

BK BRASIL

3Q21 EARNINGS RELEASE
November 4, 2021



POPEYES[®]

RECOVERY IN ON-PREMISE CONSUMPTION, COUPLED WITH THE CONTINUOUS EVOLUTION OF DIGITAL CHANNELS AND GROSS MARGIN, LED CIA TO DOUBLE-DIGIT EBITDA MARGIN TERRITORY

Barueri, November 4, 2021 – BK Brasil Operação e Assessoria a Restaurantes S.A. (B3: BKBR3), master franchisee of Burger King Corporation and Popeyes Louisiana Kitchen for Brazil, announces today its results for the third quarter of 2021 (3Q21). The consolidated quarterly information of the Company is presented in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the accounting practices adopted in Brazil. Non-financial and non-accounting data were not audited by the independent auditors.

HIGHLIGHTS:

PERFORMANCE 3Q21 x 3Q20:

- **Net operating revenue** of R\$ 710.0 million, up **35.9%**;
- **Comparable sales in the same restaurants** of **+17.2%** for BKB and **+15.7%** for Popeyes;
- **Revenue from digital channels (delivery, Totem and App)** grows **70%**, reaches **historical record** and **33%** of the company's sales;
- **Gross margin improves 240bps vs 3Q20**. This quarter was made the reversal of a provision of ICMS in the amount of R\$ 8.3 million, which positively impacted the result;
- **Loyalty program reaches 2,4 million users in 7 months**, it already represents about **5%** of total sales, with a **double digit increase in spend**;
- **Adjusted EBITDA** of R\$85.4 million, an increase of R\$96.8 million versus 3Q20; **Adjusted EBITDA Margin** of **12.0%** versus Adjusted EBITDA Margin of **-2.2%** in 3Q20;
- **Total of 878 Burger King restaurants and 49 Popeyes restaurants** at the end of 3Q21, with the net opening of 8 stores.

FINANCIAL HIGHLIGHTS - R\$ MILLION (CONSOLIDATED)	3Q21	3Q20	VAR.	9M21	9M20	VAR.
NET OPERATING REVENUE	710.0	522.3	35.9%	1,840.4	1,464.1	25.7%
ADJUSTED EBITDA	85.4	(11.4)	849.1%	64.2	(89.6)	171.7%
% OF NET OPERATING REVENUE	12.0%	-2.2%	1420bps	3.5%	-6.1%	960bps
NET INCOME (LOSS)	(37.9)	(105.9)	-64.2%	(297.5)	(348.3)	-14.6%
GROSS DEBT	832.7	937.8	-11.2%	832.7	937.8	-11.2%
NET DEBT	346.9	466.6	-25.7%	346.9	466.6	-25.7%
SHAREHOLDERS' EQUITY	1,547.1	1,448.1	6.8%	1,547.1	1,448.1	6.8%
OPERATIONAL HIGHLIGHTS	3Q21	3Q20	VAR.	9M21	9M20	VAR.
# OF RESTAURANTS	927	900	27	927	900	27
OWNED RESTAURANTS						
# OWNED RESTAURANTS BEGINNING OF PERIOD	717	712	5	705	714	(9)
BURGER KING® RESTAURANT OPENINGS	6	6	-	14	7	7
BURGER KING® RESTAURANT CLOSINGS	-	(19)	19	-	(22)	22
ACQUISITION / SALE OF BURGER KING® RESTAURANT BUSINESSES	-	1	(1)	(1)	1	(2)
POPEYES® RESTAURANT OPENINGS	-	2	(2)	5	2	3
# OWNED RESTAURANTS END OF PERIOD	723	702	21	723	702	21
FRANCHISEES RESTAURANTS						
# FRANCHISEES RESTAURANTS BEGINNING OF PERIOD	202	197	5	202	199	3
BURGER KING® RESTAURANT OPENINGS	2	3	(1)	4	3	1
BURGER KING® RESTAURANT CLOSINGS	-	(1)	1	(3)	(3)	-
ACQUISITION / SALE OF BURGER KING® RESTAURANT BUSINESSES	-	(1)	1	1	(1)	2
# FRANCHISEES RESTAURANTS END OF PERIOD	204	198	6	204	198	6
COMPARABLE SALES GROWTH IN SAME RESTAURANTS BKB	17.2%	-27.3%	4450bps	5.5%	-15.3%	2080bps

SUBSEQUENT EVENT:

- **Domino's Update** – After reassessment of the parties on the current market conditions vis-à-vis the existing conditions when negotiating and signing of association agreement, the parties resolve to distract the agreement without implication of penalty to either party. The Distrato establishes the company's preference right, for a period of 12 months from this date, to acquire all the shares issued by DP Brasil in the event of any divestiture of control of DP Brasil, at the same price per share offered by the third party.
- **ESG Commitments** – On October 21, 2021, we announced our ESG commitments with a schedule through 2030. In addition to a 100% clean portfolio, the Company announces commitments focused on diversity, female presence in leadership positions, and policies focused on the environment, such as the reuse of waste and responsible disposal of waste throughout its network.

MESSAGE FROM MANAGEMENT

The third quarter of this year was an important period for the entire Brazilian and world society, as we could observe a significant growth of the vaccinated population and thus, the fatality rates reducing drastically. With a more controlled pandemic scenario, the restrictive measures were softened during the quarter, which consequently improved urban mobility indicators, highly correlated with our business.

In an environment with a lower level of constraints, we have seen our operation grow continuously over the course of this quarter. In parallel with the rapid acceleration of on premise consumption, we continue to observe a very strong resilience of digital channels, which led us, once again, to achieve record sales of the company through these channels. In our view, this is an important indication that points to the potential level of incrementality that these channels will have at a time when traffic is fully returning to normal. In addition to the performances of our delivery, drive thru and totems of self-service, in the course of the last months we have reached the important mark of 5% of our transactions already being made by our, newly created, but already with **2.4 million customers**, loyalty program - the **BK Club**. In recent years, we have dedicated a lot of effort so that this can in fact be a lever that generates an increasingly better experience and therefore, greater frequency and consumption in our restaurants. This obstinacy for a better experience has worked very well not only in digital channels, but also in our restaurants. As a result of this work, we have managed to be the leading brand in terms of QSR experience level throughout the country, according to data from *Reclame Aqui*. Our Free Standings restaurants (FS) once again followed with performance above 2019, while our food court operations follow their strong recovery trajectory. With this, already in October, after almost 2 years with performance below 2019, we made our first month of positive SSS in the concept of 2 years in Burger King restaurants. Importantly, still in a restrictive environment, Popeyes' SSS was already positive in the quarter when compared to the same period of 2019 and reached double digits already in October.

In this scenario and with greater clarity in the environment, we followed up with our restaurants development plan and opened 8 more stores in this period. All of them from the Burger King brand. We continue to see a

very big opportunity for the development of our two brands here in Brazil and in 2022, we will enter with a strong national expansion plan, both for BK, and for Popeyes.

With the evolution of sales, but still in a challenging inflationary environment, we were able to execute a good plan to improve gross margin and gain market share. All the initiatives we have implemented in recent quarters, such as CRM roll out, intense revenue management work, and commercial renegotiations with the supply chain, have been essential for us to recover margin quickly. Our sales expenses in restaurants, once again were controlled with discipline and aligned with our strategy of digitizing the experience, we were able to be more efficient and generate good operational leverage. This allowed us, in this quarter, still in transition, to have a good generation of operating cash. Also, in our administrative expenses, this quarter, with better visibility of the results, we continue to invest in our team, especially on the technology front so that we can be ready to support stronger sales and capture new fronts of profitability and productivity. In this way, with operating leverage, we will not lose efficiency.

For us, it is a matter of great pride, to be able to share with you that over these almost 2 last years, our team has done a tireless job to protect our business and our employees. In this period, our business has been recovering consistently and **we have not lost a life even to the pandemic.**

Following the close of the quarter, as early as October, after several initiatives in recent years, we launch in an integrated way our ASG commitments by 2030. Our plan is focused on 3 fundamental pillars "our people" "our food" and "our footprint". It is through these fronts that we believe that, with better governance practices, we will make an important contribution to society, the environment and people, making our business lasting and prosperous, in a better world.

Finally, as notified to the market sent this week, we reached an agreement to distract the proposed association with Dominos, released in July this year. Although we continue to believe in the pizza market and the brand, we understand that the dynamics of the market and the timing are not favorable for this association. Therefore, we will continue to focus on our strong growth plan for our two iconic brands, which represent a great opportunity to consolidate the QSR market in Brazil.

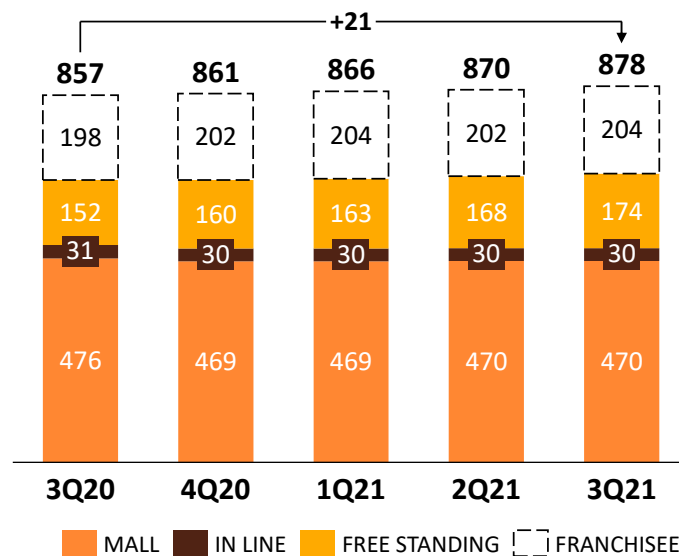
OPERATING PERFORMANCE

Restaurant chain

Throughout 3Q21, the Company's net openings totaled 8 stores, with 6 BK owned restaurants and 2 BK franchised restaurants.

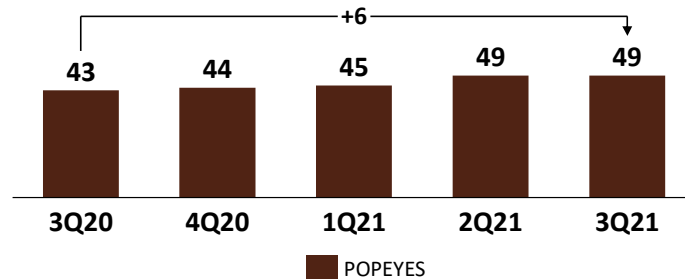
BURGER KING® system

8 Burger King stores were opened (6 owned units and 2 franchises), all in the Free Standing format. In the quarter, there were no closings or transfers of the brand. With this, BURGER KING® ended the quarter with a total of 878 restaurants operating across the country.



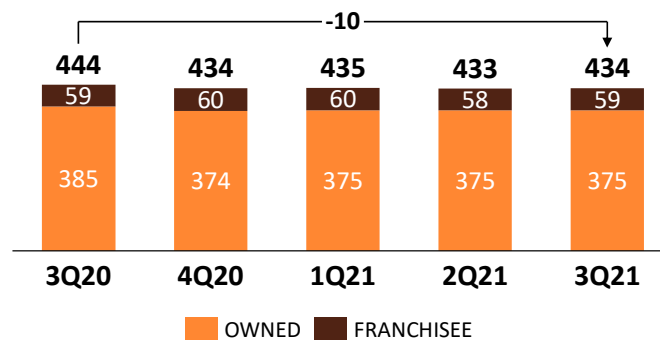
POPEYES® system

There were no openings in the POPEYES® system during the period, ending the quarter with 49 units, all of which are company owned and located in the states of São Paulo and Rio de Janeiro.



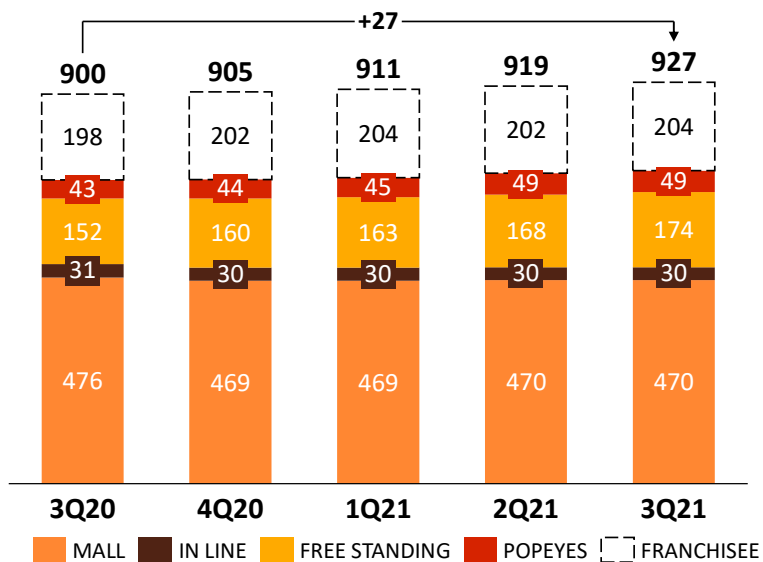
BURGER KING® dessert centers

In addition to the 878 restaurants, BURGER KING® ended the quarter with 434 dessert centers, a decrease of 10 units when compared to 3Q20.



Total restaurant chain

Therefore, the Company ended 3Q21 with a total of 927 restaurants, of which 723 are company-owned BURGER KING® and POPEYES® restaurants and 204 are BURGER KING® franchised restaurants.



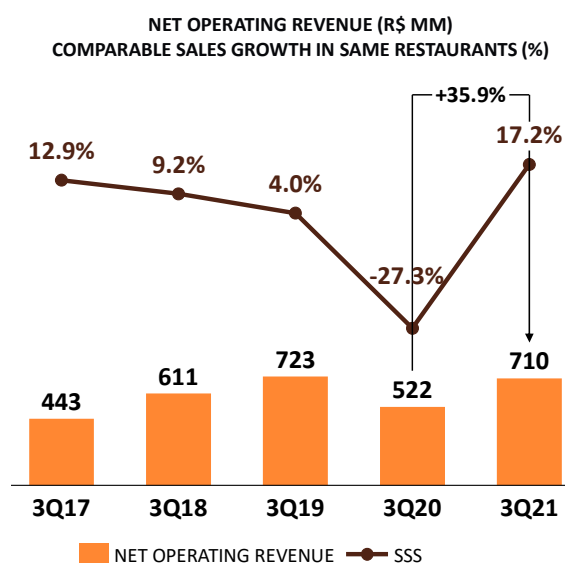
FINANCIAL PERFORMANCE

Net operating revenue

In 3Q21, the Company's operating revenue reached R\$710.0 million, a 35.9% growth when compared to the same period of the previous year.

With the easing of restrictive measures, made possible by the advance of immunized population, and the consequent improvement in urban mobility indicators, the Company's sales had a strong recovery and gradually progressed month after month, so that at the end of September, sales per restaurant were already very close to 2019 levels. This improvement is mainly related to the flexibility of flow and opening hours at the malls, where we concentrate a large part of our restaurants, and the strength of the digital

channels, which have continued to grow, even with the recovery of on premise consumption. Digital sales represented by delivery, totem and App once again played an important role in the recovery and accounted for around 33% of the Company's sales, a growth of 70% against the same period of the previous year and 24% when compared to 2Q21.

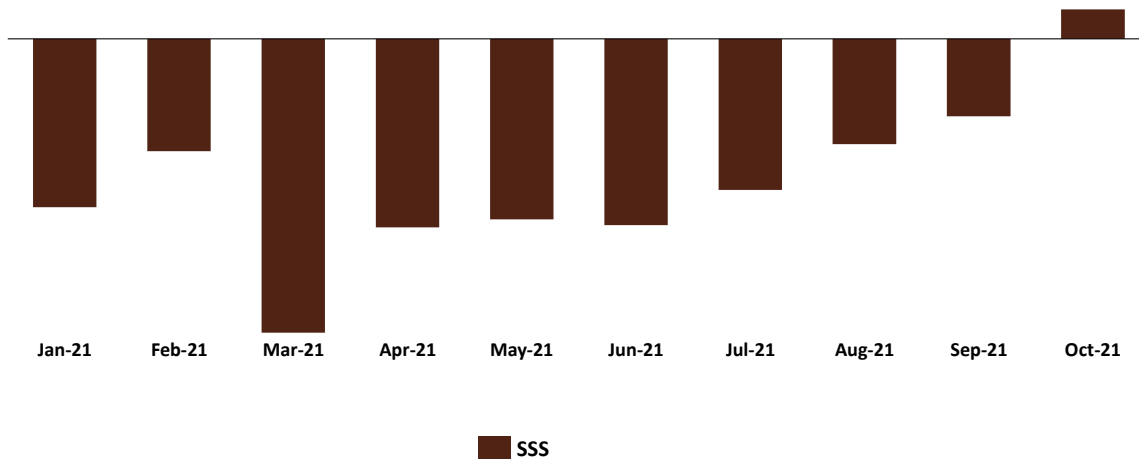


In parallel to the consistent recovery of malls and as mentioned in previous quarters, the performance of our restaurants in the Free Standing format, driven by the advance in drive thru sales and delivery, continued in positive territory throughout the quarter.

It is worth noting that throughout this quarter, we were able to observe some regions of the country posting positive SSS levels, in the two-year concept. This trajectory of consistent improvement, despite being at different stages across Brazil, superimposed on the signs of strong incrementality in digital channels, which we have seen around the world and in our stores in Brazil, encourages us to enter 4Q confident that the resumption will continue to be significant.

At Popeyes, we continue to build a brand that has been surprising us positively in terms of awareness, operational consistency – with strong NPS levels and quality of our product. The result of this combination, even with restrictions for an operation that is 100% concentrated in malls, was already a positive SSS in the quarter, 3.1%, when compared to the performance of the third quarter of 2019. In this manner, we continue to accelerate our national expansion plan, which will take us to different states in Brazil in 2022.

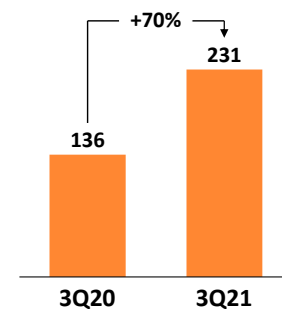
SSS vs. 2019 (Burger King)



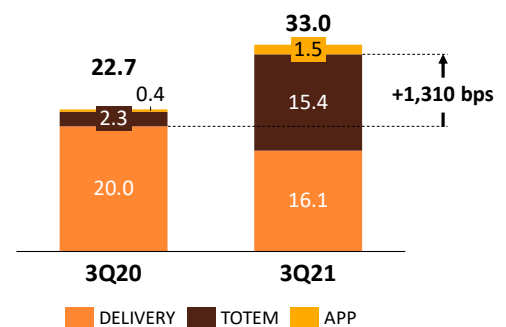
Digitalization of Sales

Digital sales, represented by delivery, totem and App (mobile), posted a new record in the quarter totaling R\$231.4 million, an increase of 70% compared to 3Q20, representing 33.0% of the Company's revenue against 22.7% in 3Q20. Compared to 2Q21, digital sales increased by 24.0%, with growth in all channels, highlighting the sales of self-service totems, present in 459 stores in 3Q21.

DIGITAL CHANNELS SALES (R\$ MM)



GROWTH AND REPRESENTATIVITY (%) OF DIGITAL SALES OVER TOTAL REVENUE



Delivery accounted for 16% of the company's total sales this quarter vs 20% when compared to 3Q20, showing its resilience even amid the resumption of on premise sales. It is important to note that we continue to work to find cost-effective and scalable solutions to accelerate the growth of our own platform and follow through with our strategy by expanding coverage and improving efficiency. Our last mile solution continues to scale and has been able to deliver consistent levels of experience, which continues to encourage us to accelerate this hybrid or 1p delivery solution. By the end of the year, through this model, we will cover about 50% of our restaurants in operation, in more about 50 municipalities. Additionally, we have continuously worked to deliver the best experience across all digital channels. Consequently, we achieved the best consumer ratings on delivery applications and according to "Reclame Aqui" we have the best level of experience among QSR operators in Brazil.

The self-service totems were highlighted again with a gain of 665% of revenue compared to 3Q20 and, with a gain of 13 p.p. of representativeness on total Company's sales, reaching R\$107.8 million.

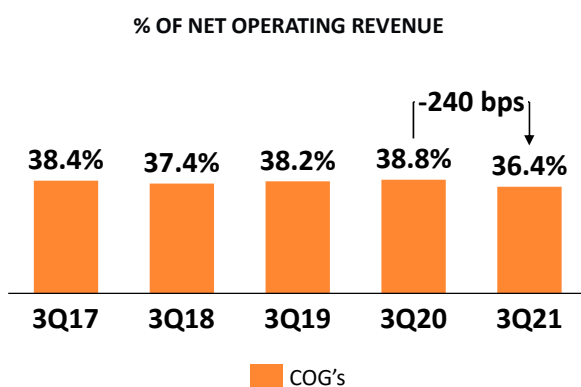
This growth demonstrates that with the digitization of operations, we can improve the user experience by assigning greater efficiency during their consumption journey. In addition, through constant user experience adaptations, we have noticed an important increase in average ticket in these transactions, which will play an important role in the operational leverage of our assets. The already mentioned improvements in UX also brought a decrease in the average transaction time, also enabling an increase in traffic in stores that operate with the device.

Our CRM front continues to be an important pillar for greater assertiveness in interactions with our customers, which has allowed us to advance in the clustered pricing strategy and, consequently, improve our margins per ticket. We continue with about a quarter of our transactions being identified, which has helped to build a robust database so that we can continue to understand our customers better each day.

Our loyalty program Clube BK continues to show accelerated growth since its launch, which led us to end the quarter with **2.4 million registered users**, a growth of 143% compared to 2Q21. The speed with which the program has grown and become relevant to our consumers, begins to show the first results of all the investment we have made over the last few years. As we had studied in other global references, the sales generated through the program have enabled a double digit increase in sales of this channel, brought by the combination of higher frequency and spend. Today, about 5% of the entire Cia sale goes through the program. We know that this is only the beginning because we are looking for an addressable market, of heavy users, of at least 10x the volume of registrations that we have today. Which, consequently, in a short time will help us catalyze our average sales per restaurant.

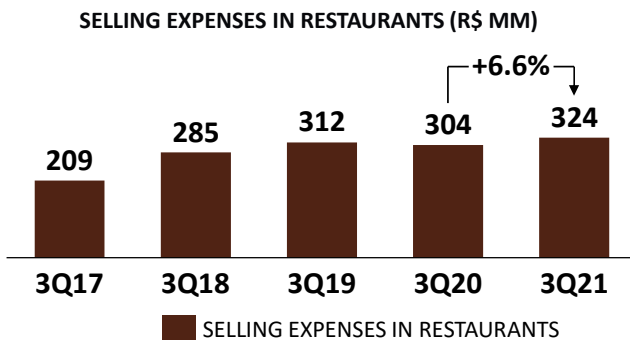
Leveraged by the assertiveness of the CRM and the fast on board of the BK Club, our sales by e-payment (wallets, app, PIX) already represented in this quarter 4% of the total sales of the Cia. This advance represents in our business, a good opportunity to expand data acquisition, improve the experience of our customers and be more efficient in our restaurants. In addition, as these transactions gain share, they positively impact the outcome at the lowest cost of MDR.

Cost of goods sold and selling expenses



The cost of goods sold reached 36.4% of revenue in 3Q21, a decrease of 240 bps against 3Q20. When compared to 2Q21, the decline represented 340 bps. The pressure from the commodities scenario, still observed during the third quarter, on our cost structure was mitigated by the continuous revenue management work, by the CRM evolution and by important negotiations with our suppliers during the third quarter. It is important to emphasize that in this quarter, credits of R\$8.3 million were recognized in profit or loss, referring to the reversal of a provision for loss

of ICMS credits in one of our acquisitions, which represented a benefit of 120bps in the gross margin of the period.

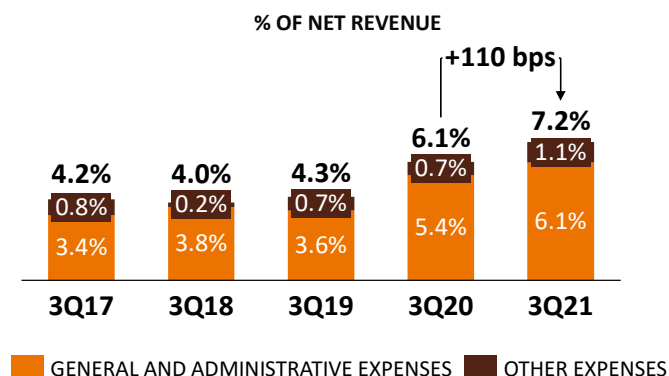


Restaurant selling expenses, excluding depreciation and amortization, reached R\$324 million in 3Q21. This 6.6% growth, compared to the advance in sales of 35.9%, shows the operational leverage of our business. Through a strong discipline in commercial negotiations, cuts in discretionary expenses, but mainly, as a result of our strategy of digitalizing the experience, we have been able to seek more efficient

levels of operation. This evolution in operational efficiency can be clearly seen when comparing the level of selling expenses with 3Q19, when we had around 50 fewer restaurants in the period and the costs related to delivery had significantly smaller impacts than we have today.

Total general and administrative expenses

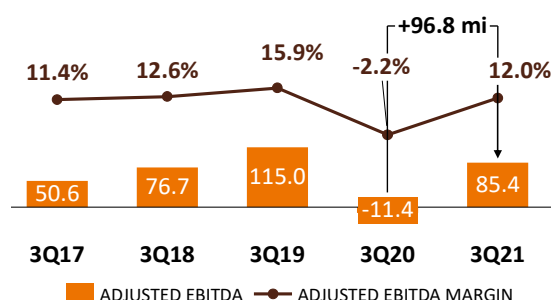
General and administrative expenses, excluding depreciation and amortization, reached 7.2% of net revenue in the quarter, an increase of 110bps when compared to 3Q20, due to the effects of PM 936 that year. In addition to the impacts of the mentioned measure, with better visibility of the result this year, the company has chosen to provide part of the annual bonus of its employees. In the quarter, there were also one off expenses related to the M&A process that totaled about R\$ 4 million. The leverage of general and administrative expenses will also occur with full normalization of sales.



Adjusted EBITDA

In 3Q21, adjusted EBITDA reached R\$ 85.4 million, an increase of R\$96.8 million when compared to 3Q20 and R\$ 74.8 million in relation to 2Q21. This result is due to the recovery of sales, discipline in controlling our expenses and the digitalization strategy. With this, even though impacted by a lower transaction flow, the Company is able to approach historical levels of adjusted EBITDA.

ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN (R\$ mm e %)



EBITDA - R\$ MILLION

	3Q21	3Q20	VAR %	9M21	9M20	VAR %
NET INCOME (LOSS) FOR THE PERIOD	(37,9)	(105,9)	-64,2%	(297,5)	(348,3)	-14,6%
(+) FINANCIAL INCOME (LOSS)	21,2	6,8	211,8%	60,6	34,1	77,7%
(+) DEPRECIATION AND AMORTIZATION	95,3	82,3	15,8%	273,5	241,5	13,3%
(+/-) INCOME TAX AND SOCIAL CONTRIBUTION	(1,9)	0,0	N/A	5,4	(31,8)	-117,0%
EBITDA	76,6	(16,9)	-553,3%	42,0	(104,5)	-140,2%
<i>EBITDA MARGIN</i>	<i>10,8%</i>	<i>-3,2%</i>	<i>1400bps</i>	<i>2,3%</i>	<i>-7,1%</i>	<i>940bps</i>
(+) OTHERS EXPENSES	1,5	1,3	15,4%	5,0	2,7	85,2%
(+) COST OF STOCK OPTION PLAN	2,0	2,2	-9,1%	6,3	7,7	-18,2%
(+) MERGE AND ACQUISITION EXPENSES	4,0	0,1	0,0%	5,1	0,2	0,0%
(+) PRE-OPERATING EXPENSES	1,4	1,9	-26,3%	5,8	4,4	31,8%
ADJUSTED EBITDA	85,4	(11,4)	849,1%	64,2	(89,6)	171,7%
<i>ADJUSTED EBITDA MARGIN</i>	<i>12,0%</i>	<i>-2,2%</i>	<i>1420bps</i>	<i>3,5%</i>	<i>-6,1%</i>	<i>960bps</i>

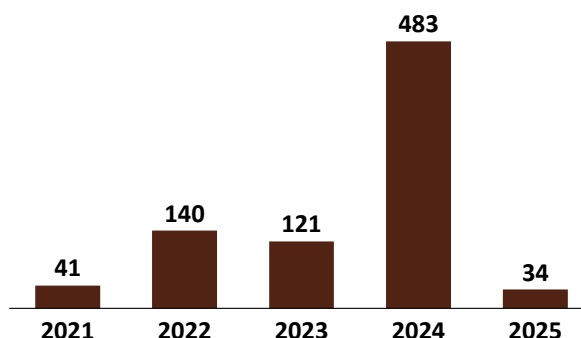
Net income (loss)

The operating recovery throughout 3Q21 made the Company's net loss to reach R\$37.9 million in 3Q21, an improvement of R\$68.0 million against 3Q20.

Total debt

In June 2021, the Company's total gross debt amounted to R\$ 832.7 million, which, combined with a total cash available of R\$ 485.8 million, resulted in a net debt of R\$ 346.9 million, a reduction of R\$120 million per annum in an adverse scenario, which maintain us with an adequate capital structure for the resumption of growth in 2022.

DEBT AMORTIZATION SCHEDULE (R\$ MM)



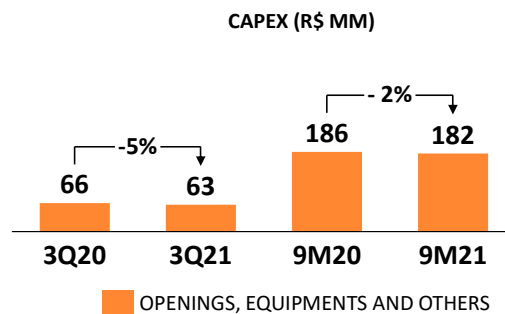
* Graph expresses only amounts of the principal.

NET DEBT - R\$ MILLION

	SEP/21	SEP/20	VAR %
LOANS AND FINANCINGS	832,7	937,8	-11,2%
CURRENT	154,6	339,4	-54,4%
NON-CURRENT	678,0	598,4	13,3%
CASH AND CASH EQUIVALENTS AND MARKETABLE SECURITIES	485,8	471,3	3,1%
CASH AND CASH EQUIVALENTS AND MARKETABLE SECURITIES (CURRENT)	485,8	471,3	3,1%
MARKETABLE SECURITIES (NON-CURRENT)	0,0	0,0	N/A
NET DEBT	346,9	466,6	-25,7%
ADJUSTED EBITDA (12M)	(35,5)	(33,5)	6,0%
NET DEBT / TOTAL ADJUSTED EBITDA (12M)	N/A	N/A	N/A

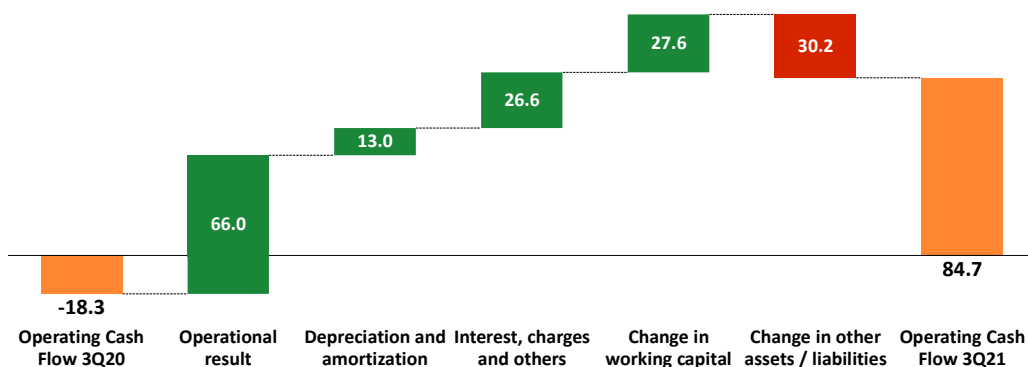
CAPEX

The Company's total investments reached R\$ 62.7 million in 3Q21, a decrease of 5.0% when compared to 3Q20. The Company maintained a significant part of its investments in the technology front, reinforcing its strategy of digitalizing operations.



Operating cash flow

In 3Q21, the Company's operating cash generation was R\$ 84.7 million against cash consumption of R\$ 18.3 million in 3Q20. It is important to point out that this performance reflects the Company's operating recovery during the quarter, with the reopening of most of its restaurants, combined with operational efficiency.



DEFINITIONS

- **App:** Functionality that considers orders previously made by the app for pick-up in store.
- **CRM:** Customer Relationship Management - tool for managing the flow of information captured from customers.
- **Delivery:** Delivery of orders to a destination predefined by customers.
- **Drive-thru:** Modality that allows customers to place orders without leaving their cars.
- **Dessert Centers:** Dessert points of sale.
- **Adjusted EBITDA:** is a 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) costs with stock option plan.
- **MAU:** Monthly active users - number of monthly active users.
- **Store models:** (i) Free standing: Street stores with a drive-through track; (ii) Mall: Stores located in shopping malls, hypermarkets and airport/road terminals; (iii) In line: Stores with direct access to public roads, which have internal rooms with tables and seats.
- **NRG:** Net Restaurants Growth.
- **Comparable sales in the same restaurants or Same Store Sales (SSS):** Following the RBI calculation methodology, it considers sales of Burger King restaurants operated by BK Brasil that have been open for more than 13 months and Popeyes restaurants open for more than 17 months compared to the same period of the prior year. Additionally, restaurants entirely closed for more than 7 consecutive days within a month are excluded from the comparable base.
- **Transfers:** Sale of BK Brasil owned restaurants to franchisees;
- **Self ordering kiosks:** Self-service totem;

All results refer to BK Brasil owned restaurants except Net Restaurants Growth (NRG).

CONSOLIDATED INCOME STATEMENT 3Q21 (R\$ MILLION)

	3Q21	3Q20	VAR %	9M21	9M20	VAR %
NET OPERATING REVENUE	710.0	522.3	35.9%	1,840.4	1,464.1	25.7%
GROSS REVENUE FROM SALES	766.4	569.4	34.6%	1,983.8	1,590.4	24.7%
GROSS REVENUE FROM SALES DEDUCTIONS	(65.3)	(52.3)	24.9%	(165.3)	(145.0)	14.0%
GROSS REVENUE FROM SERVICES	9.9	5.8	70.7%	24.6	20.9	17.7%
GROSS REVENUE FROM SERVICES DEDUCTIONS	(1.1)	(0.6)	83.3%	(2.7)	(2.3)	17.4%
COST OF GOOD SOLD	(258.2)	(202.7)	27.4%	(717.2)	(601.3)	19.3%
GROSS PROFIT	451.8	319.6	41.4%	1,123.2	862.8	30.2%
TOTAL SELLING EXPENSES	(414.6)	(381.7)	8.6%	(1,216.1)	(1,093.1)	11.3%
PERSONNEL EXPENSES	(121.1)	(117.5)	3.1%	(380.8)	(347.8)	9.5%
ROYALTIES	(34.6)	(25.6)	35.2%	(89.8)	(71.9)	24.9%
EXPENSES ON OCCUPANCY AND UTILITIES	(55.6)	(45.9)	21.1%	(169.0)	(144.9)	16.6%
PRE-OPERATING EXPENSES	(1.4)	(1.9)	-26.3%	(5.8)	(4.4)	31.8%
DEPRECIATION AND AMORTIZATION	(90.2)	(77.3)	16.7%	(255.1)	(224.7)	13.5%
OTHER SELLING EXPENSES	(111.7)	(113.5)	-1.6%	(315.7)	(299.4)	5.4%
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	(55.9)	(37.0)	51.1%	(138.5)	(115.8)	19.6%
GENERAL AND ADMINISTRATIVE EXPENSES	(43.4)	(28.6)	51.7%	(103.7)	(88.5)	17.2%
DEPRECIATION AND AMORTIZATION	(5.1)	(5.0)	2.0%	(18.4)	(16.8)	9.5%
EXPENSES WITH MERGER AND ACQUISITIONS	(4.0)	(0.1)	0.0%	(5.1)	(0.2)	2450.0%
GAIN (LOSS) FROM WRITE-OFF OF PROPERTY, EQUIPMENT AND IMPAIRMENT	(1.6)	(1.3)	23.1%	(5.1)	(2.8)	82.1%
COST OF STOCK OPTION PLAN	(2.0)	(2.2)	-9.1%	(6.3)	(7.7)	-18.2%
PROFIT (LOSS) BEFORE FINANCIAL INCOME	(18.7)	(99.1)	-81.1%	(231.4)	(346.1)	-33.1%
FINANCIAL RESULTS	(21.2)	(6.8)	211.8%	(60.5)	(34.1)	77.4%
FINANCIAL EXPENSES	(33.8)	(31.6)	7.0%	(96.8)	(83.5)	15.9%
FINANCIAL INCOME	12.6	24.8	-49.2%	36.3	49.4	-26.5%
PROFIT (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	(39.9)	(105.9)	-62.3%	(292.1)	(380.2)	-23.2%
INCOME TAX AND SOCIAL CONTRIBUTION	1.9	-	100.0%	(5.4)	31.8	-117.0%
CURRENT	-	-	-	-	-	-
DEFERRED	1.9	-	100.0%	(5.4)	31.8	-117.0%
NET INCOME (LOSS) FOR THE PERIOD	(37.9)	(105.9)	-64.2%	(297.5)	(348.4)	-14.6%

* As of 1Q21, 'Marketing Fund' expenses that were accounted for under the line item 'Royalties and Marketing Fund' became part of 'other selling expenses'.

CONSOLIDATED BALANCE SHEET 3Q21 (R\$ MILLION)

	09/30/2021	12/31/2020
ASSETS	3,710.9	3,932.8
CURRENT ASSETS		
CASH AND CASH EQUIVALENTS	181.6	219.7
MARKETABLE SECURITIES	304.1	601.1
TRADE RECEIVABLES	114.6	107.2
INVENTORIES	126.4	125.6
RECOVERABLE TAXES	41.5	37.1
ADVANCES PAID	2.2	3.7
OTHER RECEIVABLES	22.1	24.7
TOTAL CURRENT ASSETS	792.6	1,119.1
NON-CURRENT ASSETS		
RECOVERABLE TAXES	137.7	97.2
JUDICIAL DEPOSITS	40.2	38.0
LONG-TERM RECEIVABLES	10.1	9.5
PROPERTY AND EQUIPMENT	1,197.7	1,195.7
INTANGIBLE ASSETS	1,532.6	1,473.2
TOTAL NON-CURRENT ASSETS	2,918.3	2,813.7
TOTAL ASSETS	3,710.9	3,932.8
LIABILITIES	2,163.8	2,094.3
CURRENT LIABILITIES		
LOANS AND FINANCING	154.6	53.6
TRADE PAYABLES	180.8	217.6
LEASING LIABILITIES	148.8	126.9
PAYROLL AND SOCIAL CHARGES	109.2	86.1
CORPORATE PAYABLES	14.9	15.8
TAXES PAYABLE	33.0	31.6
DEFERRED REVENUE, NET	16.3	11.9
OTHER PAYABLES	28.5	21.0
TOTAL CURRENT LIABILITIES	686.1	564.5
NON-CURRENT LIABILITIES		
LOANS AND FINANCING	678.0	777.2
PROVISION FOR LEGAL CLAIMS	25.1	23.2
TAXES PAYABLE	7.1	10.8
DEFERRED REVENUE, NET	6.7	14.8
LEASING LIABILITIES	712.3	664.4
DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION	31.3	22.6
OTHER PAYABLES	17.1	16.9
TOTAL NON-CURRENT LIABILITIES	1,477.6	1,529.8
EQUITY		
CAPITAL	1,461.1	1,461.1
CAPITAL RESERVES AND STOCK OPTIONS PLAN	718.5	712.3
TREASURY SHARES	(24.2)	(24.2)
OTHER COMPREHENSIVE INCOME	0.2	0.3
RETAINED EARNINGS (ACCUMULATED LOSSES)	(311.0)	(311.0)
INCOME STATEMENT	(297.5)	-
TOTAL EQUITY	1,547.1	1,838.5
TOTAL LIABILITIES AND EQUITY	3,710.9	3,932.8

CONSOLIDATED STATEMENT OF CASH FLOWS 3Q21 (R\$ MILLION)

	3Q21	3Q20
CASH FLOW FROM OPERATING ACTIVITIES	84.7	(18.3)
CASH GENERATED BY OPERATING ACTIVITIES	107.1	1.5
EARNINGS (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	(39.9)	(105.9)
DEPRECIATION AND AMORTIZATION OF PROPERTY AND EQUIPMENT AND INTANGIBLE ASSETS	56.4	51.5
LEASING AMORTIZATION	38.8	30.7
INTEREST, CHARGES, EXCHANGE DIFFERENCES AND MONETARY VARIATIONS	22.9	7.5
OTHERS	28.8	17.6
CHANGES IN ASSETS AND LIABILITIES	(22.4)	(19.8)
TRADE RECEIVABLES, NET	(21.9)	(18.0)
INVENTORIES	(3.5)	(21.2)
CORPORATE PAYABLES	2.5	4.5
ADVANCES PAID	0.5	4.5
TRADE AND RENTAL PAYABLES	28.9	19.2
PAYROLL AND SOCIAL CHARGES	13.3	3.1
OTHERS CHANGES IN ASSETS AND LIABILITIES	(42.2)	(11.9)
NET CASH USED IN INVESTING ACTIVITIES	(3.5)	56.3
PURCHASES OF PROPERTY AND EQUIPMENT	(57.3)	(62.1)
PURCHASES OF INTANGIBLE ASSETS	(5.4)	(3.9)
REIMBURSABLE EXPENSES WITH SHARES OFFERING	-	-
INVESTMENT IN MARKETABLE SECURITIES	(5.1)	(50.3)
REDEMPTION OF MARKETABLE SECURITIES	64.3	172.7
NET CASH USED IN FINANCING ACTIVITIES	(47.1)	(26.4)
CAPITAL CONTRIBUTED IN THE PERIOD	-	-
SHARE PREMIUM INCREASE, NET OF ISSUANCE COSTS	-	-
SHARES ISSUANCE COSTS	-	-
NEW LOANS AND FINANCINGS	-	-
LOANS AND FINANCINGS COSTS	-	-
PAYMENT OF LOANS AND FINANCINGS (PRINCIPAL)	-	(7.4)
LEASING LIABILITIES PAYMENT	(47.1)	(19.0)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	34.1	11.6
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	147.6	35.7
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	181.6	47.2

BK BRASIL

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CEO

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CFO and IRO

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3Q21 Earnings Release

Conference Call and Webcast

November 5, 2021 - Friday
*In Portuguese, simultaneously
translated into English*

Time: 11:00 am (BRT) / 10:00 am (US ET)

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Code: BK Brasil

September 30, 2021:

Total shares: 275,355,447

Market value:
R\$ 2.3 billion

Share price:
R\$ 8.21

BK BRASIL ON
B3: BKBR3

BKBR
B3 LISTED NM

