



# MFDA (Master Franchise and Development Agreement) between BK Brasil and Popeyes

March 21<sup>st</sup>, 2018

---

# Forward-looking statements disclaimer

---

This presentation contains general information regarding the business and strategies of BK Brasil Operação e Assessoria a Restaurantes S.A. and its controlled companies ("BK"). The information contained herein is in summarized form and does not purport to be complete. Due to this fact, one cannot rely in its completeness or accuracy and no representations or warranties, implicit or explicit, is made concerning as to the completeness or accuracy of the information contained herein.

This presentation contains forward-looking statements, which involves risks and uncertainties and should not be construed as a guarantee of future performance. Investors should be aware that such forward-looking statements may be affected by current or future facts or expectations regarding our industry, our market share, our reputation, business, financial situation and perspectives. Although we believe that the forward-looking statements and estimates are based in reasonable assumptions, they are subject to several risks and uncertainties and were made only based on information currently available to us, and, therefore, we cannot guarantee future results.

The abovementioned considerations are not exhaustive and other risks and uncertainties may cause results that may be substantially different from those contained in the forward-looking statements. Due to the abovementioned uncertainties, no investment decision should be made relying only on these forward-looking statements. This presentation should not be construed as recommendation to potential investors.

# BK Brasil as a leading restaurant operator

BK Brasil signed a Master Franchise and Development Agreement (MFDA) with POPEYES® in Brazil, further solidifying its leading positioning in the QSR industry in the country



## BURGER KING® Brazil

- More than 700 restaurants in Brazil
- 2<sup>nd</sup> player in Burger and 3<sup>rd</sup> largest QSR in number of restaurants
- Significant improvement in brand awareness and preference over past years

## Rationale

- Chicken is the most consumed protein in Brazil
- Leverage on BK Brasil existing capabilities, infrastructure and scale
- Attractive opportunity to further optimize capital allocation
- Diversification in a profitable, scalable and sizable business

## POPEYES®

- 2<sup>nd</sup> largest global chicken QSR brand, with +2,800 restaurants worldwide
- Unique brand, with a differentiated product based on a 300-year old culinary tradition

# Popeyes History

Since being founded in 1972 in New Orleans, Louisiana, Popeyes has brought the heart and soul of Louisiana cooking to the world

# POPEYES

LOUISIANA KITCHEN



1972

Founded in New Orleans, Louisiana as “Chicken on the Run”



1976

Popeyes begins franchising; opens ~500 locations over the next 10 years



1999

Popeyes surpasses US\$1B in system-wide sales for the first time



2008

Popeyes name changes to “Popeyes Louisiana Kitchen”



2011

Popeyes opens its 2000<sup>th</sup> store in Memphis, TN



2017

RBI Acquires Popeyes

Restaurant Brands International

# POPEYES® Products

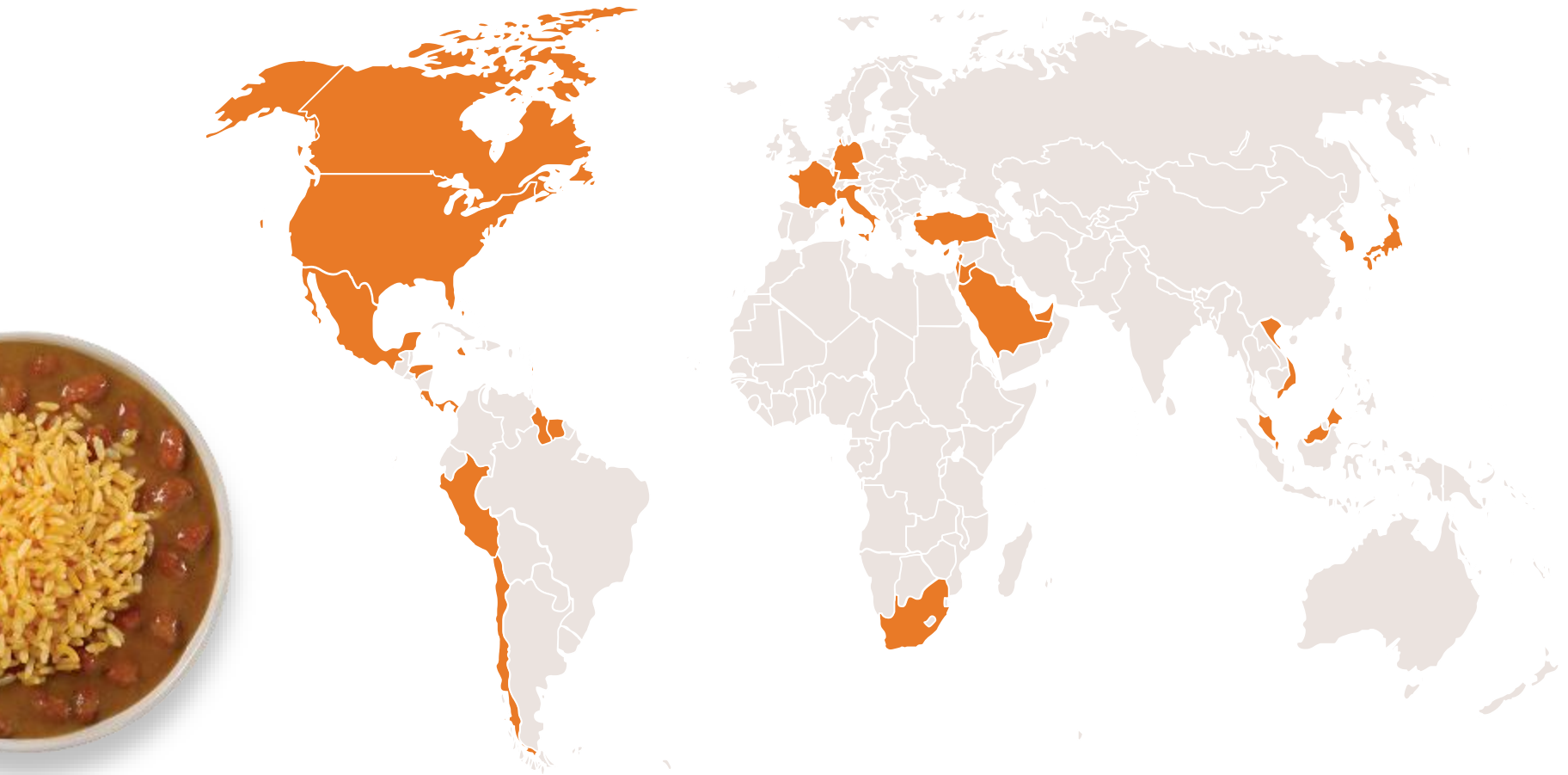
---



# Popeyes Global Footprint

---

Over 2,800 restaurants around the globe



# The Popeyes Differences

---

12 hours marinated and hand battering and breading are key factors that demonstrate Popeyes commitment to quality and freshness



## Culinary Integrity

Fresh Prep  
12-hour Marination  
Hand Battered &  
Breaded in restaurant  
Proprietary recipe



## Bold Innovation

Unique Flavor Trends  
Special Chicken Cuts  
Distinct Sauces & Sides  
Differentiated Menu



## Brand Authenticity

Louisiana Heritage  
Origin Story → Credibility  
7 nations formed a  
unique culture

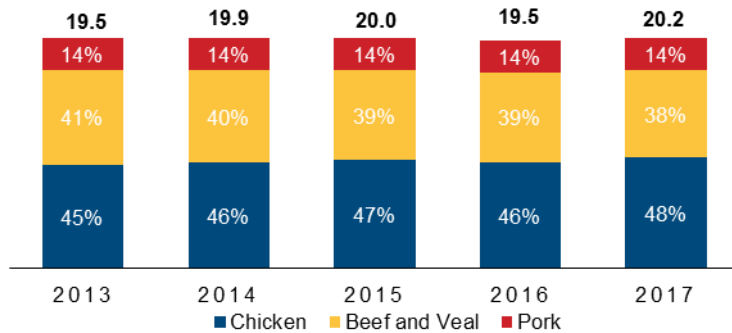
***The Popeyes difference leads to:***

***Taste Preference, Higher Quality Perception & Brand Authenticity***

# Chicken Fast Food Market in Brazil

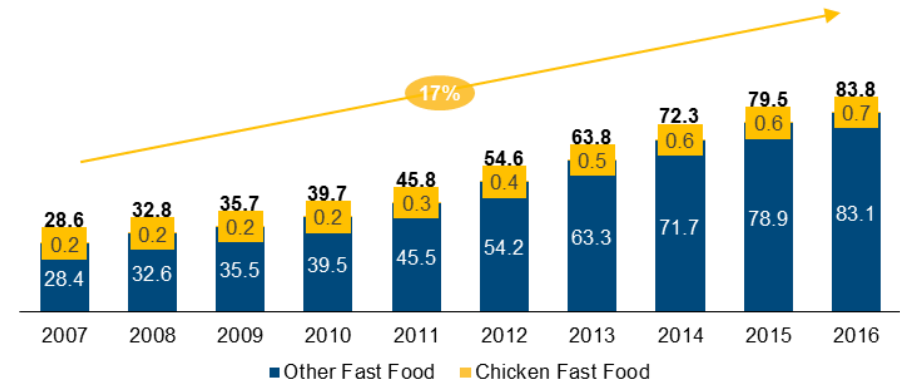
## Protein consumption by category - Brazil

Million of metric tons



## Fast food market estimates - Brazil

BRL billion



## Consumer Trend

- More than 90% of consumers intend to increase or maintain Chicken QSR consumption in the future
- Top 3 attributes for Chicken QSR:
  - Quality of chicken
  - Taste
  - Value proposition

## Current Landscape

- QSR chicken market in Brazil remains considerably underpenetrated vs. other countries
- Currently, there are very few chicken QSR players to serve guest demand
- Mainly concentrated in the Southeast and South regions of Brazil, mostly in Sao Paulo

# Popeyes MFDA – Key Aspects

---

## Rights

- **A 20-year MFDA agreement** with Popeyes
- **Exclusive right** to develop, franchise and operate POPEYES® restaurants in Brazil
- **Right to manage** the advertising fund in Brazil
- **Payment of royalties and contribution to marketing fund** in line with levels paid for BURGER KING® brand

## Obligations

- **Annual target of minimum number** of restaurants to build and operate
- **Opening targets will gradually accelerate** over the years, achieving a potential of more than 300 restaurants in the first 10 years of contract. We expect to open first restaurant in 2018



## Investor Relations – BK Brasil

[www.burgerking.com.br/ri](http://www.burgerking.com.br/ri)

[ri@burgerking.com.br](mailto:ri@burgerking.com.br)

Phone: +55 11 2397-0368/0369

---