



# EARNINGS RELEASE

## 1Q24

ZAMP



POPEYES



# EARNINGS

## RELEASE

ZAMP



POPEYES

# 1Q24

**Strong sales coupled with a more efficient cost and expenses structure, led the Company's adjusted EBITDA EX-IFRS 16 to move up 39% YoY.**



**Same-store sales** were **+11.3%** for Burger King® and **+14.8%** for Popeyes®.



Net operating revenue of **R\$1.03 billion**, up by **+16% YoY**, a historical figure in comparable periods.



Closing of **11 restaurants**, of which **9 are Burger King®** and **2 Popeyes®**.



**Consolidated Gross Margin** of **64.1%**, a 50-bps drop compared to the same period in the previous year.



**Digital sales** (totem, delivery and app) accounted for **49.6%** of the Company's sales, a record figure, and **50%** of total sales are registered sales.



**Adjusted EBITDA** of **R\$130 million**, up by **18% YoY** and **Adjusted EBITDA ex-IFRS 16** of **R\$70 million**, up by **39% YoY**.



### 1Q24 EARNINGS CONFERENCE CALL

Conference Call – May 6, 2024 – Monday

*In Portuguese with simultaneous translation into English*

Time: 11h  / 10h 

Connection Link:

[https://tenmeetings.com.br/ten-events/#/webinar?evento=ZAMP1T24\\_402](https://tenmeetings.com.br/ten-events/#/webinar?evento=ZAMP1T24_402)



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## **MESSAGE FROM THE MANAGEMENT**

The year 2023, especially its second half, was a key period for us to revisit some important aspects of our business, both in our commercial strategy and in our cost, expense, and investment lines. Throughout the quarters, we implemented measures that we deemed fundamental in all these areas, so that we could enter 2024 strong and begin to capture the results of these adjustments.

In the first quarter of 2024, we finally began to see the maturation of these initiatives we implemented, and consequently, strong results for the quarter.

At the Burger King brand, we balanced our value proposition to our customers by featuring our iconic product, the Whopper, in the "King em Dobro" platform, with strong media support throughout the quarter. Additionally, we continued to make progress in improving operational metrics, and with our highest historical level of transactional NPS, we achieved strong sales results in Free Standing stores, primarily driven by our Drive Thrus. This operational momentum is linked with a very favorable exposure of the Burger King brand, both globally and locally. Globally, we were elected the most creative brand in the world for the 6th time, mainly led by campaigns conducted in Brazil. In our local market, we were elected the brand with the highest engagement with Brazilian consumers within the QSR environment and ranked among the top 10 in the country.

At Popeyes, after an important year of brand expansion into different markets, we managed to reinforce our media investments to accelerate consideration and trial. Sustaining an important 5x1 campaign, this media plan helped drive the brand to a mid-teens SSS performance, which puts us on an interesting path for the brand's maturity in Brazil.

As a result, we closed the quarter, in both brands, with performance materially above the industry according to key market indicators.

With the strong revenue performance and the cost and expense work executed in 2023, we achieved strong operational leverage and a strong adjusted EBITDA growth of 39%. This leverage stemmed mainly from our efficiency gains in labor; operational leverage on top of an IGPM that finally begins to benefit us; in utilities with control initiatives, Distributed Generation, and Free Market; from the closure of deficitary restaurants – there were 11 in 1Q24; and from a more efficient structure in our corporate office.

We continue to capture the opportunities that technology investments have afforded us, seeking to optimize efficiency, recurrence, and experience. We strongly believe in this connection between the digital and physical worlds, and therefore, we remain committed to the modernization of our older restaurant park. These projects have proven to be very interesting from a capital allocation perspective, as they accelerate revenues and reduce costs.

Finally, we concluded in the quarter the issuance of a R\$ 700 million CRA, which extends our short-term commitments and leaves the Company with a balanced plan for debt amortization in the future.

We enter 2024, aware of the challenges, but excited about the results of our work and the opportunities ahead.

**ZAMP Management**

# PEÇA AQUI



# 1Q24 HIGHLIGHTS

**FINANCIAL HIGHLIGHTS - R\$ MILLION (CONSOLIDATED)**

	<b>1Q24</b>	<b>1Q23</b>	<b>VAR%</b>
<b>NET OPERATING REVENUE</b>	<b>1,028.6</b>	<b>885.2</b>	<b>16.2%</b>
ADJUSTED EBITDA	130.2	110.6	17.8%
% OF NET OPERATING REVENUE	12.7%	12.5%	20bps
EBITDA ADJUSTED EX-IFRS 16	70.8	50.9	39.1%
% OF NET OPERATING REVENUE	6.9%	5.8%	110bps
NET INCOME (LOSS)	(90.8)	(55.2)	64.5%
NET INCOME (LOSS) EX-IFRS 16	(87.8)	(50.9)	72.6%
GROSS DEBT	1,791.4	1,098.6	63.1%
NET DEBT	822.3	641.5	28.2%
<b>SHAREHOLDERS' EQUITY</b>	<b>1,310.4</b>	<b>1,427.9</b>	<b>-8.2%</b>

**FINANCIAL HIGHLIGHTS - R\$ MILLION (BKB)**

	<b>1Q24</b>	<b>1Q23</b>	<b>VAR%</b>
<b>NET OPERATING REVENUE</b>	<b>949.3</b>	<b>826.0</b>	<b>14.9%</b>
GROSS PROFIT	603.5	530.3	13.8%
GROSS MARGIN	63.6%	64.2%	-60bps
SSS	11.3%	6.0%	1460bps



**FINANCIAL HIGHLIGHTS - R\$ MILLION (PLK)**

	<b>1Q24</b>	<b>1Q23</b>	<b>VAR%</b>
<b>NET OPERATING REVENUE</b>	<b>63.9</b>	<b>47.7</b>	<b>34.0%</b>
GROSS PROFIT	40.0	30.0	33.5%
GROSS MARGIN	62.6%	62.9%	-30bps
SSS	14.8%	9.0%	580bps



**OPERATIONAL HIGHLIGHTS**

	<b>1Q24</b>	<b>1Q23</b>	<b>VAR.</b>
<b># OF RESTAURANTS</b>	<b>1,028</b>	<b>1,000</b>	<b>28</b>
<b>OWNED RESTAURANTS</b>			
# OWNED RESTAURANTS BEGINNING OF PERIOD	691	702	(11)
BURGER KING® RESTAURANT OPENINGS	-	1	(1)
BURGER KING® RESTAURANT CLOSINGS	(9)	(5)	(4)
<b># OWNED RESTAURANTS END OF PERIOD FOR BURGER KING®</b>	<b>682</b>	<b>698</b>	<b>(16)</b>
POPEYES® OWN RESTAURANTS BEGINNING OF THE PERIOD	87	63	24
POPEYES® RESTAURANT OPENINGS	-	13	(13)
POPEYES® RESTAURANT CLOSINGS	(2)	-	(2)
<b># OWNED RESTAURANTS END OF PERIOD FOR POPEYES®</b>	<b>85</b>	<b>76</b>	<b>9</b>
<b># OWNED RESTAURANTS END OF PERIOD</b>	<b>767</b>	<b>774</b>	<b>(7)</b>
<b>FRANCHISEES RESTAURANTS</b>			
# BURGER KING® FRANCHISEES RESTAURANTS BEGINNING OF PERIOD	256	225	31
BURGER KING® RESTAURANT OPENINGS	-	1	(1)
# POPEYES® FRANCHISEES RESTAURANTS BEGINNING OF PERIOD	5	-	5
<b># FRANCHISEES RESTAURANTS END OF PERIOD</b>	<b>261</b>	<b>226</b>	<b>35</b>

**SUBSEQUENT EVENTS**

- (i) On April 11, the Company published a Notice to Market informing that negotiations with Starbucks Corporation involving the right to exploit the brand and develop Starbucks operations in Brazil are advancing, however there had been no agreement or contract signed with Starbucks Corporation;
- (ii) On April 21, the Company published a Notice to Market informing that it had presented to the companies that comprise the SouthRock - Under Judicial Reorganization ("SouthRock") group an

indicative, non-binding proposal for the possible acquisition of certain assets and rights that make up the operations of Starbucks stores in Brazil ("Starbucks Brazil Assets"), which was accepted by SouthRock. The Company began a due diligence of Starbucks Brazil Assets in order to confirm its interests in acquiring the aforementioned assets and to present a bidding offer, which will be subject to court-assisted reorganization procedures, pursuant to the law, and the execution of definite agreements with Starbucks Corporation; and

- (iii) In April 2024, the Company made the partial and optional early payment of the 8<sup>th</sup> Debenture issue in the amount of R\$242,820, which was originally scheduled for October 2024, in the amount of R\$400,000. The early redemption offer to debenture holders was announced in March 2024, in accordance with the commitment made by the Company at the General Meeting of Debenture Holders held in February 2024. The remaining balance will be settled in accordance with the deadline established by the indenture.

## **OPERATIONAL PERFORMANCE**

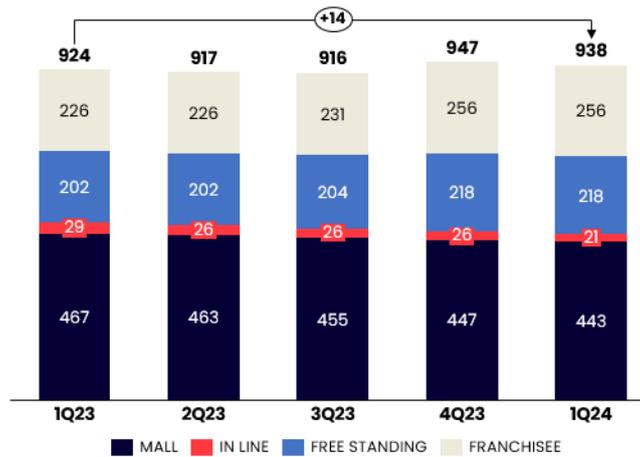
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### **Restaurant Chain**

In 1Q24, the Company **closed 11** company-owned **Burger King® and Popeyes® Restaurants**. These closings strengthen the Company's commitment to business profitability by diligently managing the portfolio in order to maximize operational results.

### **BURGER KING® System**

In 1Q24, the Company **closed 9** company-owned Burger King® restaurants, of which 5 were **In-Line** restaurants and 4 **Mall** restaurants. Therefore, the **Burger King®** system ended the quarter with **938** restaurants.



\*Ghost Kitchen stores are accounted for in the "Mall" category.

**Remodeling of BURGER KING® restaurants**

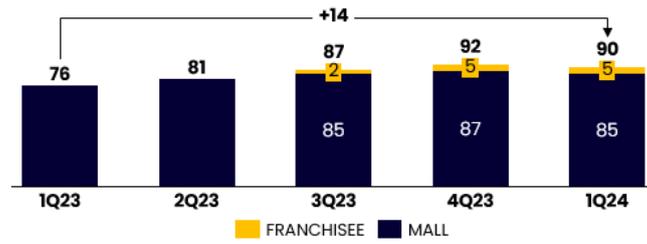
Part of the 2024 strategy lies in the restaurant remodeling pillar, which has been an important front for the Company as regards improving consumer journey, as they enhance the digital experience. These projects have proved to be interesting capital allocation vectors, as we have recorded significant incremental sales figures, combined with substantial cost reductions, especially in personnel and occupancy costs.

Below are an example of the results of these interventions:



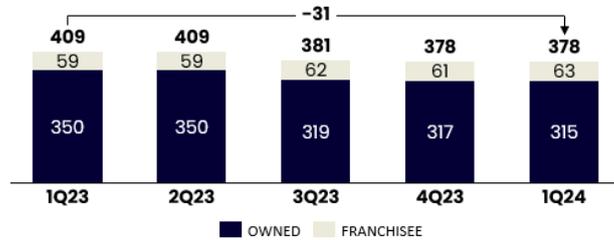
**POPEYES® System**

In 1Q24, the **Popeyes®** restaurant system **closed 2 company-owned restaurants, due to a combination of unbalanced occupancy costs and the reality of sales at these operations.** Thus, the brand ended the quarter with a total of 90 restaurants, of which 85 are company-owned restaurants and 5 are franchises.



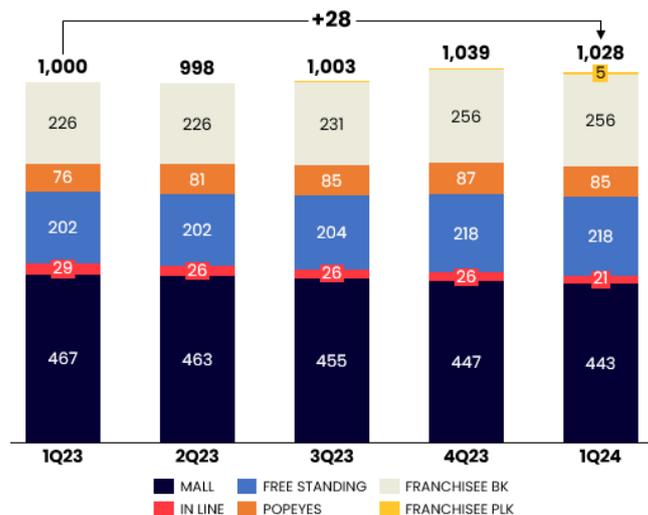
**BURGER KING® dessert centers**

The Burger King® system ended 1Q24 with **378 dessert centers**, in addition to the 938 restaurants; the same figure as in year-end 2023. In the last 12 months, as part of the portfolio optimization plan, 31 dessert centers were closed.



**Total restaurant chain**

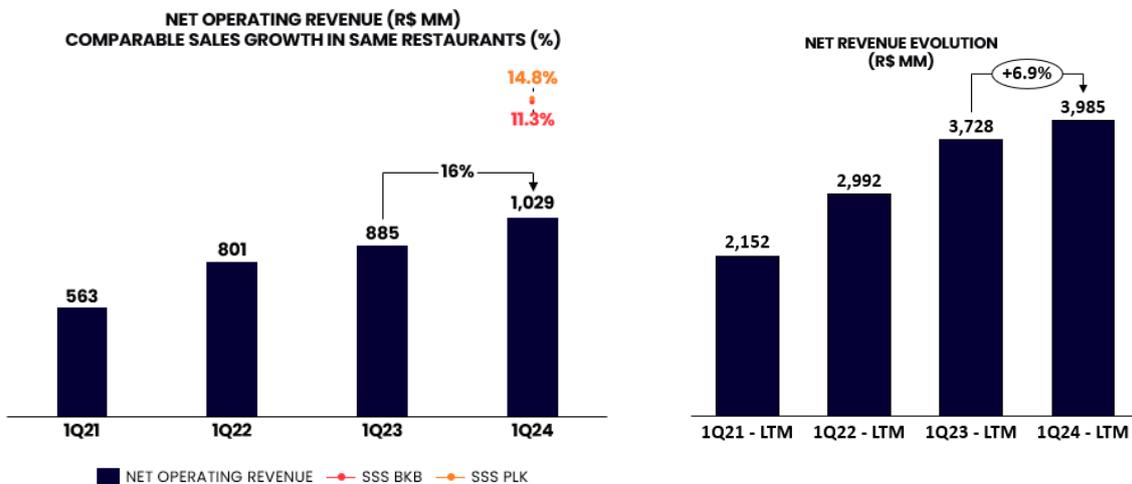
Therefore, after closing **11 operations**, ZAMP ended 1Q24 with a total of **1,028 restaurants**, of which **767 are company-owned** Burger King® and Popeyes® Restaurants and **261** are Burger King® and Popeyes® franchises.



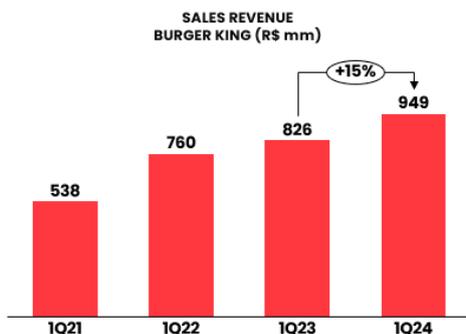
## FINANCIAL PERFORMANCE

### Net operating revenue

In 1Q24, the Company's net operating revenue totaled approximately **R\$ 1.03 billion**, **our best result in the first quarter of a year**, with a **16% increase compared to the same period of the previous year**. This growth reflects some significant moves we made towards the end of 2023, which continue to gain relevance in our results, mainly focused on: 1) Enhanced competitiveness in our commercial strategy and pricing policy; 2) Sustaining substantial investments in communication and reinforcing unique differentiators of our brands, both in highly successful launches like the new Whopper Catupiry® and innovative campaigns like Calvo Drive Thru - resulting in very positive operational momentum for both brands; 3) Significant improvement in our worker availability during peak hours and consequent increase in our operational consistency, continuing to positively impact our NPS; and 4) Our operational focus and significant technology levers in Delivery and Drive Thru channels bringing significant gains to revenue and profitability of our Free Standing stores. Consequently, during 1Q 2024, we experienced materially higher growth than indicated by the main market share surveys in Brazil, such as IFB and Cielo and Stone Indices. In the first quarter of 2024, the Company advanced **11.3% in SSS for Burger King and 14.8% for Popeyes**.



### Burger King® Sales Revenue



In 1Q24, Burger King® sales totaled R\$949 million, **up by 15% versus 1Q23**, partly due to the strong SSS performance (+11.3%) and partly to the excellent performance of the new Free-Standing restaurants opened at the end of 2023.

1Q24 was marked by a number of campaigns, which **reinforce**

important brand pillars, such as innovation and irreverence, always connected to generating new business.

In the quarter, in collaboration with Catupiry®, Burger King launched exclusive products to strengthen our premium product portfolio.



March was marked by the *Calvo Drive Thru* (Drive Thru for Bald) campaign, bringing great visibility to the brand in the media, thus increasing traffic in our restaurants. In the same month, we also launched the **Kung Fu Panda** campaign on our Children’s platform, which generated **traffic and sales in our restaurants**.

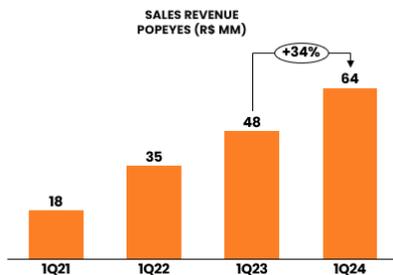


Our growing dessert platform brought another partnership with the launch of exclusive **Leite Moça** products, offering milkshakes and BK Mix in strawberry pie and lemon pie flavors.



Lastly, the Burger King brand was voted the world’s most creative brand for the 6<sup>th</sup> time, mainly thanks to the Brazilian campaigns. In addition, we were recently voted the QSR brand with the highest engagement in Brazil, which also places us among the top 10 companies in the Brazilian market. This recognition is closely connected with the business performance we have recorded in early 2024 and reinforces that we are on the right track.

**Popeyes® Sales Revenue**



For the Popeyes brand, sales revenue came to **R\$64 million** in 1Q24, moving up by **34% from 1Q23, and SSS was 14.8%**.

With higher average sales per restaurant, mainly supported by a strong media plan, our operation, which until last year was at break even, has moved into positive territory, contributing to accelerate the Company’s operating cash generation, as an alternative avenue for growth. This media plan is essential to increase the brand’s consideration among Brazilian consumers.





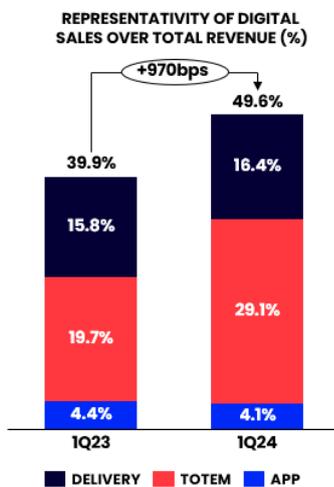
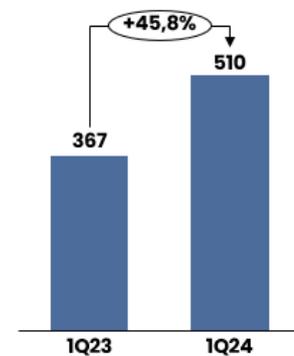
In the quarter, we launched the "The madness we love" campaign, a global campaign imported into Brazil with high media investment in our main traffic driver, thus bringing an increasing number of people into the store with a combo containing the brand's main SKUs, generating trails of our iconic products.

**Sales Digitalization**

Digital sales, represented by delivery, totem and app (mobile) sales for both ZAMP brands, came to **R\$510 million in 1Q24**, an all-time high for digital channels, **up by 46%** year on year.

Digital sales already account for **50% of the Company's total revenue**.

DIGITAL CHANNELS SALES (RS MM)



This quarter, once again, we recorded an increase in the share of **self-service totems** in our operations. The **share of totems in**

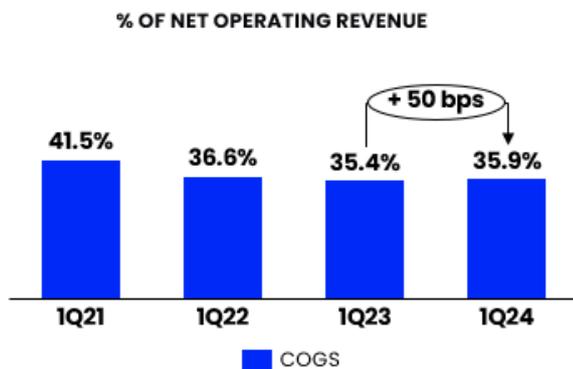
**total revenue was up by approximately 10 p.p. versus 1Q23**. This growth allows us to **leverage sales results**, as totems enable a more targeted browsing during user experience. Main results include higher average ticket than at the counter, with better margins thanks to a customized and more accurate experience; better NPS; as well as important efficiency gains as our operation becomes lighter.

**Delivery** accounted for **16.4% of total sales** in 1Q24, the channel's best quarter in terms of revenue, reaching R\$169 million. In nominal terms, delivery revenue **was up by 21%** year on year, which reinforces that there is still room to explore incremental revenue by expanding geographic coverage, improving service levels and commercial strategy. These results are in line with the Company's strategy of accelerating this front, with more profitability and efficiency.

**We reached milestone of 50% of registered sales** and our CRM closed 1Q24 with **21.3 million registered users**, an increase of **22.5% year on year** and **5.4% quarter on quarter**. This database, which enables us to understand our customers better, helps us to have an increasingly customized interaction and, therefore, record gains in frequency and healthier transactions.

**Clube BK**, Burger King®'s loyalty program, and the main driver of the Company's CRM strategy, ended the quarter with approximately **17 million users**, moving up by 37% from 1Q23. The program has directly contributed to the growth in average sales per user, as it encourages even greater frequency, especially for heavy users.

**Cost of Goods Sold**

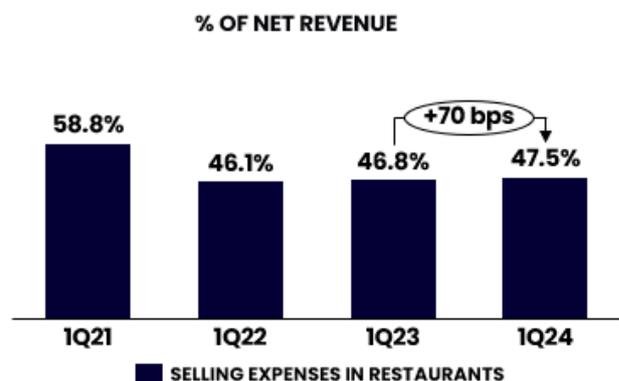


In 1Q24, COGS (cost of goods sold) was **35.9%**, Representing a marginal increase of 50bps compared to 1Q23, due to the channel strategy mix.

The Commodities scenario, after a long period, continues to give us positive signals in some of the main categories. We remain focused on seeking an increasingly efficient supply chain, potential opportunities in pricing strategy, and using technology to help us be more accurate in pricing and promotions.

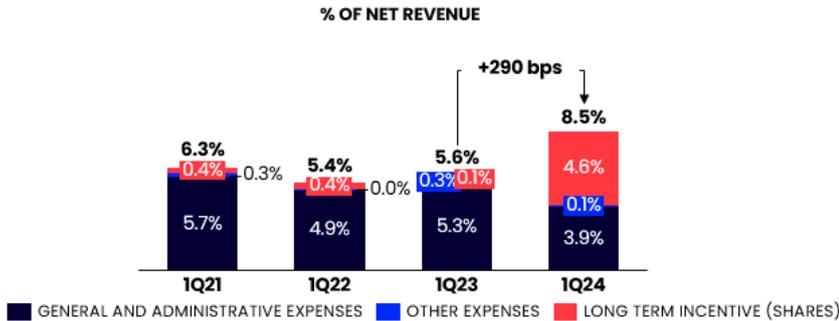
**Selling Expenses**

In 1Q24, restaurant selling expenses, excluding depreciation and amortization and the effects of pre-operating expenses, represented **47.5% of revenue**, an increase of 70 bps versus 1Q23, even though the IFRS 16 effect does not show the 100-bps improvement in operating leverage due to fixed occupancy costs, which would lead restaurant Selling Expenses to drop by 30 bps YoY.



The main variations in selling expenses are chiefly explained by: (i) a 50-bps reduction in personnel expenses, stemming from increased sales and a more digital experience, which has helped us to be more efficient even with an adjustment to minimum wage of almost 7% in the period; (ii) a 40-bps increase in marketing expenses, which is a simple one-off effect but will fall into the annual distribution rule; and (iii) a 50-bps increase (vs 1Q23) in other selling expenses, mainly due to the Delivery channel's growth, higher take-rate expenses and a 20-bps one-off increase in repairs and maintenance.

**Total General and Administrative Expenses**

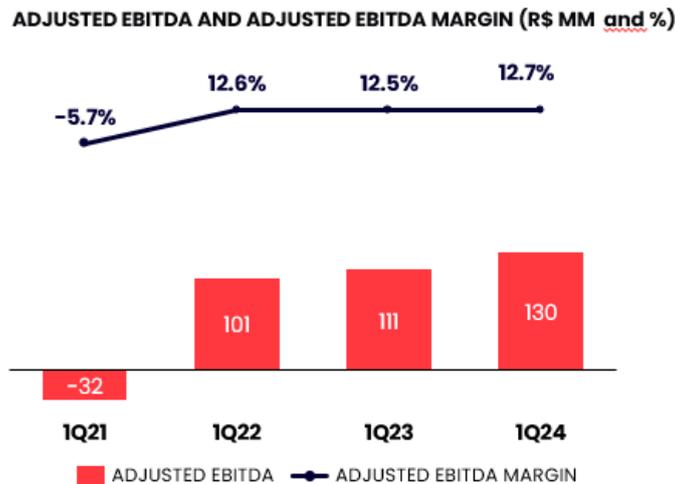


General and administrative expenses, excluding depreciation and amortization, represented **8.5% of net revenue for the quarter, up by 290 bps vs. 1Q23**. This increase was entirely due to executives bringing forward the vesting period for their shares, as provided for in the Share

Grant Plan in the event of an investor gaining control. This effect had an impact of approximately R\$46 million. It is worth noting that, excluding this one-off effect, **general and administrative expenses were down by 140 bps** year on year, mainly due to the initiatives implemented throughout 2023 aimed at streamlining the corporate structure.

**Adjusted EBITDA**

The Company’s adjusted EBITDA came to **R\$130 million** in 1Q24, the Company’s highest EBITDA for a first quarter, **R\$20 million more than in 1Q23**, or a **18% YoY increase**. **Adjusted EBITDA margin stood at 12.7%**, **20 bps higher than the margin recorded in 1Q23**.

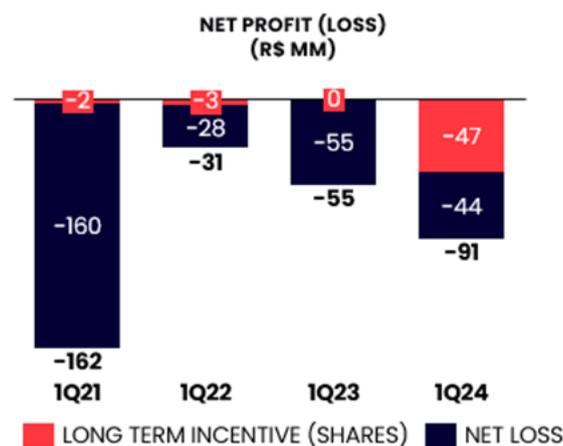


Our Adjusted EBITDA, excluding the IFRS16 effects, came to **R\$70.9 million** in 1Q24, an **increase of approximately 40%** YoY, and margin stood at 6.9%, + 110bps YoY.

EBITDA - R\$ MILLION	1Q24	1Q23	VAR %	1Q24 (ex-IFRS 16)	1Q23 (ex-IFRS 16)	VAR %
NET INCOME (LOSS) FOR THE PERIOD	(90.8)	(55.2)	-64.5%	(87.8)	(50.9)	72.6%
(+) FINANCIAL INCOME (LOSS)	42.7	47.4	-9.9%	21.2	24.2	-12.5%
(+) DEPRECIATION AND AMORTIZATION	114.6	107.0	7.1%	72.3	64.1	12.8%
(+/-) INCOME TAX AND SOCIAL CONTRIBUTION	14.5	5.0	189.5%	16.1	7.2	122.0%
<b>EBITDA</b>	<b>81.0</b>	<b>104.3</b>	<b>-22.3%</b>	<b>21.6</b>	<b>44.6</b>	<b>-51.5%</b>
EBITDA MARGIN	7.9%	11.8%	-390bps	2.1%	5.0%	-290bps
(+) OTHERS EXPENSES	(0.2)	2.3	-106.6%	(0.2)	2.3	-106.6%
(+) COST OF STOCK OPTION PLAN	47.0	0.5	10200.4%	47.0	0.5	10200.4%
(+) MERGE AND ACQUISITION EXPENSES	0.7	0.0	-	0.7	0.0	-
(+) PRE-OPERATING EXPENSES	1.7	3.6	-53.7%	1.7	3.6	-53.7%
<b>ADJUSTED EBITDA</b>	<b>130.2</b>	<b>110.6</b>	<b>17.8%</b>	<b>70.8</b>	<b>50.9</b>	<b>39.1%</b>
ADJUSTED EBITDA MARGIN	12.7%	12.5%	20bps	6.9%	5.8%	110bps

## Net Income/Loss

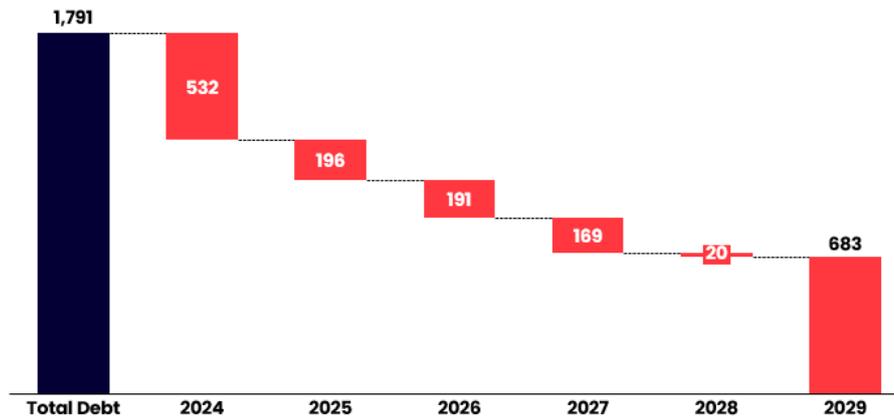
In 1Q24, the Company recorded net loss of **R\$91 million, an impact of 64% versus 1Q23**. This result was mainly impacted by executives bringing forward the vesting period for the Company's shares, as previously explained.



## Total debt

In the first quarter of 2024, the Company made an important move to strengthen its cash position, mainly due to the maturity of the 8<sup>th</sup> Issue in October 2024, by issuing debentures convertible into agribusiness receivables certificates (CRA) in the amount of R\$700 million. The Company ended the period with net debt of **R\$822.3 million, and leverage of 2.2x (ex-IFRS 16)**.

DEBT AMORTIZATION TIMETABLE (R\$ MM)



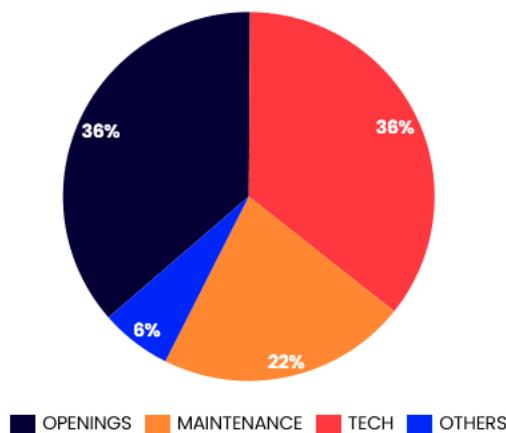
**NET DEBT - R\$ MILLION**

	MAR/24	MAR/23	VAR%
<b>LOANS AND FINANCINGS</b>	1.791,4	1.098,6	63,1%
CURRENT	575,2	172,3	233,8%
NON-CURRENT	1.216,2	926,3	31,3%
<b>CASH AND CASH EQUIVALENTS AND MARKETABLE SECURITIES</b>	969,1	457,1	112,0%
CASH AND CASH EQUIVALENTS AND MARKETABLE SECURITIES (CURRENT)	968,0	457,1	111,8%
MARKETABLE SECURITIES (NON-CURRENT)	1,1	0,0	-
<b>NET DEBT</b>	822,3	641,5	28,2%
ADJUSTED EBITDA ex IFRS 16 (12M)	366,6	345,3	6,2%
NET DEBT / TOTAL ADJUSTED EBITDA (12M)	2,2x	1,9x	0,5x

**Investments (CAPEX)**

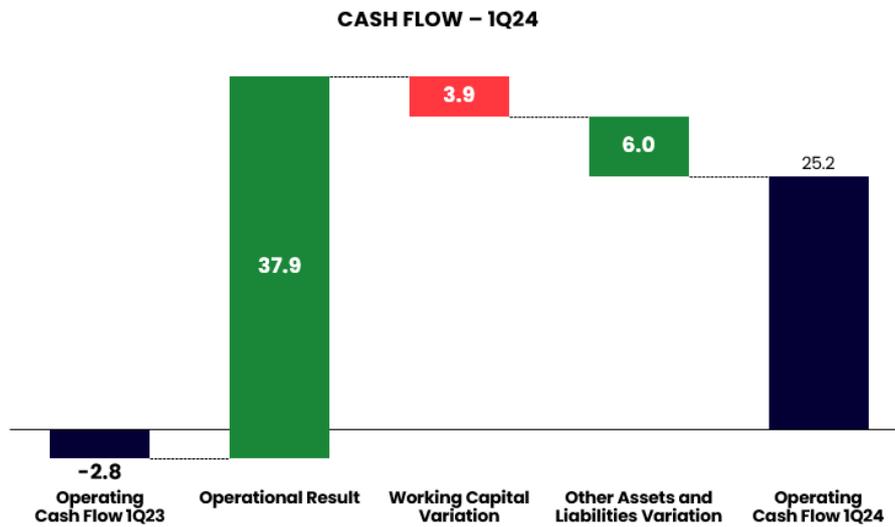
The Company's investments totaled **R\$84.9 million** in 1Q24, up by R\$5.4 million vs 1Q23, mainly stemming from new investments in remodeling, as well as the expansion plan, our investments in technology and the maintenance of our restaurant portfolio.

CAPEX 1Q24



**Operating cash flow**

We achieved an operational cash generation of **R\$ 25.2 million in 1Q24**, compared to -R\$ 2.8 million in the same period of the previous year. In 1Q24, we saw an improved **operational generation of R\$ 37.9 million**, offset by a negative impact from the variation between Other Assets and Liabilities and Working Capital, resulting in a **difference of R\$ 28 million compared to 1Q23**.



*\*Working capital is comprised of the following accounts: Trade Receivables, Inventories, Recoverable Taxes, Advances Paid, Trade and Rental Payables, Agreement with Suppliers, Payroll and Social Charges, and Corporate Payables*

## DEFINITIONS

- **App:** Functionality that considers orders previously placed on the app for store pick-up.
- **CRM:** Customer Relationship Management – management tool for customer information flow;
- **Delivery:** When an order is delivered to a location determined by the customer;
- **Drive Thru:** Allow customers to place their orders without leaving their cars.
- **Dessert Centers:** Dessert point of sale.
- **Adjusted EBITDA:** non-accounting measure adopted by the Company, which corresponds to EBITDA adjusted by pre-operating expenses, expenses with mergers and acquisitions, and other expenses, which the Company's Management believes are not part of the normal course of business and/or distort any analysis of the Company's operating performance, including: (i) write-offs of property and equipment (damages, obsolescence, gain (loss) from asset divestment and provisions for impairment); and (ii) stock option costs;
- **Store models:** (i) Free-standing: Street stores that offer drive-thru tracks; (ii) Mall: Stores located in shopping malls, supermarkets and airports/bus terminals; (iii) In line: Stores with direct access to public roads, which offer internal rooms with tables and seats
- **NRG:** Net Restaurant Growth
- **NPS:** Net Promoter Score;
- **Transfers:** Sale of own restaurants to franchises;
- **Self-ordering kiosks:** Self-service totems;
- **TO:** Tender Offer. All results refer to BK's own operation, except Net Restaurant Growth (NGR); and
- **Same-Store Sales (SSS)** According to RBI calculation methodology, SSS consider sales of Burger King restaurants operated by BK Brasil that have been open for more than 13 months and Popeyes restaurants opened for more than 17 months compared to the same period in the previous year. Additionally, restaurants closed for more than 7 consecutive days within a month are excluded from the comparison base.



**CONSOLIDATED INCOME STATEMENT – 1Q24 (R\$ MILLION)**

	<b>1Q24</b>	<b>1Q23</b>	<b>VAR %</b>
<b>NET OPERATING REVENUE</b>	<b>1,028.6</b>	<b>885.2</b>	<b>16.2%</b>
GROSS REVENUE FROM SALES	1,145.9	963.2	19.0%
GROSS REVENUE FROM SALES DEDUCTIONS	(132.8)	(89.5)	-48.4%
GROSS REVENUE FROM SERVICES	17.4	13.0	34.4%
GROSS REVENUE FROM SERVICES DEDUCTIONS	(2.0)	(1.5)	-34.4%
<b>COST OF GOOD SOLD</b>	<b>(369.6)</b>	<b>(313.4)</b>	<b>-17.9%</b>
<b>GROSS PROFIT</b>	<b>659.0</b>	<b>571.8</b>	<b>15.2%</b>
<b>TOTAL SELLING EXPENSES</b>	<b>(592.8)</b>	<b>(515.1)</b>	<b>-15.1%</b>
PERSONNEL EXPENSES	(194.3)	(171.8)	-13.1%
ROYALTIES	(106.3)	(87.5)	-21.5%
EXPENSES ON OCCUPANCY AND UTILITIES	(79.1)	(69.2)	-14.4%
PRE-OPERATING EXPENSES	(1.7)	(3.6)	53.7%
DEPRECIATION AND AMORTIZATION	(102.7)	(97.1)	-5.7%
OTHER SELLING EXPENSES	(108.8)	(86.0)	-26.5%
<b>TOTAL GENERAL AND ADMINISTRATIVE EXPENSES</b>	<b>(99.7)</b>	<b>(59.4)</b>	<b>-67.7%</b>
GENERAL AND ADMINISTRATIVE EXPENSES	(40.3)	(46.8)	14.0%
ACQUISITION AND INCORPORATION EXPENSES	(0.7)	-	n.a.
DEPRECIATION AND AMORTIZATION	(11.9)	(9.9)	-20.4%
GAIN (LOSS) FROM WRITE-OFF OF PROPERTY, EQUIPMENT AND IMPAIRMENT	0.2	(2.3)	-106.6%
COST OF STOCK OPTION PLAN	(47.0)	(0.5)	-10200.4%
<b>PROFIT (LOSS) BEFORE FINANCIAL INCOME</b>	<b>(33.5)</b>	<b>(2.8)</b>	<b>-1117.1%</b>
<b>FINANCIAL RESULTS</b>	<b>(42.7)</b>	<b>(47.4)</b>	<b>9.9%</b>
FINANCIAL EXPENSES	(58.0)	(60.8)	4.6%
FINANCIAL INCOME	15.3	13.4	14.2%
<b>PROFIT (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>(76.2)</b>	<b>(50.1)</b>	<b>-52.0%</b>
<b>INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>(14.5)</b>	<b>(5.0)</b>	<b>-189.6%</b>
DEFERRED	(14.5)	(5.0)	-189.6%
<b>NET INCOME (LOSS) FOR THE PERIOD</b>	<b>(90.8)</b>	<b>(55.2)</b>	<b>-64.5%</b>

**CONSOLIDATED INCOME STATEMENT – 1Q24 | ex-IFRS 16 (R\$ MILLION)**

	<b>1Q24</b>	<b>1Q23</b>	<b>VAR %</b>
<b>NET OPERATING REVENUE</b>	<b>1,028.6</b>	<b>885.2</b>	<b>16.2%</b>
GROSS REVENUE FROM SALES	1,145.9	963.2	19.0%
GROSS REVENUE FROM SALES DEDUCTIONS	(132.8)	(89.5)	-48.4%
GROSS REVENUE FROM SERVICES	17.4	13.0	34.4%
GROSS REVENUE FROM SERVICES DEDUCTIONS	(2.0)	(1.5)	-34.4%
<b>COST OF GOOD SOLD</b>	<b>(369.6)</b>	<b>(313.4)</b>	<b>-17.9%</b>
<b>GROSS PROFIT</b>	<b>659.0</b>	<b>571.8</b>	<b>15.2%</b>
<b>TOTAL SELLING EXPENSES</b>	<b>(609.7)</b>	<b>(531.6)</b>	<b>-14.7%</b>
PERSONNEL EXPENSES	(194.3)	(171.8)	-13.1%
ROYALTIES	(106.3)	(87.5)	-21.5%
EXPENSES ON OCCUPANCY AND UTILITIES	(137.7)	(128.1)	-7.5%
PRE-OPERATING EXPENSES	(1.7)	(3.6)	53.7%
DEPRECIATION AND AMORTIZATION	(60.9)	(54.7)	-11.3%
OTHER SELLING EXPENSES	(108.8)	(86.0)	-26.5%
<b>TOTAL GENERAL AND ADMINISTRATIVE EXPENSES</b>	<b>(99.9)</b>	<b>(59.7)</b>	<b>-67.5%</b>
GENERAL AND ADMINISTRATIVE EXPENSES	(41.0)	(47.5)	13.7%
ACQUISITION AND INCORPORATION EXPENSES	(0.7)	-	n.a
DEPRECIATION AND AMORTIZATION	(11.4)	(9.4)	-21.2%
GAIN (LOSS) FROM WRITE-OFF OF PROPERTY, EQUIPMENT AND IMPAIRMENT	0.2	(2.3)	-106.6%
COST OF STOCK OPTION PLAN	(47.0)	(0.5)	-10200.4%
<b>PROFIT (LOSS) BEFORE FINANCIAL INCOME</b>	<b>(50.6)</b>	<b>(19.5)</b>	<b>-160.0%</b>
<b>FINANCIAL RESULTS</b>	<b>(21.2)</b>	<b>(24.2)</b>	<b>12.5%</b>
FINANCIAL EXPENSES	(36.5)	(37.6)	3.0%
FINANCIAL INCOME	15.3	13.4	14.2%
<b>PROFIT (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>(71.8)</b>	<b>(43.7)</b>	<b>-64.5%</b>
<b>INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>(16.1)</b>	<b>(7.2)</b>	<b>-122.0%</b>
DEFERRED	(16.1)	(7.2)	-122.0%
<b>NET INCOME (LOSS) FOR THE PERIOD</b>	<b>(87.8)</b>	<b>(50.9)</b>	<b>-72.6%</b>

**CONSOLIDATED BALANCE SHEET – 1Q24 (R\$ MILLION)**

	<b>1Q24</b>	<b>4Q23</b>
<b>ASSETS</b>	<b>4,590.9</b>	<b>4,117.5</b>
<b>CURRENT ASSETS</b>		
CASH AND CASH EQUIVALENTS	73.4	81.3
MARKETABLE SECURITIES	894.6	355.3
TRADE RECEIVABLES	226.8	213.7
DERIVATIVE FINANCIAL INSTRUMENTS	0.2	-
INVENTORIES	147.7	161.1
RECOVERABLE TAXES	54.0	52.9
OTHER RECEIVABLES AND ADVANCES PAID	33.7	37.7
<b>TOTAL CURRENT ASSETS</b>	<b>1,430.4</b>	<b>902.1</b>
<b>NON-CURRENT ASSETS</b>		
NON-CURRENT INVESTMENTS AT FAIR VALUE	1.1	-
RECOVERABLE TAXES	220.5	227.2
JUDICIAL DEPOSITS	46.7	42.9
LONG-TERM RECEIVABLES	11.7	12.4
LEASE	739.7	795.1
PROPERTY AND EQUIPMENT	1,379.0	1,378.7
INTANGIBLE ASSETS	761.8	759.1
<b>TOTAL NON-CURRENT ASSETS</b>	<b>3,160.5</b>	<b>3,215.4</b>
<b>TOTAL ASSETS</b>	<b>4,590.9</b>	<b>4,117.5</b>
	<b>1Q24</b>	<b>4Q23</b>
<b>LIABILITIES</b>	<b>3,280.5</b>	<b>2,723.8</b>
<b>CURRENT LIABILITIES</b>		
TRADE PAYABLES	274.5	357.5
PAYROLL AND SOCIAL CHARGES	139.3	121.7
LOANS AND FINANCING	575.2	543.4
LEASING LIABILITIES	174.5	181.2
CORPORATE PAYABLES	25.3	30.9
TAXES PAYABLE	26.9	30.7
DEFERRED REVENUE, NET	9.2	13.4
OTHER PAYABLES	22.9	28.0
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,247.8</b>	<b>1,306.7</b>
<b>NON-CURRENT LIABILITIES</b>		
LOANS AND FINANCING	1,216.2	573.5
PROVISION FOR LEGAL CLAIMS	42.9	44.0
TAXES PAYABLE	4.2	4.3
DEFERRED REVENUE, NET	4.9	4.8
LEASING LIABILITIES	690.4	734.6
DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION	70.5	56.0
OTHER PAYABLES	3.6	-
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>2,032.6</b>	<b>1,417.1</b>
<b>EQUITY</b>		
CAPITAL	1,461.1	1,461.1
CAPITAL RESERVES AND STOCK OPTIONS PLAN	713.0	733.3
TREASURY SHARES	(25.9)	(62.3)
OTHER COMPREHENSIVE INCOME	(8.5)	(0.0)
RETAINED EARNINGS (ACCUMULATED LOSSES)	(738.4)	(738.4)
INCOME STATEMENT	(90.8)	-
<b>TOTAL EQUITY</b>	<b>1,310.4</b>	<b>1,393.7</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>4,590.9</b>	<b>4,117.5</b>

**CONSOLIDATED CASH FLOW – 1Q24 (R\$ MILLION)**

	<b>1Q24</b>	<b>1Q23</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>25.2</b>	<b>(2.8)</b>
<b>CASH GENERATED BY OPERATING ACTIVITIES</b>	<b>166.1</b>	<b>128.1</b>
EARNINGS (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	(76.2)	(50.1)
DEPRECIATION AND AMORTIZATION OF PROPERTY AND EQUIPMENT AND INTANGIBLE ASSETS	72.3	64.1
LEASING AMORTIZATION	42.3	42.9
INTEREST, CHARGES, EXCHANGE DIFFERENCES AND MONETARY VARIATIONS	53.1	50.0
OTHERS	74.6	21.3
<b>CHANGES IN ASSETS AND LIABILITIES</b>	<b>(140.9)</b>	<b>(131.0)</b>
TRADE RECEIVABLES, NET	(14.0)	39.4
INVENTORIES	13.7	4.6
CORPORATE PAYABLES	(5.6)	(5.0)
TRADE AND RENTAL PAYABLES	(74.5)	(114.9)
AGREEMENT WITH SUPPLIERS	-	(18.5)
PAYROLL AND SOCIAL CHARGES	(25.8)	17.2
PAYMENT OF INTEREST ON LOANS AND FINANCINGS	(10.9)	(14.2)
PAYMENT OF INTEREST ON LEASES LIABILITIES	(6.0)	(6.0)
OTHERS CHANGES IN ASSETS AND LIABILITIES	(17.8)	(33.5)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(614.0)</b>	<b>(35.0)</b>
PURCHASES OF PROPERTY AND EQUIPMENT	(71.3)	(25.4)
PURCHASES OF INTANGIBLE ASSETS	(13.5)	(54.1)
INVESTMENT IN MARKETABLE SECURITIES	(529.1)	44.5
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>580.9</b>	<b>8.0</b>
RAISING OF LOANS AND FINANCINGS (PRINCIPAL)	700.0	100.0
COSTS ON RAISING LOAN	(27.8)	(0.5)
PAYMENT OF LOANS AND FINANCINGS (PRINCIPAL)	(37.8)	(37.8)
LEASING LIABILITIES PAYMENT	(53.4)	(53.6)
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(7.9)</b>	<b>(29.8)</b>
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	81.3	45.5
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	73.4	15.6

**ZAMP**

**NA NOSSA MESA CABE UM MUNDO.**