

BK BRASIL OPERAÇÃO E ASSESSORIA A RESTAURANTES S.A.

Corporate Taxpayer ID (CNPJ/MF): 13.574.594/0001-9696

Company Registry (NIRE): 35.300.393.180

Publicly Held Company

MATERIAL FACT

BK Brasil Operação e Assessoria a Restaurantes S.A. (“Company”), in compliance with Instruction 3258 issued by the Securities and Exchange Commission of Brazil (“**CVM**”) on January 3, 2002, as amended, and with Article 157, Paragraph 4 of Federal Law 6,404, of December 15, 1976, as amended, hereby announces to its shareholders and the market that, on the date hereof, the Company and Popeyes Louisiana Kitchen, Inc. entered into a Master Franchise and Development Agreement and a Company Franchise Agreement (collectively the “**Agreements**”), which were duly approved by the Board of Directors of the Company, including by its independent member, with Mr. Joshua Arthur Kobza (currently Chief Technology and Development Officer of Restaurant Brands International) abstaining from voting.

With the execution of the Agreements, the Company acquires the exclusive right to develop, open and operate restaurants, through owned or franchised operations, under the brand POPEYES® in Brazil for a period of 20 years. The Agreements establish annual targets with a view to gradually accelerate the growth in owned and/or franchised restaurants, which include opening over 300 restaurants in the first 10 years.

The Agreements also establish that the Company will be the exclusive service provider of the brand POPEYES® in Brazil, offering marketing, training, monitoring, procurement, audit and other services to the franchised restaurants in Brazil, for which the Company may charge a service fee from its franchisees.

Furthermore, the royalties and contribution to the marketing fund were established at levels similar to those applicable to the BURGER KING® brand in Brazil.

The POPEYES® chain operates more than 2,800 restaurants in over 25 countries worldwide, including the United States and Canada, and is the world’s second-largest quick-service chicken restaurant chain. The POPEYES® menu features its famous fried chicken and a variety of Louisiana-style options, including seafood, sandwiches, signature sides with cajun and creole seasoning and desserts.

Chicken consumption in Brazil has been growing and is already consumed more than any other protein in the country, including beef and pork. This reinforces the distinctive positioning that POPEYES® offers as a unique opportunity to attract new consumers.

Lastly, the Company informs that the information required in accordance with Appendix 30 XXXIII of CVM Instruction 480, of December 7, 2009, as amended, with regard to the Agreements is described in Appendix I to this Material Fact notice.

About POPEYES®

Founded in New Orleans in 1972, POPEYES® has more than 40 years of history and culinary tradition. POPEYES® distinguishes itself with a unique New Orleans style menu featuring spicy chicken, chicken tenders, fried shrimp, and other regional items. The chain’s passion for its Louisiana heritage and flavorful authentic food has allowed POPEYES® to become one of the world’s largest chicken quick service restaurants with over 2,800 restaurants in the U.S. and around the world. To learn more about the POPEYES® brand, please visit the POPEYES® brand website at www.popeyes.com or follow us on Facebook, Twitter and Instagram.

We invite the market and shareholders to participate in a conference call on the transaction, which will be hosted on March 21, 2018, at 12:00 pm BRT (11:00 am EST). Use the following numbers to connect:

Portuguese	English
+55 (11) 3193-1001	+1 (800) 492-3904
+55 (11) 2820-4001	+1 (646) 828-8246
Code: BK Brasil	Code: BK Brasil

The Company will keep the market and its shareholders informed of further developments on this matter.

Barueri, March 20, 2018

Clayton de Souza Malheiros
Investor Relations Officer

BK BRASIL OPERAÇÃO E ASSESSORIA A RESTAURANTES S.A.

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**NOTICE ON TRANSACTIONS BETWEEN RELATED PARTIES RESULTING FROM THE
SIGNING OF AGREEMENT WITH POPEYES LOUISIANA KITCHEN, INC. APPROVED BY THE
BOARD OF DIRECTORS AT A MEETING HELD ON MARCH 20, 2018**

BK BRASIL OPERAÇÃO E ASSESSORIA A RESTAURANTES S.A.

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APPENDIX I

Related Party Transactions

In compliance with article 30, item XXXIII, of Instruction 480 issued by the Securities and Exchange Commission of Brazil (“**CVM**”) on December 7, 2009, as amended (“**CVM Instruction 480**”), BK Brasil Operação e Assessoria a Restaurantes S.A. (“**Company**”) hereby provides its shareholders and the market with the information required under Appendix 30-XXXIII of CVM Instruction 480 regarding the execution, on March 20, 2018, of the Master Franchise and Development Agreement and the Company Franchise Agreement (jointly the “**Agreements**”) between the Company and Popeyes Louisiana Kitchen, Inc. (“**Popeyes**”).

1 DESCRIPTION OF THE TRANSACTION

(a) The parties and their relationship with the issuer

The parties involved are the Company and Popeyes. The Company's indirect shareholder Restaurant Brands International Inc. holds the POPEYES® brand rights.

(b) The object and main terms and conditions

As per the Agreements, the Company will have the exclusive right to develop, open and operate restaurants under the POPEYES® brand in Brazil, through owned restaurants or those operated by franchisees, for 20 years, with annual targets for restaurant openings (“**Transaction**”). The Agreements also establish that the Company will be the exclusive service provider for the POPEYES® brand in Brazil, providing marketing, training, monitoring, procurement, audit and other services to franchisees in Brazil, for which it may charge its franchisees a service fee.

2 PARTICIPATION OF THE COUNTERPARTY, ITS PARTNERS OR MANAGERS IN THE TRANSACTION

(a) In the decision-making process of the issuer regarding the transaction

Popeyes, its shareholders and managers did not participate in the Company's decision regarding the Transaction and the signing of Agreements. The Company's decision was taken independently, and was analyzed and approved by its Board of Directors, including the approval from its independent member and abstention from voting by the director Mr. Joshua Arthur Kobza, who did not make any comment on the Transaction during its approval by the Board of Directors of the Company.

(b) In the process of negotiating the transaction as representatives of the issuer

Popeyes, its shareholders and managers did not participate in negotiating the Transaction as representatives of the Company. Furthermore, it must be highlighted that both the

Company and Popeyes hired their own strategic and legal advisors in Brazil and the United States, as necessary.

3 DETAILED JUSTIFICATION OF THE REASONS WHY THE MANAGEMENT OF THE ISSUER BELIEVES THE TRANSACTION WAS CARRIED OUT ON ARM'S LENGTH BASIS OR INVOLVES ADEQUATE COMPENSATORY PAYMENT

(a) If the issuer requested proposals, did it conduct any pricing procedure or tried in any way to conduct the transaction with third parties

The Company conducted a detailed analysis of the terms and conditions of the Transaction, including by contracting independent studies, which showed that the terms of the Transaction were adequate and served the best interests of the Parties.

No proposals or pricing procedures were conducted, as the object of the Agreements received by the Company in the Transaction could only have been offered by Popeyes since it owns the POPEYES® brand to be licensed to the Company.

(b) The reasons why the issuer conducted the transaction with a related party and not with third parties

Since POPEYES® is the second largest chicken-based fast-food chain in the world, and considering that chicken consumption in Brazil has grown and is already higher than that of any other protein in the country, the Company was interested in carrying out the Transaction with Popeyes to capitalize on its unique brand positioning and attract new consumers, in line with its long-term strategy in pursuit of the Company's growth and maximization of value for its shareholders.

(c) Detailed description of the measures taken and procedures adopted to ensure that the operation was carried out at an arm's length basis

The parties adopted all the procedures and conducted all the studies to ensure that the Transaction was in their best interest, according to the internal procedures adopted by the Company to carry out negotiations with third parties. Moreover, the commercial conditions negotiated between the parties are similar to those between the Company and the BURGER KING® brand as well as to market conditions.