857	18,490
	3,455	1,402	4,857	18,490
Total	36,691	1,585	38,276	19,682

⁽¹⁾ The weighted average of the remaining contractual period is of 17 months.

In determining the fair value of stock options, the following economic assumptions were used:

	Weighted average
Expected life of the option ⁽¹⁾	3.1 years
Volatility ⁽²⁾	47.6%
Risk-free rate ⁽³⁾	6.0%
Remaining period	2.7 years

⁽¹⁾ Represents the period in which it is believed that the options will be exercised and was determined based on the assumption that the beneficiaries will exercise their options within the limit of maturity;

⁽²⁾ The estimated volatility took into consideration the weighing of the history of trading of Company shares;

⁽³⁾ The Company used as risk-free interest rate the reference rate of BM&F available at the calculation date and with maturity equivalent to the option term.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

24. Net revenue

Disaggregated revenue	Parent		
	Catering	Retail	Total
Gross revenue	17,172	8,992	26,164
Taxes on sales	(1,760)	(501)	(2,261)
Returns and rebates	(1)	(159)	(160)
Net revenue as of March 31, 2022	15,411	8,332	23,743
Gross revenue	12,504	4,049	16,553
Taxes on sales	(1,435)	(236)	(1,671)
Returns and rebates	-	(18)	(18)
Net revenue as of March 31, 2021	11,069	3,795	14,864

Disaggregated revenue	Consolidated			
	Franchisees	Catering	Retail	Total
Gross revenue	4,327	25,347	498,685	528,359
Taxes on sales	(534)	(2,381)	(18,334)	(21,249)
Returns and rebates	-	(1)	(19,813)	(19,814)
Net revenue as of March 31, 2022	3,793	22,965	460,538	487,296
Gross revenue	3,023	15,808	331,796	350,627
Taxes on sales	(492)	(1,435)	(11,266)	(13,193)
Returns and rebates	-	-	(15,541)	(15,541)
Net revenue as of March 31, 2021	2,531	14,373	304,989	321,893

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

25. Expenses by nature

	Parent		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Inventory costs	(7,735)	(3,922)	(200,018)	(133,421)
Royalty costs	-	-	(4,741)	(3,561)
Personnel expenses	(18,484)	(15,206)	(142,598)	(100,062)
Selling expenses	(142)	(53)	(16,132)	(10,862)
Third-party services	(5,235)	(3,784)	(18,447)	(14,960)
Operating expenses (a)	(6,111)	(2,743)	(78,442)	(52,425)
Depreciation and amortization	(6,081)	(7,828)	(26,815)	(27,235)
Amortization - right of use	(1,559)	(894)	(21,670)	(16,175)
Expense recovery – related parties	13,516	7,375	-	-
Amortization of investment in joint venture	-	-	(677)	(780)
Share of profit (loss) of investees	(18,298)	(31,747)	4,092	2,391
(Reversal of) allowance for expected credit losses	(859)	-	(2,824)	-
Other expenses (b)	(1,367)	(250)	(1,374)	(4,209)
	(52,355)	(59,052)	(509,646)	(361,299)
Classified as:				
Cost of sales and services	(17,612)	(11,513)	(358,863)	(247,361)
Selling and operating expenses	(10,367)	(1,596)	(115,291)	(56,001)
(Reversal of) allowance for expected credit losses	(859)	-	(2,824)	-
General and administrative expenses	(5,219)	(6,407)	(36,083)	(31,511)
Depreciation and amortization	-	(7,789)	-	(28,038)
Share of profit (loss) of investees	(18,298)	(31,747)	3,415	1,612
	(52,355)	(59,052)	(509,646)	(361,299)

(a) Refer to miscellaneous expenses (gas, short-term leases, leases of low-value assets and variables, electricity, etc.).

(b) "Other expenses" include expenses with logistics, communication infrastructure, fees and charges and office supplies.

26. Other operating income (expenses), net

	Parent		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Other expenses:				
Write-off of fixed assets	-	-	(333)	-
Provision for labor, civil and tax risks, net of reversals	(234)	(757)	(3,083)	(1,878)
Restructuring costs	(15)	(4,350)	-	(5,388)
Costs with closure of stores	-	-	109	-
	(249)	(5,107)	(3,307)	(7,266)
Other income:				
Rebates and commercial agreements	-	9	377	416
Sales of fixed assets and commercial rights	-	18	1	38
Recovery of tax credits	11	-	3,518	-
Other income (a)	3,192	235	10,039	4,381
	3,203	262	13,935	4,835
Total, net	2,954	(4,845)	10,628	(2,431)

(a) In the Parent, R\$ 3,192 refers to the reversal of the provisions for Yum's marketing fund. In the Consolidated, in addition to the reversal of the provisions for the parent, a substantial portion of R\$ 4,931 refers to the recovery of amounts paid by the operation located in Colombia.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

27. Finance income (expense), net

	Parent		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Finance income:				
Income from financial investments	1,893	1,158	3,442	1,736
Monetary adjustment gains	106	207	297	55
Exchange gains	-	24	-	551
Interest received	3,249	-	4,327	-
Other finance income	714	-	848	-
	5,962	1,389	8,914	2,342
Finance expense:				
Interest on borrowings	(16,918)	(7,144)	(19,609)	(7,904)
Transaction cost amortization	(373)	(560)	(373)	(560)
Interest on business acquisitions	(622)	-	(622)	-
Exchange losses	(208)	-	(64)	(131)
Inflation adjustment, interest and banking fees	(715)	-	(6,654)	(322)
Interest expenses – lease liability	(285)	(322)	(6,110)	(4,359)
Other finance expense	-	(591)	-	(341)
	(19,121)	(8,617)	(33,432)	(13,486)
Total, net	(13,159)	(7,228)	(24,518)	(11,144)

28. Related parties

The Parent and its subsidiaries carry out intercompany transactions related to the Company's financial, commercial and operating aspects.

Receivables from and payables to related parties refer to rights and obligations mainly arising from royalties, credit operations and an agreement for the apportionment of corporate costs and expenses, with financial conditions agreed upon by the entities.

The balance of related parties is broken down as follows:

a) Royalties

Yum! Brands, Inc. (Yum!) is a related party, since it is a shareholder of the Company. The Company entered into a Master Franchise agreement and is required to pay franchise fees and royalties to Yum!.

These transactions are carried out under exclusive conditions provided for in agreements between Yum! and the Company, which represents the brands KFC and Pizza Hut in Brazil, and there are no comparable conditions in the market.

In addition, in view of the Master Franchise agreement between KSR Master and PHSR Master, the Company is entitled to receive a monthly service fee for the franchisee management activities in Brazil. For this service, the Company receives a monthly revenue equivalent to 1% of the net revenue of restaurants operated by these franchisees.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

28. Related parties--Continued

Due to the aforementioned agreements, as of March 31, 2022, these subsidiaries have recorded the following amounts:

	Balance payable 12/31/2021	Royalty expenses	Payments	Balance payable 03/31/2022
KSR	1,012	1,529	(1,744)	797
PHSR Master	1,375	2,224	(2,437)	1,162
Pimenta Verde	2,811	988	(1,845)	1,954
	5,198	4,741	(6,026)	3,913

	Balance payable 12/31/2020	Royalty expenses	Payments	Balance payable 03/31/2021
KSR	1,048	1,054	(1,406)	696
PHSR Master	3,335	1,953	(2,405)	2,883
Pimenta Verde	2,700	554	(371)	2,883
	7,083	3,561	(4,182)	6,462

(a) Royalties payable are recorded under Trade payables.

b) Receivables, reimbursement of expenses and loans

Transactions with related parties are as follows:

	Parent		
	Balance as of 12/31/2021	Current assets Additions	Write-offs
Sforza Group (i)	1,568	-	-
	1,568	-	-

	Parent		
	Balance as of 12/31/2021	Noncurrent assets Additions	Write-offs
Rede Viena (ii)	97,886	17,335	(31,789)
Frango Assado (ii)	21,960	9,550	(3,219)
Sforza Group (i)	11,399	-	-
Rede Viena (iii)	127,010	13,730	(6,149)
	258,255	40,615	(41,157)

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

28. Related parties--Continued

	Parent			
	Balance as of 12/31/2021	Noncurrent liabilities Additions	Write-offs	Balance as of 03/31/2022
IMC USA (ii)	4,151	-	-	4,151
IMC Panama (iii)	39,443	-	-	39,443
	43,594	-	-	43,594
	Consolidated			
	Current assets			
	Balance as of 12/31/2021	Additions	Write-offs	Balance as of 03/31/2022
Sforza Group (i)	1,568	-	-	1,568
	1,568	-	-	1,568
	Consolidated			
	Noncurrent assets			
	Balance as of 12/31/2021	Additions	Write-offs	Balance as of 03/31/2022
Sforza Group (i)	11,399	-	-	11,399
	11,399	-	-	11,399

(i) Receivables from the Sforza Group

On July 25, 2019, the Joint Venture Agreement and Other Covenants was entered into, whereby the merger of the companies owners of the right to explore the KFC and Pizza Hut brands in Brazil by IMC was regulated. It established, among other provisions, an Adjustment in the Exchange Relation considering certain assumptions included in the Agreement.

On October 31, 2019, the Instrument of Closing between the Parties was entered into and the transaction established in the Agreement was concluded.

Under the Adjustment prescribed in the Agreement, the Parties made several work meetings and exchanged written communications, including e-mails, notifications and counter-notifications.

On December 18, 2020, IMC submitted a request for arbitration before the Market Arbitration Chamber against Sforza Group, with the purpose of discussing the Adjustment under the Agreement, as well as other matters, as informed to its shareholders and the market in general, through the Material Fact disclosed on the same date.

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

28. Related parties--Continued

On June 15, 2021, the Parties agreed with the Adjustment prescribed in the Agreement. After meetings, negotiations and reviews of the Adjustment and Disputes, the Parties agree that the final, undisputed and binding gross value of the Adjustment under the Agreement is R\$17,600 on behalf of IMC.

The Final Value of the Adjustment will be paid by Sforza Group to IMC as follows: (1) on the date hereof, the amount of R\$2,042 was considered as paid to IMC after the clearing of the Sforza Group loan amount outstanding, (2) the amount of R\$3,012 corresponding to the adjustment to present value was recognized and (3) the remaining balance of the final value will be paid in local currency through a bank deposit in the bank account of IMC, in 8 equal, annual and successive installments, monetarily adjusted using the CDI variation from October 31, 2019 to the date of the effective payment of each installment, with the first installment payable on June 10, 2022.

(ii) Reimbursement of expenses

Refers to the apportionment of the Company's expenditures to its subsidiaries. In order to enhance the corporate structure, the Company and its subsidiaries agreed to share costs and expenses, focused mainly in sharing back-office and corporate structures, which do not have any specific due dates for settlement by the related parties, and are settled according to the cash availability of each company. Intercompany reimbursement transactions are performed among all companies in the Group.

(iii) Loans

Loans between related parties in Brazil are not subject to interest. Loans between Brazil and Panama are remunerated at a daily rate of 0.0050% in the Parent and 0.0014% in the Consolidated.

29. Compensation of key management personnel

For the period ended March 31, 2022, key management compensation totaled R\$ 4,555 (R\$ 6,487 as of March 31, 2021) in Parent and Consolidated, out of which R\$ 1,585 (R\$ 825 as of March 31, 2021) is related to the share-based payment plan. This amount was recorded in line item "General and administrative expenses".

International Meal Company Alimentação S.A. and Subsidiaries

Notes to the interim financial information --Continued

March 31, 2022

(Amounts in thousands of reais - R\$, unless otherwise stated)

30. Earnings (loss) per share

Basic

Basic earnings (loss) per share are calculated by dividing the profit (or loss) for the period by the weighted average number of common shares issued in the same period.

Diluted

Diluted earnings (loss) per share are calculated by adjusting the weighted average number of outstanding common shares, considering the conversion of all potential common shares that would result in dilution.

The table below presents the calculation of losses per share pursuant to CPC 41/IAS 33 - Earnings per Share:

	Parent and Consolidated	
	03/31/2022	03/31/2021
Basic and diluted numerator		
Loss for the period attributable to Company's shareholders used to calculate basic and diluted loss per share	(40,733)	(55,449)
Outstanding shares:		
Potential increase in common shares of the stock option plan	-	-
Treasury shares	(926)	-
Basic and diluted denominator (thousands of shares)	286,370	286,370
Weighted average number of outstanding shares (basic and diluted)	285,444	286,370
Basic and diluted loss per share - R\$	<u>(0.14270)</u>	<u>(0.19281)</u>

31. Events after the reporting period

Suspension of the arbitration proceeding

On April 19, 2022, the Arbitration Court issued an order granting the joint request of the Company, Guarantors and Kentucky Fried Chicken International Holdings LLC ("KFC") for the suspension of the arbitration proceeding filed by KFC against the Company and the Guarantors, which involves discrepancies regarding the master franchise agreement entered into by the parties.

The suspension was requested so that the parties may negotiate and mutually agree a solution for such dispute. The arbitration proceeding will be suspended up to May 14, 2022, and can be extended for another 30 days. The Company will inform any significant developments related to the matter, observing the secrecy imposed in the arbitration proceeding.