



**International Conference Call
Zamp S/A (ZAMP3)
3Q22 Earnings Results
November 11th, 2022**

Operator: Good morning and thank you for standing by. Welcome to the conference call of Zamp to discuss the results related to the third quarter 2022.

Here with us are Mr. Iuri Miranda, Ariel Grunkraut, Gabriel Guimarães and the investor relations team.

We'd like to inform you that this event is being recorded and that all participants will only be in listen-only mode during the company's presentation. Later on, we're going to begin the Q&A session when more instructions will be provided. Should you require any assistance during the conference call, please request an operator's assistance by pressing star 0.

This event is also being broadcast over the internet via webcast and may be accessed at ri.zamp.com.br where the related presentation is also available. The slide presentation will be controlled by you, the replay of this event will be available soon after it's over. We'd like to inform that this teleconference is being simultaneously translated into English in order to aid our foreign investors of the company.

Before proceeding, we'd like to clarify that any forward-looking statements that may be made during this conference call related to the business perspectives of Zamp, projections, operational and financial goals are beliefs and assumptions of the company's management, as well as information currently available to Zamp. Forward-looking statements are no guarantees of performance since they involve risks, uncertainties, and assumptions because they refer to future events and therefore depend on circumstances which may or may not occur.

Investors and the analysts must understand that general conditions, sector, and other operating factors may affect the future performance of Zamp leading to results that differ materially from those expressed in such forward-looking statements.

I'd like now to turn the call over to Iuri Miranda, Zamp's president, who will begin the presentation. You may proceed, sir.

Iuri Miranda: Thank you for the introduction operator. Good morning, everyone, thank you for the interest in our companies and for attending this conference call to present the results of Zamp related to the third quarter 2022.

As we have shown in the last quarters, Zamp follows a consistent journey of growth resumption, market consolidation, and progress in operating leverage and the intense use of technology. This is another quarter of results that show



this trajectory and show the strength in which we have positioned ourselves after the pandemic.

When we look at the last 12 months, we reached our sales record and also operating results. An important highlight to be mentioned is the evolution of our strategy of revenue management of the past two years with intensive use of data, the appropriate performance of strategic sourcing and the brand and the pricing focus in the specific profile of our consumption. This combination of factors in addition to the correct performance of the team led our company to reach another consecutive quarter of betterment in the gross margin reaching 64%. This better gross margin is the highest of our history in spite of all the challenges faced by the market as a whole.

In addition to growth at the top line, the same store sales of 21.5% to Burger King and 32.7% to PLK, the growth of gross margin and the implementation of campaigns and assertive launches of products and the construction of a significant asset by means of investments in the past four years as to technology and digitization, we have clear examples of these assets, we have the highest loyalty program of fast food in Brazil and we also believe that happens in Latin America with nearly 9 million of members, we also have 1/3 of our sales identified and more than 40 millions of users registered in our CRM.

The NPS indicators and the recognition of our clients have shown that we are on the right track when we look at the general NPS of the operations and also when we look at indicator, such as Reclame Aqui, where we are one of the finalists in the category of fast food or in the ratings of our app of our delivery channel.

As we mentioned in the last call, we continue moving ahead with our growth machine of new restaurants for both brands, BK and PLK. Most of our new restaurants this year will be open in the fourth quarter considering the cycle of growth and openings, especially of the FS. In the third quarter we opened 8 new restaurants including our first ghost kitchen away from São Paulo, it was open in Rio de Janeiro and may have an important role when expanding new delivery markets.

Popeyes follows the expansion plan into new states, up to the end we are going to have the first operations in new states in addition to São Paulo and Rio de Janeiro. The stage of growing brand and the interesting potential of chicken market encourage us to get into new regions. When we look at the trends and other fast-food markets across the world, it's obvious the importance that chicken product has in the category of fast food, and this was exactly one of our investment thesis when we launched the brand Popeyes here in Brazil.

Still talking about construction of Popeyes, we made the first campaign tests among the brands BK and PLK combining the knowledge of the two friends and the complementarity of the menus. The campaigns *Semana da Amizade* and *Dia do Irmão* are examples of those initiatives to generate experimentation of



the brand. Operating strong and complementary brands generating synergy and operational leverage is one of the biggest advantages of Zamp.

Following to the performance highlights for the quarter, we reached 908 million in net operating revenue for the quarter and that accounted for a growth of 28% year-on-year. Digital sales increased 28% in relation to the previous year and as I mentioned it has been an important asset to us. Ariel will provide more details about it during the presentation.

This is our fifth quarter in a row with recovery after the pandemic and we see there's room to continue recovering, especially in the traffic. We reached adjusted EBITDA of R\$130 million, an increase of 45.1 million in comparison to the third quarter of 2021 and an adjusted EBITDA margin of 14.4% versus a margin of 12% in the third quarter of 2021. The equation gross margin and sales growth showed that it was the right strategy generating expressive same store sales in both brands combining a better historical gross margin of 64%.

And before moving on to Ariel, who will provide more information about our performance in sales and technology and then I'll pass the floor to my partner and CFO Gabriel who will provide more information about the financial aspect, I would like to give you some update of the transition of my CEO position to Ariel.

The transition process follows according to the plan and is in the final stage in the last two months of the year. Ariel is already assuming the most important processes of the company and has been counting on my support and all Zamp's team and the board of directors. After 15 calls of earnings results, this will be my last call as a CEO of Zamp. The next one will be led by Ariel.

I would like to thank you all for all the support you have given to me, trust, contributions, and interest in our company along all this time, and I continue to be very enthusiastic and confident about the future that Ariel and his team has ahead of them in the consolidation of Zamp as one of the major operators of restaurants in the world.

And with that I would invite Ariel, my partner who will be the CEO of Zamp as of next year, to provide more details about sales and technology to you, I will be back for the Q&A session. Ariel, please.

Ariel Grunkaut: Thank you very much, luri, good morning, everyone. It's an honor to be here with you taking part in this session and share the results of our company.

On slide four we show the evolution of our restaurant portfolio, this quarter we had the net opening of 8 stores; 2 own BKs and the freestanding format when owned restaurant in the model ghost kitchen with 1 owned restaurant of PLK and 4 franchise restaurants, and we closed the quarter with 904 stores BK and 54 Popeyes, an amount of 958 restaurants in Brazil. We continue with a strong pipeline of expansion, which will be concentrated in the fourth quarter.



On slide five we can see examples of stores that have been recently opened showing our capacity to find investments with significant average sales above the pipeline so far. We are convinced that this geographic expansion will bring good operational and financial results very in line with our standards of return and careful allocation of capital. The freestanding format store in Barueri, which is one of the examples, is to reach an annual sales of R\$10 million. As the monthly sales data (unintelligible) since 2022. This store is one of the 5 that we have that offer 100% digital service. As we mentioned we have the opening of the first restaurant in the ghost kitchen in the city of Rio de Janeiro. We believe that this type of store may have a very interesting composition in our portfolio in the future.

On slide six we can see the evolution of the net operational revenue that reached 908 million this quarter, a growth of 28% versus the third quarter of 2021 and higher than the pre-pandemic period. In the same store sale concept, we reached number of 22% of our operations Burger King and for Popeyes significant 33%. In the last 12 months view, we reached historical levels of sales reaching R\$3.5 billion, exceeding by 22% the revenue of 2019.

In the next slide we can see the evolution of the sales revenue of Burger King brand that grew 28% reaching 856 million in the quarter. Important launches have contributed to performance of sales, such as BK Original, BK Original Cheddar, CBK and Loud desserts. Also, in this quarter Burger King had 2 important very conditions the Seal NPS Awards and the recommendation to the award Reclame Aqui.

Moving on to the next slide, we can see the growth should trajectory of sales of our Popeyes brand with an increase of 40% year-on-year, revenue reached 40 million in the quarter. This result is from our investments in the construction of the brand, expansion of portfolio, and launch of new campaigns and products, and also by adopting co-branding strategy between Burger King and Popeyes that were a sales success.

We follow seeing a great potential of the chicken market in Brazil and encouraging results in a he higher scale in Brazil.

On the next slide we see the consistent growth of our digital channels represented by delivery, totems of self-service and apps. In this quarter the revenue of digital channels reached to the level of 297 million, a growth of 28% when compared to the third quarter of 2021, reaching 33% in terms of share on the total sales. On the graph to the side, we can observe the representativeness of each channel on the revenue with a highlight to totem that grew 150 bps year-on-year.

On slide 10 we show the complete outlook of our digital ecosystem as result of four years of investments and with expressive results. We ended the quarter with 14.4 million users recorded in our CRM and 38% of identified sales. this front would allow us to know our consumers better and offer better product and more efficient and customized items, our app keeps on evolving with new



functionalities and it's a relevant with a lot of recurrence and we had an increase of 165% when compared to the other quarter of 2021.

In the third quarter of 22 we reached 549 stores with self-service totems that account for 59% of our restaurants already with this technology and 17% of the total revenue of the company. Along the year we are going to continue expanding the reach of this technology to come to all those stores in the pipeline. We have already 5 stores 100% digital without any people serving in the cash out. As we expand this model, we are going to roll out to other source.

As to delivery, another important growth lever for the company, accounted for 13% of the total sales during the period, we closed the quarter with 486 own stores operated by the delivery channel, we have made headway in the delivery and the hybrid model with 70% of all our sales of this channel being transacted using this model, thus insuring a better equation of profitability in the channel.

It's worth mentioning also that in the quarter we launched our own deliveries for Popeyes, our loyalty program (Club BK) is the largest loyalty program in Latin America in the segment of restaurants reaching 8.7 million of users already registered, a growth of 25% when compared to the same period of the previous year.

We have already reached the mark of 1 billion of points issued. Thanks to the increase in frequency and the expenses observed in the clients that are members of the program, we have seen that this group contributing in a significant manner to the growth of frequency of consumption and average sales of the company.

With this I would like to turn the word to my partner and CFO, Gabriel Guimarães, so that he can talk about other important aspects of the financial aspect of the company.

Gabriel Guimarães: Thank you, Ariel. Good morning, everyone. Now moving on to slide 11, we can see the evolution of CMV and SG&A.

In the third quarter 2022 CMV reached 35.9% of revenue, a drop of 50 bps year-on-year that led to the best historical performance of gross margin of the company at 64.1. Our work based on three fundamental pillars (revenue, management, and data) have shown successful and we have been evolving even with the inflationary pressures.

In relation to the expenses of sales in the restaurants, we had the drop of 170 bps versus the third quarter of 2021 accounting for 40% of the net revenue. Considering the dynamics of our business as we move ahead with our sales performance, we managed to generate important operating leverage, we follow using our digitalization strategy to be ever more efficient in the line of people combining cost reduction, experience, and positive experience.



Our work using utilities continue to be very consistent negotiating occupation contracts and eliminate some operations where we couldn't reach a consensus and with the distribution generation more efficient in some other companies. And in addition to that, we managed to decrease our expenses with take rate considering the higher profitability considering this operational model.

The general and administrative expenses related to open amounted to about R\$20 million had a drop of 80 basis points when compared to the third quarter of 2021. This was a result of the operational leverage as a result of the growth in sales. As we said, we believe that we have the right to structure in all our fronts to support the sales growth of the company looking ahead.

On slide 12 we can say that the Adjusted EBITDA reached 130.5 million, an increase of 45 million when compared to the third quarter of 2021. In the past 12 months adjusted EBITDA reached R\$535.5 million, a new historical level for the company. This result is a result of the resumption of the sales pace, the significant evolution of the gross margin, digital transformation, in addition to the discipline for us to control costs and expenses.

Excluding the non-recurring factor of OPA, adjusted EBITDA would have been 134 million, a margin of 14.8% in the third quarter of 2022. In this quarter, the company had a net loss of 35 million, an improvement of about 3 million when compared to the third quarter of 2021. Excluding again the non-recovery effects related to OPA, the net loss would have been 14.6 million, an evolution of approximately 23 in comparison to the third quarter of last year.

On slide 13 we can see our strong capital structure. At the end of the quarter, the gross indebtedness of the company reached 1.078 million that combined with an available cash of 548 million led the company to a net debt of 529 million. It's worth mentioning that as our operational cash generation grows stronger, we present a consistent trajectory of deleveraging, bringing a capital structure adequate for the company to grow.

In the fourth quarter of 2021 our indebtedness level was 6.9 times net debt EBITDA and we closed this quarter with the level of 1.8 times, significant below our thresholds as agreed with our creditors. Our amortization schedule is well-planned with low levels of maturities up to the third quarter of 2024.

On slide four we'd like to talk about our Capex investment that reached 700 million this quarter. We continue focused on the expansion plan for restaurants and the investments in technology and in the maintenance of our portfolio. We have found excellent opportunities to allocate our capital, as we shared in the recent communications, not only to continue with expression of the restaurants, but also to renovate and retrofit our stores, especially related to technology projects.

In relation to the operating cash flow, we had operation cash off 111 million in the third quarter of 2022 versus 84 million in the third quarter of last year. This difference of R\$27 million is a result of the traffic resumption and the continuous



advance of gross margin and the operational efficiency that the company has gained along the last quarters.

Before ending our presentation and move on to the Q&A session, on behalf of the more than 15.000 employees, advisors, business partners, franchisees, and our partners, I would like to thank Iuri for his relentless dedication and all his contribution for Zamp to be structured in the last 11 years. Thank you very much.

With this we end our presentation, and we'd like now to open the Q&A session. Operator, please, we can start the Q&A session.

Question and Answer Session

Operator: Ladies and gentlemen, we are now going to start the Q&A session. To ask a question please press star 1. To remove your question from the list, please press star 2.

Our first question comes from Rodrigo Almeida, with Santander Bank.

Rodrigo Almeida: Good morning, Iuri, Ariel, Gabriel, and all Zamp's team, thank you very much for the call, everything is very transparent, all the material. I have 3 questions on my side, I would like to talk about traffic and sales. You said that the traffic continues, it's still lagging during the week, as I saw in the release. So, when you say it's lagging and there are some weekends that you think say that the traffic is better, how can we make this comparison and how can we see it as a consolidated results? And up to the end of the year, do you believe that we are going to be able to come to a moment where the traffic is going to resume to the levels pre-pandemic? So, what are the signs, what is the evidence up to the end of the year so that I can understand how you expect this to contribute to the results. Maybe costs will come lower. So, what can we expect in the future?

Another point is related to Popeyes. I would like to understand your strategy, I think we saw some articles in media when you said that you would open new stores up to the end of the year, so I would like to understand what's the strategy for Popeyes for the next year and how you're trying to work in terms of marketing as you move on into other regions in the country and how you see all this.

And the last question is related to portfolio. I would like to understand how you do the management now, is there any relevant process to evaluate the stores which are not so profitable? So, what are you doing? Are you closing the stores, have you been doing anything of relevance in relation to the portfolio? Especially BK because this may be the most important point as to portfolio review. So, these are the questions.

Iuri Miranda: Rodrigo, this is Iuri, thank you very much for the question. I'm going to distribute the answers. In relation to your question related to traffic and



also in relation to strategy of BK, I would like Ariel to make some comments, and the last part in terms of portfolio management, I will ask Gabriel to answer the question, so we are going to invert order of the questions a little bit.

So, concerning that we've been having... here is the following, depending on the traffic evolution that's going to happen after the reshaping of the business, so we're going to see how the redistribution of the channels will stand out, so we'll make a decision looking at the scenario in the future in relation to the change in channels and how the sales will stand for the restaurants.

And the second point I think Gabriel is going to mention something to you considering the GPM that we issued that we had in the years, so we came to a good term with our lessors, and in some points the negotiations haven't reached the level that would reach, the maintenance of some items and some cases, and this may influence the way we make decisions of leaving a restaurant, closing a restaurant, and opening another getting all the equipment and all the machines in order to do that.

So, Gabriel is going to talk about traffic and how do we see the same store sales and the strategy of PLK. OK, Ariel, please go ahead.

Ariel Grunkaut: Thank you, Iuri. Rodrigo let's start now talking about traffic. As we have been announcing, traffic is still below of what we had recorded in the pre-Covid pandemic, by about 20% below what was recorded that, and we see positive results in the weekend with higher levels than 2019,, but we see that it's still negative from Monday to Thursday, and we see that there are 3 reasons for that: first, which is something very relevant to the market, is the number of movie theaters and the traffic brought by the movie theaters considering that we have our stores in food courts, and since the industry of launching new movies was closed during the Covid pandemic and it takes a while for them to launch new movies, so we have been monitoring very closely what is in the planning of those launches of movies for the next quarters and we believe that the normalization and the recovery of the levels pre-pandemic is going to happen in the second quarter of 2023 and the first semester of 2024.

And even with these impacts the results have been good, but the complete traffic recovery is going to happen along next year and most likely in the beginning of 2024.

Another fact which is also related to our industry is the improvement in unemployment rate. So, there has been an improvement in the unemployment rate in the last quarters and we are likely to see some improvements in the future as well, so we believe that this may help us a lot in recovery traffic.

And lastly, the hybrid way of working. So, we start to believe that even though the hybrid model of working came to stay, but we don't believe it's going to be exactly the way it is now when we look at the quarters ahead of us. So, we are talking about minus 20, but with a recovery that is likely to level off along the second semester of 2022, 23 and 2024.



In relation to Popeyes, we understand that people are still getting to know our brand, we're in the stage of beginning the awareness of the brand, so Popeyes brand will depend on the market investments and the trial generation that we are going to implement in the next quarters. This is very related to the sales that we have considering that this fund is a net percentage of what we have in the restaurants, and as we increase the number of Popeyes restaurants in our base, more money will be generated so that more campaigns will be launched, and we see that when we invest in marketing we see very good results and the product has a very good quality, higher than any other product available in the food court across the country.

As Iuri had mentioned, we have very important expansion of Popeyes restaurants, we're breaking into 5 new states this quarter and as of next year we are going to offer franchises of Popeyes brand and this is going to help us grow in our pipeline of stores and this will contribute to the maturing of our sales.

In relation to the portfolio, I'll pass the floor to Gabriel. Gabriel, please.

Gabriel Guimarães: Yes, Rodrigo, good morning. I think Iuri has already mentioned some things in the beginning, like any other company, we took 10 years to go from zero to 1.000 restaurants and of course we closed some restaurants up to 2019 and the pandemic accelerated this trend, especially when we have the combination of some assets, we do not have any expectations that this is going to recover to the pre-pandemic levels, and in addition, you have costs and expenses which are relatively high, and we also have to consider delivery considering that IGPM is growing and sometimes we cannot get to a consensus as to the lessor.

So, usually for those cases we have a process with a disinvestment committee where we evaluate all the critical assets and we also consider those assets that can be recovered and then we make the decisions of either to pass through some franchisees and some franchisees which are smaller they can generate value, and we also have a plan of closing stores. So, we estimate that in the next quarters we may have a number of closing stores, but it's not going to move away from the plan of the company, maybe from 10 to 20 stores per year.

Rodrigo Almeida: OK, perfect, thank you for the answer. Have a good day.

Operator: Our next question comes from Marcela Recchia, with Credit Suisse.

Marcela Recchia: Hello, good morning, thank you for taking my question. I have 2 questions on my side. First, I would like you to share the economics of the stories which are 100% digital. How would you compare them to the traditional stores? Because I would like to understand what the potential gains in profitability would be, for example, when we have better acceleration of this model.

And the second question is related to PLK, even considering that it's not very representative out of the total of sales, we see a gross margin very similar to the



BK. So, there are 2 points that I would like to understand: how relevant do you imagine PLK would be, what's the potential considering the total sales of the group, and if you see any room for this gross margin and the profitability as a whole would be even better than those of BK?

Iuri Miranda: Hi, Marcela, Iuri. Thank you very much for the two questions, I would like ask Gabriel to answer your two questions both related to the digital stores and also related to PLK, but before that I would like to say that both of them have a variable in common which is called evolution along the time, both PLK, as you mentioned, and we made some disclosure when we started the project, we would consider a 10-year cycle and a number of 300 and 350 restaurants and in the first five years we would have 80 or 90% in relation to BK and we had Covid happening in the first two years and held back the maturity curve, but after the Covid we became very enthusiastic, especially relating to brand awareness, and we are reaching a level of R\$3 million on average per year.

And as the digital, we see in the long term a P&L that can be more interesting and what we have seen in the short term is the NPS of 100% stores as we see in the totems is higher than the NPS of transactions of a conventional cashier, and this is translated into more sales in the medium term.

Gabriel, I hope I didn't answer everything, so you you're going to be responsible for the economics.

Gabriel Guimarães: OK, thank you very much for the introduction, Iuri. Marcela, I think there are some points for me to complement. First, it's a project that we believe a lot in terms of model considering its efficiency and efficiency comes from two fundamental pillars: first, when you have a digital transaction, we have been managing to change the user experience, especially in the totems which operate in those assets we can reach a higher average ticket than the average and this leads to an operational leverage in all restaurants, and we also have an expectation to have some benefits. The account is not as proportional as to the headcounts that we have been working at the cashier checkout, so instead of having points of sales serving clients, there are clients when we have 6 or 8 self-service totems and sometimes it funnels the kitchen, so we also have to reinforce the team that's working in the kitchen so that we can deliver a better service level.

So, we have some expectations in terms of gains and efficiency by means of this digital channel. We have 5 stores, we believe this is going to be a good leverage for the future, but it's too soon to say how soon we are going to scale up this initiative and how profitable it is and what are the returns like for this kind of allocation.

Talking about PLK only to complement what Iuri said, out of those 300 restaurants, we understand that since it's a complementary part of Zamp, we can have a representative of 20% of the company. Of course, we believe that the 3 million that were mentioned that is the result of the quarter when we



consider the last quarter we are going to see that seasonality will play a very important role and we're going to have 3.4 million and then we are going to gain scale and we are going to be one of the largest operator in the segment in Brazil.

In the fourth quarter, as we expand to other states, we are going to Bahia, to Minas and other regions and Ariel mentioned it will help us to reinvest in the growth of the brand so that we can generate equity and awareness and experimentation as well.

Marcela Recchia: Great, Gabriel, thank you so much. Iuri, congratulations on all your history along company, congratulations and I wish you all the success for you in the future.

Iuri Miranda: OK, thank you, Marcela.

Operator: Our next question comes from Wellington Fontana, with Bank of America.

Wellington Fontana: Good morning, everyone. Thank you very much for taking our questions. On my side, I would like to go back to the previous question, I would like to mention if the 100% digital stores you see any rollout in shopping malls. And during the presentation you talked about investments in technology, so I would like to know how this can be related to this identified sales that you have today and how you intend to use those data, increase the numbers of identification. So, if you could share this information with us, I would appreciate that.

Iuri Miranda: Hello, Wellington, I'm going to pass the floor to Ariel, so here's the one in charge of technology and we'll help us clarify both questions. Ariel?

Ariel Grunkaut: Thank you, Iuri. Wellington, here we go. In relation to 100% digital stores, we still have prototypes and we're still testing those stores, so we have 100% digital stores for Burger King and also free standings, so we are going to start test 100% digital four Popeyes as well. so, we are testing all the models, we can see lots of improvement opportunities and we're working in order to perfect this model. As Gabriel mentioned, we are very optimistic that this can be a very important growth leverage in terms of experience and profitability.

As for our expansion, since we have already announced Popeyes, we are going to focus 100% in shopping mall stores and since we are already present in most shopping malls in Brazil, the challenge is to grow in the freestanding format. So, we have a big gap of Burger King in freestanding format in the future, so this is going to be your challenge for the next quarters.

In relation to identified sales, this is part of the major ecosystem that we developed some years ago and we have built upon this along the years. So, this synergy that we grew where we collect data from the consumers at all



purchases whenever possible and with this, we can generate scores in the loyalty program, and we can identify their consumption habits. So, we accompany the experience of the consumer, and it also helps with innovation, new products, but especially we improve engagement and relationship and profitability that we can have consumer by consumer.

An example, Wellington, would be when a person goes to a self-service totem, for example, the first thing that the person does is to identify by means of using the tax identification number, and if this consumer is already identified in our CRM, the totem is going to get a number and we are also going to have the history of purchases, and by using artificial intelligence the totem will suggest an offer that can bring not only more assertiveness, but more profitability in terms of average ticket to that purchase.

So, we have been investing a lot in customization so that we can bring better experience, a more assertive experience and this is just the beginning. Today we have a bit more than 35% our base already identified, which we know that there are major benchmarks which are close to 100% which would be for drugstores, for example, or some digital native companies as well.

So, everything's so favorable and we're going to continue collecting data so that this can be more assertive and profitable to the company in the future. I hope I answered your questions.

Wellington Fontana: Excellent, everything was very clear, thank you.

Operator: Ladies and gentlemen we like to remind you that if you wish to ask a question, please press *1.

We close the Q&A session now. I would like to turn the floor back to Iuri for his final remarks. You may proceed, Sir.

Iuri Miranda: Thank you operator. Before ending the presentation when we discussed the results and pass the floor to Ariel so that he can share with you what are going to be the priorities of Zamp's team for the quarter end for the end of the year, I would like to once again thank you for the interest and all the support that I've received in the past 12 years at Zamp. I would like to thank our commercial partners and our excellent franchisees, who believe in our projects, I would like to thank our employees and my partners and this is a dream team and together we built one of the largest food companies in this country, to our clients since they chose us as their favorite choice, our shareholders to have chosen our project considering all the many options in the market, RBI because they chose us and they trusted us as master franchisee of BK and Popeyes, and the board of directors who have played a very important role in governance providing support and creating value to the company.

Ariel, please share the priorities of what is ahead of us for the quarter.



Ariel Grunkaut: Yes, of course, Iuri, we are very enthusiastic with the perspective in the next few months, among which I would like to highlight the following: first, strong calendar of innovations and campaigns. Our brands Burger King and Popeyes have never been so strong, and they have large pipelines of programs in the future that may encourage experimentation, generate higher frequency, and increase in sales in our restaurants. As we have done in the middle of the year with the Stranger Things, our campaign with Square Pant Bob have been very successful and we launched a new partnership with the biggest games of the world, Call of Duty, that have contributed to the image of our brand.

And secondly, technology as a sales lever and profitability lever. Technology has been an important supporter of our business and we have had very important competitive edge in comparison to our competitors, we have been able to provide better the experience to our consumers, innovate better in products, services and we have been offering ever more customized services to our clients standing out in relation to the other players gaining more market share and efficiency. And this avenue will continue as one of our priorities for the years to come.

Operating leverage is the third point. We are the largest owned restaurant operators in Brazil, we have a very strong network of franchisees, our strong culture and scale has allowed us to manage our costs and fixed expenses, and since most of our costs are fixed, or an important part is fixed, as return we'll come, we'll benefit of this additional revenue in the operational results of our assets.

And lastly, a strong growth plan. We have a strong execution, track record and for the growth of the restaurants in the country and after two years with lower growth because of the Covid pandemic we are once again confident that we are going to expand both brands, we have identified excellent opportunities in Brazil, both for the opening of our own stores and for franchisees stores.

The highlight is Popeyes, we are going to inaugurate the stores in 5 new States and will become ever more an important brand in Brazil. Thank you very much.

Operator: The conference call of Zamp has come to an end. We would like to thank everyone for taking part in it. Have a good afternoon and thank you so much for using Chorus Call.