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SEMOLINA BREAD

1Q20
RESULTS



São Paulo, June 1, 2020 - International Meal Company Alimentação S.A. (B3: MEAL3), one of the largest multi-brand companies in the Latin American food retail industry, announces its results for the first quarter of 2020 (1Q20). Unless otherwise indicated, the information herein is presented in a consolidated manner, in millions of Brazilian reais (R\$), and in accordance with the International Financial Reporting Standards (IFRS) and the accounting principles adopted in Brazil.

HIGHLIGHTS

(Non-IFRS 16 Figures)

Pro Forma Consolidated Same-store
Sales (SSS)

-9.0% in 1Q20

Net Revenue
R\$ 367 M in 1Q20
(up 1.2% over 1Q19).

Adjusted EBITDA
R\$ (7 M) in 1Q20
(+R\$ 25 M in 1Q19)

Adjusted EBITDA Margin
-1.8% in 1Q20
(+6.9% in 1Q19)

Net Loss
R\$ (50 M) in 1Q20
(versus R\$ (5 M) in 1Q19)

Operating Cash Flow
R\$ (47 M) in 1Q20
(against R\$ (4 M) in 1Q19)

CONFERENCE CALL IN PORTUGUESE

06/02/2020
10:00 a.m. (Brasília) / 9:00 a.m. (US ET)

Webcast: [click here](#)

Telephone:
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Code: IMC

CONFERENCE CALL IN ENGLISH

06/02/2020
11:00 a.m. (Brasília) / 10:00 a.m. (US ET)

Webcast: [click here](#)

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Code: IMC

ir.internationalmealcompany.com

IFRS 16

The IASB published IFRS 16 - Leases in January 2016, effective as of January 1, 2019. The new standard requires lessees to recognize nearly all leases on the balance sheet, which will reflect their right to use an asset for a certain period of time and the associated liability for payments. For further information, please visit https://www.ey.com/gl/en/issues/ifrs/ifrs_slider_leases.

For a better analyses of the Company's numbers, all the performance comments related to 1Q20 will be based on the regulation prior to IFRS 16. Below, we present the consolidated effect on our financial statements. For additional details on IFRS results, please refer to page 31 of this document.

Consolidated Results (mm R\$)	Prior IFRS 16 1Q20		Audited 1Q20	chg.
Net Revenue	366,6		366,6	0,0%
COGS	(281,5)	+0,3	(281,1)	0,1%
Depreciation & Amortization	(13,9)	(0,4)	(14,3)	(3,0%)
Gross Profit	85,2		85,5	(0,4%)
Gross Margin (%)	23,2%		23,3%	(0,1)p.p.
Operating Expenses	(119,5)	+10,9	(108,5)	10,1%
Operating Expenses	(106,9)	29,5	(77,4)	
Depreciation & Amortization	(12,6)	(18,5)	(31,1)	
(-) Special Items - Others	(10,1)		(10,1)	
(-) Pre-Opening Expenses	(3,3)	0,0	(3,3)	
Amortization of investment in joint venture	(0,7)		(0,7)	
Equity Income	1,3		1,3	
EBIT	(47,1)		(35,8)	
Financial Results	(8,5)	(8,6)	(17,1)	
EBT	(55,5)		(52,9)	
Taxes	5,3	+1,4	6,7	
Net Earnings	(50,2)	+4,1	(46,1)	
(+) D&A and Asset Sale	27,1	+18,9	46,1	(41,1%)
EBITDA	(19,9)	+30,1	10,3	na
EBITDA Margin (%)	(5,4%)		2,8%	na
(+) Special Items - Others	10,1		10,1	
(+) Pre-Opening Expenses	3,3	+0,0	3,3	
Adjusted EBITDA¹	(6,5)	+30,2	23,7	na
Adjusted EBITDA Margin (%)	(1,8%)		6,5%	na

¹Before special items (severance expenses, impairment due to store closures and stock option program).

MESSAGE FROM THE MANAGEMENT

The first quarter of 2020 was to be the quarter for the consolidation of the operations of IMC, Pizza Hut and KFC were integrated, Central Kitchen opened, conversations for the expansion of Frango Assado well underway and our US operation with a robust store opening pipeline. However, in mid-March, with the Covid-19 pandemic, our focus shifted from consolidating the operation to strengthening IMC, since our sales have been strongly affected by the measures taken by governments in each of the regions where we operate, to combat the spread of the virus.

In January and February our consolidated pro forma same stores sales were 9.3% and the Pizza Hut and KFC operations performed 4.7% and 13.8%, respectively. Numbers that in March, already with the impact of the pandemic, turned to -39.6% in the consolidated.

Same Store Sales with a good performance in the first two months (in R\$)

	Jan-Feb	March
Roads	8.9%	(31.9%)
Air	0.7%	(39.5%)
Malls Pro Forma	8.8%	(44.1%)
Pizza Hut	4.7%	(37.1%)
KFC	13.8%	(45.8%)
Brazil Pro Forma	7.3%	(37.2%)
USA	16.8%	(45.9%)
Caribbean	9.2%	(34.1%)
IMC Pro Forma	9.5%	(39.6%)

Since then, some points have been important in the company's management

i) Safety and Health of employees and customers

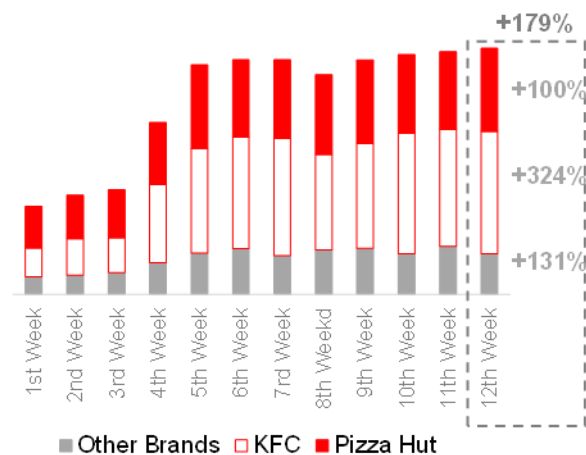
We follow our health and safety protocols, where we distribute equipment to our offices' employees to do the home office and protective equipment to store employees. We space tables in open restaurants and provide alcohol gel to customers.

ii) Reinforcement of Delivery - Alternatives for generating revenue in the period

The reinforcement in the delivery operation caused the revenue to grow 2.8x in the period (17 to 23/May vs. 1 to 7 / March pre-covid19). This was an important step to mitigate the effects of the drop in sales over-the-counter in stores. In addition to the already known Pizza Hut, KFC, Olive Garden, Viena and Batata Inglesa, we also inaugurated the delivery of Frango Assado in the city of São Paulo, a project that was anticipated, with the dishes being prepared in the kitchens of our Vianas.

Delivery expanded 2.8x since the first week of March (1st to 7th) ...

(Brazilian Delivery Revenues by channel)

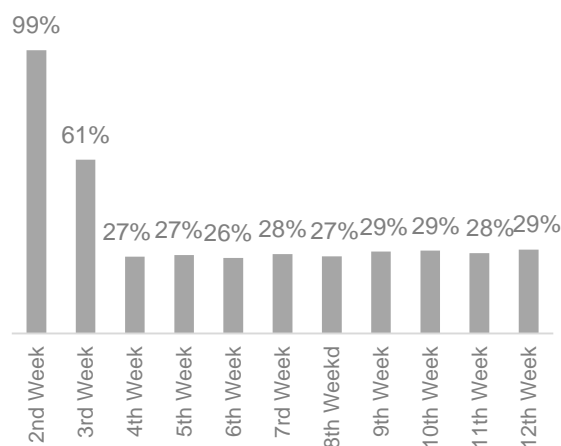


Other brands: Viena, Olive Garden, Batata Inglesa and Frango Assado

Source: IMC

... contributing to mitigate the drop in revenue in Brazil

(% of revenues Brazil consolidated vs. the 1st week of March)



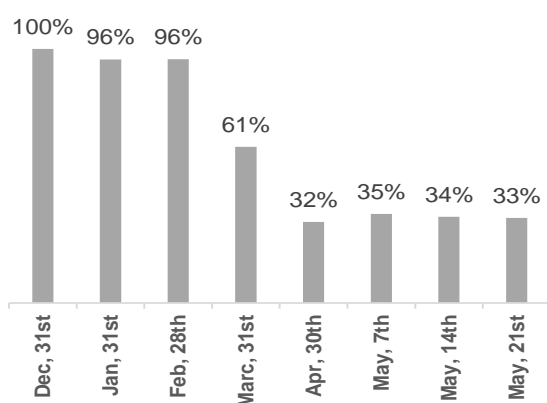
Source: IMC

iii) Alternative to reduce expenses and preserve cash

We reduced the menu to focus only on high-turnover items, adjusted our base of stores available on delivery, focusing on efficiency (stores that absorbed 95% of the sale of others that were closed), suspension of investments in projects that were in the initial phase and, unfortunately, we had to make progress in reducing the team. We renegotiated rents, focused on a zero-based budget, in addition to already seeing a structural reduction in the post-pandemic situation. That said, we made progress in simplifying IMC, with the closure of operations, approximately 11% of the total, which were close to zero contribution margin.

We reduced the team ...

(Active Employees¹ at consolidated IMC Consolidada vs. Dec 2019)



¹Active Employees = (Employee base Dec / 2019 - layoffs in the period - contract suspensions in the period)

Source: IMC

... and we move forward in simplifying IMC by closing unprofitable stores

(Owned stores base; May 25th)

Operations	Total	Permanently Closed	Final Stores	%
Pizza Hut	34	0	34	0.0%
KFC	37	0	37	0.0%
Other Brands	66	(16)	50	(24.2%)
Malls	137	(16)	121	(11.7%)
Airports	44	(12)	32	(27.3%)
Roads	25	0	25	0.0%
Brazil	206	(28)	178	(13.6%)
USA	22	0	22	0.0%
Caribbean	47	(2)	45	(4.3%)
IMC	275	(30)	245	(10.9%)

Source: IMC

iv) Liquidity

In terms of liquidity, we renegotiated the terms of our debentures as a way of easing the company's cash flow in the short term by capitalizing semi-annual interest until the end of 2021 in exchange for an increase in rates. We renegotiated financing in the USA and the Caribbean, with a grace period for payments and extended payment terms (for the grace period) without increasing costs, and we also accessed the US government's PPP "Paychek Protection Program" for our operations in the USA (US\$ 11mm).

Below we highlight some of the main points negotiated with the debenture holders, and the full document can be found on the Investor Relations website (ir.internationalmealcompany.com).

Pre-negotiation debentures terms

	1st Issue	1st series	2nd series	2a Issue	Total
Amount (R\$ million)	250	125	125	150	400
Interest		CDI+1.15%	CDI+1.6%	CDI+1.3%	
Interest Payment	Semester			Semester	
Principal		1/3 Mar 22, 1/3 Mar 23 e 1/3 Mar 24	1/2 Mar 25 e 1/2 Mar 26	1/3 Sep 23, 1/3 Sep 24 e 1/3 Sep 25	
Covenants (Net Debt/EBITDA not adjusted)	3.0x measured quarterly			3.0x measured quarterly	
Pre-payment	45bps with lock-up until Dec/23			45bps with lock-up until Sep/23	

Post-negotiation debentures terms

	1st Issue	1st series	2nd series	2a Issue	Total
Amount (R\$ million)	250	125	125	150	400
Interest		CDI+4.85%	CDI+5.3%	CDI+5.0%	
Interest Payment	Semester, with payments of May/20, Sep/20, Mar/21 e Sep/21 being capitalized			Semester, being May/20, Sep/20, Mar/2021 e Sep/21	
Principal		1/3 Mar 22, 1/3 Mar 23 e 1/3 Mar 24	1/2 Mar 25 e 1/2 Mar 26	1/3 Sep 23, 1/3 Sep 24 e 1/3 Sep 25	
Covenants (Net Debt/EBITDA not adjusted)	Measuring starting in Sep 21, being: (i) 3Q21: 7.5x; (ii) 4Q21: 5.0x; and (iii) 1Q22 onwards: 3.0x.			Measuring starting in Sep 21, being: (i) 3Q21: 7.5x; (ii) 4Q21: 5.0x; and (iii) 1Q22 onwards: 3.0x.	
Pre-payment	45bps anytime			45bps anytime	

v) Change in the Expansion Guidance

We continued with the postponement of the expansion guidance and stopped all projects that were in their initial phase and the cost of cancellation was low.

vi) Support to the community

In support of the community, we were pleased to distribute 9,000 Olive Garden meals to charities and 60,000 KFC sandwiches to healthcare professionals, all with the help of suppliers who secured supplies and logistics.

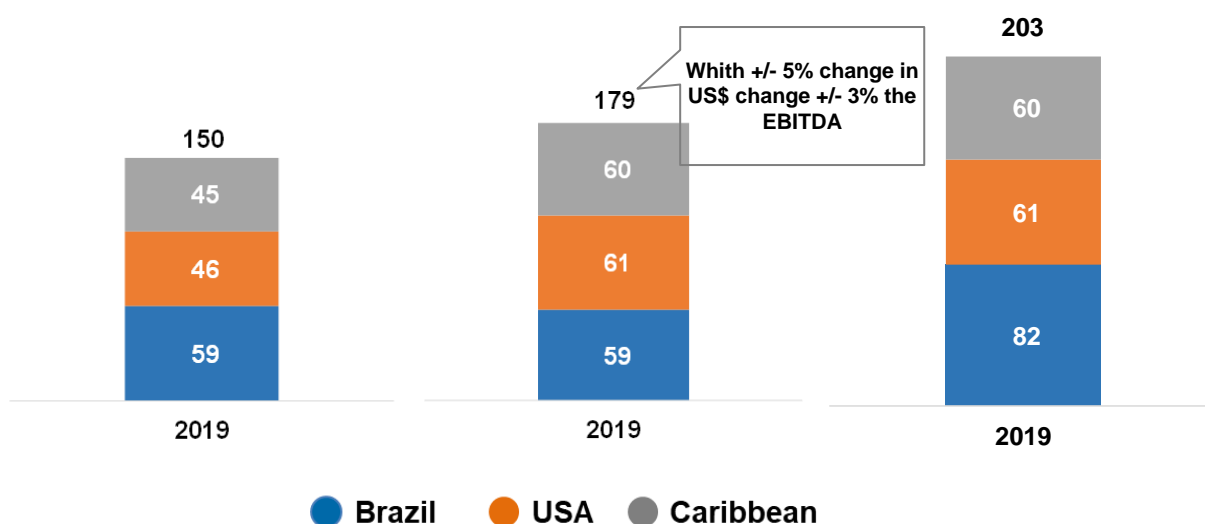
vii) Exchange Impact on Operations

Finally, we highlight an important point in IMC, which is the exchange rate. The devaluation of the Real in the last few weeks brings an important monetary benefit to the company. To illustrate a little more, using the adjusted 2019 numbers, each 5% variation in the Dollar, impacts the adjusted EBITDA by approximately 3%. At the currency levels today, our adjusted EBITDA for 2019 would be 20% higher.

Adjusted EBITDA 2019

Adjusted EBITDA 2019 with US\$ at R\$ 5.40

Adjusted EBITDA 2019 annualizing¹ Pizza Hut + KFC Operations and US\$ at R\$5.40



¹Annualized by multiplying by six the two months (Nov + Dec / 19) of Pizza Hut and KFC operation
Colombian Peso updated at R\$ 0,001435 = COP 1

Update and Outlook

Within our businesses we have:

- **Roads:** We continue with the 25 Frango Assado stores open (Pizza Hut closed) and operating at reduced hours. Expectation to move forward with the normalization of stores, as soon as road traffic shows a cooling off.
- **Airports:** Our 5 catering companies continue to operate, given that the airports are open, and we only have 2 stores open. According to the airlines and news in the media, the month of June should already show a recovery in the number of flights. Gol expects 100 daily flights for June 68 in May, LATAM estimates 9% of pre-covid19 capacity in June, ~ 18% in July and Azul with the expectation of 20% of flights vs. pre-covid period in June.
- **Malls:** We have 227 stores in operation, 59 of which are owned, and 90% with delivery.
- **USA:** We already have 16 stores open with revenues 54% below (17-23rd of May) vs. last year even with restrictions and reduced hours.
- **Caribbean:** Airports remain closed. While in Panama Copa Airlines expects to resume 10% of flights (vs the pre-covid19 operation) this month, in Colombia airports should be reopened now in June for domestic flights only.

Moving on to the performance of 1Q20, already with the effects of COVID-19 in March, same-store sales (SSS) in Reais (R\$) for the quarter fell 9.0%, with total net revenue reaching R\$ 366.6 million (+ 1.2% vs 1Q19) and gross profit of R\$ 85.2 million (23.2% margin, -6.6 pp y / y). Adjusted EBITDA was negative by R\$ 6.5 million and net loss was R\$ 50.2 million, higher than the loss of R\$ 4.8 million in 1Q19.

As for operating performance, adjusted EBITDA in Brazil was negative by R\$ 1.7 million (vs. R\$ 11.8 million in 1Q19). The Highways segment showed adjusted operating profit of R\$ 7.9 million, a reduction of 55.7%

compared to last year. In the segment (shopping malls + PH / KFC), the adjusted operating result was R\$ 3.4 million (vs. R\$ 2.3 million in 1Q19). Finally, the Airports segment posted an adjusted operating result of R\$ 2.3 million (vs. R\$ 7.7 million in 1Q19).

In the USA, our Margaritaville and LandShark restaurants recorded a 24.8% drop in same-store sales in dollars, with a negative adjusted EBITDA of US \$ 2.4 million (vs. positive US \$ 0.5 million in 1Q19). In the two months (Jan and Feb), same-store sales were + 4.3%. In reais, sales decreased by 12.0%, with a negative adjusted EBITDA of R\$ 11.1 million (vs. a positive R\$ 1.9 million in 1Q19).

In the Caribbean, the adjusted operating margin was 14.9% (vs. 24.0% in 1Q19) even with a month of COVID-19, with operating profit of R\$ 6.3 million (R\$ 11 , 2 million in 1Q19), despite the 15.0% drop in same-store sales performance in constant currency.

Finally, we remain attentive to the news and protocols to ensure the safety of everyone and are ready to resume activities within normal parameters as restrictions are lifted.

Management

COVID-19





Status of Operations on May 25, 2020

On May 25, 57% of our stores were open (49% owned stores), of which 80% were providing delivery services (66% owned stores).

Store Base May 25th	Total Stores (a+b)	Open (a)	Open (% Total)	Open with delivery	Delivery (% open)	Closed (b)	Closed (% Total)	Closed Permanently	Closed Permanently (% Total)
Total IMC	500	287	57%	231	80%	213	43%	30	6%
Owned	245	119	49%	78	66%	126	51%	30	11%
Franchisee	255	168	66%	153	91%	87	34%	0	0%
Brasil Total	433	259	60%	206	80%	174	40%	28	6%
Owned	178	91	51%	53	58%	87	49%	28	14%
Franchisee	255	168	66%	153	91%	87	34%	0	0%
Air	32	7	22%	0	0%	25	78%	12	27%
Malls	376	227	60%	206	91%	149	40%	16	4%
Owned	121	59	49%	53	90%	62	51%	16	12%
Franchisee	255	168	66%	153	91%	87	34%	0	0%
PH	234	149	64%	133	89%	85	36%	0	0%
PH Equity	34	23	68%	20	87%	11	32%	0	0%
PH Franchisee	200	126	63%	113	90%	74	37%	0	0%
KFC	92	62	67%	60	97%	30	33%	0	0%
KFC Equity	37	20	54%	20	100%	17	46%	0	0%
KFC Franchisee	55	42	76%	40	95%	13	24%	0	0%
Malls (Others Brands)	50	16	32%	13	81%	34	68%	16	24%
Roads	25	25	100%	0	0%	0	0%	0	0%
USA	22	16	73%	13	81%	6	27%	0	0%
Caribbean	45	12	27%	12	100%	33	73%	2	4%

COMMENTS ABOUT IMC'S PERFORMANCE (1Q20 vs 1Q19)

PRO FORMA SAME-STORE SALES (SSS)

Brazil	US
 -8.0% Road: -4.4% Air: -13.5% Malls: -10.5% PH/KFC: -9.7%	 -13.2% (BRL) -24.8% (Constant Currency)
Caribbean	Total
 -5.7% (BRL) -15.0% (Constant Currency)	 -9.0% (BRL) -12.8% (Constant Currency)

The same store sales index will be presented as pro forma due to the inclusion of the Pizza Hut and KFC operations, which were not present in 2019. In 1Q20, consolidated same-store sales decreased 9.0% in reais and 12.8% in constant currency.

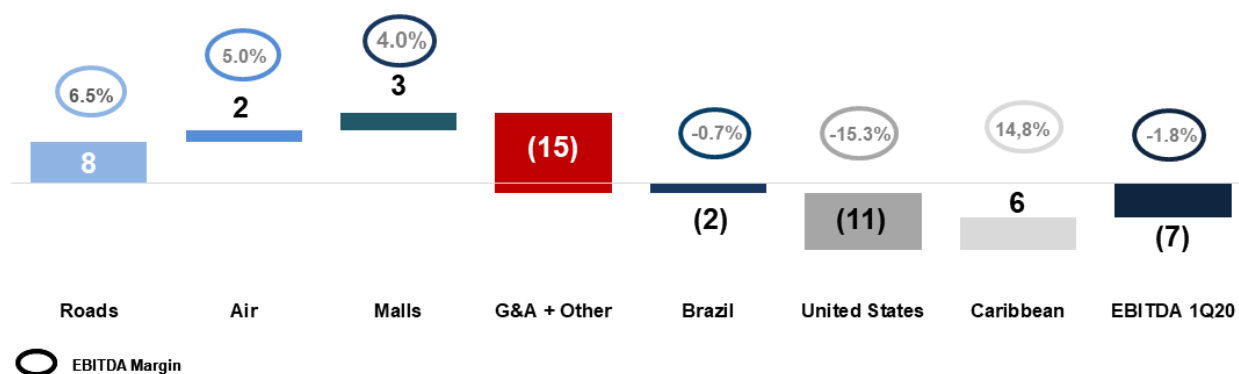
In Brazil, same-store sales in the the Roads segment fell 4.4% in 1Q20, reflecting the impact of the decline in highway traffic. In the Air segment, same-store sales fell 13.5%, as the catering segment was negatively impacted by a reduction in the number of flights, which also affected retail operations in airports due to lower passenger traffic. In the Malls segment, same-store sales dropped 10.6%, reflecting the temporary closure of malls. The Pizza Hut and KFC brands, which are part of the performance of shopping malls, fell by 9.7% in the period.

In the United States, same-store sales decreased 13.2% in reais and 24.8% in U.S. dollars, also reflecting the impacts of COVID-19 and the temporary closure of stores.

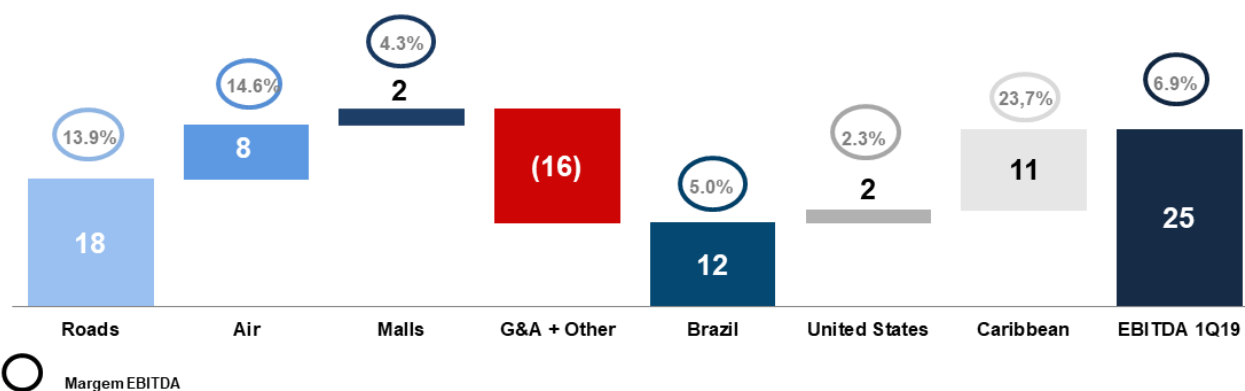
Same-store sales in the Caribbean fell 5.7% in reais and 15.0% in constant currency in 1Q20, reflecting the reduction in flight numbers due to the COVID-19 pandemic.

1Q20 EBITDA GROWTH

1Q20 EBITDA Bridge



1Q19 EBITDA Bridge



IMC's adjusted EBITDA totaled a negative ~R\$7 million in 1Q20, versus a positive ~R\$25 million in 1Q19. The drop in customer traffic, mainly due to the temporary closure of stores as a result of the impact of COVID-19, was the main effect on our operations.

In Brazil, EBITDA was negative by R\$ 2 million. In the Roads segment, adjusted operating result fell 56% from 1Q19, to ~R\$ 8 million, with a margin of 6.5% (-7.5 p.p. YoY). The Air segment reported adjusted operating result of ~R\$ 2 million, against ~R\$ 8 million in 1Q19. The adjusted operating result of the Malls segment, including Pizza Hut and KFC, was ~ R\$ 3 million vs. ~ R\$ 2 million in 2019.

In the U.S., EBITDA totaled a negative ~R\$ 11 million in 1Q20, versus a positive ~R\$ 2 million in 1Q19. In dollars, EBITDA came to a negative ~US\$ 2 million, versus a positive US\$ 0.5 million last year.

In the Caribbean, EBITDA came to ~R\$ 6 million, down from ~R\$ 11 million a year ago.

CONSOLIDATED RESULTS

(in R\$ million)	1Q20	1Q19	YoY	1Q20 ²	YoY ²
Net Revenues	366.6	362.4	1.2%	351.6	(3.0%)
COGS	(281.5)	(254.3)	10.7%	(271.6)	6.8%
Gross Profit	85.2	108.1	(21.2%)	80.0	(26.0%)
<i>Gross Profit</i>	23.2%	29.8%	-660bps	22.7%	-709bps
Operating Expenses ¹	(118.8)	(103.1)	15.2%	(114.5)	11.0%
(+) Special Items - Other	(10.1)	(2.1)	379.9%	(10.1)	379.9%
(+) Store Pre-Openings	(3.3)	(1.4)	136.4%	(3.2)	129.8%
EBIT	(47.1)	1.5	na	(47.9)	na
(+) Depreciation & Amortization	(27.1)	(19.9)	36.3%	(26.0)	30.6%
EBITDA	(19.9)	21.4	na	(21.9)	na
<i>EBITDA Margin</i>	-5.4%	5.9%	-1133bps	-6.2%	-1211bps
(+) Special Items - Other	10.1	2.1	379.9%	10.1	379.9%
(+) Store Pre-Openings	3.3	1.4	136.4%	3.2	129.8%
Adjusted EBITDA	(6.5)	24.9	na	(8.6)	na
<i>Adjusted EBITDA Margin</i>	-1.8%	6.9%	-865bps	-2.4%	-930bps

¹Before special items and pre-opening expenses; ²In constant currencies as of the previous year.

The information in the table above is presented in reais and in constant currency (using the 1Q19 exchange rate to convert the 1Q20 results) to eliminate the effect of exchange rate fluctuations. **The comments below also refer to 1Q20 figures in constant currency.**

Consolidated adjusted EBITDA totaled a negative R\$ 8.6 million, versus a positive R\$ 24.9 million in 1Q19. The impacts of the COVID-19 pandemic were the main reasons for this decline. Revenue declined 3.0% from 1Q19.

RESULTS BY GEOGRAPHIC REGION

	Brazil	USA	Caribbe	Consolidated	Brazil	USA	Caribbe	Consolidated	
(in R\$ million)	1Q20	1Q20	1Q20	1Q20	1Q19	1Q19	1Q19	% VA	YoY
Net Revenue	252.1	72.3	42.3	366.6	233.5	82.1	46.8	362.4	1.2%
COGS	(207.1)	(53.4)	(21.0)	(281.5)	(178.4)	(54.0)	(21.9)	(254.3)	10.7%
Gross Profit	45.0	18.9	21.3	85.2	55.1	28.1	24.9	108.1	(21.2%)
<i>Gross Profit</i>	17.9%	26.1%	50.3%	23.2%	23.6%	34.3%	53.2%	29.8%	-660bps
Operating Expenses ¹	(66.3)	(35.3)	(17.3)	(118.8)	(55.5)	(31.2)	(16.3)	(103.1)	15.3%
(+) Depreciation & Amortization	19.5	5.3	2.3	27.1	12.2	5.0	2.7	19.9	36.2%
Special Items - Other	0.0	0.0	0.0	(10.1)	0.0	0.0	0.0	(2.1)	379.9%
Store Pre-Openings	(2.9)	(0.4)	(0.0)	(3.3)	(1.3)	(0.0)	(0.1)	(1.4)	136.4%
EBITDA	(4.7)	(11.5)	6.2	(19.9)	10.5	2.0	11.1	21.5	na
<i>EBITDA Margin</i>	-1.8%	-15.9%	14.8%	-5.4%	4.5%	2.4%	23.7%	5.9%	na
(+) Special Items				10.1				2.1	379.9%
(+) Store Pre-Openings				3.3				1.4	
Adjusted EBITDA				(6.5)				25.0	na
<i>Adjusted EBITDA Margin</i>				-1.8%				6.9%	na

¹Before special items and pre-opening expenses.

RESULTS OF THE BRAZILIAN OPERATIONS

(in R\$ million)	1Q20	1Q19	YoY
Net Revenues	252.1	233.5	8.0%
COGS	(207.1)	(178.4)	16.1%
Gross Profit	45.0	55.1	(18.2%)
<i>Gross Profit</i>	<i>17.9%</i>	<i>23.6%</i>	<i>-573bps</i>
Operating Expenses ¹	(66.3)	(55.5)	19.4%
(+) Depreciation & Amortization	19.5	12.2	59.9%
Store Pre-Openings	(2.9)	(1.3)	4.6%
EBITDA	(4.7)	10.5	(144.4%)
(+) Store Pre-Openings	2.9	1.3	(126.3%)
Adjusted EBITDA	(1.7)	11.8	na
<i>Adjusted EBITDA Margin</i>	<i>-0.7%</i>	<i>5.0%</i>	<i>-573bps</i>

¹Before special items and pre-opening expenses.

In Brazil, EBITDA was negative by R\$ 1.7 million in 1Q20, with a margin of -0.7%, versus R\$ 11.8 million and 5.0%, respectively, in 1Q19. The main drivers of this performance were i) a reduction in the operating hours of Frango Assado stores and a decrease in passenger vehicle traffic on highways, ii) a decrease in the number of flights and passenger traffic at airports and iii) the temporary closure of shopping malls due to the COVID-19 pandemic.

RESULTS OF THE BRAZILIAN OPERATIONS – ROADS

(in R\$ million)	1Q20	1Q19	YoY
Net Revenues	122.6	128.4	(4.5%)
Restaurants & Others	58.3	67.4	(13.5%)
Gas Stations	64.3	61.0	5.4%
COGS	(108.5)	(103.0)	5.3%
Gross Profit	14.1	25.4	(44.3%)
<i>Gross Profit</i>	<i>11.5%</i>	<i>19.8%</i>	<i>-823bps</i>
Operating Expenses ¹	(11.7)	(11.5)	1.8%
Store Pre-Openings	(0.1)	(0.4)	(85.4%)
EBIT	2.4	13.5	(82.2%)
(+) Depreciation & Amortization	5.5	4.0	36.5%
(+) Store Pre-Openings	0.1	0.4	85.4%
Adjusted Operating Income	7.9	17.9	(55.7%)
<i>Adjusted Operating Margin</i>	<i>6.5%</i>	<i>13.9%</i>	<i>-748bps</i>

¹Before special items and pre-opening expenses.

In the Roads segment, adjusted operating result reached R\$ 7.9 million, with a margin of 6.5%, versus R\$ 17.9 million and 13.6% (-7.48 p.p. YoY), respectively, in 1Q19.

Net revenue totaled R\$122.6 million, 4.5% lower than in 1Q19, mainly affected by the COVID-19, as some stores reduced their operating hours, and a decline in passenger vehicle traffic on highways due to the quarantine (-7.9% in Nova Dutra and -8.1% in AutoBan, for example). Same-store sales fell 4.4% in the period.

RESULTS OF THE BRAZILIAN OPERATIONS – AIR

(in R\$ million)	1Q20	1Q19	YoY
Net Revenues	45.8	52.9	(13.3%)
COGS	(33.2)	(35.5)	(6.5%)
Gross Profit	12.6	17.3	(27.2%)
<i>Gross Profit</i>	27.6%	32.8%	-526bps
Operating Expenses ¹	(18.8)	(15.0)	25.7%
Store Pre-Openings	(0.0)	0.0	0.0%
EBIT	(6.2)	2.4	(360.6%)
(+) Depreciation & Amortization	8.5	5.3	59.2%
(+) Store Pre-Openings	0.0	0.0	0.0%
Adjusted Operating Income	2.3	7.7	(70.2%)
<i>Adjusted Operating Margin</i>	5.0%	14.6%	-955bps

¹Before special items and pre-opening expenses.

The Air segment recorded operating income of R\$2.3 million in 1Q20 (vs. R\$7.7 million in 1Q19), with a margin of 5.0% (-9.55 p.p. vs. 1Q19). The main impact in the quarter was a reduction in the number of flights and passenger traffic after the beginning of COVID-19 quarantine, which caused our revenue to fall 13.3%. The number of flights at the airports where we have catering operations dropped 10.3% in the period, while passenger traffic at the airports where we have restaurants decreased 10.6%.

RESULTS OF THE BRAZILIAN OPERATIONS – MALLS

(in R\$ million)	1Q20	1Q19	YoY
Net Revenues	83.7	52.2	60.3%
Restaurants & Others	40.1	52.2	(23.3%)
Pizza Hut and KFC	43.6	0.0	na
COGS	(65.4)	(39.9)	64.1%
Gross Profit	18.3	12.4	47.8%
<i>Gross Profit</i>	21.8%	23.7%	-184bps
Operating Expenses ¹	(20.4)	(13.0)	57.6%
Store Pre-Openings	(2.9)	(0.9)	235.1%
EBIT	(5.0)	(1.5)	335.1%
(+) Depreciation & Amortization	5.5	2.9	93.9%
(+) Store Pre-Openings	2.9	0.9	(61.4%)
Adjusted Operating Income	3.4	2.3	149.8%
<i>Adjusted Operating Margin</i>	4.0%	4.3%	+1bps

¹Before special items and pre-opening expenses.

The operating result of the Malls segment was a loss of R\$ 3.4 million, versus income of R\$ 2.3 million in 1Q19.

Net revenue rose 60.3% (1Q20 vs. 1Q19), mainly due to the addition of Pizza Hut and KFC operations. Pizza Hut and KFC together recorded pro forma same-store sales decreased 10.5% in the quarter, due to the closing of several malls in the period. It should be noted that the operational performance was benefited by occasional negotiations with Yum! (R\$ 4.0m) and recovery of receivables from franchisees (R\$ 4.2m).

PIZZA HUT and KFC

The two brands, added to our portfolio in November 2019, showed a 9.7% reduction in the same stores sales (own + 6% franchise royalties) in 1Q20. In the two-month period (Jan and Feb), the system's performance was + 10.3%. The revenue of the two brands (own stores plus royalties from franchisees) was R\$ 43.6 million, being mainly impacted by the drop in over-the-counter sales and the closing of shopping malls due to the pandemic. All KFC's own stores are located in shopping malls, while in Pizza Hut of the 34 own stores, 12 are located in shopping malls and 10 in Frango Assado stores. Delivery sales in operations grew 2.9x in the third week of May (17 to 23) vs. the first week of March (1 to 7, pre COVID-19).

	Jan-Feb	March	1Q20
Pizza Hut	4.7%	(37.1%)	(11.2%)
KFC	13.8%	(45.8%)	(8.8%)
Pizza Hut + KFC	10.3%	(42.5%)	(9.7%)

RESULTS OF THE U.S. OPERATIONS

(in US\$ million)	1Q20	1Q19	YoY
Net Revenues	16.3	21.7	(24.8%)
COGS	(12.1)	(14.3)	(15.5%)
Gross Profit	4.2	7.4	(42.7%)
<i>Gross Profit</i>	<i>26.0%</i>	<i>34.2%</i>	<i>-813bps</i>
Operating Expenses ¹	(7.9)	(8.3)	(5.2%)
(+) Depreciation & Amortization	1.2	1.3	0.0%
Store Pre-Openings	(0.1)	(0.0)	317.6%
EBIT	(2.5)	0.5	(652.8%)
(+) Store Pre-Openings	0.1	0.0	(10.2%)
Adjusted EBITDA	(2.4)	0.5	na
<i>Adjusted EBITDA Margin (%)</i>	<i>-14.8%</i>	<i>2.1%</i>	<i>na</i>

¹Before special items and pre-opening expenses.

The U.S. operations consist mainly of Margaritaville, currently with 22 restaurants. The comments below, as well as the table above, are in local currency (US\$) to provide a better understanding of the region's results, excluding the impact of foreign exchange variation.

Adjusted EBITDA was a negative US\$ 2.4 million, versus a positive US\$ 0.5 million last year, mainly affected by lower store traffic as of March, which culminated in the closure of stores in late March (18 stores temporarily closed in late March). Same-store sales fell 24.8% in 1Q20, while demand for hotel rooms in the cities where we operate dropped 25.4% in the period.

RESULTS OF THE CARIBBEAN OPERATIONS

R\$ million	1Q20	1Q19	YoY	1Q20 ²	YoY ²
Net Revenues	42.3	46.8	(9.7%)	38.1	(18.6%)
COGS	(21.0)	(21.9)	(4.1%)	(19.1)	(12.6%)
Gross Profit	21.3	24.9	(14.6%)	19.0	(23.8%)
<i>Gross Profit</i>	<i>50.3%</i>	<i>53.2%</i>	<i>+2bps</i>	<i>49.8%</i>	<i>+1bps</i>
Operating Expenses ¹	(17.3)	(16.3)	5.5%	(15.4)	(5.8%)
(+) Depreciation & Amortization	2.3	2.7	7.0%	2.0	(3.7%)
Store Pre-Openings	(0.0)	(0.1)	(72.1%)	(0.0)	(100.0%)
EBITDA	6.2	11.1	(43.7%)	5.6	(49.4%)
(+) Store Pre-Openings	0.0	0.1	72.1%	0.0	100.0%
Adjusted EBITDA	6.3	11.2	(44.0%)	5.6	(50.0%)
<i>Adjusted EBITDA Margin (%)</i>	<i>14.9%</i>	<i>24.0%</i>	<i>-910bps</i>	<i>14.7%</i>	<i>-923bps</i>

¹Before special items and pre-opening expenses; ²In constant currencies as of the previous year.

The information in the table above is presented in reais and in constant currency (using the 1Q19 exchange rate to convert the 1Q20 results) to eliminate the effect of exchange rate fluctuations. **The comments below also refer to 1Q20 figures in constant currency.**

Adjusted EBITDA reached R\$5.6 million in 1Q20, a 50.0% decrease compared to 1Q19, with an operating margin of 14.7%, 9.23 p.p. lower than in 1Q19.

Net revenue totaled R\$ 38.1 million, an 18.6% reduction compared to 1Q19. In our main operation in the region, passenger traffic declined 20.9% at terminal 1 of Panama airport in the period.

ADJUSTED EBITDA AND ADJUSTED MARGIN

(R\$ million)	1Q20	1Q19	YoY
NET INCOME (LOSS)	(50.2)	(4.8)	943.0%
(+) Income Taxes	(5.3)	(0.2)	3024.5%
(+) Net Financial Result	8.5	6.4	31.3%
(+) D&A and Write-offs	26.4	19.3	36.8%
(+) Amortization of Investments in Joint Venture	0.7	0.6	18.1%
EBITDA	(19.9)	21.4	na
(+) Special Items	10.1	2.1	379.9%
(+) Pre-Opening Expenses	3.3	1.4	136%
Adjusted EBITDA	(6.5)	24.9	na
<i>EBITDA / Net Revenues</i>	<i>-5.4%</i>	<i>5.9%</i>	<i>na</i>
<i>Adjusted EBITDA / Net Revenues</i>	<i>-1.8%</i>	<i>6.9%</i>	<i>na</i>

Adjusted EBITDA came to a negative R\$ 6.5 million in 1Q20, versus a positive R\$ 24.9 million in 1Q19. Special items mainly refer to severance expenses totaling R\$ 4.6 million, due to layoffs; impairment of discontinued operations amounting to R\$3.5 million; and the stock option plan totaling R\$ 1.8 million.

FINANCIAL RESULT, INCOME TAX AND NET INCOME

IMC had a net financial expense of R\$ 8.5 million in 1Q20, versus R\$ 6.4 million in 1Q19.

Current and deferred income taxes totaled a positive R\$ 5.3 million, compared to a positive R\$ 0.2 million in 1Q19.

The Company recorded a net loss of R\$ 50.2 million in 1Q20, against a net loss of R\$ 4.8 million in 1Q19.

SELECTED CASH FLOW INFORMATION

R\$ million	1Q20	1Q19	YoY
Adjusted EBITDA	(6.5)	24.9	(126.3%)
Special Items	(4.8)	(2.1)	127.7%
(-) Store Pre-Openings Expenses	(3.3)	(1.4)	136.4%
(+/-) Working Capital and Other Non-Cash Items	(29.7)	(17.7)	68.1%
Operating Cash Flow	(44.3)	3.7	(1294.3%)
(-) Paid Taxes	(0.9)	(4.5)	-80.9%
(-) Maintenance Capex	(2.5)	(2.8)	-10.8%
Net Operating Cash Flow	(47.7)	(3.6)	1230.1%
Operating Net Cash/EBITDA	728.2%	-14.4%	742.6 p.p.

Operating cash flow fell R\$47.4 million (vs. a reduction of R\$3.6 million in 1Q19), mainly impacted by the effects of COVID-19 on the company's EBITDA.

INVESTMENT ACTIVITIES

(R\$ million)	1Q20	1Q19	YoY
Property and Equipment	(41.7)	(15.9)	162.4%
Additions to Intangible Assets	(2.9)	(1.1)	150.8%
(=) Total Invested (CAPEX)	(44.6)	(17.1)	161.6%
Payment of Acquisitions	(2.4)	(1.5)	62.1%
Dividends Received	3.3	2.2	47.0%
Other*	0.9	3.7	-75.4%
Total Investments	(42.8)	(12.6)	239.3%

*Others related to the cash received from the sale of Puerto Rican, Mexican and Dominican operations.

CAPEX (in R\$ million)	1Q20	1Q19	YoY
Expansion			
Brazilian Operations	17.7	9.9	78.1%
<i>Brazil - Air</i>	0.6	1.6	-62.3%
<i>Brazil - Roads</i>	11.5	1.4	746.5%
<i>Brazil - Malls</i>	5.5	6.9	-20.2%
USA Operations	6.3	3.9	61.3%
KFC + PH Operations	14.4	0.0	-
Caribbean Operations	1.8	0.2	657.6%
Holding	1.9	0.2	1039.9%
Total Expansion Investments	42.1	14.3	195.4%
Maintenance			
Brazilian Operations	1.3	2.2	-40.6%
<i>Brazil - Air</i>	0.1	0.4	-64.6%
<i>Brazil - Roads</i>	0.5	1.3	-59.5%
<i>Brazil - Malls</i>	0.6	0.5	31.6%
USA Operations	-0.3	0.4	-179.3%
Caribbean Operations	1.5	0.1	1043.5%
Holding	0.0	0.1	-100.0%
Total Maintenance Investments	2.5	2.8	-10.8%
Total CAPEX Investments	44.6	17.1	161.6%

In 1Q20, CAPEX was impacted by investments in the central kitchen, Pizza Hut and KFC stores.

NET DEBT

R\$ million	1Q20	1Q19
Debt	552.6	380.4
Financing of past acquisitions	47.9	35.4
Total Debt	600.5	415.7
(-) Cash	(276.6)	(232.0)
Net Debt	323.9	183.7

At the end of 1Q20, net debt was R\$ 323.9 million, including cash, cash equivalents and short-term investments.

Given that we were still under negotiation with the debenture holders at the end of the quarter (March 31) and in compliance with the accounting pronouncement CPC (R1) 26 - Financial statements, we reclassified the debenture liabilities to current liabilities.

With the conclusion of these negotiations at the General Debenture Holders' Meeting held on May 27, 2020, the balances are presented again in non-current liabilities. The presentation of the balances of loans and financing would be as follows, if the negotiations were concluded in a period prior to March 31, 2020:

R\$ million	Audited	Change	Pro forma
Current	444	(390)	54
Non Current	109	390	499
Total	553		553

NUMBER OF STORES

(end of period)	1Q20	1Q19	YoY	Var. (#)
Brazil	176	145	21.4%	31
<i>Air</i>	30	31	-3.2%	-1
<i>Roads</i>	25	25	0.0%	0
<i>Shopping Malls</i>	121	89	36.0%	32
<i>Pizza Hut</i>	33	0	n.a.	33
<i>KFC</i>	35	0	n.a.	35
<i>Viena / Batata Inglesa / Olive Garden</i>	53	89	-40.4%	-36
USA	22	22	0.0%	0
Caribbean	39	43	-9.3%	-4
Total Number of Owned Stores	237	210	12.9%	27
Brazil	254	0	n.a.	254
<i>Shopping Malls</i>	254	0	n.a.	254
<i>Pizza Hut</i>	199	0	n.a.	199
<i>KFC</i>	55	0	n.a.	55
Total Number of Franchisee Stores	254	0	n.a.	254
Total Owned + Franchisee	491	210	133.8%	281
Catering	13	14	-7.1%	-1
<i>Brazil</i>	5	6	-16.7%	0
<i>Caribbean</i>	8	8	0.0%	0
Total Owned + Franchisee + Catering	504	224	125.0%	280

At the end of 1Q20, the Company had 491 stores, a net increase of 281 stores compared to 1Q19, due to the merger of Pizza Hut and KFC. Of the total, 237 are company-owned stores and 254 are franchises.

CONSOLIDATED INCOME STATEMENT (non-IFRS 16)

(R\$ thousand)	1Q20	1Q19
NET REVENUE	366,642	362,392
COST OF SALES AND SERVICES	(281,480)	(254,286)
GROSS PROFIT	85,162	108,106
OPERATING INCOME (EXPENSES)		
Commercial and operating expenses	(85,929)	(73,751)
General and administrative expenses	(36,188)	(27,559)
Depreciation and amortization	(12,552)	(7,148)
Redução do valor recuperável dos ativos	(3,481)	0
Other income (expenses)	5,306	(708)
Equity income result	624	2,520
Net financial expenses	(8,466)	(6,446)
EARNINGS BEFORE TAXES	(55,524)	(4,985)
Income Taxes	5,301	170
NET PROFIT (LOSS)	(50,223)	(4,815)

CONSOLIDATED BALANCE SHEET (non-IFRS 16)

(R\$ thousand)	1Q20	4Q19	1Q19
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	276,557	332,806	232,003
Accounts receivable	60,927	62,905	79,582
Inventories	54,725	53,202	34,175
Derivatives	637	149	72
Other current assets	125,879	107,217	76,031
Total current assets	518,725	556,279	421,863
NONCURRENT ASSETS			
Deferred income taxes	21,707	17,509	9,513
Derivatives	0	0	36
Other noncurrent assets	50,056	53,803	55,345
Property and equipment	418,764	372,677	262,092
Intangible assets	1,355,234	1,300,340	851,539
Total noncurrent assets	1,845,761	1,744,329	1,178,525
TOTAL ASSETS	2,364,486	2,300,608	1,600,388
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade accounts payable	179,660	188,097	64,324
Loans, financing and acquisitions' payables	457,351	89,596	46,463
Salaries and payroll charges	60,859	65,935	55,442
Other current liabilities	70,825	59,274	43,489
Total current liabilities	768,695	402,902	209,718
NONCURRENT LIABILITIES			
Loans, financing and acquisitions' payables	143,751	513,634	369,392
Provision for labor, civil and tax disputes	82,363	84,680	12,071
Deferred income tax liability	74,593	80,892	69,833
Other noncurrent liabilities	68,933	62,142	22,565
Total noncurrent liabilities	369,640	741,348	473,861
EQUITY			
Capital and reserves	1,161,271	1,112,045	886,926
Accumulated losses	(57,251)	4,224	3,999
Other comprehensive income	122,131	40,089	25,884
Total equity	1,226,151	1,156,358	916,809
TOTAL LIABILITIES AND EQUITY	2,364,486	2,300,608	1,600,388

CASH FLOW STATEMENT (non-IFRS 16)

(R\$ thousand)	1Q20	1Q19
CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the quarter	(50,223)	(4,815)
Depreciation and amortization	26,425	19,313
Impairment of intangible assets (using)	(4,586)	(81)
Investment amortization	695	589
Equity income result	1,957	(3,108)
Provision for labor, civil and tax disputes	1,631	1,450
Income taxes	(8,192)	(171)
Interest expenses	7,591	6,618
Effect of exchange rate changes	16	(24)
Disposal of property and equipment	4,654	142
Deferred Revenue, Rebates	(459)	(1,196)
Expenses in payments to employees based in stock plan	1,826	600
Others	(8,470)	3,136
Changes in operating assets and liabilities	(20,666)	(18,742)
Cash generated from operations	(44,320)	3,711
Income tax paid	(860)	(4,497)
Interest paid	(12,358)	(5,058)
Net cash generated by (used in) operating activities	(57,538)	(5,844)
CASH FLOW FROM INVESTING ACTIVITIES		
Payment of business acquisitions made in prior years	(2,432)	(1,500)
Dividends received	3,275	2,228
Sale of controlling interest in discontinued operations, net of cash	908	3,694
Additions to intangible assets	(2,874)	(1,146)
Additions to property and equipment	(41,725)	(15,904)
Net cash used in investing activities from continued operations	(42,848)	(12,628)
CASH FLOW FROM FINANCING ACTIVITIES		
Shares in Treasury	47,399	(96,856)
New loans	-	238,710
Payment of loans	(37,010)	(159,852)
Net cash used in financing activities	10,389	(17,998)
 EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	 33,748	 (88)
NET INCREASE (DECREASE) FOR THE PERIOD	(56,249)	(36,558)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	332,806	268,561
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	276,557	232,003

APPENDIX – Detailed 1Q20 Results (non-IFRS 16)

CONSOLIDATED RESULTS

(in R\$ million)	1Q20	1Q19	YoY	1Q20 ²	YoY ²
Net Revenue	366.6	362.4	1.2%	351.6	-3.0%
Restaurants & Others	302.3	301.4	0.3%	287.3	-4.7%
Gas Stations	64.3	61.0	5.4%	64.3	5.4%
Brazil	252.1	233.5	8.0%	252.1	8.0%
US	72.3	82.1	-12.0%	61.4	-25.2%
Caribbean	42.3	46.8	-9.7%	38.1	-18.6%
Cost of Sales and Services	(281.5)	(254.3)	10.7%	(271.6)	6.8%
Direct Labor	(101.3)	(95.9)	5.6%	(96.1)	0.2%
Food	(86.4)	(77.5)	11.5%	(83.2)	7.4%
Others	(21.3)	(19.6)	8.8%	(20.5)	4.7%
Fuel and Automotive Accessories	(58.6)	(49.1)	19.4%	(58.6)	19.4%
Depreciation & Amortization	(13.9)	(12.2)	14.0%	(13.2)	8.6%
Gross Profit	85.2	108.1	-21.2%	80.0	-26.0%
<i>Gross Margin (%)</i>	23.2%	29.8%	-6.6p.p.	22.7%	-7.1p.p.
Operating Expenses	(118.8)	(103.1)	15.2%	(114.5)	11.0%
Selling and Operating	(39.1)	(38.2)	2.5%	(35.4)	-7.4%
Rents of Stores	(43.0)	(35.5)	21.1%	(40.8)	14.8%
Depreciation & Amortization	(12.6)	(7.1)	75.6%	(12.2)	70.2%
J.V. Investment Amortization	(0.7)	(0.6)	18.1%	(0.6)	4.9%
Equity income result	1.3	3.1	-57.6%	1.2	-61.3%
General & Administrative and Others	(24.7)	(24.8)	-0.1%	(26.7)	8.0%
Special Items - Other	(10.1)	(2.1)	379.9%	(10.1)	379.9%
Store Pre-Openings	(3.3)	(1.4)	136.4%	(3.2)	129.8%
EBIT	(47.1)	1.5	na	(47.9)	na
(+) D&A	27.1	19.9	36.3%	26.0	30.6%
EBITDA	(19.9)	21.4	na	(21.9)	na
<i>EBITDA Margin (%)</i>	(5.4%)	5.9%	-11.3p.p.	-6.2%	-12.1p.p.
(+) Special Items - Other	10.1	2.1	379.9%	10.1	379.9%
(+) Store Pre-Openings	3.3	1.4	136.4%	3.2	129.8%
Adjusted EBITDA¹	(6.5)	24.9	na	(8.6)	na
<i>Adjusted EBITDA Margin (%)</i>	-1.8%	6.9%	-8.6p.p.	-2.4%	-9.3p.p.

¹Before special items and pre-opening expenses; ²In constant currencies as of the previous year.

RESULTS BY GEOGRAPHIC REGION

(in R\$ million)	Brazil 1Q20	USA 1Q20	Caribbe 1Q20	Consolidated 1Q20	Brazil 1Q19	USA 1Q19	Caribbe 1Q19	Consolidated 1Q19	YoY
Net Revenue	252.1	72.3	42.3	366.6	233.5	82.1	46.8	362.4	1.2%
Restaurants & Others	187.8	72.3	42.3	302.3	172.4	82.1	46.8	301.4	0.3%
Gas Stations	64.3	0.0	0.0	64.3	61.0	0.0	0.0	61.0	5.4%
Cost of Sales and Services	(207.1)	(53.4)	(21.0)	(281.5)	(178.4)	(54.0)	(21.9)	(254.3)	10.7%
Direct Labor	(62.7)	(29.8)	(8.8)	(101.3)	(58.6)	(28.9)	(8.5)	(95.9)	5.6%
Food	(60.8)	(14.3)	(11.3)	(86.4)	(49.2)	(15.9)	(12.4)	(77.5)	11.5%
Others	(15.6)	(5.1)	(0.6)	(21.3)	(14.1)	(5.0)	(0.6)	(19.6)	8.8%
Fuel and Automotive Accessories	(58.6)	0.0	0.0	(58.6)	(49.1)	0.0	0.0	(49.1)	19.4%
Depreciation & Amortization	(9.3)	(4.2)	(0.4)	(13.9)	(7.5)	(4.2)	(0.5)	(12.2)	14.0%
Gross Profit	45.0	18.9	21.3	85.2	55.1	28.1	24.9	108.1	-21.2%
Operating Expenses¹	(66.3)	(35.3)	(17.3)	(118.8)	(55.5)	(31.2)	(16.3)	(103.1)	15.3%
Selling and Operating	(12.6)	(19.8)	(6.7)	(39.1)	(13.8)	(18.1)	(6.3)	(38.2)	2.5%
Rents of Stores	(28.1)	(9.1)	(5.8)	(43.0)	(20.9)	(9.4)	(5.3)	(35.5)	21.1%
Depreciation & Amortization	(10.2)	(0.5)	(1.9)	(12.6)	(4.7)	(0.1)	(2.2)	(7.1)	77.8%
J.V. Investment Amortization	0.0	(0.7)	0.0	(0.7)	0.0	(0.6)	0.0	(0.6)	18.1%
Equity income result	0.0	1.3	0.0	1.3	0.0	3.1	0.0	3.1	-57.6%
General & Administrative	(15.4)	(6.6)	(2.8)	(24.7)	(16.1)	(6.1)	(2.5)	(24.8)	-0.1%
Special Items - Other				(10.1)				(2.1)	379.9%
Store Pre-Openings	(2.9)	(0.4)	(0.0)	(3.3)	(1.3)	(0.0)	(0.1)	(1.4)	136.4%
EBIT	(24.2)	(16.8)	4.0	(47.1)	(1.7)	(3.1)	8.4	1.5	na
(+) D&A				27.1				19.9	36.2%
EBITDA				(19.9)				21.4	na
(+) Special Items				10.1				2.1	379.9%
(+) Store Pre-Openings				3.3				1.4	
Adjusted EBITDA				(6.5)				24.9	na

¹Before special items and pre-opening expenses.

RESULTS OF THE BRAZILIAN OPERATIONS

(in R\$ million)	1Q20	1Q19	YoY
Net Revenue	252.1	233.5	8.0%
Restaurants & Others	187.8	172.4	8.9%
Gas Stations	64.3	61.0	5.4%
Cost of Sales and Services	(207.1)	(178.4)	16.1%
Direct Labor	(62.7)	(58.6)	7.1%
Food	(60.8)	(49.2)	23.6%
Others	(15.6)	(14.1)	11.2%
Fuel and Automotive Accessories	(58.6)	(49.1)	19.4%
Depreciation & Amortization	(9.3)	(7.5)	24.2%
Gross Profit	45.0	55.1	(18.2%)
Operating Expenses¹	(66.3)	(55.5)	19.4%
Selling and Operating	(12.6)	(13.8)	(8.8%)
Rents of Stores	(28.1)	(20.9)	34.7%
Depreciation & Amortization	(10.2)	(4.7)	116.8%
General & Administrative Others ²	(15.4)	(16.1)	(4.6%)
Store Pre-Openings	(2.9)	(1.3)	126.3%
EBIT	(24.2)	(1.7)	1314.5%
(+) Depreciation & Amortization	19.5	12.2	59.9%
EBITDA	(4.7)	10.5	(144.4%)
(+) Store Pre-Openings	2.9	1.3	126.3%
Adjusted EBITDA	(1.7)	11.8	(114.8%)
Expansion Capex	17.7	9.9	78.1%
Maintenance Capex	1.3	1.3	0.0%
Total Capex	19.0	11.2	68.9%
Adjusted Operating Inc. - Maintenance Capex³	(3.1)	10.5	(129.3%)

¹Before special items and pre-opening expenses; ²Not allocated in segments; ³Maint. Capex vs Op. Res.

RESULTS OF THE BRAZILIAN OPERATIONS – ROADS

(in R\$ million)	1Q20	1Q19	YoY
Net Revenue	122.6	128.4	-4.5%
Restaurants & Others	58.3	67.4	-13.5%
Gas Stations	64.3	61.0	5.4%
Cost of Sales and Services	(108.5)	(103.0)	5.3%
Direct Labor	(23.2)	(24.2)	-4.2%
Food	(21.3)	(20.5)	3.8%
Others	(5.9)	(6.0)	-1.6%
Fuel and Automotive Accessories	(53.3)	(49.1)	8.7%
Depreciation & Amortization	(4.7)	(3.2)	46.4%
Gross Profit	14.1	25.4	-44.3%
Operating Expenses¹	(11.7)	(11.5)	1.8%
Selling and Operating	(6.5)	(5.3)	23.1%
Rents of Stores	(4.5)	(5.4)	-17.9%
Depreciation & Amortization	(0.8)	(0.8)	-4.1%
Store Pre-Openings	(0.1)	(0.4)	-85.4%
EBIT	2.4	13.5	-82.2%
(+) Depreciation & Amortization	5.5	4.0	36.5%
EBITDA	7.9	17.5	-55.1%
(+) Store Pre-Openings	0.1	0.4	-85.4%
Adjusted Operating Income	7.9	17.9	-55.7%
Expansion Capex	11.5	1.4	746.5%
Maintenance Capex	0.5	1.3	-59.5%
Total Capex	12.1	2.7	348.1%
Adjusted Operating Inc. - Maintenance Capex²	7.4	16.6	184.6%

¹Before special items; ²Maint. Capex vs. Op. Res.

RESULTS OF THE BRAZILIAN OPERATIONS – AIR

(in R\$ million)	1Q20	1Q19	YoY
Net Revenue	45.8	52.9	-13.3%
Restaurants & Others	45.8	52.9	-13.3%
Cost of Sales and Services	(33.2)	(35.5)	-6.5%
Direct Labor	(16.6)	(17.4)	-4.5%
Food	(11.7)	(12.9)	-9.9%
Others	(3.4)	(3.3)	1.6%
Depreciation & Amortization	(1.5)	(1.9)	-16.7%
Gross Profit	12.6	17.3	-27.2%
Operating Expenses¹	(18.8)	(15.0)	25.7%
Selling and Operating	(4.2)	(4.2)	-1.3%
Rents of Stores	(7.7)	(7.3)	5.9%
Depreciation & Amortization	(6.9)	(3.5)	99.7%
Store Pre-Openings	(0.0)	0.0	0.0%
EBIT	(6.2)	2.4	-360.8%
(+) Depreciation & Amortization	8.5	5.3	59.2%
EBITDA	2.3	7.7	-70.2%
Store Pre-Openings	(0.0)	0.0	0.0%
Adjusted Operating Income¹	2.3	7.7	-70.2%
Expansion Capex	0.6	1.6	-62.3%
Maintenance Capex	0.1	0.4	-64.6%
Total Capex	0.8	2.1	-62.7%
Adjusted Operating Inc. - Maintenance Capex²	2.2	7.3	-1.0%

¹Before special items; ²Maint. Capex vs. Op. Res.

RESULTS OF THE BRAZILIAN OPERATIONS – MALLS

(in R\$ million)	1Q20	1Q19	YoY
Net Revenue	83.7	52.2	60.3%
Restaurants & Others	40.1	52.2	-23.3%
Pizza Hut and KFC	43.6	0.0	0.0%
Cost of Sales and Services	(65.4)	(39.9)	64.1%
Direct Labor	(22.9)	(17.0)	34.9%
Food	(27.8)	(15.7)	77.2%
Others	(6.4)	(4.7)	34.1%
Depreciation & Amortization	(3.1)	(2.4)	25.9%
Gross Profit	18.3	12.4	47.8%
Operating Expenses¹	(20.4)	(13.0)	57.6%
Selling and Operating	(2.0)	(4.4)	-54.6%
Rents of Stores	(16.0)	(8.2)	95.3%
Depreciation & Amortization	(2.5)	(0.4)	472.0%
Store Pre-Openings	(2.9)	(0.9)	217.9%
EBIT	(5.0)	(1.5)	235.1%
(+) Depreciation & Amortization	5.5	2.9	93.9%
EBITDA	0.5	1.4	-61.4%
Store Pre-Openings	2.9	0.9	217.9%
Adjusted Operating Income	3.4	2.3	49.8%
Expansion Capex	5.5	6.9	-20.2%
Maintenance Capex	0.6	0.5	31.6%
Total Capex	6.1	7.4	-16.9%
Adjusted Operating Inc. - Maintenance Capex²	2.8	1.8	-69.3%

¹Before special items; ²Maint. Capex vs. Op. Res.

RESULTS OF THE U.S. OPERATIONS

(in US\$ Million)	1Q20	1Q19	YoY
Net Revenue	16.3	21.7	-24.8%
Restaurants & Others	16.3	21.7	-24.8%
Cost of Sales and Services	(12.1)	(14.3)	-15.5%
Direct Labor	(6.7)	(7.6)	-11.8%
Food	(3.2)	(4.2)	-22.9%
Others	(1.1)	(1.3)	-13.4%
Depreciation & Amortization	(0.9)	(1.1)	-15.6%
Gross Profit	4.2	7.4	-42.7%
Operating Expenses¹	(7.9)	(8.3)	-5.2%
Selling and Operating	(4.4)	(4.8)	-7.4%
Rents of Stores	(2.0)	(2.5)	-18.2%
Depreciation & Amortization	(0.1)	(0.1)	57.1%
J.V. Investment Amortization	(0.2)	(0.2)	0.0%
Equity income result	0.3	0.8	-60.1%
General & Administrative and Others	(1.5)	(1.6)	-9.6%
Store Pre-Openings	(0.1)	(0.0)	19893%
EBIT	(3.7)	(0.9)	317.6%
(+) Depreciation & Amortization	1.2	1.3	-10.2%
EBITDA	(2.5)	0.5	-652.8%
(+) Store Pre-Openings	0.1	0.0	19893%
Adjusted EBITDA	(2.4)	0.5	-633.2%
Expansion Capex	1.4	1.0	37.8%
Maintenance Capex	(0.1)	0.1	-167.8%
Total Capex	1.4	1.1	20.7%
Adjusted Operating Inc. - Maintenance Capex²	(3.8)	(0.7)	456.4%

¹Before special items; ²Maint. Capex vs. Op. Res.

RESULTS OF THE CARIBBEAN OPERATIONS

(in R\$ million)	1Q20	1Q19	YoY	1Q20 ²	YoY ²
Net Revenue	42.3	46.8	-9.7%	38.1	-18.6%
Restaurants & Others	42.3	46.8	-9.7%	38.1	-18.6%
Cost of Sales and Services	(21.0)	(21.9)	-4.1%	(19.1)	-12.6%
Direct Labor	(8.8)	(8.5)	3.5%	(8.0)	-5.5%
Food	(11.3)	(12.4)	-9.4%	(10.2)	-17.8%
Others	(0.6)	(0.6)	8.6%	(0.6)	3.8%
Depreciation & Amortization	(0.4)	(0.5)	-18.2%	(0.3)	-24.8%
Gross Profit	21.3	24.9	-14.6%	19.0	-23.8%
Operating Expenses¹	(17.3)	(16.3)	5.5%	(15.4)	-5.8%
Selling and Operating	(6.7)	(6.3)	7.0%	(6.0)	-3.7%
Rents of Stores	(5.8)	(5.3)	9.2%	(5.1)	-4.6%
Depreciation & Amortization	(1.9)	(2.2)	-13.9%	(1.7)	-23.3%
General & Administrative and Others	(2.8)	(2.5)	11.3%	(2.6)	1.8%
Store Pre-Openings	(0.0)	(0.1)	-72.1%	(0.0)	-100.0%
EBIT	4.0	8.4	-52.9%	3.6	-57.6%
(+) Depreciation & Amortization	2.3	2.7	-14.6%	2.0	-23.6%
EBITDA	6.2	11.1	-43.7%	5.6	-49.4%
(+) Store Pre-Openings	0.0	0.1	-72.1%	(0.0)	-100.0%
Adjusted EBITDA	6.3	11.2	-44.0%	5.6	-50.0%
Expansion Capex	1.8	0.2	657.6%	1.7	583.3%
Maintenance Capex	1.5	0.1	1043.5%	1.3	931.2%
Total Capex	3.3	0.4	790.7%	3.0	703.2%
Adjusted Operating Inc. - Maintenance Capex³	4.8	11.1	-56.5%	4.3	-61.2%

¹Before Special Items; ²In constant currency with respect to the same period in the previous year; ³VA vs. Op. Res.

APPENDIX II – 1Q20 and 12M19 Results under IFRS 16

Geographic Region – 1Q20

(in R\$ million)	Brazil		USA		Caribbean		Consolidated	
	1Q20	% VA	1Q20	% VA	1Q20	% VA	1Q20	% VA
Net Revenue	252.1	100.0%	72.3	100.0%	42.3	100.0%	366.6	100.0%
Restaurants & Others	187.8	74.5%	72.3	100.0%	42.3	100.0%	302.3	82.5%
Gas Stations	64.3	25.5%	0.0	0.0%	0.0	0.0%	64.3	17.5%
Cost of Sales and Services	(206.8)	-82.0%	(53.4)	-73.9%	(21.0)	-49.6%	(281.1)	-76.7%
Direct Labor	(62.7)	-24.9%	(29.8)	-41.2%	(8.8)	-20.7%	(101.3)	-27.6%
Food	(60.8)	-24.1%	(14.3)	-19.8%	(11.3)	-26.7%	(86.4)	-23.6%
Others	(20.5)	-8.1%	(5.1)	-7.0%	(0.3)	-0.6%	(25.8)	-7.0%
Fuel and Automotive Accessories	(53.3)	-21.2%	0.0	0.0%	0.0	0.0%	(53.3)	-14.5%
Depreciation & Amortization	(9.4)	-3.7%	(4.2)	-5.8%	(0.7)	-1.6%	(14.3)	-3.9%
Gross Profit	45.3	18.0%	18.9	26.1%	21.3	50.4%	85.5	23.3%
Operating Expenses¹	(59.7)	-23.7%	(34.9)	-48.3%	(16.6)	-39.3%	(111.2)	-30.3%
Selling and Operating	(16.7)	-6.6%	(19.8)	-27.4%	(6.7)	-15.9%	(43.2)	-11.8%
Rents of Stores	(9.1)	-3.6%	(4.1)	-5.6%	(1.5)	-3.4%	(14.6)	-4.0%
Store Pre-Openings	(2.9)	-1.1%	(0.4)	-0.5%	(0.0)	-0.1%	(3.3)	-0.9%
Depreciation & Amortization	(20.3)	-8.1%	(5.1)	-7.1%	(5.6)	-13.3%	(31.1)	-8.5%
J.V. Investment Amortization	0.0	0.0%	(0.7)	-1.0%	0.0	0.0%	(0.7)	-0.2%
Equity income result	0.0	0.0%	1.3	1.8%	0.0	0.0%	1.3	0.4%
Other revenues (expenses)	13.5	5.3%	0.6	0.8%	0.2	0.5%	14.3	3.9%
General & Administrative	(24.2)	-9.6%	(6.7)	-9.3%	(3.0)	-7.1%	(33.9)	-9.3%
(+) Depreciation & Amortization	29.8	11.8%	10.0	13.9%	6.3	14.8%	46.1	12.6%
Operating Income	15.4	6.1%	(6.0)	-8.3%	11.0	25.9%	20.4	5.6%
Special Items - Other							(10.1)	-2.7%
EBIT							(35.8)	-9.8%
(+) D&A and Write-offs							46.1	12.6%
EBITDA							10.3	2.8%
(+) Special Items							10.1	2.7%
Store Pre-Openings							(3.3)	-0.9%
Adjusted EBITDA							23.7	6.5%

¹Before special items.

Brazil – 1Q20

(in R\$ million)	Air	% VA	Road	% VA	Malls	% VA	1Q20	% VA
Net Revenue	45.8	100.0%	122.6	100.0%	83.7	100.0%	252.1	100.0%
Restaurants & Others	45.8	100.0%	58.3	47.5%	83.7	100.0%	187.8	74.5%
Gas Stations	0.0	0.0%	64.3	52.5%	0.0	0.0%	64.3	25.5%
Cost of Sales and Services	(33.2)	-72.4%	(108.2)	-88.2%	(65.4)	-78.2%	(206.8)	-82.0%
Direct Labor	(16.6)	-36.2%	(23.2)	-18.9%	(22.9)	-27.4%	(62.7)	-24.9%
Food	(11.7)	-25.4%	(21.3)	-17.4%	(27.8)	-33.3%	(60.8)	-24.1%
Others	(3.3)	-7.1%	(5.6)	-4.6%	(11.6)	-13.9%	(20.5)	-8.1%
Fuel and Automotive Accessories	0.0	0.0%	(53.3)	-43.5%	0.0	0.0%	(53.3)	-21.2%
Depreciation & Amortization	(1.7)	-3.7%	(4.7)	-3.8%	(3.1)	-3.6%	(9.4)	-3.7%
Gross Profit	12.6	27.6%	14.4	11.8%	18.3	21.8%	45.3	18.0%
Operating Expenses¹	(18.0)	-39.3%	(11.0)	-9.0%	(3.6)	-4.3%	(56.8)	-22.5%
Selling and Operating	(4.2)	-9.1%	(6.5)	-5.3%	(6.0)	-7.2%	(16.7)	-6.6%
Rents of Stores	(2.1)	-4.5%	(2.0)	-1.6%	(5.0)	-6.0%	(9.1)	-3.6%
Depreciation & Amortization	(11.4)	-24.8%	(2.7)	-2.2%	(6.3)	-7.6%	(20.3)	-8.1%
Other revenues (expenses) ²	(0.4)	-0.9%	0.1	0.1%	13.7	16.4%	13.5	5.3%
General & Administrative ²							(22.0)	-8.7%
Corporate (Holding) ²							(2.2)	-0.9%
(+) Depreciation & Amortization	13.0	28.4%	7.4	6.0%	9.4	11.2%	29.8	11.8%
Adjusted Operating Income	7.7	16.8%	10.8	8.8%	24.0	28.7%	18.3	7.3%
Store Pre-Openings	0.0	0.0%	(0.1)	0.0%	(2.8)	-3.4%	(2.9)	-1.1%
Operating Income	7.7	16.8%	10.7	8.8%	21.2	25.3%	15.4	6.1%
Expansion Capex							17.7	7.0%
Maintenance Capex							1.3	0.5%
Total Capex							19.0	7.5%
Adjusted Operating Inc. - Maintenance Capex³							17.0	6.7%

¹Before special items; ²Not allocated in segments; ³Maintenance CAPEX vs. Op. Res.

United States – 1Q20

(in R\$ million)	1Q20	% VA	1Q19	% VA
Net Revenue	72.3	100.0%	82.1	100.0%
Restaurants & Others	72.3	100.0%	82.1	100.0%
Cost of Sales and Services	(53.4)	-73.9%	(53.9)	-65.6%
Direct Labor	(29.8)	-41.2%	(28.9)	-35.2%
Food	(14.3)	-19.8%	(15.9)	-19.4%
Others	(5.1)	-7.0%	(4.9)	-5.9%
Depreciation & Amortization	(4.2)	-5.8%	(4.2)	-5.1%
Gross Profit	18.9	26.1%	28.3	34.4%
Operating Expenses¹	(34.5)	-47.8%	(30.9)	-37.7%
Selling and Operating	(19.8)	-27.4%	(18.1)	-22.0%
Rents of Stores	(4.1)	-5.6%	(5.4)	-6.5%
Depreciation & Amortization	(5.1)	-7.1%	(4.0)	-4.9%
J.V. Investment Amortization	(0.7)	-1.0%	(0.6)	-0.7%
Equity income result	1.3	1.8%	3.1	3.8%
Other revenues (expenses)	0.6	0.8%	(0.2)	-0.2%
General & Administrative	(6.7)	-9.3%	(5.8)	-7.1%
(+) Depreciation & Amortization	10.0	13.9%	8.8	10.7%
Adjusted EBITDA	(5.6)	-7.8%	6.1	7.5%
Store Pre-Openings	(0.4)	-0.5%	0.0	0.0%
Operating Income	(6.0)	-8.3%	6.1	7.5%
Expansion Capex	6.3	8.8%	3.9	4.8%
Maintenance Capex	(0.3)	-0.4%	0.4	0.4%
Total Capex	6.1	8.4%	4.3	5.2%
Operating Inc. Store Pre-Openings - Maintenance Capex³	(5.3)	-7.4%	5.8	7.0%

¹Before special items; ²Maintenance CAPEX vs. Op. Res.

Caribbean – 1Q20

(in R\$ million)	1Q20	% VA	1Q19	% VA
Net Revenue	42.3	100.0%	46.8	100.0%
Restaurants & Others	42.3	100.0%	46.8	100.0%
Cost of Sales and Services	(21.0)	-49.6%	(21.9)	-46.7%
Direct Labor	(8.8)	-20.7%	(8.5)	-18.1%
Food	(11.3)	-26.7%	(12.4)	-26.6%
Others	(0.3)	-0.6%	(0.3)	-0.5%
Depreciation & Amortization	(0.7)	-1.6%	(0.7)	-1.5%
Gross Profit	21.3	50.4%	24.9	53.3%
		0.0%		0.0%
Operating Expenses¹	(16.6)	-39.2%	(15.8)	-33.8%
Selling and Operating	(6.7)	-15.9%	(6.3)	-13.4%
Rents of Stores	(1.5)	-3.4%	(1.7)	-3.5%
Depreciation & Amortization	(5.6)	-13.3%	(5.4)	-11.6%
Other revenues (expenses)	0.2	0.5%	0.3	0.7%
General & Administrative	(3.0)	-7.1%	(2.8)	-6.0%
(+) Depreciation & Amortization	6.3	14.8%	6.1	13.1%
Adjusted EBITDA	11.0	26.0%	15.3	32.6%
Store Pre-Openings	(0.0)	-0.1%	(0.1)	-0.3%
Operating Income	11.0	25.9%	15.2	32.4%
Expansion Capex	1.8	4.3%	0.2	0.5%
Maintenance Capex	1.5	3.5%	0.1	0.3%
Total Capex	3.3	7.8%	0.4	0.8%
Operating Inc. Store Pre-Openings - Maintenance Capex³	7.7	18.2%	14.9	31.8%

¹Before special items; ²In constant currencies as of the previous year; ³Maintenance CAPEX vs. Op. Res.

Balance Sheet

(R\$ thousand)	1Q20	1Q19
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	276,557	232,003
Accounts receivable	60,927	79,582
Inventories	54,725	34,175
Derivatives	637	72
Other current assets	125,879	76,031
Total current assets	518,725	421,863
NONCURRENT ASSETS		
Deferred income taxes	21,707	10,666
Other noncurrent assets	50,056	55,381
Property and equipment	418,764	262,092
Intangible assets	1,355,234	851,539
Right of use	417,886	400,475
Total noncurrent assets	2,263,647	1,580,153
TOTAL ASSETS	2,782,372	2,002,016
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Trade accounts payable	179,660	64,324
Loans, financing and acquisitions' payables	457,351	46,463
Salaries and payroll charges	60,859	55,442
Other current liabilities	70,825	43,489
Liabilities from Right of use	103,339	85,642
Total current liabilities	872,034	295,360
NONCURRENT LIABILITIES		
Loans, financing and acquisitions' payables	143,751	369,392
Provision for labor, civil and tax disputes	82,363	12,071
Deferred income tax liability	73,148	69,833
Other noncurrent liabilities	44,530	22,565
Liabilities from Right of use	336,310	319,229
Total noncurrent liabilities	680,102	793,090
EQUITY		
Capital and reserves	1,161,271	886,926
Accumulated losses	-53,166	811
Other comprehensive income	122,131	25,829
Total equity	1,230,236	913,566
TOTAL LIABILITIES AND EQUITY	2,782,372	2,002,016

Cash Flow

(R\$ thousand)	1Q20	1Q19
CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the quarter	(46,138)	(8,003)
Depreciation and amortization	26,425	19,313
Depreciation of right of use	18,944	17,222
Impairment of intangible assets (using)	(4,586)	(81)
Impairment of intangible assets (provision)	3,481	-
Investment amortization	695	589
Equity income result	1,957	(3,108)
Provision for labor, civil and tax disputes	1,631	1,450
Income taxes	(6,747)	(1,324)
Interest expenses	7,591	6,618
Effect of exchange rate changes	16	(24)
Interest on lease	8,640	8,930
Disposal of property and equipment	4,654	142
Deferred Revenue, Rebates	(459)	(2,034)
Expenses in payments to employees based in stock plan	1,826	600
Others	(8,470)	3,135
Changes in operating assets and liabilities	(20,666)	(17,904)
Cash generated from operations	(11,206)	25,521
Income tax paid	(860)	(4,497)
Interest on lease paid	(3,168)	(4,098)
Interest paid	(12,358)	(5,058)
Net cash generated by (used in) operating activities	(27,592)	11,868
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to investments in subsidiaries	(2,432)	(1,500)
Dividends received	3,275	2,228
Sale of controlling interest in discontinued operations, net of cash	908	3,694
Additions to intangible assets	(2,874)	(1,146)
Additions to property and equipment	(41,725)	(15,904)
Net cash used in investing activities	(42,848)	(12,628)
CASH FLOW FROM FINANCING ACTIVITIES		
Capital Increase (Reduction)	-	-
Shares in Treasury	47,399	3,144
Dividends Paid	-	(100,000)
Right of use ("lease")	(21,248)	(17,956)
New loans	-	238,710
Payment of loans	(37,010)	(159,852)
Net cash used in financing activities	(10,859)	(35,954)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	25,050	155
NET INCREASE (DECREASE) FOR THE PERIOD	(56,249)	(36,559)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	332,806	268,561
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	276,557	232,002

APPENDIX - CURRENCY CONVERSION TABLE

	US\$		COP	
	EoP	Average	EoP	Average
1Q16	3.559	3.857	0.001183	0.001201
2Q16	3.210	3.501	0.001149	0.001174
3Q16	3.246	3.246	0.001115	0.001102
4Q16	3.298	4.433	0.001116	0.001093
1Q17	3.168	3.145	0.001099	0.001078
2Q17	3.308	3.215	0.001086	0.001101
3Q17	3.168	3.190	0.001079	0.001082
4Q17	3.308	3.249	0.001109	0.001088
1Q18	3.324	3.247	0.001190	0.001137
2Q18	3.856	3.604	0.001320	0.001269
3Q18	4.004	3.954	0.001353	0.001337
4Q18	3.875	3.805	0.001194	0.001202
1Q19	3.897	3.772	0.001224	0.001204
2Q19	3.832	3.921	0.001195	0.001203
3Q19	4.164	3.968	0.001197	0.001188
4Q19	4.031	4.117	0.001229	0.001210
1Q20	5.199	4.466	0.001284	0.001257

MANAGEMENT NOTE

There may be some minor differences between the financial information presented in the charts and graphs in this release and that in the audited consolidated financial statements due to rounding.

Any and all non-accounting information or information arising from non-accounting figures, as well as comparable historical information, has not been reviewed by the independent auditors.

GLOSSARY

Company: International Meal Company Alimentação S.A. or IMCASA.

EBITDA and adjusted EBITDA: the Company calculates EBITDA as net income, before income and social contribution taxes, financial income (expenses) and depreciation and amortization.

Adjusted EBITDA reflects EBITDA, adjusted to exclude the effects of transactions that are deemed by Management as being unrepresentative of the normal course of business and/or do not impact cash generation, such as provisions for store closures, corporate restructuring expenses and consulting expenses related to projects' implementation.

According to the accounting practices adopted in IFRS, EBITDA and the adjusted EBITDA are not measures of financial performance and should not be considered as an alternative to net income, as an indicator of operating performance, as an alternative to operating cash flow, or as an indicator of liquidity.

Due to the fact that the calculation of EBITDA does not consider income and social contribution taxes, financial income (expense), depreciation and amortization, EBITDA is an indicator of the Company's overall financial performance, which is unaffected by changes in income and social contribution tax rates, fluctuations in interest rates or levels of depreciation and amortization.

Therefore, the Company believes that adjusted EBITDA serves as a significant comparative tool to periodically measure its operating performance and to base certain decisions of an administrative nature. The Company believes that adjusted EBITDA provides a better understanding not only of its financial performance but also of its ability to pay interest and principal on its debt and to incur more debt to finance its capital expenditures and working capital.

However, because adjusted EBITDA does not consider certain costs inherent in its business, which could, in turn, significantly affect earnings, such as interest, taxes, depreciation, capital expenditures and other related charges, EBITDA has limitations that affect its use as an indicator of the Company's profitability.

Master franchise: an arrangement in which a company allows one person or business the right to sell its products or services in a particular area or country. A master franchise typically involves control of the franchise rights for an entire geographical region.

Net store openings: references to "net store openings", "net store closures" or similar expressions correspond to the sum of stores opened or reopened in a given period less the sum of the stores closed in the same period.

Same-store sales (SSS): corresponds to sales of stores opened for more than 12 months for Pizza Hut and KFC stores or 18 months for other brands in comparable periods, excluding stores that were temporarily closed. If a store is included in the calculation of comparable store sales for only a part of one of the periods compared, then this store will be included in the calculation of the corresponding portion of the other period. Some of the reasons for the temporary closure of the Company's stores include renovation or remodeling, rebuilding, road construction and natural disasters. When there is a variation in the area of a store included in comparable store sales, said store is excluded from the comparable store sales. The variation in same-store sales is a measure used in the retail market as an indicator of the performance of the implemented business strategies

and initiatives, and also represents the trends of the local economy and consumers. The Company's sales are recorded and analyzed based on the functional currency of each country where the Company operates. Therefore, as the Company's financial information is converted and demonstrated in reais, the Brazilian currency, using average exchange rates of the periods compared, the values of same-store sales may present gains or losses resulting from the exchange rate of the currency of the country where that same store is located. Same-store sales are not a measure of financial performance according to the accounting practices adopted in Brazil (BR GAAP) or IFRS. Same-store sales do not have a standardized meaning in the market, and the Company's definition may not be the same definition of same-store sales used by other companies.

DISCLAIMER

This report contains forward-looking information. Such information does not refer to historical facts only, but reflects IMC's Management's wishes and expectations. The words "anticipates", "wants", "expects", "forecasts", "intends", "plans", "predicts", "projects", "aims" and the like are intended to identify statements that necessarily involve known and unknown risks. Known risks include uncertainties not limited to the impact of price and product competitiveness, acceptance of products on the market, product transitions from the Company and its competitors, regulatory approval, currency, currency fluctuations, supply and production hurdles and changes in product sales, among other risks. This report also contains information prepared by the Company only for information and reference purposes, which, therefore, has not been audited. This report is up-to-date, and IMC has no obligation to update it with new information and/or future events. There may be some minor differences between the financial information presented in the charts and graphs in this release and that in the audited financial statements due to rounding. Any and all non-accounting information or information arising from non-accounting figures, as well as comparable historical information, has not been reviewed by the independent auditors.