



BK BRASIL OPERAÇÃO E ASSESSORIA A RESTAURANTES S.A.

Publicly-held Company with Authorized Capital

Brazilian IRS Registry of Legal Entities (CNPJ/MF) Nº 13.574.594/0001-96
Number of Enrollment with Commercial Registry (NIRE) No. 35.300.393.180

MANAGEMENT PROPOSAL

ANNUAL GENERAL MEETING

DATE: APRIL 29, 2019

TIME: 10:00 AM

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MANAGEMENT PROPOSAL FOR ANNUAL GENERAL MEETING OF APRIL 29, 2019

Dear Shareholders,

The management ("**Management**") of BK Brasil Operação e Assessoria a Restaurante S.A. ("**Company**") hereby presents to you the proposed agenda to be submitted to your resolution at the Annual General Meeting called for April 29, 2019, at 10:00 am, at the Company's head office ("**AGM**").

1. Analysis of the management report, managers' accounts, the Company's financial statements and the independent auditor's report for the year ended December 31, 2018.

The Management proposes that you approve the management report, the managers' accounts and the Company's individual and consolidated financial statements, together with the independent auditor's report, all for the year ended December 31, 2018 and duly approved by the Board of Directors, in a meeting held on February 27, 2019.

We inform that Ernst & Young Auditores Independentes S.S., the Company's independent audit firm, issued an unqualified opinion on the Company's individual and consolidated financial statements for the year ended December 31, 2018.

Furthermore, the Management recommends that you carry out an in-depth examination of the Company's individual and consolidated financial statements, the management report, the notes to the financial statements and the independent auditor's report, which were duly made available for consultation on the websites of the Company (www.burgerking.com.br), of B3 (www.b3.com.br) and of the Brazilian Securities and Exchange Commission - CVM (www.cvm.gov.br) and published on March 7, 2019, in the Valor Econômico newspaper and on March 7, 2019 in the São Paulo State Official Gazette.

Pursuant to article 9, section III, of CVM Rule No. 481, the Company informs its Shareholders that the management comments on the Company's financial situation for the year ended December 31, 2018, in light of section 10 of the Reference Form, are set forth in **Appendix I** to this Proposal.

2. Approval of the Company's capital budget pursuant to article 196 of the Brazilian Corporation Law.

Management proposes the shareholders to approve its capital budget for the year 2019, with a 1 (one) year duration, pursuant to article 196, paragraph 2 of the Brazilian Corporation Law, for nearly R\$ 385,000,000.00 (three hundred eighty-five million reais).

In accordance with article 25, paragraph 1, section IV, of CVM Rule No. 480, the Company informs its Shareholders that the capital budget proposal prepared by management is set forth in **Appendix II** to this Proposal.

3. Approval of the allocation of profit for the year ended December 31, 2018.

Management proposes you to approve the allocation of profit for the year ended December 31, 2018, in accordance with **Appendix III** to this Proposal.

4. Definition of the number of members to sit in the Company's Board of Directors.

Abiding by the limitation of the number of seats in the Board of Directors, pursuant to article 15, main section, of the Company's Articles of Incorporation, Management proposes the following members to sit in the Board of Directors for the term of office ending on the date of the Annual General Meeting that resolves on the financial statements for the year ending December 31, 2020: 7 (seven) primary members and 3 (three) alternate members, underlining that among primary members 2 (two) shall be an independent director.

The Company informs that further details on such resolution shall be given in connection with **Appendix IV** to this Proposal.

5. Election of the members of the Company's Board of Directors.

The information on Company's appointments for composition of its Board of Directors and the information shown in sections 12.5 to 12.10 of the Reference Form, in accordance with article 10, item I, of CVM Rule No. 481, is set forth in **Appendix IV** of this Proposal.

6. Approval of overall compensation for the Company's management for fiscal year 2019.

The Board of Directors proposed to you the approval of the annual overall compensation of Company management (Board of Directors and Executive Board) for the fiscal year 2019, for an amount up to R\$ 22,768,576.63 (twenty-two million, seven hundred sixty-eight thousand, five hundred seventy-six reais and sixty-three cents), of which R\$ 22,048,576.63 (twenty-two million, forty-eight thousand, five hundred seventy-six and sixty-three cents) consist of the compensation established for the Company's Statutory Board, and R\$ 720,000.00 (seven hundred twenty thousand reais) consists of the compensation established for the Board of Directors.

Of this amount: (i) R\$ 17,378,050.47 (seventeen million, three hundred seventy-eight thousand, fifty reais and forty-seven cents) consists of the fixed compensation, variable compensation, charges payable by Company, contribution for the social security and benefits; and (ii) R\$ 5,390,526.16 (five million, three hundred ninety thousand, five hundred twenty-six reais and sixteen cents) consists of the recognition of the fair value of the Company's share-based compensation and/or stock option plan.

Comparison between the compensation proposed for this fiscal year and that actually paid in prior fiscal year.

The gross amount of management compensation for fiscal year 2019 (R\$ 22,768,576.63), consists of an increase by 9.17% (nine point seventeen percent) vis-à-vis the net overall compensation of Management for the year 2018. The variation reflects the inclusion of

proposed compensation for the Board of Directors, adjustment of compensation, including due to the alignment of the salaries and packages of benefits compatible with the market, as well as the Company's share-based compensation program approved on March 22, 2019.

With regard to the compensation approved for fiscal year 2018, the comparison of amounts is as follows:

<i>BODY</i>	<i>AMOUNTS PROPOSED - 2018</i>	<i>AMOUNTS PROPOSED - 2019</i>	<i>REASONS FOR THE DIFFERENCE</i>
<i>Executive Board</i>	R\$ 20,856,033.76	R\$ 22,048,576.63	Adjustment of compensation. Approval of stock grant plans and stock option plans
<i>Board of Directors</i>	R\$0.00	R\$720,000.00	Grant of compensation to the members of the Board of Directors who were not previously compensated.
<i>Grand Total</i>	R\$ 20,856,033.76	R\$ 22,768,576.63	As above.

In compliance with article 12 of CVM Rule No. 481, in addition to the proposal for compensation of Management, the Company presents the information about section 13 of the Reference Form of **Appendix V** to this Proposal.

7. Ratification of the substitution of the wide circulation newspaper where the Company's legal publications are made, as approved in the Special General Meeting on November 22, 2018.

The Board of Directors proposes you to ratify the substitution of the wide circulation newspaper for the Company's legal publications, from "Jornal da Cidade de Barueri" to "Jornal Valor Econômico", as approved in the Special General Meeting held on November 22, 2018.

APPENDIX I

SECTION 10 OF THE COMPANY'S REFERENCE FORM

(pursuant to article 9, section III, of CVM Rule No. 481)

10.1 – General financial and equity conditions

The Company was incorporated on April 6, 2011 under the name CMNPAR Seventeen Participações S.A., the business purpose of which consisted of holding equity interest in other companies, as a member or shareholder, in the country or abroad.

The right to exploit restaurants under the brand name BURGER KING® was obtained through a Master Franchise contract entered into with Burger King Corporation on July 13, 2011. The exploitation rights have a 20-year duration for each store, as from the execution of each Unit Addendum, and can be renewed for a further 20 years, if the parties are interested in doing so.

The right to exploit restaurants under the brand name POPEYES® was obtained through the Master Franchise contract entered into with Popeyes Louisiana Kitchen, Inc. on March 20, 2018. The exploitation rights have a 20-year duration for each store, as from the execution of each Unit Addendum, and can be renewed for a further 20 years, if the parties are interested in doing so.

For more information about the Master Franchise contracts, please refer to section 7.9 of this Reference Form.

At December 31, 2018, the Company had 801 restaurants operating in Brazil, of which 8 are own restaurants under the brand name POPEYES® and 793 are restaurants under the brand name BURGER KING®, of which 631 are own restaurants and 162 are restaurants operated by BURGER KING® franchisees.

In units	At December 31		
	2018	2017	2016
<i>Mall</i>	492	413	382
<i>In line</i>	32	32	30
<i>Free Standing</i>	115	81	68
Franchisee	162	171	121
Total restaurants	801	697	601

Furthermore, considering the 631 own restaurants under the brand name BURGER KING®, the Company carries out operations throughout the five regions of Brazil and is present in the main Brazilian states, as shown below:

In units	At December 31		
	2018	2017	2016
State of São Paulo	297	278	256
State of Rio de Janeiro	89	82	76
State of Minas Gerais	49	23	21

In units	At December 31		
	2018	2017	2016
State of Paraná	36	16	14
State of Rio Grande do Sul	36	32	29
State of Goiás	20	7	3
Federal District	16	15	16
State of Ceará	15	12	12
State of Pernambuco	14	11	9
State of Espírito Santo	12	10	10
State of Bahia	11	12	11
State of Pará	6	6	5
State of Maranhão	5	5	4
State of Mato Grosso	5	-	-
State of Paraíba	5	4	3
State of Sergipe	5	4	2
State of Alagoas	4	4	4
State of Rio Grande do Norte	3	3	3
State of Piauí	2	2	2
State of Mato Grosso do Sul	1	-	-
Total Stores	631	526	480

The Company has all its 8 own restaurants under the brand name POPEYES® in the State of São Paulo.

The financial information reported in this Reference Form, except when expressly noted, was obtained from the Company's consolidated financial statements for the years ended December 31, 2018, 2017 and 2016.

The Officers' analysis clarifying the results obtained and the reasons for the fluctuation of amounts of the Company's balance sheet accounts consists of an opinion on the impacts or effects of the data disclosed in the financial statements on its financial situation. The Company's Executive Board cannot ensure that the financial situation and the results obtained in the past take place again in the future.

The terms "HA" and "VA" shown in the columns of certain tables below mean "Horizontal Analysis" and "Vertical Analysis", respectively.

(a) Officers' comments on the overall financial and equity conditions

The information on the Company's financial and equity structure on the following dates is shown below:

(in R\$ thousand)	At December 31		
	2018	2017	2016
Equity	1,716,960	1,617,194	540,320
Current assets	819,715	1,338,448	429,000

(in R\$ thousand)	At December 31		
	2018	2017	2016
Total indebtedness ⁽¹⁾	279,113	485,707	607,973
Net indebtedness (cash) ⁽²⁾	(323,833)	(706,307)	275,297

⁽¹⁾ Total indebtedness consists of the sum of balances of loans and financing, current and non-current. Please refer to reconciliation in section 3.2 of this Reference Form.

⁽²⁾ Net indebtedness (cash) consists of total indebtedness, net of balance of cash and cash equivalents, marketable securities and restricted marketable securities recorded in current assets, and restricted marketable securities recorded in non-current assets. Please refer to reconciliation in section 3.2 of this Reference Form.

At December 31, 2018, net cash amounted to R\$323.8 million, which represents a reduction of R\$382.5 million as compared with December 31, 2017, when net cash reached R\$706.3 million. Such reduction in net cash reflects the acquisition of franchised restaurants in April 2018, partially offset against the generation of results and active management of cash flows. At December 31, 2017, net cash amounted to R\$706.3 million, compared with a net indebtedness of R\$275.3 million at December 31, 2016, due to the increase in cash due to funds from the IPO in December 2017.

In connection with the consistent evolution of operating results during the last fiscal years and the comfortable situation of liquidity and capital, the Executive Board understands the Company has sufficient financial and equity conditions to carry out its operations, and fulfill its short- and long-term financial obligations. Additionally, the Executive Board believes that cash generation is sufficient to meet the financing of its activities and the need for operating resources.

(b) Officers' comments on the capital structure

Over the last fiscal years, the Company has had a balanced capital structure between equity capital and third party capital, which, from the Executive Board's viewpoint, complies with the Company activities in the proportion presented below:

(in R\$ thousand, except for %)	At December 31		
	2018	2017	2016
Current and non-current liabilities (third party capital)	808,672	798,361	888,142
Equity (equity capital)	1,716,960	1,617,194	540,320
Total liabilities and net equity (third party capital + equity capital)	2,525,632	2,415,555	1,428,462
Third party capital ⁽¹⁾	32.0%	33.1%	62.2%
Equity capital ⁽²⁾	68.0%	66.9%	37.8%

⁽¹⁾ Third party capital consists of current liabilities plus non-current liabilities, divided by total liabilities and equity.

⁽²⁾ Equity capital consists of the quotient of division of equity by total liabilities and equity.

At December 31, 2016, the Company's equity amounted to R\$540.3 million, reaching R\$1,617.2 million at December 31, 2017. This increase of R\$1,076.9 million arose mainly from fundraising from the Initial Public Offering (IPO) on December 18, 2017, net of share issue costs, of capital contribution on August 8, 2017 from shareholder Montjuic Fundo de Investimento em Participações Multiestratégia, of the exercise of options by management on November 22, 2017, and of profit reported for the period.

At December 31, 2017 the Company's equity amounted to R\$1,617.2 million, reaching R\$1,717.0 million at December 31, 2018. Such increase of R\$99.8 million arose mainly from the exercise of stock options by management on August 28, 2018 and of profit reported for the period, partially offset against dividends and interest on capital for the period.

The Executive Board believes that the Company's current capital structure is adequate to meet the short- and long-term demands and its operating needs.

(c) Officers' comments on the ability to pay financial commitments taken

The table below shows the main financial indicators of the Company's ability to pay:

(in R\$ thousand, except for %)	At December 31		
	2018	2017	2016
Net indebtedness (cash) ⁽¹⁾	(323,833)	(706,307)	275,297
Adjusted EBITDA ⁽²⁾	287,952	210,693	133,857
Total indebtedness ratio ⁽³⁾	(1.12)	(3.35)	2.06
Current liquidity ratio ⁽⁴⁾	1.37	2.83	0.54
Overall liquidity ratio ⁽⁵⁾	1.09	1.75	0.53

⁽¹⁾ Net indebtedness (cash) consists of the sum of balances of loans and financing, current and non-current, less balances of cash and cash equivalents, restricted marketable securities recorded in current assets, and restricted marketable securities recorded in non-current assets. For reconciliation of net indebtedness (cash), please refer to section 3.2 of this Reference Form.

⁽²⁾ Adjusted EBITDA is a non-accounting measurement prepared by the Company, consisting of EBITDA calculated in accordance with CVM Rule No. 527, adjusted by pre-operating expenses, expenses with acquisition and merger and other expenses, which include net results of property and equipment disposed of, result of loss claims, provision for (reversal of) impairment, result of sales of assets and costs of stock option plans. For reconciliation of profit (loss) for the year to EBITDA or to adjusted EBITDA, please refer to section 3.2 of this Reference Form.

⁽³⁾ The total indebtedness ratio consists of the quotient of division of net indebtedness (cash) at year end by adjusted EBITDA in the same year.

⁽⁴⁾ The current liquidity ratio consists of the quotient of division of current assets by current liabilities of the Company.

⁽⁵⁾ The overall liquidity ratio consists of the quotient of division (i) of the result of the sum of current assets and non-current assets (other than property and equipment and intangible assets); by (ii) the result of the sum of current liabilities and non-current liabilities of the Company.

Liquidity: at December 31, 2018 current assets amounted to R\$819.7 million, which exceeds current liabilities (R\$599.7 million) by R\$220.0 million, i.e. a current liquidity ratio of 1.37. At December 31, 2017 the current liquidity ratio stood at 2.83, whilst at December 31, 2016 the current liquidity ratio stood at 0.54. Furthermore, at December 31, 2018, the overall liquidity ratio stood at 1.09, whilst at December 31, 2017 it stood at 1.75. On the other hand, at December 31, 2016, such ratio stood at 0.53.

Indebtedness: at December 31, 2018 and 2017, the overall indebtedness ratio stood at 1.12 negative and 3.35 negative, respectively, since the Company's net cash consisted mainly of fundraising from the IPO on December 18, 2017. At December 31, 2016 the overall indebtedness ratio stood at 2.06.

In view of the robust operating cash generation, the ability to raise local funds and net cash at December 31, 2018, the Executive Board believes that the Company is fully able to honor the financial commitments taken until the date of this Reference Form and to generate and/or arise funds in the market in order to deploy its business and investment plans and fulfill short- and long-term financial obligations. Furthermore, the Executive Board believes that the Company has comfortable liquidity levels vis-à-vis the last years.

(d) sources of funding for working capital and investments in non-current assets used

Over the least fiscal years, the Company's needs for working capital and investments have been met by a combination of own and third party resources. Therefore, according to the Company's needs, funds are raised in capital markets and/or through loans and financing to meet cash needs. The main source of investments in current and non-current assets is the Company's equity capital and debentures, including at the Agribusiness-backed Securities (CRAs) level, issued in the local capital market.

(e) sources of financing for working capital and investments in non-current assets, intended to be used to cover liquidity deficiencies

On the date of this Reference Form, the Executive Board does not foresee any needs for funds that cannot be met by current or future funds the Company may use. Should additional funds be needed to cover a liquidity deficiency in the short term, the Company intends to raise funds in the Brazilian capital markets and/or financial institutions.

(f) indebtedness levels and characteristics of debts

In thousands of Reais, except when otherwise stated	Interest rates (p.m.)	Maturity date	At December 31	
			2018	2017
Investments	0.89%	Jan/2026	9,668	10,577
Others	0.86% to 100% CDI + 0.80%	Jan/2019	6	22
Total loans and financing			9,674	10,599
Current			1,654	829
Non-current			8,020	9,770

i. significant loan and financing agreements

Below are set out the main characteristics of the Company's significant loan and financing agreements at December 31, 2018 (balances presented below at December 31, 2018 consist of the amount of principal and interest, including expenses with issue of debentures and CRA, amounting to R\$8.9 million):

Credit Facility Agreement No. 71.2015.26.99: On March 23, 2016 the Company took out financing from Banco do Nordeste do Brasil for R\$44.7 million, in order to fund its management business, with maturity expected for March 23, 2023. Financial charges are preset at an interest rate of 11.18% p.a., calculated and capitalized monthly and payable quarterly on the 23th day of each month, from March 23, 2016 to March 23, 2018, and monthly during the repayment period from April 23, 2018 onwards, together with the

installments of principal falling due, and on the maturity date and settlement of the debt, on the average daily debt balance for the calculation period.

Credit Facility Agreement No. 192.2014.75.3887: On January 31, 2014 BGNE Restaurantes e Comércio de Alimentos, later merged by us, took out a financing from Banco do Nordeste do Brasil for R\$5.2 million, in order to fund management business, with maturity expected for January 31, 2026. The financial charges are preset at an interest rate of 5.3% p.a. on R\$0.7 million and 6.48% p.a. on R\$4.5 million, calculated and capitalized monthly and payable quarterly on the 31st day of each month, from January 31, 2014 to January 31, 2016, and monthly during the period of repayment from February 29, 2016 onwards, together with the installments of principal falling due, and upon maturity and settlement of the debt, on the daily average debt balance for the calculation period.

2nd Issue of Debentures: On March 14, 2014 the Company held the 2nd public issue of simple debentures, not convertible into shares, in a sole series, for R\$100.0 million, maturing on March 14, 2019. Conventional interest of debentures is 100% of the DI Rate, with a surcharge of 0.20% p.m. At December 31, 2018 the outstanding balance of such debentures reached R\$6.7 million. The 2nd issue debentures were settled by the Company on March 14, 2019.

3rd Issue of Debentures: On December 30, 2014 the Company held the 3rd public issue of simple debentures, not convertible into shares, in a sole series, for R\$100.0 million, maturing on December 30, 2019. Conventional interest of debentures is 100% of the DI Rate, with a surcharge of 0.20% p.m. At December 31, 2018 the outstanding balance of such debentures reached R\$26.7 million.

4th and 5th Issues of Debentures: On August 31, 2015 the Company held the 4th issue of simple debentures, not convertible into shares, in a sole series, for R\$51.4 million, maturing on February 28, 2019. Conventional interest of debentures is 100% of the DI Rate, with a surcharge of 0.09% p.m. On August 31, 2015 the Company held the 5th private issue of simple debentures, not convertible into shares, in a sole series, for R\$51.4 million, maturing on February 28, 2019. Conventional interest of debentures is 100% of the DI Rate, with a surcharge of 0.09% p.m. At December 31, 2018 the outstanding balance of the 4th and 5th issues of debentures reached R\$105.1 million. The 4th and 5th issues of debentures were settled by the Company on February 28, 2019.

6th Issue of Debentures: On May 4, 2016 the Company held the 6th private issue of simple debentures, not convertible into shares, in a sole series, for R\$80.0 million, maturing on May 4, 2020. Conventional interest of debentures is 100% of the DI Rate, with a surcharge of 0.24% p.m. At December 31, 2018 the outstanding balance of such debentures reached R\$37.2 million.

7th Issue of Debentures: On October 20, 2016 the Company held the 7th private issue of simple debentures, not convertible into shares, in a sole series, for R\$202.5 million, maturing on October 20, 2020. Conventional interest of debentures is 100% of the DI Rate, with a surcharge of 0.07% p.m. At December 31, 2018 the outstanding balance of these debentures reached R\$102.6 million.

For an in-depth description of debentures issued by the Company, please refer to section 18.5 of this Reference Form.

ii. other long-term relationships with financial institutions

On the date of presentation of this Reference Form, the Company did not have other long-term relationships with financial institutions in addition to those already described in the section above.

iii. degree of subordination among Company debts

None of the Company's and its subsidiaries' financial debts at December 31, 2018 have a specific contractual subordination clause, whereupon there is no preferred relationship among other. Accordingly, the degree of subordination among the financial debts of the Company and its subsidiaries is in line with the requirements of the legislation currently in force and with guarantees established. For more information, please refer also to section 3.8 of this Reference Form.

iv. restrictions imposed on the Company, especially in relation to indebtedness limits and contract of new debts, distribution of dividends, disposal of assets, issue of new marketable securities, disposal of shareholding control, and on whether or not the issuer has been complying with such restrictions.

The Company has certain negotiable restrictions imposed by loan agreements in force on the date of presentation of this Reference Form, especially in relation to indebtedness limits and contract of new debts, distribution of dividends, disposal of assets, issue of new marketable securities and disposal of shareholding control.

The aforesaid contracts have restrictions that may lead to early maturity of the debt in the following cases: (a) change in the direct or indirect control over the Company; (b) exception warranted for the payment of the minimum mandatory dividend required by article 202 of the Brazilian Corporation Law, any payment of dividends by the Company, interest on capital or any type of profit sharing, should the Company be in default of obligations taken; and (c) non-compliance with certain consolidated financial ratios annually measured, as described below.

Credit Facility Agreements: The Company shall observe the following financial ratio (a) net debt / adjusted EBITDA (covenants), in a limit below 3.5x during the effectiveness of the agreements.

1st Issue of Debentures: The Company shall observe the following financial ratios: (a) net debt / adjusted EBITDA (covenants), in a limit equal or below 2.5x in the year ended; and (b) adjusted EBITDA (covenants) / net financial expenses, in a limit equal to or above 2.5x in the year ended.

2nd Issue of Debentures: The Company shall observe the following financial ratios: (a) net debt / adjusted EBITDA (covenants), in a limit below 2.5x in the year ended and in subsequent years; and (b) adjusted EBITDA (covenants) / net financial expenses, in a limit equal to or above 2.5x in the year ended December 31, 2017 and 3.0x in subsequent years.

3rd Issue of Debentures: The Company shall observe the following financial ratios: (a) net debt / adjusted EBITDA (covenants), in a limit below 2.5x in the year ended and in subsequent years; and (b) adjusted EBITDA (covenants) / net financial expenses, in a limit equal to or above 2.5x in the year ended December 31, 2017 and 3.0x in subsequent years.

4th Issue of Debentures: The Company shall observe the following financial ratios: (a) net debt / adjusted EBITDA (covenants), in a limit equal to or below 3.0x in years ended and in subsequent years; and (b) distribution of dividends at the maximum percentage of 25% of the profit for the year.

5th Issue of Debentures: The Company shall observe the following financial ratios: (a) net debt / adjusted EBITDA (covenants) in a limit equal to or below 3.0x in years ended and in subsequent years; and (b) distribution of dividends at the maximum percentage of 25% of its profit for the year.

6th Issue of Debentures: The Company shall observe the following financial ratio: net debt / adjusted EBITDA (covenants) in a limit equal to or below 2.5x in the year ended or in subsequent years.

7th Issue of Debentures: The Company shall observe the following financial ratios: (a) net debt / adjusted EBITDA (covenants), in a limit equal to or below 3.25x in the year ended December 31, 2017 and 3.0x in subsequent years; and (b) distribution of dividends at the maximum percentage of 25% of its profit for the year.

At December 31, 2018 and 2017 the Company was in compliance with all the restrictions and financial ratios established in the financial agreements, as described above.

During 2016, the adjusted EBITDA (covenants) on financial results of 3.5x originally established in the 1st, 2nd and 3rd debenture issue deeds was not reached. Therefore, a waiver was required from creditors in order to avoid early maturity of debts in connection with the failure to comply with the aforesaid ratio, which was obtained on March 7, 2017. Also, the Company reset that ratio for the subsequent years, changing it in 2017 from 3.5 (three point five) to 2.5 (two point five) and in 2018 from 3.5 (three point five) to 3.0 (three).

(g) limits of use of financing taken out and percentages already used

On the date of presentation of this Reference Form, there were no credit facilities taken out and pending use.

(h) significant changes in each item of the financial statements

The amounts and analyses presented below have been obtained from the Company's audited consolidated financial statements for the years ended December 31, 2018, 2017 and 2016.

STATEMENTS OF OPERATIONS

COMPARISON BETWEEN YEARS ENDED DECEMBER 31, 2018 AND 2017

(in R\$ thousand, except for %)	Year ended December 31, 2018	VA (%)	Year ended December 31, 2017	VA (%)	HA (%)
Net operating revenue	2,348,333	100.0	1,783,838	100.0	31.6
Cost of sales	(891,292)	(38.0)	(687,871)	(38.6)	29.6
Gross profit	1,457,041	62.0	1,095,967	61.4	32.9
Operating expenses					
Expenses with stores	(1,219,711)	(51.9)	(935,209)	(52.4)	30.4

(in R\$ thousand, except for %)	Year ended December 31, 2018	VA (%)	Year ended December 31, 2017	VA (%)	HA (%)
General and administrative expenses	(110,510)	(4.7)	(95,450)	(5.4)	15.8
Profit (loss) before financial income (expenses) and taxes	126,820	5.4	65,308	3.7	94.2
Financial expenses	(44,608)	(1.9)	(84,689)	(4.7)	(47.3)
Financial income	55,505	2.4	28,425	1.6	95.3
Financial income (expenses), net	10,897	0.5	(56,264)	(3.2)	-
Profit (loss) before income tax and social contribution	137,717	5.9	9,044	0.5	1,422.7
Income tax and social contribution	(9,681)	(0.4)	(5,225)	(0.3)	85.3
Profit (loss) for the year	128,036	5.5	3,819	0.2	3,252.6

Net operating revenue

In comparison with the year ended December 31, 2017, the Company's net operating revenue increased by 31.6% or R\$564.5 million, from R\$1,783.8 million, for the year ended December 31, 2017, to R\$2,348.3 million, for the year ended December 31, 2018. Such increase reflected the acquisition of 51 franchised restaurants in April 2018, the opening of 8 own restaurants under the brand name POPEYES®, net opening of 65 new restaurants under the brand name BURGER KING® in 2018 and maturing of restaurants opened in 2017, the development of new sales channels like delivery, and the increase in Comparable Sales in the Same Restaurants by 6.5% for the same period. The ongoing growth of Comparable Sales in the Same Restaurants arose from the robust position of the brand name BURGER KING® in the country, supported by a consistent marketing strategy and innovations of the Company's product platform, especially for launch of the Mega Stacker family and the Milk Jam flavor in the icy dessert platform, the Emojis in the line of toys for the Kids platform, in addition to the Unicorn shake, which celebrated diversity, and the unusual Pizza Burger.

However, net service revenue, consisting mainly of revenue from franchisees, decreased by 11.3% for the year ended December 31, 2018, when compared with the same period of 2017, mainly due to the acquisition of 51 restaurants of franchisees, which was partially offset by the net opening of 36 restaurants of franchisees in 2018. The table below presents the composition of sales:

(in R\$ thousand, except for %)	Year ended December 31, 2018	VA (%)	Year ended December 31, 2017	VA (%)	HA (%)
Gross sale revenue	2,541,794	108.2	1,917,672	107.5	32.5
Deductions from sale revenues	(206,106)	(8.8)	(148,082)	(8.3)	39.2
Net sale revenue	2,335,688	99.5	1,769,590	99.2	32.0

(in R\$ thousand, except for %)	Year ended December 31, 2018	VA (%)	Year ended December 31, 2017	VA (%)	HA (%)
Gross service revenue	14,327	0.6	15,089	0,8	(5.1)
Deductions from service revenue	(1,682)	(0.1)	(841)	0,0	100.0
Net service revenue	12,645	0.5	14,248	0,8	(11.3)
Net operating revenue	2,348,333	100.0	1,783,838	100,0	31.6

Cost of sales

The cost of sales increased by 29.6% or R\$203.4 million, from R\$687.9 million for the year ended December 31, 2017 to R\$891.3 million for the year ended December 31, 2018.

The increase arose mainly from the increase in sales, higher logistics and freight costs due to migration of stores from new states to the scenario of purchases by the own distribution center, and increase in costs of food and toys, partially reflecting the national inflation of 3.75% (in accordance with the Brazilian Institute of Geography and Statistics - IBGE).

Gross profit

The Company's gross profit increased by 32.9% or R\$361.0 million, from R\$1,096.0 million, for the year ended December 31, 2017, to R\$1,457.0 million, for the year ended December 31, 2018. The increase in gross profit reflects mainly the robust increase in net operating revenue, stemming from the acquisition of restaurants of franchisees, of the opening of new restaurants during 2018 and 2017, and from the robust increase in Comparable Sales in the Same Restaurants.

The Company's gross margin increased by 0.6p.p. in comparison with the prior period, from 61.4% (for the year ended December 31, 2017) to 62.0% (for the year ended December 31, 2018). The growth in gross margin arose mainly from the more favorable mix of products, the development of new sale channels as delivery and the efficient control over Company costs.

Expenses with stores

The expenses with Company stores increased by R\$284.5 million (or 30.4%), reaching R\$1,219.7 million, equivalent to 51.9% of net operating revenue for the year ended December 31, 2018, compared with R\$935.2 million, equivalent to 52.4% of net operating revenue, for the year ended December 31, 2017. Such variation reflects mainly the following items:

- (i) Personnel expenses (expenses with stores) increased by 31.2% in comparison with the prior period – from R\$308.2 million, for the year ended December 31, 2017, to R\$404.5 million, for the year ended December 31, 2018. These expenses accounted for 17.2% of net operating revenue for the year ended December 31, 2018, 0.1p.p. lower in comparison with 2017. Such reduction arises mainly from the operating leverage triggered by the ongoing growth of Comparable Sales in the Same Restaurants by 6.5% in 2018, which is higher than the inflation rate for the period.
- (ii) Expenses with repair and maintenance (expenses with stores) increased by 73.4% in comparison with the prior period, from R\$27.7 million for the year ended December 31, 2017 to R\$48.0 million for the year ended December 31, 2018. Such increase arises mainly from preventive maintenance of restaurants in order to increase the availability of our chain, as

well as the maintenance of the chain of restaurants acquired, which on average are older than the Company's restaurants.

- (iii) Royalties and marketing fund (expenses with stores) grew by 34.8% for the year ended December 31, 2018, from R\$160.1 million for the year ended December 31, 2017 to R\$215.8 million for the year ended December 31, 2018. Such increase arose mainly from the robust growth of Comparable Sales in the Same Restaurants, as well as the opening of new units and acquisition of franchisees. Furthermore, expenses with royalties and marketing fund for 2017 were positively impacted, on a non-recurring basis, by the recognition of retroactive tax credits.

(in R\$ thousand, except for %)	Year ended December 31, 2018	VA (%)	Year ended December 31, 2017	VA (%)	HA (%)
Personnel expenses	(404,463)	33.2	(308,198)	33.0	31.2
Royalties and marketing fund	(215,794)	17.7	(160,078)	17.1	34.8
Occupancy and utilities expenses	(280,234)	23.0	(221,930)	23.7	26.3
Depreciation and amortization	(125,113)	10.3	(110,197)	11.8	13.5
Preoperating expenses ⁽¹⁾	(9,678)	0.8	(6,138)	0.7	57.7
Sundry services	(54,494)	4.5	(39,127)	4.2	39.3
Repair and maintenance	(48,001)	3.9	(27,678)	3	73.4
Others	(81,934)	6.7	(61,863)	6.6	32.4
Expenses with stores	(1,219,711)	100.0	(935,209)	100.0	30.4

⁽¹⁾Preoperating expenses with restaurants consist mainly of costs with salaries and charges of professionals of stores, services provided by third parties and other expenses generated before the inauguration of the stores.

General and administrative expenses

The Company's general and administrative expenses increased by R\$15.1 million or 15.8%, reaching R\$110.5 million, equivalent to 4.7% of net operating revenue, for the year ended December 31, 2018, compared with R\$95.5 million, or 5.4% of net operating revenue, for the year ended December 31, 2017.

Such increase stemmed mainly from the increase in personnel expenses (general and administrative expenses), which grew by 16.2% for the year ended December 31, 2018 in comparison with the prior year, due to the hiring of employees at head office to support the Company's new projects and growth. Furthermore, other net operating revenues decreased by 13.0% for the year ended December 31, 2018, from R\$20.6 million for the year ended December 31, 2017 to R\$17.9 million for the year ended December 31, 2018, as an effect of expenses with management of acquired franchisees, as well as lower revenue from supply bargaining (including rebates).

(in R\$ thousand, except for %)	Year ended December 31, 2018	VA (%)	Year ended December 31, 2017	VA (%)	HA (%)
Personnel expenses	(99,774)	90.3	(85,845)	89.9	16.2
Occupancy and utilities expenses	(2,299)	2.1	(1,135)	1.2	102.6
Depreciation and amortization	(8,031)	7.3	(9,500)	10.0	(15.5)

(in R\$ thousand, except for %)	Year ended December 31, 2018	VA (%)	Year ended December 31, 2017	VA (%)	HA (%)
Expenses with acquisitions and mergers ⁽¹⁾	(6,711)	6.1	(2,098)	2.2	219.9
Net results from disposal of property and equipment	(6,832)	6.2	(17,912)	18.8	(61.9)
Revenue from stores sold	8,591	(7.8)	10,155	(10.6)	(15.4)
Disposal of assets from stores sold	(4,671)	4.2	(9,113)	9.5	(48.7)
Results from loss claims	4	0.0	309	(0.3)	(98.7)
Reversal of (provision for) impairment	(4,205)	3.8	4,627	(4.8)	(190.9)
Stock plan cost	(4,486)	4.1	(5,518)	5.8	(18.7)
Other operating income (expenses), net ⁽²⁾	17,904	(16.2)	20,580	(21.6)	(13.0)
Total general and administrative expenses	(110,510)	100.0	(95,450)	100.0	15.8

⁽¹⁾ Consisted mainly of third party expenses with acquisitions and mergers during the year.

⁽²⁾ Refers to revenue from premium on the initial supply agreement and reversal of expenses inherent to the construction of stores, expenses with provisions for legal claims, services taken and travel expenses.

Net financial results

The Company's net financial results had a variation of R\$67.2 million, from net financial expense of R\$56.3 million for the year ended December 31, 2017, to net financial income of R\$10.9 million for the year ended December 31, 2018. Such variation reflected mainly:

- (i) Financial expenses decreased by 47.3%, or R\$40.1 million, from R\$84.7 million for the year ended December 31, 2017 to R\$44.6 million for the year ended December 31, 2018. Such decrease arose from lower interest rates on loans (due to the reduction in the Company's total indebtedness) and from the updating of the balance payable regarding contingent consideration involving past acquisitions, which adversely affected the year ended December 31, 2017 for R\$9.5 million.
- (ii) Financial income increased by 95.3%, or R\$27.1 million, from R\$28.4 million for the year ended December 31, 2017 to R\$55.5 million for the year ended December 31, 2018, reflecting higher financial income from interest and yield from short-term investments due to a higher average balance of the Company's marketable securities.

(in R\$ thousand, except for %)	Year ended December 31, 2018	VA (%)	Year ended December 31, 2017	VA (%)	HA (%)
Interest on loans and financing	(31,971)	71.7	(63,190)	74.6	(49.4)
Banking expenses and sundry interest	(6,153)	13.8	(4,960)	5.9	24.1
Foreign exchange losses	(2,004)	4.5	(582)	0.7	244.3
Swap expenses	-	0.0	(438)	0.5	(100.0)
Adjustment to the contingent consideration payable balance	-	0.0	(9,527)	11.2	(100.0)

(in R\$ thousand, except for %)	Year ended December 31, 2018	VA (%)	Year ended December 31, 2017	VA (%)	HA (%)
Others	(4,480)	10.0	(5,992)	7.1	(25.2)
Financial expenses	(44,608)	100.0	(84,689)	100.0	(47.3)

(in R\$ thousand, except for %)	Year ended December 31, 2018	VA (%)	Year ended December 31, 2017	VA (%)	HA (%)
Interest on and yield from short-term investments	53,142	95.7	26,373	92.8	101.5
Foreign exchange gains	1,176	2.1	2,093	7.4	(43.8)
Swap income	-	0.0	4	0.0	(100.0)
Taxes on financial income	(2,545)	(4.6)	(1,260)	(4.4)	102.0
Others	3,732	6.7	1,215	4.3	207.2
Financial income	55,505	100.0	28,425	100.0	95.3

Profit for the year

The Company's profit for the year had a robust growth from R\$3.8 million for the year ended December 31, 2017 to R\$128.0 million for the year ended December 31, 2018. In addition to the aforesaid factors, there was also the non-recurring effect of the recognition of deferred income tax asset that positively affected the year ended December 31, 2018 for R\$30.2 million.

COMPARISON BETWEEN YEARS ENDED DECEMBER 31, 2017 AND 2016

(in R\$ thousand, except for %)	Year ended December 31, 2017	VA (%)	Year ended December 31, 2016	VA (%)	HA (%)
Net operating revenue	1,783,838	100.0	1,393,284	100.0	28.0
Cost of sales	(687,871)	(38.6)	(526,302)	(37.8)	30.7
Gross profit	1,095,967	61.4	866,982	62.2	26.4
Operating expenses					
Expenses with stores	(935,209)	(52.4)	(776,163)	(55.7)	20.5
General and administrative expenses	(95,450)	(5.4)	(75,999)	(5.5)	25.6
Profit (loss) before financial income (expenses) and taxes	65,308	3.7	14,820	1.1	340.7
Financial expenses	(84,689)	(4.7)	(142,073)	(10.2)	(40.4)
Financial income	28,425	1.6	41,534	3.0	(31.6)
Financial income (expenses), net	(56,264)	(3.2)	(100,539)	(7.2)	(44.0)

(in R\$ thousand, except for %)	Year ended December 31, 2017	VA (%)	Year ended December 31, 2016	VA (%)	HA (%)
Profit (loss) before income tax and social contribution	9,044	0.5	(85,719)	(6.2)	(110.6)
Income tax and social contribution	(5,225)	(0.3)	(7,737)	(0.6)	(32.5)
Profit (loss) for the year	3,819	0.2	(93,456)	(6.7)	(104.1)

Net operating revenue

For the year ended December 31, 2017 the Company's net operating revenue increased by 28.0% or R\$390.5 million, from R\$1,393.3 million, for the year ended December 31, 2016, to R\$1,783.8 million, for the year ended December 31, 2017. Such variation arises mainly due to the increase in Comparable Sales in the Same Restaurants by 13.8% for the period, arising from the opening of new restaurants, maturing of units opened in 2016, the ongoing consolidation of the brand in the country, and the Company's marketing strategy.

Finally, net service revenue, which comprises mainly revenue from franchisees, grew by 25.3% for the year ended December 31, 2017, when compared with 2016, reflecting the robust growth of the platform of franchisees in Brazil, which reached the number of 171 restaurants at December 31, 2017. The table below presents the composition of sales:

(in R\$ thousand, except for %)	Year ended December 31, 2017	VA (%)	Year ended December 31, 2016	VA (%)	HA (%)
Gross sale revenue	1,917,672	107.5	1,499,991	107.7	27.8
Deductions from sale revenue	(148,082)	(8.3)	(118,053)	(8.5)	25.4
Net sale revenue	1,769,590	99.2	1,381,938	99.2	28.1
Gross service revenue	15,089	0.8	12,042	0.9	25.3
Deductions from service revenue	(841)	0.0	(696)	(0.0)	20.8
Net service revenue	14,248	0.8	11,346	0.8	25.6
Total net operating revenue	1,783,838	100.0	1,393,284	100.0	28.0

Cost of sales

The cost of sales increased by 30.7% or R\$161.6 million, from R\$526.3 million for the year ended December 31, 2016 to R\$687.9 million for the year ended December 31, 2017.

The increase arose mainly from the robust increase in sales, higher logistics and freight costs by virtue of the migration of stores to the scenario of purchases by the own distribution center, and increase in costs of food and toys, partially reflecting the national inflation rate of 2.9% (in accordance with IBGE).

Gross profit

The Company's gross profit increased by 26.4% or R\$229.0 million, from R\$867.0 million for the year ended December 31, 2016 to R\$1,096.0 million for the year ended December 31, 2017. The

increase in gross profit reflects mainly the robust growth in net operating revenue, in connection with the increase in the number of new restaurants and robust growth in Comparable Sales in the Same Restaurants.

The Company's gross margin decreased by 0.8p.p., from 62.2% for the year ended December 31, 2016 to 61.4% for the year ended December 31, 2017. Gross margin was affected by the higher cost of sales, as well as by marketing campaigns during the period, which affected gross margin but was offset against the growth in Comparable Sales in the Same Restaurants.

Expenses with stores

The Company's expenses with stores increased by R\$159.0 million or 20.5%, reaching R\$935.2 million or 52.4% of net operating revenue for the year ended December 31, 2017, compared with R\$776.2 million or 55.7% of net operating revenue for the year ended December 31, 2016. The main effects of such variation are as follows:

- (i) Personnel expenses (expenses with stores) increased by 21.9% in comparison with the prior period – from R\$252.9 million for the year ended December 31, 2016 to R\$308.2 million for the year ended December 31, 2017. Such expenses accounted for 17.3% of net operating revenue for the year ended December 31, 2017, 0.9 p.p. lower in comparison with 2016. Such reduction arises mainly from the operating leverage stemming from the ongoing growth in comparable sales in the same restaurants by 13.8% in 2017, which is higher than the inflation rate recorded for the period.
- (ii) Occupancy and utilities expenses (expenses with stores) increased by 30.6% - from R\$169.9 million for the year ended December 31, 2016 to R\$221.9 million for the year ended December 31, 2017. Such expenses accounted for 12.4% of net operating revenue for the year ended December 31, 2017, which represents an increase by 0.2p.p. when compared with the same period in 2016.

(in R\$ thousand, except for %)	Year ended December 31, 2017	VA (%)	Year ended December 31, 2016	VA (%)	HA (%)
Personnel expenses	(308,198)	33.0	(252,877)	32.6	21.9
Royalties and marketing fund	(160,078)	17.1	(135,778)	17.5	17.9
Occupancy and utilities expenses	(221,930)	23.7	(169,922)	21.9	30.6
Depreciation and amortization	(110,197)	11.8	(94,206)	12.1	17
Preoperating expenses ⁽¹⁾	(6,138)	0.7	(6,255)	0.8	(1.9)
Sundry services	(39,127)	4.2	(44,516)	5.7	(12.1)
Repair and maintenance	(27,678)	3	(21,868)	2.8	26.6
Others	(61,863)	6.6	(50,741)	6.5	21.9
Total expenses with stores	(935,209)	100.0	(776,163)	100.0	20.5

⁽¹⁾ Preoperating expenses with restaurants consist mainly of costs with salaries and charges of professionals of stores, services provided by third parties and other expenses generated before the inauguration of stores.

General and administrative expenses

The Company's general and administrative expenses increased by R\$19.5 million or 25.6%, reaching R\$95.5 million or 5.4% of net operating revenue for the year ended December 31, 2017, compared with R\$76.0 million or 5.5% of net operating revenue for the year ended December 31, 2016.

Such increase arose mainly from higher personnel expenses (general and administrative expenses), which grew by 25.3% for the year ended December 31, 2017 in relation to the prior year, reflecting the hiring of employees at the head office to support the increase in restaurants. Furthermore, there was an increase in disposals of property and equipment and intangible assets for the year ended December 31, 2017, due to the closing of own restaurants for the period, to the disposal of assets regarding the Point of Sale software license, and to the disposal of obsolete and scrap assets.

(in R\$ thousand, except for %)	Year ended December 31, 2017	VA (%)	Year ended December 31, 2016	VA (%)	HA (%)
Personnel expenses	(85,845)	89.9	(68,498)	90.1	25.3
Occupancy and utilities expenses	(1,135)	1.2	(2,947)	3.9	(61.5)
Depreciation and amortization	(9,500)	10.0	(9,190)	12.1	3.4
Expenses with acquisitions and mergers ⁽¹⁾	(2,098)	2.2	(2,764)	3.6	(24.1)
Net results of disposal of property and equipment	(17,912)	18.8	(5,022)	6.6	256.7
Revenue from stores sold	10,155	(10.6)	-	-	-
Disposal of assets of stores sold	(9,113)	9.5	-	-	-
Result of loss claims	309	(0.3)	(247)	0.3	(225.1)
Reversal of (provision for) impairment	4,627	(4.8)	(1,049)	1.4	(541.1)
Stock option plan cost	(5,518)	5.8	(304)	0.4	1.715.1
Other net operating revenue (expenses) ⁽²⁾	20,580	(21.6)	14,022	(18.5)	46.8
Total general and administrative expenses	(95,450)	100.0	(75,999)	100.0	25.6

⁽¹⁾ It consist mainly of third party expenses with acquisitions and mergers during the year.

⁽²⁾ Refer to revenue from premium on initial supply agreement and reversal of expenses inherent to the construction of stores, expenses with provisions for legal claims, services taken and travel expenses.

Net financial result

The Company's net financial result had a variation of R\$44.3 million or 44.0%, from net financial expenses of R\$100.5 million for the year ended December 31, 2016, to net financial expenses of R\$56.3 million for the year ended December 31, 2017. This variation had the following effects:

- (i) Financial expenses decreased by 40.4%, or R\$57.4 million from R\$142.1 million for the year ended December 31, 2016 to R\$84.7 million for the year ended December 31, 2017, reflecting lower interest on loans due to the amortization of principal amounts and decrease in CDI, reduction in expenses with derivatives and lower cost of updating of the balance payable regarding contingent consideration involving past acquisitions.
- (i) Financial income decreased 31.6%, or R\$13.1 million, from R\$41.5 million for the year ended December 31, 2016 to R\$28.4 million for the year ended December 31, 2017, reflecting lower income from exchange gains arising from payments of royalties, franchise fee and derivatives,

partially offset against lower interest and yield from short-term investments due to the large volume of cash invested, in connection with the initial public offering (IPO).

(in R\$ thousand, except for %)	Year ended December 31, 2017	VA (%)	Year ended December 31, 2016	VA (%)	HA (%)
Interest on loans and financing	(63,190)	74.6	(80,827)	56.9	(21.8)
Banking expenses and sundry interest	(4,960)	5.9	(3,556)	2.5	39.5
Foreign exchange losses	(582)	0.7	(4,526)	3.2	(87.1)
Swap expenses	(438)	0.5	(20,514)	14.4	(97.9)
Adjustment to the contingent consideration payable balance	(9,527)	11.2	(26,027)	18.3	(63.4)
Others	(5,992)	7.1	(6,623)	4.7	(9.5)
Financial expenses	(84,689)	100.0	(142,073)	100.0	(40.4)

(in R\$ thousand, except for %)	Year ended December 31, 2017	VA (%)	Year ended December 31, 2016	VA (%)	HA (%)
Interest and yield from short-term investments	26,373	92.8	15,524	37.4	69.9
Foreign exchange gains	2,093	7.4	22,186	53.4	(90.6)
Swap Income	4	0.0	3,237	7.8	(99.9)
Taxes on financial income	(1,260)	(4.4)	(794)	(1.9)	58.7
Others	1,215	4.3	1,381	3.3	(12.0)
Financial income	28,425	100.0	41,534	100.0	(31.6)

Profit for the year

The Company's profit for the year had a robust growth from loss of R\$93.5 million for the year ended December 31, 2016 to income of R\$3.8 million for the year ended December 31, 2017, in connection with the factors described above.

Balance Sheet

COMPARISON BETWEEN THE BALANCES OF BALANCE SHEET ACCOUNTS AT DECEMBER 31, 2018 AND 2017

(in R\$ thousand, except for %)	Year ended December 31, 2018	VA (%)	Year ended December 31, 2017	VA (%)	HA (%)
Assets					
Current assets					
Cash and cash equivalents	174,963	6.9	102,345	4.2	71.0
Marketable securities	413,136	16.4	1,073,900	44.5	(61.5)
Restricted marketable securities	2,486	0.1	2,484	0.1	0.1
Trade receivables, net	59,603	2.4	60,958	2.5	(2.2)
Derivative financial instruments	90	0.0	127	0.0	(29.1)

(in R\$ thousand, except for %)	Year ended December 31, 2018	VA (%)	Year ended December 31, 2017	VA (%)	HA (%)
Inventories	81,276	3.2	39,743	1.6	104.5
Taxes recoverable	40,393	1.6	24,993	1.0	61.6
Prepaid expenses	26,622	1.1	24,762	1.0	7.5
Other receivables	21,146	0.8	9,136	0.4	131.5
Total current assets	819,715	32.5	1,338,448	55.4	(38.8)
Non-current assets					
Restricted marketable securities	12,361	0.5	13,285	0.5	(7.0)
Taxes recoverable	15,551	0.6	17,282	0.7	(10.0)
Judicial deposit	30,903	1.2	26,566	1.1	16.3
Other receivables	4,561	0.2	4,218	0.2	8.1
Property and equipment, net	928,225	36.8	699,642	29.0	32.7
Intangible assets, net	714,316	28.3	316,114	13.1	126.0
Total non-current assets	1,705,917	67.5	1,077,107	44.6	58.4
Total assets	2,525,632	100.0	2,415,555	100.0	4.6
Liabilities and equity					
Current liabilities					
Loans and financing	161,581	6.4	209,987	8.7	(23.1)
Trade and rental payables	241,243	9.6	138,997	5.8	73.6
Payroll and social charges	95,163	3.8	69,830	2.9	36.3
Corporate payables	17,961	0.7	13,966	0.6	28.6
Taxes payable	33,781	1.3	20,272	0.8	66.6
Deferred revenue, net	9,091	0.4	-	-	-
Dividends and interest on capital	26,726	1.1	-	-	-
Other payables	14,129	0.6	19,946	0.8	(29.2)
Total current liabilities	599,675	23.7	472,998	19.6	26.8
Non-current liabilities					
Loans and financing	117,532	4.7	275,720	11.4	(57.4)
Provision for legal claims	10,730	0.4	6,221	0.3	72.5
Taxes payable	21,753	0.9	5,113	0.2	325.4
Deferred revenue, net	26,396	1.0	-	-	-
Deferred income tax and social contribution	12,492	0.5	38,309	1.6	(67.4)
Other payables	20,094	0.8	-	-	-
Total non-current liabilities	208,997	8.3	325,363	13.5	(35.8)
Equity					
Capital	898,233	35.6	895,836	37.1	0.3
Capital reserve and stock option plan	721,102	28.6	(915,722)	37.9	(21.3)
Other comprehensive income	(2)	0.0	-	-	-
Earnings reserve	97,627	3.9	-	-	-

(in R\$ thousand, except for %)	Year ended December 31, 2018	VA (%)	Year ended December 31, 2017	VA (%)	HA (%)
Accumulated losses	-	0.0	(194,364)	(8.0)	-
Total equity	1,716,960	68.0	1,617,194	66.9	6.2
Total liabilities and equity	2,525,632	100.0	2,415,555	100.0	4.6

Assets

At December 31, 2018 the Company's total assets increased by R\$110.0 million or 4.6% from R\$2,415.6 million at December 31, 2017 to R\$2,525.6 million at December 31, 2018.

Current assets

The Company's current assets decreased by R\$518.7 million or 38.8% from R\$1,338.4 million at December 31, 2017 to R\$819.7 million at December 31, 2018. Such change reflects mainly the decrease in the following account:

Marketable securities, which decreased by R\$1,073.9 million at December 31, 2017 to R\$413.1 million at December 31, 2018, arising from the acquisition of franchisees in April 2018 and investments in new restaurants made by the Company for the period.

Non-current assets

The Company's non-current assets increased by 58.4% from R\$1,077.1 million at December 31, 2017 to R\$1,705.9 million at December 31, 2018, representing an increase by R\$628.8 million. Such increase arose mainly from the following items:

- (i) Property and equipment, net: the Company's net property and equipment increased by R\$228.6 million or 32.7%, reaching R\$928.2 million at December 31, 2018, compared with R\$699.6 million at December 31, 2017. Such increase arose from investments in new restaurants and re-investments and renovation in existing and acquired restaurants.
- (ii) Intangible assets, net: the Company's net intangible assets increased by R\$398.2 million or 126%, reaching R\$714.3 million at December 31, 2018, compared with R\$316.1 million at December 31, 2017, due to goodwill on acquisition of franchisees in April 2018 and to investment in right to use the brand name and assignment of rights of real estate where new restaurants are located. Specifically the goodwill value increased by R\$372.9 million to R\$574.9 million at December 31, 2018, when compared with R\$202.0 million at December 31, 2017.

Liabilities and equity

At December 31, 2018 the Company's total liabilities and equity increased by R\$110.0 million or 4.6% from R\$2,415.6 million at December 31, 2017 to R\$2,525.6 million at December 31, 2018.

Current liabilities

The Company's current liabilities increased by 26.8% or R\$126.7 million from R\$473.0 million at December 31, 2017 to R\$599.7 million at December 31, 2018. Such variation arose mainly from the account "Trade and rental payables", which increased by R\$102.2 million or 73.6%, reaching R\$241.2 million at December 31, 2018, compared with R\$139.0 million at December 31, 2017. Such

variation arises mainly from the increase in the Company's sales volume and expansion in the number of free-standing restaurants that require higher investments and thus increase the balance payable of service providers and increase in suppliers' days sales outstanding.

Non-current liabilities

The Company's non-current liabilities decreased by 35.8% or R\$116.4 million from R\$325.4 million at December 31, 2017 to R\$209.0 million at December 31, 2018. Such variation arose mainly due to the account "Loans and financing", which decreased by R\$158.2 million at December 31, 2018, when compared with December 31, 2017 due to the transfer of long-term obligations to short-term obligations in connection with the flows of payments of debts.

Equity

At December 31, 2018 the Company's equity increased by 6.2% from R\$1,617.2 million at December 31, 2017 to R\$1,717.0 million at December 31, 2018, representing an increase by R\$99.8 million, by virtue of the following factors:

- (i) Earnings reserve: the Company's earnings reserve increased to R\$97.6 million at December 31, 2018, reflecting the generation of net results from Company dividends for the year ended December 31, 2018.
- (ii) Accumulated losses: as approved at the Annual and Special General Meeting held on April 27, 2018, total accumulated losses amounting to R\$194.4 million at December 31, 2017 were absorbed by using a portion of the capital reserve balance.

COMPARISON BETWEEN BALANCES OF BALANCE SHEET ACCOUNTS AT DECEMBER 31, 2017 AND 2016

(in R\$ thousand, except for %)	Year ended December 31, 2017	VA (%)	Year ended December 31, 2016	VA (%)	HA (%)
Assets					
Current assets					
Cash and cash equivalents	102,345	4.2	256,920	18.0	(60.2)
Marketable securities	1,073,900	44.5	63,495	4.4	1.591.3
Restricted marketable securities	2,484	0.1	1,846	0.1	34.6
Trade receivables, net	60,958	2.5	33,658	2.4	81.1
Derivative financial instruments	127	0.0	-	-	-
Inventories	39,743	1.6	30,846	2.2	28.8
Taxes recoverable	24,993	1.0	28,566	2	(12.5)
Prepaid expenses	24,762	1.0	8,712	0.6	184.2
Other receivables	9,136	0.4	4,957	0.3	84.3
Total current assets	1,338,448	55.4	429,000	30.0	212.0
Non-current assets					
Restricted marketable securities	13,285	0.5	10,415	0.7	27.6
Taxes recoverable	17,282	0.7	11,694	0.8	47.8
Judicial deposits	26,566	1.1	13,925	1.0	90.8
Other receivables	4,218	0.2	3,447	0.2	22.4
Property and equipment, net	699,642	29.0	650,975	45.6	7.5

(in R\$ thousand, except for %)	Year ended December 31, 2017	VA (%)	Year ended December 31, 2016	VA (%)	HA (%)
Intangible assets, net	316,114	13.1	309,006	21.6	2.3
Total non-current assets	1,077,107	44.6	999,462	70.0	7.8
Total assets	2,415,555	100.0	1,428,462	100.0	69.1
Liabilities and equity					
Current liabilities					
Loans and financing	209,987	8.7	607,973	42.6	(65.5)
Trade and rental payables	138,997	5.8	80,406	5.6	72.9
Payroll and social charges	69,830	2.9	56,028	3.9	24.6
Corporate payables	13,966	0.6	20,598	1.4	(32.2)
Taxes payable	20,272	0.8	15,717	1.1	29
Deferred revenue, net	-	-	9,000	0.6	(100.0)
Dividends and interest on capital	-	-	356	-	-
Other payables	19,946	0.8	9,538	0.7	109.1
Total current liabilities	472,998	19.6	799,616	56.0	(40.8)
Non-current liabilities					
Loans and financing	275,720	11.4	-	-	n.a.
Provision for legal claims	6,221	0.3	3,932	0.3	58.2
Taxes payable	5,113	0.2	9,225	0.6	(44.6)
Installments contingent to acquisitions	-	-	45,983	3.2	-
Deferred income tax and social contribution	38,309	1.6	28,789	2.0	33.1
Other payables	-	-	597	0.0	-
Total non-current liabilities	325,363	13.5	88,526	6.2	267.5
Equity					
Capital	895,836	37.1	1,506	0.1	-
Capital reserve and stock option plan	915,722	37.9	736,997	51.6	24.3
Accumulated losses	(194,364)	(8.0)	(198,183)	(13.9)	(1.9)
Total equity	1,617,194	66.9	540,320	37.8	199.3
Total liabilities and equity	2,415,555	100.0	1,428,462	100.0	69.1

Assets

At December 31, 2017 the Company's total assets increased by R\$987.1 million or 69.1% from R\$1,428.5 million at December 31, 2016 to R\$2,415.6 million at December 31, 2017.

Current assets

The Company's current assets increased by R\$909.4 million or 212.0% from R\$429.0 million at December 31, 2016 to R\$1,338.4 million at December 31, 2017. Such increase arose mainly due to the variations in the following accounts:

- (i) Marketable securities: the Company's marketable securities increased by R\$1,010.4 million from R\$63.5 million at December 31, 2016 to R\$1,073.9 million at December 31, 2017, mainly due to the inflow of funds from the Company's initial public offering (IPO) in December 2018.
- (ii) Cash and cash equivalents: the Company's cash and cash equivalents decreased by R\$154.6 million or 60.2% from R\$102.3 million at December 31, 2017, when compared with R\$256.9 million at December 31, 2016. Such decrease arose from the Company's investments for the period, mainly regarding the opening of the new restaurants.
- (iii) Trade receivables, net: the Company's trade receivables increased by R\$27.3 million or 81.1%, reaching R\$61.0 million at December 31, 2017, when compared with R\$33.7 million at December 31, 2016. Such increase arose from the expansion in sales in relation to the same period last year, and due to the calendar effect, once the last day of sales took place in a weekend.

Non-current assets

The Company's non-current assets increased by 7.8% from R\$999.5 million at December 31, 2016 to R\$1,077.1 million at December 31, 2017, which is an increase by R\$77.6 million. Such increase arose mainly from the following:

- (i) Property and equipment, net: the Company's net property and equipment increased by R\$48.7 million or 7.5%, reaching R\$699.6 million at December 31, 2017, when compared with R\$651.0 million at December 31, 2016. Such increase arises from investments in new restaurants, re-investments in new POS (Point of Sale) hardware.
- (ii) Intangible assets, net: the Company's net intangible assets increased by R\$7.1 million or 2.3%, reaching R\$316.1 million at December 31, 2017, when compared with R\$309.0 million at December 31, 2016, reflecting the investment in right of use of brand name and assignments of rights on real estate where new restaurants are located. Additionally, funds were invested in new software in order to increase sales and improve controls.

Liabilities and equity

At December 31, 2017 the Company's total liabilities and equity increased by R\$987.1 million or 69.1% from R\$1,428.5 million at December 31, 2016 to R\$2,415.6 million at December 31, 2017.

Current liabilities

The Company's current liabilities decreased by 40.8% or R\$326.6 million from R\$799.6 million at December 31, 2016 to R\$473.0 million at December 31, 2017. Such variation arose mainly from the following factors:

- (i) Loans and financing: the Company's loans and financing balance decreased by R\$398.0 million or 65.5%, reaching R\$210.0 million at December 31, 2017, when compared with R\$608.0 million at December 31, 2016. For the year ended December 31, 2016, the adjusted EBITDA (covenants) ratio on the financial results was not reached. Accordingly, the amounts allocated to non-current liabilities were fully reclassified to current liabilities. In March 2017, the Company obtained the waiver in writing and reset the covenants of debentures with

debenture-holders, thus becoming compliant, in light of these new clauses in connection with the reset.

- (ii) Trade and rental payables: the Company's trade and rental payables increased by R\$58.6 million or 72.9%, reaching R\$139.0 million at December 31, 2017, when compared with R\$80.4 million at December 31, 2016. Such variation arises mainly from the increase in the volume of sales by virtue of the "Own Inventories" project, as well as in the quantity of stores opened in December 2017, thus increasing the balance payable of service providers.
- (iii) Corporate payables: the Company's corporate payables decreased by R\$6.6 million or 32.2%, reaching R\$14.0 million at December 31, 2017, when compared with R\$20.6 million at December 31, 2016. The outstanding balance consists mainly of Royalties and Franchise Fees of openings in December 2017, both paid in January 2018.

Non-current liabilities

The Company's non-current liabilities increased by 267.5% or R\$236.8 million from R\$88.5 million at December 31, 2016 to R\$325.4 million at December 31, 2017. Such variation arose mainly from the account "Loans and financing", which recorded an increase by R\$275.7 million at December 31, 2017, when compared with the balance at December 31, 2016. For the year ended December 31, 2016, the adjusted EBITDA (covenants) ratio on the financial results was not reached. Accordingly, the amounts allocated to non-current liabilities were fully reclassified to current liabilities. In March 2017, the Company obtained the waiver in writing and reset the covenants of its debentures with debenture-holders, thus becoming compliant, in light of the new clauses reset. Accordingly, the amounts falling due within more than twelve months were allocated to non-current liabilities.

Equity

At December 31, 2017 the Company's equity increased by 199.3% from R\$540.3 million at December 31, 2016 to R\$1,617.2 million at December 31, 2017, which is an increase by R\$1,076.9 million, by virtue of the following factors:

- (i) Capital: the Company's capital increased considerably from R\$1.5 million at December 31, 2016 from R\$895.8 million at December 31, 2017. Such increase arose mainly from the capital invested in connection with the Company's initial public offering (IPO) in December 2017.
- (ii) Capital reserve: the Company's capital reserve increased by 24.3% from R\$737.0 million at December 31, 2016 to R\$915.7 million at December 31, 2017. Such increase arose from the capital contribution in August 2017 by Montjuic Fundo de Investimento em Participações Multiestratégia and the exercise of stock purchase warrants.
- (iii) Accumulated losses: the Company's accumulated losses decreased by 1.9% from R\$198.2 million at December 31, 2016 to R\$194.4 million at December 31, 2017, due to the profit reported for the year ended December 31, 2017.

STATEMENTS OF CASH FLOWS

COMPARISON BETWEEN CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

(in R\$ thousand, except for %)	Year ended December 31, 2018	Year ended December 31, 2017	HA (%)
Net cash from operating activities	304,671	166,527	83.0
Net cash generated by (used in) investing activities	6,012	(1,208,395)	(100.5)
Net cash generated by (used in) financing activities	(238,065)	887,293	(126.8)
Net increase (decrease) in cash and cash equivalents	72,618	(154,575)	(147.0)

Operating activities

Net cash generated by operating activities increased by R\$138.1 million for the year ended December 31, 2018, when compared with the year ended December 31, 2017 from R\$166.5 million for the year ended December 31, 2017 to R\$304.7 million for the year ended December 31, 2018.

Such variation arose mainly from the following factors:

- (i) Increase in profit (loss) before income tax and social contribution – profit (loss) before income tax and social contribution for the year ended December 31, 2017 reached R\$9.0 million, whilst the same account for the year ended December 31, 2018 amounted to R\$137.7 million;
- (ii) The variation of the balance of trade and rental payables from an increase by R\$58.6 million in relation to the balance at December 31, 2016 to an increase by R\$96.6 million in relation to the balance at December 31, 2017;
- (iii) The variation of deferred revenue, net, from a decrease by R\$9.0 million in relation to the outstanding balance at December 31, 2016 to an increase by R\$35.5 million in relation to the outstanding balance at December 31, 2017, due to the advance of funds in connection with exclusivity agreements entered into with specific suppliers; and
- (iv) The decrease in payments of interest on loans and financing by R\$37.4 million from R\$68.2 million for the year ended December 31, 2017 to R\$30.8 million for the year ended December 31, 2018.

Investing activities

Net cash used in investing activities had a variation of R\$1,214.4 million from used cash amounting to R\$1,208.4 million for the year ended December 31, 2017 to generated cash amounting to R\$6.0 million for the year ended December 31, 2018.

Such variation arises from the following:

- (i) Decrease in investments in marketable securities by R\$582.0 million from R\$1,304.9 million for the year ended December 31, 2017 to R\$722.9 million for the year ended December 31, 2018; and
- (ii) Expanded redemption of marketable securities, which increased by R\$1,134.3 million from R\$294.4 million for the year ended December 31, 2017 to R\$1,428.7 million for the year

ended December 31, 2018 (the increase in the volume of redemptions and investments in marketable securities basically arises from the Company's initial public offering at the end of 2017), offset against the increase in the acquisition of property and equipment for R\$149.2 million from R\$172.2 million for the year ended December 31, 2017 to R\$321.4 million for the year December 31, 2018 and the amount paid for the acquisition of investments, net of cash acquired, occurred in the year ended December 31, 2018, for R\$ 360.9 million regarding King Food, Good Food and Fast Burger.

Financing activities

Net cash generated by financing activities had a variation of R\$1,125.4 million for the year ended December 31, 2018 when compared with the year ended December 31, 2017 from generated cash for R\$887.3 million for the year ended December 31, 2017 to invested cash for R\$238.1 million for the year ended December 31, 2018.

Such decrease arises mainly from: (i) reduction in paid-up capital from R\$ 890.1 million for the year ended December 31, 2017 to R\$2.4 million for the year ended December 31, 2018, since in December 2017 there was a capital increase in connection with the initial public offering (IPO), offset against: (ii) the decrease in share issue costs from R\$ 48.6 million for the year ended December 31, 2017 to R\$ 4.7 million for the year ended December 31, 2018; (iii) goodwill on share issue for R\$ 178.8 million for the year ended December 31, 2017, (iv) the increase in the volume of payments of loans and financing (principal) for R\$114.4 million for the year ended December 31, 2017.

COMPARISON BETWEEN CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

(in R\$ thousand, except for %)	Year ended December 31, 2017	Year ended December 31, 2016	HA (%)
Net cash generated by operating activities	166,527	28,829	477.6
Net cash used in investing activities	(1,208,395)	(204,783)	490.1
Net cash generated by financing activities	887,293	268,073	231.0
Net increase (decrease) in cash and cash equivalents	(154,575)	92,119	(267.8)

Operating activities

Net cash generated by operating activities increased by R\$137.7 million for the year ended December 31, 2017, when compared with the year ended December 31, 2016 from R\$28.8 million for the year ended December 31, 2016 to R\$166.5 million for the year ended December 31, 2017.

The variation in net cash from operating activities arises mainly from the following factors:

- (i) Higher profit (loss) before income tax and social contribution from loss of R\$85.7 million for the year ended December 31, 2016 to income of R\$9.0 million for the year ended December 31, 2017;
- (ii) The variation of the balance of trade and rentals payable from a decrease by R\$4.0 million in relation to the outstanding balance at December 31, 2015 to an increase by R\$58.6 million in relation to the outstanding balance at December 31, 2016; and

- (iii) The positive variation in trade receivables, net, from an increase by R\$5.6 million in relation to the outstanding balance at December 31, 2015 to an increase by R\$27.3 million in relation to the outstanding balance at December 31, 2016, partially offset against the lower payment of interest on loans and financing for R\$11.7 million from R\$79.9 million for the year ended December 31, 2016 to R\$68.2 million for the year ended December 31, 2017.

Investing activities

Net cash used in investing activities increased by R\$1,003.6 million or 490.1% from R\$204.8 million for the year ended December 31, 2016 to R\$1,208.4 million for the year ended December 31, 2017.

Such increase arises from the use of funds raised through the Company's initial public offering (IPO).

Financing activities

Net cash generated by financing activities increased by R\$619.2 million when compared with prior year from R\$268.1 million for the year ended December 31, 2016 to R\$887.3 million for the year ended December 31, 2017.

Such increase arose mainly from the incorporation of the funds raised through the initial public offering (IPO) into the Company's equity.

10.2 – Operating and financial results

(a) results of Company operations

(i) description of any significant revenue components

For the years ended December 31, 2018, 2017 and 2016, 99.5%, 99.2% and 99.2% of the Company net operating revenue, respectively, arose from the sale of food and beverage at the Company's restaurants.

(ii) factors that significantly affected operating results

Revenue is measured at the fair value of the consideration received or receivable, less any taxes, customer returns, reversals and other similar estimated rebates. Revenue from sale of goods is recognized when all the following conditions are met:

- it is probable that economic benefits will be generated for the Company and it can be measured reliably.
- significant risks and rewards of the ownership of products are transferred to the buyer, which usually takes place upon delivery.

The Company's net revenue arises mainly from the sales of food and beverage.

The Company's main expenses include costs of sales of food, selling expenses (mainly personnel expenses, occupancy and utilities, royalties, marketing fund and others), administrative expenses (related mainly to personnel expenses, third party services, IT services and general expenses) and financial expenses.

The description below presents the main components and drivers of the Company's operating results.

Net revenue

Operating revenue arises mainly from the sale of food, beverages, products and services (relating mainly to franchisees), fully made in local currency. Net sales are the result of gross sales less returns, discounts and other estimated similar allowances and taxes applicable to Company business, in accordance with the place where revenue is generated and products and services are sold.

The Company performs a robust management and control over prices of products, which take into consideration the prices charged by the industry and possible variations in the cost of sales. Prices vary in accordance with the Company's views of industry and strategy, which include specific campaigns, and promotional discounts such as physical coupons and online coupons.

The Company's net operating revenue had a CAGR equivalent to 29.8% between years 2016 and 2018 from R\$1,393.3 million for the year ended December 31, 2016 to R\$2,348.3 million for the year ended December 31, 2018. The Executive Board points out that the increase in net operating revenue for the years 2016 to 2018 arises mainly from: (i) the increase in own restaurants for the period (totaling restaurants); (ii) the acquisition of franchisees' restaurants, and (iii) the growth of Comparable Sales in the Same Restaurants.

Seasonality

Sales and consequently operating results are subject to seasonal variations, such as school holidays and 13th salary in the market (higher sales take place in July and December) and holidays (revenue is lower in February and March, reflecting national holidays such as Carnival). During the year ended December 31, 2018, 43.4% of annual revenue was recorded in the first half and 56.6% in the second half.

Cost of sales and gross profit

The cost of sales is recognized when a product is sold, comprising the purchase price and the cost incurred by the products to be offered in the restaurants. Furthermore, the costs of sales and services also comprise operating expenses directly related to the activities of each restaurant, including equipment, materials and maintenance expenses.

Gross profit is calculated by deducting net operating revenue from cost of sales.

The pricing policy and the mix of products affect gross profit, whilst offers of food and beverage are usually intended to strengthen the categories of higher-margin products.

Selling expenses

Selling expenses comprise personnel expenses, royalties and marketing fund, occupancy and utilities expenses and other expenses.

General and administrative expenses

General and administrative expenses comprise personnel expenses, mainly employees at the Company's head office, rent of office, third party service expense, among others. The Company negotiates with sellers and service providers not only the price and payment conditions concerning the costs of stores, but also expenditures involving administrative functions (sundry operating expenses, insurance, information technology, communication, among others).

Financial results, net

Financial results, net, includes expenses with interest on loans from third parties, exchange variations and other bank charges. Financial income arises from cash surplus allocated to short-term investments.

Income tax

Expenses with income tax depend on the taxation of income earned by the Company's subsidiaries. The Company benefits from significant tax credits regarding tax losses. Accordingly, there are significant differences between expenses with income tax and social contribution, calculated by applying tax rates in force, and the amounts reflected on results for the years ended December 31, 2018, 2017 and 2016. The tax rate in force is 25% for income tax and 9% for social contribution.

Comparable sales in the same restaurants

The variation of Comparable Sales in the Same Restaurants is an operating indicator used by the retailer market as a performance indicator of commercial strategies and initiatives implemented, and also represents the tendencies of the local economy and customers.

The increases or decreases in Comparable Sales in the Same Restaurants consist of the percentage variation of sales in a period in relation to the same period in prior year for all stores that carried out operations in comparable periods for a period of at least 12 months.

Some of the reasons for the temporary closing of Company stores include maintenance and own or third party operating problems.

(b) variations in revenue attributable to changes in prices, exchange rates, inflation, volumes and introduction of new products and services

For the years ended December 31, 2018, 2017 and 2016, around 1%, 1%, and 1%, respectively, of Company sales is made in other currencies other than the Brazilian real, reflecting services provided to Burger King Corporation related mainly to the management of franchisees. As this amount is low as compared with the Company's total operations, the Executive Board considers that the impact of exchange variation on net operating revenue is immaterial.

Sales were affected by the inflation in the country. The Company continuously revises its prices, considering the changes in costs and pricing adopted by the industry and main competitors.

(c) impact of inflation, variation of prices of the main inputs and products, exchange and interest rate on the Company's operating results and financial results, whenever significant

Results are affected by inflation. However, the Executive Board considers that the Company adopts an effective and diligent pricing, which offsets the implications from such overall increase in prices.

The Company is exposed to risks of variation of interest rates (CDI rate) regarding its loans, debts and short-term investments in local currency. The Company manages the risk of interest rate, maintaining a balanced portfolio between loans payable subject to fixed and variable rates.

With regard to exchange, nearly 90% of cost of sales are made in the same currency as that of sales and therefore the impact of exchange variation is deemed to be immaterial.

For a sensitivity analysis of interest rate and exchange variation used by the Company, please refer to section 4.2 of this Reference Form.

Additionally, the Company purchases its main raw materials, including meat, chicken, agricultural products, cheese, beverages and dairy products, based on contracts with its suppliers, which define the respective purchase prices. Accordingly, we do not consider that external risks, such as variation in prices of commodities, are significant.

10.3 - Events with significant effects occurred and expected on the financial statements

(a) introduction or disposal of operating segment

The Company's officers inform that in the last year there was no introduction or disposal of any operating segment.

(b) constitution, acquisition or disposal of shareholding interest

All pieces of information on constitution, acquisition or disposal of shareholding interest concerning the Company and entities of its economic group have already been provided in section 15.7 of this Reference Form. The effects from acquisitions by the Company are described in section 10.1.f of this Reference Form.

(c) unusual events or operations

The Company's officers inform that in the last year there were no unusual events or operations involving the Company or its activities that have caused or are expected to cause a significant effect on the Company's financial statements or results.

10.4 – significant changes in accounting practices – qualifications and emphases in the auditors’ report

(a) significant changes in accounting practices

There were no significant changes in accounting practices for the year 2018.

(b) significant effects from changes in accounting practices

There were no significant effects as a result of changes in accounting practices for the year 2018.

New standards, revisions and interpretations of accounting standards

The Company decided not to early adopt other standards, interpretations or changes that have been issued, but are not yet in force. The nature and effectiveness of each of the new standards and revisions are described below:

IFRS 2 – Share-based payment (CPC 10)

IFRS 2 approaches three large groups: (i) the effects of the conditions for acquisition of rights on the measurement of a share-based payment transaction settled in cash, (ii) the classification of a share-based payment transaction with characteristics of settlement for net value for obligations involving withholding income taxes, and (iii) the accounting treatment whenever a modification to the terms and conditions of a share-based payment transaction changes the classification of settlement in cash to settlement in shares, becoming effective on January 1, 2018.

Management evaluated the changes introduced by the standard, concluding that their adoption did not bring any significant impacts for the Company.

IFRS 9 – Financial Instruments (CPC 48)

IFRS 9/CPC 48 superseded beginning January 1, 2018 the effective standard IAS 39/ CPC 38 – Financial Instruments – Recognition and Measurement, the main changes introduced being as follows: classification and measurement of financial assets; impairment (substitution of the “incurred loss” model for prospective model “expected credit loss”); and hedge accounting.

Management evaluated the changes introduced by the standard, concluding that their adoption did not bring significant impacts for the Company, in relation to the measurement of the financial instruments in comparison with the IAS 39 principles. Furthermore, the Company considers the impacts on immaterial credit loss due to the commercial activity and credit card carriers with which the Company operates.

IFRS 15 – Revenue from contracts with customers (CPC 47)

IFRS 15/CPC 47 introduces a comprehensive structure to determine whether and when a revenue is recognized, and how revenue is measured. IFRS 15/ CPC 47 supersedes the current standards on revenue recognition, including CPC 30 (IAS 18) Revenue, CPC 17 (IAS 11) Construction Contracts and CPC 30 Interpretation A (IFRIC 13) Customer Loyalty Programs, effective as from January 1, 2018.

The adoption of IFRS15/CPC 47 for the year 2018 did not significantly change the accounting policies and practices adopted and used for the year ended December 31, 2017. The impact of this pronouncement was the recognition of franchise fee revenue, previously fully recognized upon the execution of the franchising agreement, and from the adoption of the pronouncement recognized

in accordance with the deadline set for permanence of the brand name vis-à-vis the franchisee – 20 years.

IFRS 16 – Leases (CPC 06 (R2))

This standard supersedes the previous standard on leases, IAS 17/CPC 06 (R1) – Leases, and related interpretations, and will become effective on January 1, 2019. It establishes the principles for recognition, measurement, presentation and disclosure of lease for both parties of a contract, i.e., the customers (lessees) and the suppliers (lessors). The lessees are required to recognize a lease liability reflecting future lease payments and a "right-of-use asset" for virtually all lease agreements, except for certain short-term leases and low value asset agreements. For all the lessors, the accounting treatment remains virtually the same, with the classification of leases as operating leases or finance leases, and recording of these two types of lease agreements in a different way.

Until December 31, 2018 the Company recognized expenses on a straight-line basis with operating lease agreements during the effectiveness of the agreements.

The Company intends to apply CPC 06 (R2) / IFRS 16 using the modified retrospective approach. On the date of transition, lease liabilities shall be measured at the present value of the remaining payments, discounted at the incremental loan rate of lessees. The Company considered the gross amount of the agreements (which mostly have a 10-year effectiveness) and shall use hindsight, such as how it shall consider, when determining the lease term, whether the agreement contains options for extension and termination, among others. The right-of-use assets shall be measured for the amount equal to lease liabilities.

The Company estimated the amounts shown below on January 1, 2019:

Accounts affected	Amount
Non-current assets	
Right-of-use assets	720,377
Current liabilities	
Lease liabilities	142,162
PVA	(41,250)
Non-current liabilities	
Lease liabilities	756,247
PVA	(136,782)

(c) qualifications and emphases in the auditor’s report

The financial statements for the years ended December 31, 2018 and 2017 do not contain any modified opinion or emphases.

Restatement of the financial statements for 2016

On March 30, 2017 an unmodified audit report was issued on the Company’s individual and consolidated financial statements for the year ended December 31, 2016. These financial statements were changed to properly reflect the recognition of the provision for deferred tax assets and deferral

of revenue with exposure of brand name, as well as reclassifications and improvements of disclosures in certain notes to the financial statements, as described in note 2.23 to the aforesaid financial statements.

10.5 – Critical accounting policies

The individual and consolidated financial statements have been prepared and are presented in accordance with accounting practices adopted in Brazil (BR GAAP), which include the provisions of the Brazilian Corporation Law and accounting standards and procedures approved by the Brazilian Securities and Exchange Commission (CVM) and issued by the Brazilian Accounting Pronouncements Committee (CPC), which are in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

In the application of the Company's accounting policies, assumptions and variables derived from previous experiences and several other factors and subjective judgments are considered reasonable and significant. As a result, the preparation of the Company's individual and consolidated financial statements and interim accounting information includes judgments and estimates, among others, relating to the impairment of non-financial assets, share-based payment transactions, taxes, fair value of financial instruments, provisions for legal and administrative claims. The actual results of these carrying amounts may differ from these estimates, therefore, in order to better adjust the Company's reality to the above, the Company reviews its assumptions continuously, and the possible effects resulting from these revisions are recognized in the year or period in which the estimates are revised.

In order to provide an understanding of how the Company makes its judgments about future events, including as to variables and assumptions used in the estimates, the main critical accounting policies involving these management judgments, including the assumptions and the variables on which they are based, are summarized below:

Business combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured by the sum of the consideration transferred, measured based on the fair value on the acquisition date, and the value of any noncontrolling interest in the acquiree. For each business combination, the acquirer shall measure the noncontrolling interest in the acquiree at fair value or based on its interest in net assets identified in the acquiree. Costs directly attributable to the acquisition should be accounted for as an expense when incurred.

When acquiring a business, the Company evaluates the financial assets and liabilities assumed for the purpose of classifying them and allocating them in accordance with the contractual terms, economic circumstances and the pertinent conditions on the acquisition date, which includes segregation, on the part of the acquiree, of embedded derivatives existing in host contracts with the acquiree.

If the business combination is carried out in stages, the fair value on the date of acquisition of the equity interest previously held in the acquiree's capital is revalued to fair value on the acquisition date, and the impacts are recognized in the statement of operations.

Any contingent consideration to be transferred by the acquirer shall be recognized at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration considered as an asset or as a liability shall be recognized in accordance with CPC 48 - Financial Instruments (IFRS 9) in the statement of operations or other comprehensive income. If the contingent consideration is classified as equity, it shall not be revalued until finally settled in equity.

Initially, goodwill is measured as the excess of the consideration transferred in relation to net assets acquired. If the consideration is less than the fair value of the net assets acquired, the difference shall be recognized as a gain in the statement of operations.

After initial recognition, goodwill is measured at cost, less any accumulated impairment losses. For impairment testing purposes, goodwill acquired in a business combination is, as of the acquisition date, allocated to each of the Company's cash generating units that are expected to benefit from the synergies of the combination, irrespective of other assets or liabilities of the acquiree being attributed to those units.

When a goodwill is part of a cash-generating unit and a portion of that unit is disposed of, goodwill associated with the portion sold must be included in the cost of the operation when the gain or loss on the disposal is calculated. Goodwill disposed of in these circumstances is determined based on the proportional amounts of the portion sold in relation to the cash generating unit held.

Provisions for legal claims, contingent assets and liabilities

The assessment of contingent liabilities, except for those arising from claims, is made in accordance with CPC 25 - Provisions, Contingent Liabilities and Contingent Assets issued by the Brazilian Accounting Pronouncements Committee (CPC).

Provisions for risks are established taking into account: the opinion of legal advisors; the cause of actions; similarity with prior lawsuits; complexity and positioning of the legal system, whenever the loss may lead to an outflow of funds for the settlement of obligations and when the amounts involved are measurable with sufficient security. The contingent liabilities classified as probable loss are accrued.

Legal obligations arise from administrative or judicial discussions whose object of contestation to its legality or constitutionality, which is independent of the assessment of the probability of success, have their amounts fully recognized in the individual and consolidated financial statements, in accordance with the applicable legislation.

Contingent liabilities are disclosed if there is a possible future obligation arising from past events or if there is a present obligation arising from a past event and its payment is not probable or its amount cannot be estimated reliably.

Contingent assets are accounted for only when there are actual guarantees or definitive favorable court rulings against which no further appeals can be filed, characterizing the gain as virtually certain. Contingent assets with probable favorable outcome are only disclosed.

Impairment of tangible and intangible assets, other than goodwill

Property and equipment are tested annually for impairment, or when there is evidence of impairment, considering the current cash flows of each restaurant on a date close to that of the balance sheet, considering its maturity period (from 24 months of its inauguration) in order to identify some indicator of impairment. Once the restaurants with an impairment indicator are

identified, the Company assesses the prospect of resumption of its cash generation or assesses its discontinuity. Once the restaurants with an indication of discontinuity are identified and assessed individually by Management, a provision for the assets of these restaurants is established.

Intangible assets with indefinite useful life or not yet available for use are subject to the impairment test at least annually and whenever there is any indication that the asset may be impaired.

The recoverable amount is the fair value less costs of disposal or value in use, whichever is greater. In assessing the value in use, estimated future cash flows are discounted to the present value at the pre-tax discount rate, which reflects a current market assessment of the time value of money and the specific risks for the asset for which the estimate of future cash flow has not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of operations.

When the impairment is reversed in a subsequent period, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount so that that amount does not exceed the carrying amount that would have been determined, had no impairment loss for the asset (or cash-generating unit) in prior years been recognized. The reversal of an impairment loss is recognized immediately in the statement of operations.

Income tax and social contribution

The income tax and social contribution expense represents the sum of current and deferred taxes.

Current taxes

Income tax and social contribution are recognized based on annual net income in accordance with the tax legislation in force in the jurisdiction of each consolidated company. Taxable income differs from income presented in the statement of operations because it excludes taxable or deductible income or expenses in other years, as well as permanently excluding non-taxable or non-deductible items. The provision for income tax and social contribution is calculated by the Company based on the rates in force at the balance sheet dates.

Deferred taxes

The tax effects on tax losses and temporary differences between the carrying amounts and the tax bases of assets and liabilities are deferred and recognized in relation to deferred income tax and social contribution assets, up to the amount considered reasonable, according to their expected realization.

The carrying amount of the deferred tax asset is revised at the balance sheet dates and reduced when it is no longer probable that there will be sufficient taxable income available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the rates applied in the year in which the liability is settled or the asset realized, based on the rates (and tax legislation) in force, or substantively in force, at the balance sheet dates. The calculation of deferred tax liabilities and assets reflects the

tax consequences that would result from the manner in which the Company expects to recover or settle the carrying amount of its assets and liabilities at the balance sheet dates.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they are related to income tax applied by the same tax authority and the Company intends to settle its current tax assets and liabilities according to their net value.

10.6 – Significant items not disclosed in the financial statements

(a) assets and liabilities held by the Company, whether directly or indirectly, which do not appear on its balance sheet (off-balance sheet items)

(i) operating leases, assets and liabilities

At December 31, 2018, the Company was a party to operating lease agreements to operate 631 stores (526 at December 31, 2017). These leases have an average term of 10 years, with a renewal option after this period. Lease payments are adjusted annually, in line with market rents. Some leases provide additional rental payments, which are based on changes in the local price index.

In the year ended December 31, 2018, the amount of R\$ 123.7 million (R\$ 71.4 million in December 2017) was recognized as an expense in the statement of operations in relation to operating leases.

The future minimum lease payments payable on non-cancellable operating leases considering the stores in operation at December 31, 2018 are as follows: (i) within one year of R\$ 142.2 million, (ii) after one year, but less than five years of R\$ 574.1 million, and (iii) more than five years of R\$ 182.2 million.

(ii) receivables portfolios written off on which the entity maintains risks and responsibilities, indicating the respective liabilities

The Company's Officers clarify that there are no receivables portfolios written off on which the entity maintains risks and liabilities not disclosed in the Company's balance sheets for the last three fiscal years.

(iii) agreements for future purchase and sale of products or services

The Company's Officers clarify that there are no contracts for the future purchase and sale of products or services not disclosed in the Company's balance sheets for the last fiscal year.

(iv) unfinished construction contracts

The Company's Officers clarify that there is no unfinished construction not disclosed in the Company's balance sheets for the last fiscal year.

(v) contracts of future receipts of financing

The Company's Officers clarify that there are no contracts of future receipts of financing not disclosed in the Company's balance sheets for the last fiscal year.

(b) other items not disclosed in the financial statements

The Officers report that there are no other items not disclosed in the Company's financial statements for the last fiscal year.

10.7 – Items not disclosed in the financial statements

(a) how such items change or might change revenues, expenses, operating results, financial expenses or other items of the issuer's financial statements

On the date of presentation of this Reference Form, there are no assets or liabilities held by the Company that may have a significant impact on its activities.

(b) nature and proposal of the operation

With regard to this item, please refer to section 10.6 of this Reference Form.

(c) nature and amount of obligations taken and rights generated in favor of the issuer in connection with the operation

With regard to this item, please refer to section 10.6 of this Reference Form.

10.8 – Business plan

(a) investments

(i) quantitative and qualitative description of the investments in progress and expected investments

The Company's main investments are earmarked for the opening of own restaurants. In addition to openings, in years 2016, 2017 and 2018, franchisees' restaurants were acquired as follows:

<i>(in R\$ thousands)</i>	Year ended December 31		
	2018	2017	2016
Acquisition of intangible assets and property and equipment	338,955	197,871	174,609
Amount paid on the acquisition of investments, net of acquired cash	360,884	-	18,133
Total	699,839	197,871	192,742

(ii) sources of financing for investments

The main sources of financing for capital investments that the Company usually makes are: (i) cash generation from the Company's operations; (ii) obtaining long-term credit in the local market with issue of debentures, including in the scope of securitization of agribusiness credit rights; and (iii) use of funds raised through the initial public offering (IPO).

(iii) significant divestments in progress and expected divestments

There are no significant divestments in progress or expected.

(b) provided that already disclosed, indicate the acquisition of plants, equipment, patents or other assets that should materially influence the Company's productive capacity

There was no acquisition of any plants, equipment, patents or other assets that may significantly influence the Company's production capacity.

(c) new products and services

Not applicable, since the Company does not have any new products and services.

(i) description of researches in progress already disclosed

Not applicable, since the Company does not have any new products and services.

(ii) total amounts spent on researches for development of new products or services

Not applicable, since the Company does not have any new products and services.

(iii) projects in progress already disclosed

Not applicable, since the Company does not have any new products and services.

(iv) total amounts spent on development of new products or services

Not applicable, since the Company does not have any new products and services.

10.9 – Other significantly influencing factors

There are no other factors that significantly influenced the Company's operating performance and that have not been identified or commented on in the other items of this section.

APPENDIX II

PROPOSAL FOR CAPITAL BUDGET PREPARED BY MANAGEMENT

(pursuant to article 25, paragraph 1, section IV, of CVM Rule No. 480)

Proposal for Capital Budget Prepared by Company Management

Dear Shareholders,

BK Brasil Operação e Assessoria a Restaurantes S.A. ("Company"), pursuant to article 196 of Law No. 6404, of February 15, 1976, submits to the approval at the Annual General Meeting of 2019 the withholding of the portion of profit for the year ended December 31, 2018, as approved by the Company's Board of Directors on February 27, 2019, amounting to R\$ 91,225,881.71, of a total amount of R\$128,036,325.20, after establishing the legal reserve amounting to R\$ 6,401,816.26 and deduction of the minimum mandatory dividend (paid as interim interest on capital) amounting to R\$ 30,408,627.23.

Considering the withholding of the portion of profit above, the Company presents the Capital Budget for the year ending December 31, 2019, amounting to nearly R\$ 385,000 thousand. The investments listed below will be funded by third party and/or own capital, including future cash generation.

The balances included in this reserve will be used for investments, among which: (i) the opening of restaurants under brand name BURGER KING®, with enhanced focus on restaurants of the Free Standing type; (ii) gradual acceleration of the opening of restaurants of brand name POPEYES®, focused on restaurants of the Mall type; (iii) the opening of dessert centers of brand name BURGER KING®; (iv) renovation and refurbishment of the Company's own restaurants; and (v) strategic projects as investments in new technologies and sales channels.

Barueri, February 27, 2019.

APPENDIX III

PROPOSAL FOR ALLOCATION OF PROFIT FOR THE YEAR ENDED DECEMBER 31, 2018

(pursuant to article 9, sole paragraph, section II, of CVM Rule No. 481, as required by Appendix 9-1-II)

1. Inform profit for the year

The Company earned profit for the year ended December 31, 2018 amounting to R\$ 128,036,325.20 (one hundred, twenty-eight million, thirty-six thousand, three hundred twenty-five reais and twenty cents).

2. Inform the global amount and the per-share value of the dividends, including prepaid dividends and interest on capital already declared

In meetings of the Company's Board of Directors held on December 14, 2018 and on February 27, 2019, the AGM approved ad referendum the distribution of interest on capital in the **global amount** of R\$ 30,408,627.23 (thirty million, four hundred eight thousand, six hundred twenty-seven reais and twenty-three cents).

Of that total: (a) the total amount of R\$ 10,547,764.56 (ten million, five hundred forty-seven thousand, seven hundred and sixty-four reais and fifty-six cents), equivalent to R\$ 0,047400183¹ per share was distributed as a portion of profit determined between 01/01/2018 and 09/30/2018; and (b) the total amount of R\$ 19,860,862.67 (nineteen million, eight hundred sixty thousand, eight hundred sixty-two reais and sixty-seven cents), equivalent to R\$ R\$ 0,088554947² per share was distributed as a portion of profit determined between 10/01/2018 and 12/31/2018.

Considering the aforesaid global amount, the **per-share value** actually distributed for the year ended December 31, 2018, shall be R\$ R\$ 0,133914483³.

3. Inform the percentage of profit for the year distributed

The percentage distributed as interest on capital for the year 2018 is equivalent to 25% of profit, after establishing the legal reserve.

4. Inform the global amount and the per-share value of dividends distributed in view of prior years' profit

Not applicable.

¹ Value calculated in view of the total number of shares issued by the Company in force on 12/14/2018, i.e. 222,525,821 shares.

² Value calculated in view of the total number of shares issued by the Company in force on 02/27/2019, i.e. 224,227,280 shares.

³ Value calculated in view of the total number of shares issued by the Company in force on 03/29/2019, i.e. 227,074,970 shares.

5. Inform, after deducting prepaid dividends and interest on capital already declared

(a) Gross value of dividends and interest on capital, on a segregated basis, per share of each type and class

No dividends shall be distributed in addition to interest on capital already declared on December 14, 2018 and on February 27, 2019.

(b) The form and term of payment of dividends and interest on capital

Not applicable, since there shall be no distribution of dividends in addition to interest on capital already declared on December 14, 2018 and on February 27, 2019.

(c) Occasional updating of interest on dividends and interest on capital

Not applicable, since there shall be no distribution of dividends in addition to interest on capital already declared on December 14, 2018 and on February 27, 2019.

(d) Date of declaration of payment of dividends and interest on capital considered for identification of shareholders who will be entitled to receipt

Interest on capital declared at the meetings of the Company's Board of Directors held on December 14, 2018 and on February 27, 2019 considered retrospectively the shareholding positions of December 19, 2018 and March 7, 2019.

6. In case of a declaration of dividends or interest on capital based on profit determined in semi-annual balance sheets or in shorter periods

(a) Inform the amount of dividends or interest on capital already declared

The Company's Board of Directors approved the following distributions of interest on capital, in accordance with article 29, "iii", of the Company's articles of incorporation:

(a) At a meeting of the Company's Board of Directors held on December 14, 2018, the distribution of interest on capital as a portion of profit determined between 01/01/2018 and 09/30/2018, amounting to R\$ 10,547,764.56 (ten million, five hundred forty-seven thousand, seven hundred sixty-four reais and fifty-six cents), equivalent to R\$ 0.047400183 per share, with withholding income tax at source, except for shareholders who are demonstrably immune or exempt.

(b) At a meeting of the Company's Board of Directors held on February 27, 2019, the distribution of interest on capital was approved as a portion of profit determined between 10/01/2018 and 12/31/2018, amounting to R\$ 19,860,862.67 (nineteen million, eight hundred sixty thousand, eight hundred sixty-two reais and sixty-seven cents, equivalent to R\$ 0.088554947 per share, with withholding income tax at source, except for shareholders who are demonstrably immune or exempt.

(b) Inform the date of the respective payments

Interest on capital already declared by the Board of Directors will be paid on March 29, 2019.

7. Provide the comparative table indicating the following per-share values of each type and class of share

(a) Profit for the year and for the 3 (three) prior years

	2018	2017	2016
Profit for the year	R\$ 128,036,325.20	R\$ 3,819,000.00	(R\$ 93,456,000.00)
Earnings per share (in reais)	0.5758	0.0241	NA

(b) Dividend and interest on capital distributed for the last 3 (three) years

<i>(in R\$ thousand)</i>	2018	2017	2016
Global value of dividends distributed	R\$ 30,408,627.23	R\$ 0.00	NA
Value of per-share dividends (in reais)	R\$ 0.1339	R\$ 0.00	NA
Interest on capital	R\$ 30,408,627.23	R\$ 0.00	NA

8. In case of allocation of profit to the legal reserve

(a) Identify the amount allocated to the legal reserve

The amount of profit for the year ended December 31, 2018 allocated to the legal reserve reached R\$ 6,401,816.26 (six million, four hundred and one thousand, eight hundred sixteen reais and twenty-six cents).

(b) Detail the way of calculation of the legal reserve

Of profit determined, 5% was allocated for establishment of the legal reserve, in accordance with article 193 of the Brazilian Corporation Law.

9. In case the Company has preferred shares entitled to fixed or minimum dividends

(a) Describe the way of calculation of fixed or minimum dividends

Not applicable.

(b) Inform whether profit for the year is sufficient for full payment of the fixed or minimum dividends

Not applicable.

(c) Identify whether an unpaid portion, if any, is cumulative

Not applicable.

(d) Identify the global value of fixed or minimum dividends payable to each class of preferred shares

Not applicable.

(e) Identify the fixed or minimum dividends payable per preferred share of each class

Not applicable.

10. In relation to the mandatory dividend

(a) Describe the way of calculation set forth in the articles of incorporation

Article 28 of the Company's articles of incorporation establishes that profit shall be allocated as follows: (i) 5% (five percent) shall be allocated to the legal reserve, which shall not exceed 20% (twenty percent) of capital stock; and (ii) at least 25% (twenty five percent) shall be allocated to the payment of the mandatory dividend due to shareholders, in compliance with the other provisions of the articles of incorporation and legislation applicable thereto.

(b) Inform whether it is being fully paid

Yes, mandatory dividends were fully paid through interest on capital.

(c) Inform the amount withheld, if any

Not applicable.

11. In case of withholding of the mandatory dividend due to the Company's financial condition

(a) Inform the amount of withholding

Not applicable.

(b) Describe in detail the Company's financial condition, including aspects of the liquidity analysis, working capital and positive cash flows

Not applicable.

(c) Justify the withholding of dividends

Not applicable.

12. In case of allocation of results to the reserve for contingencies

(a) Identify the amount allocated to the reserve

Not applicable.

(b) Identify the loss considered to be probable and its cause

Not applicable.

(c) Explain why the loss was considered to be probable

Not applicable.

(d) Justify the establishment of the reserve

Not applicable.

13. In case of allocation of results to unrealized income reserve

(a) Inform the amount allocated to the unrealized income reserve

Not applicable.

(b) Inform the nature of unrealized income which originated the reserve

Not applicable.

14. In case of allocation of results to statutory reserves

(a) Describe the statutory clauses which establish the reserve

Not applicable.

(b) Identify the amount allocated to the reserve

Not applicable.

(c) Describe how the amount was calculated

Not applicable.

15. In case of withholding of profit set forth in capital budget

(a) Identify the amount of withholding

As approved by the Company's Board of Directors on February 27, 2019, and submitted to the approval of the AGM, R\$ 91,226,000.00 (ninety-one million, two hundred twenty-six thousand reais) was withheld.

(b) Provide a copy of the capital budget

The copy of the proposal for capital budget prepared by management is presented in **Appendix II** to this Proposal.

16. In case of allocation of results to the tax incentive reserve

(a) Inform the amount allocated to the reserve

Not applicable.

(b) Explain the nature of the allocation

Not applicable.

APPENDIX IV

DEFINITION OF THE NUMBER OF MEMBERS AND ELECTION OF THE MEMBERS OF THE COMPANY'S BOARD OF DIRECTORS

1. Definition of the number of seats of the Company's Board of Directors:

Respecting the limitation of the number of seats of the Board of Directors, as set forth in article 15, main section, of the Company's articles of incorporation, Management's Proposal is that the composition of the Company's Board of Directors for the term with closing at the Annual General Meeting to resolve on the financial statements for the year ending December 31, 2020 is 7 (seven) primary members, in addition to 3 (three) alternate members.

2. Procedure for election of the Company's Board of Directors

Unless shareholders representing at least 5% (five percent) of the Company's capital stock require the adoption of the multiple vote process for the election of the members of the Board of Directors, at least 48 hours before the meeting (Article 141 of the Brazilian Corporation Law and CVM Rule No. 165/91), the election of the members of the Company's Board of Directors shall occur through the majority voting system, pursuant to article 129 of the Brazilian Corporation Law.

If, however, the multiple vote procedure is to be duly required, the number of votes required to guarantee the election of at least one member of the Board of Directors, based on the number of shares held by the shareholders present at the meeting, shall be disclosed at the Meeting. Each share shall be allocated as many votes as there are seats to be filled in the Board of Directors through the multiple vote procedure, each shareholder being able to freely allocate their votes among the candidates, and electing the candidates who receive the largest number of votes.

3. Candidates to the Company's Board of Directors

For the proposed vacancies, the majority shareholders appointed the candidates listed in section 12.5/6 of the Company's Reference Form, as below, which, if elected, shall serve a term of office until the annual general meeting approving the accounts for the year ending December 31, 2020.

SECTIONS 12.5 to 12.10 OF THE COMPANY'S REFERENCE FORM

(pursuant to article 10, section I, of CVM Rule No. 481)

12.5 / 12.6 – Composition and professional experience of the members of board of directors and supervisory board

Name	Date of birth	Management body	Date of election	Term of office	Number of consecutive terms of office
CPF	Profession	Elected office taken	Date of inauguration	Elected by the majority shareholder	Percentage of attendance in meetings
Other positions and activities carried out at the Company					
Marcelo Dodsworth Penna	09/01/1984	Holds a seat at the Board of Directors only	04/29/2019	AGM 2021	2
108.521.597-06	Lawyer	22 – Board of Directors (Primary)	04/29/2019	No	100%
Primary members of the Audit Committee and of the Compensation Committee					
Joshua Arthur Kobza	05/13/1986	Holds a seat at the Board of Directors only	04/29/2019	AGM 2021	5
000.000.000-00	Economist	22 – Board of Directors (Primary)	04/29/2019	No	100%
Chairman of the Compensation Committee					
Renato Fairbanks Nascimbeni de Sá e Silva Ribeiro	06/05/1979	Holds a seat at the Board of Directors only	04/29/2019	AGM 2021	3
300.224.978-54	Administrator	22 – Board of Directors (Primary)	04/29/2019	No	100%
N/A					
Matheus Morgan Villares	03/10/1971	Holds a seat at the Board of Directors only	04/29/2019	AGM 2021	3
257.655.128-95	Administrator	23 – Board of Directors (Alternate)	04/29/2019	No	0%
N/A					

Name	Date of birth	Management body	Date of election	Term of office	Number of consecutive terms of office
CPF	Profession	Elected office taken	Date of inauguration	Elected by the majority shareholder	Percentage of attendance in meetings
Other positions and activities carried out at the Company					
Guilherme de Araújo Lins	02/07/1963	Holds a seat at the Board of Directors only	04/29/2019	AGM 2021	2
745.336.817-00	Engineer	20 – Chairman of the Board of Directors	04/29/2019	No	100%
Primary member of the Compensation Committee and of the Audit Committee					
Paula Alexandra de Oliveira Gonçalves Bellizia	07/12/1971	Holds a seat at the Board of Directors only	04/29/2019	AGM 2021	0
121.252.928-66	Systems Analyst	27 – Independent Board Member (Primary)	04/29/2019	No	0%
N/A					
Thiago Temer Santelmo	05/09/1984	Holds a seat at the Board of Directors only	04/29/2019	AGM 2021	0
325.791.648-55	Administrator	23 – Board of Directors (Alternate)	04/29/2019	No	0
N/A					
Rodrigo Calvo Galindo	05/03/1976	Holds a seat at the Board of Directors only	04/29/2019	AGM 2021	1
622.153.291-49	Lawyer	27 – Independent Board Member (Primary)	04/29/2019	No	100%
N/A					
Bruno Augusto Sacchi Zaremba	09/29/1974	Holds a seat at the Board of Directors only	04/29/2019	AGM 2021	1
034.032.377-96	Economist	22 – Board of Directors (Primary)	04/29/2019	No	100%
N/A					
Marcos Grodetzky	11/24/1956	Holds a seat at the Board of Directors only	04/29/2019	AGM 2021	1

Name	Date of birth	Management body	Date of election	Term of office	Number of consecutive terms of office
CPF	Profession	Elected office taken	Date of inauguration	Elected by the majority shareholder	Percentage of attendance in meetings
Other positions and activities carried out at the Company					
425.552.057-72	Economist	23 – Board of Directors (Alternate)	04/29/2019	No	100%
N/A					

Professional Experience/ Statement of No Prior Convictions

Marcelo Dodsworth Penna

Member of the Board of Directors since April 2016, of the Audit Committee since March 2017 and of the Compensation Committee since August 2018. He has been an officer of Vinci Capital Gestora de Recursos Ltda. and its affiliates since 2009. He has been a partner of that firm since 2018. Mr. Penna joined UBS Pactual Bank in 2007 and before joining the Private Equity team at Vinci Partners, he served as a member of the legal department, focused on mergers and acquisitions (M&A) and Private Equity operations. As a member of the Private Equity team at Vinci Partners, Mr. Penna has served as a member of the Board of Directors of (i) Oceana Offshore S.A. since March 2016, and (ii) Cagliari Participações S.A. since January 2019, an investee of the investment funds managed by Vinci Capital. Mr. Penna holds a Law degree from the Universidade do Estado do Rio de Janeiro and a Master's Degree in Business Administration (MBA) from the Columbia Business School (USA). The candidate declared, for all legal purposes, that: (i) over the last 5 years, he has not been subject to the effects of any criminal conviction or administrative proceeding against him filed by the Brazilian Securities and Exchange Commission (CVM) and/ or any final and unappealable conviction at the judicial or administrative levels, which has suspended or disqualified him for the practice of any professional or business activity; and (ii) he is not considered a politically exposed person pursuant to CVM Rule No. 301 of April 16, 1999, as amended ("ICVM 301").

Joshua Arthur Kobza

Member of our Board of Directors since April 2013, member of the Compensation Committee since September 2017 and Chairman of the Compensation Committee since August 2018. In January 2019, he was elected Chief Financial Officer (CFO) of Restaurant Brands International Inc. ("**RBI**"), a Burger King Corporation group company, and has been the CFO of Popeyes Louisiana Kitchen, Inc. since 2013, as well as of Restaurant Brands International since 2014. Mr. Kobza served as Technology and Development Officer at RBI from January 2018 to January 2019, and as Chief Financial Officer (CFO) at RBI from December 2014 to January 2018. From April 2013 to December 2014, Mr. Kobza served as an advisor to Burger King France S.A., a franchisee of Burger King, since 2013. Prior to that, he served as Chief Financial Officer (CFO) of Investor Relations and Senior Global Finance Vice CEO for Burger King Worldwide, Inc. (2012 to 2013), and as a member of the Board of Directors of Burger King France SEE, a franchisee of Burger King (from 2013 to 2014). Mr. Kobza joined Burger King Worldwide in June 2012 as Investor Relations Officer and was promoted to Senior Global Finance Vice CEO in December 2012. Prior to joining Burger King, Mr. Kobza worked at SIP Capital (January 2011 to June 2012) and was an analyst in the Private Equity area of the Blackstone Group in New York (July 2008 to December 2010). Mr. Kobza has also worked as a member of the Board of Director of Burger King France S.A., a franchisee of Burger King, since 2013 and, from 2013 to 2014, he was a member of the Board of Directors of Burger King SEE, a Burger King franchisee. He graduated in Economics from Harvard College (USA). The candidate declared, for all legal purposes, that: (i) over the last 5 years, he has not been subject to the effects of any criminal conviction or administrative proceeding against him filed by the Brazilian Securities and Exchange Commission (CVM) and/ or any final and unappealable conviction at the judicial or administrative levels, which has suspended or disqualified him for the practice of any professional or business activity; and (ii) he is not considered a politically exposed person pursuant to CVM Rule No. 301 of April 16, 1999, as amended ("ICVM 301").

Renato Fairbanks Nascimbeni de Sá e Silva Ribeiro

Member of our Board of Directors since January 2015. He has more than 16 years of experience working with investment and management consulting. He has served as investment officer for Temasek in Brazil since 2014, where he invested in companies from different sectors and at different stages of growth. Mr. Ribeiro has been a member of the Board of Directors of SuperBAC BioTechnology Solutions and of Neoway

Professional Experience/ Statement of No Prior Convictions

Business Solutions since 2017. Prior to joining Temasek in Brazil, Mr. Ribeiro served as a management consultant at Value Partners (2004 to 2006) and Accenture (2001 to 2004), where he provided consulting services to customers in various industries. He graduated in Business Administration from the Getúlio Vargas Foundation - São Paulo, and has a Master's Degree in Business Administration (MBA) from the University of Pennsylvania - Wharton School of Business (USA). Mr. Ribeiro has been a member of the Society of Kauffman Fellows since 2015. The candidate declared, for all legal purposes, that: (i) over the last 5 years, he has not been subject to the effects of any criminal conviction or administrative proceeding against him filed by the Brazilian Securities and Exchange Commission (CVM) and/ or any final and unappealable conviction at the judicial or administrative levels, which has suspended or disqualified him for the practice of any professional or business activity; and (ii) he is not considered a politically exposed person pursuant to CVM Rule No. 301 of April 16, 1999, as amended ("ICVM 301").

Matheus Morgan Villares

Member of our Board of Directors since January 2015, serving as alternate for Board Member Renato Fairbanks Nascimbeni de Sá e Silva Ribeiro. He has served as the CEO of Temasek's Brazil office since September 2008, responsible for investments in Brazil. He has also been a member of the Board of Directors of Hidrovias do Brasil S.A. (since April 2012) and of Bionexo Internacional S.A. (since January 2018). Prior to joining Temasek, Mr. Villares was the Lead M&A Officer for Citigroup Capital Markets in Brazil (March 2008 to July 2008) and head of the M&A area at Goldman Sachs & Co (March 2004 to March 2005). He graduated in Production Engineering from the Universidade de São Paulo, with an MBA from the University of Chicago Booth School of Business (USA). The candidate declared, for all legal purposes, that: (i) over the last 5 years, he has not been subject to the effects of any criminal conviction or administrative proceeding against him filed by the Brazilian Securities and Exchange Commission (CVM) and/ or any final and unappealable conviction at the judicial or administrative levels, which has suspended or disqualified him for the practice of any professional or business activity; and (ii) he is not considered a politically exposed person pursuant to CVM Rule No. 301 of April 16, 1999, as amended ("ICVM 301").

Guilherme de Araújo Lins

Member of the Board of Directors since August 2016, of the Audit Committee since March 2017, of the Compensation Committee since June 2017 and Chairman of the Board of Directors since August 2018. Mr. Lins joined Capital Group Private Markets in 2000. He is a Managing Partner, mainly responsible for Africa and Latin America, focusing on Brazil, and has been a member of the Investment Committee since 2010. Mr. Lins has 30 years' investment experience and has been with Capital Group Private Markets for 19 years. He has been a member of the Board of Directors and the Audit Committee of Constellation Oil Services Holding S.A. since 2010. Prior to joining the Capital Group Private Markets team, he spent eight years at JP Morgan in New York and São Paulo and three years with the Matuschka Group in Paris and Munich in the corporate finance department. Mr. Lins was also a member of in the Board of Directors of Abril S.A. (2004 to 2006), Magazine Luiza S.A. (2005 to 2011), Serviços e Tecnologia de Pagamentos S.A. (STP) (2014 to 2016), Arcos Dorados (2007 to 2011), El Tejar S.A. (2009 to 2015) and Ibmecc S.A. (2010 to 2015). Mr. Lins holds a Bachelor's Degree in Chemical Engineering from the Universidade Federal do Rio de Janeiro and in Business Administration from École des Hautes Études Commerciales - HEC, Paris. The candidate declared, for all legal purposes, that: (i) over the last 5 years, he has not been subject to the effects of any criminal conviction or administrative proceeding against him filed by the Brazilian Securities and Exchange Commission (CVM) and/ or any final and unappealable conviction at the judicial or administrative levels, which has suspended or disqualified him for the practice of any professional or business activity; and (ii) he is not considered a politically exposed person pursuant to CVM Rule No. 301 of April 16, 1999, as amended ("ICVM 301").

Paula Alexandra de Oliveira Gonçalves Bellizia

Paula Alexandra de Oliveira Gonçalves Bellizia is Sales, Marketing and Operations Vice President of Microsoft Latin America, having led Microsoft Brazil since July 2015. With experience of more than 25 years in the market, Mrs. Bellizia started her career in Marketing at Whirlpool in 1992, then she worked at Telefônica for four years and, in 2002, she started working at Microsoft Brazil, where she held various positions for ten years. Before returning to the company as President in 2015, Mrs. Bellizia led the Executive Board for Sales to Small and Medium-Sized Enterprises of Facebook in Latin America and was the President of Apple's operations in Brazil for two years. She is a member of the Economic and Social Development Council (CDES), as well as leader of the Management Council of the Innovation and Technology Department of the São Paulo city municipal government and member of the Board of Directors of the Brazilian Association of Information Technology and Communication Companies of the American Board of Trade for Brazil (Brasscom) and Arezzo Indústria e Comércio S.A. The criterion for determining independence is established in the Novo Mercado Listing Regulation, in force until January 2, 2018, pursuant to B3 Official Notice 618/2017-DRE The applicant also declares hereby, for all legal purposes that: (i) in the last 5 years, she has not been subject to the effects of any criminal conviction, administrative proceeding or penalty applied by the Brazilian Securities and Exchange Commission (CVM) or any final and unappealable conviction, whether at the judicial or administrative level, not allowing or impeding her to perform professional or commercial activities; and (ii) that she is not considered a politically exposed person pursuant to CVM Rule No. 301 of April 16, 1999, as amended ("ICVM 301").

Professional Experience/ Statement of No Prior Convictions**Marcos Grodetzky**

Member of our Board of Directors since September 2017. With more than 30 years of experience in the Finance Industry, Mr. Grodetzky has held senior management positions in banks, private equity/ venture capital funds and the credit card industry. His activities involved the Corporate & Investment Banking, Trade Finance, Asset Management and Products segments, with exposure to sales, distribution, product structuring, credit and risk, among others. He is a Founding Partner of Mediator Assessoria Empresarial Ltda., a company that since 2011 has carried intermediation services between companies and their shareholders, as well as offering strategic and financial consulting services. Mr. Grodetzky has also served as an Independent Board Member for Smiles S.A. (since 2012), and as a Board Member for Constellation Oil Services Holding S.A., headquartered in Luxembourg (since 2015). He has been the Finance Officer of the União Israelita Brasileira do Bem Estar Social - UNIBES (since 2012) and Board Member of UNIBES Cultural (since 2015), both non-profit entities. He served as an Independent Board Member for Eneva and Oi (both from 2015 to 2017) and as Finance and Investor Relations Officer of Telemar (from 2002 to 2006), Aracruz/Fibra (from 2008 to 2010) and Cielo (from 2010 to 2011). From 2012 to October 2013, Mr. Grodetzky was CEO of DGB S.A., a holding company pertaining to Grupo Abril S.A. and parent company of Dinap - Dist. Nacional de Publicações, Magazine Express Comercial Imp e Exp de Revistas, Entrega Fácil Logística Integrada, FC Comercial e Distribuidora, Treelog S.A. - Logística e Distribuição, DGB Logística e Distribuição Geográfica and TEX Courier (Total Express). Mr. Grodetzky graduated in Economics from the Universidade Federal do Rio de Janeiro in January 1978 and participated in the INSEAD/FDC Senior Management Program in 1993. The candidate declared, for all legal purposes, that: (i) over the last 5 years, he has not been subject to the effects of any criminal conviction or administrative proceeding against him filed by the Brazilian Securities and Exchange Commission (CVM) and/ or any final and unappealable conviction at the judicial or administrative levels, which has suspended or disqualified him for the practice of any professional or business activity; and (ii) he is not considered a politically exposed person pursuant to CVM Rule No. 301 of April 16, 1999, as amended ("ICVM 301").

Thiago Temer Santelmo

Regional President of Burger King Latin America & Caribbean since March 2019. Performed as Vice President of Finance and Development of Burger King in Europe, Middle East and Africa (from October 2016 to February 2019), as Vice President for Global Development of RBI (from December 2015 to September 2016), as General Manager, Central Region, of Burger King Latin America (from June 2014 to November 2015), and as Chief Finance and Development Officer for Burger King Latin America & Caribbean (from July 2013 to May 2014). Mr. Thiago Santelmo holds a bachelor's degree in Business Management from the Getúlio Vargas Foundation and an MBA from the Harvard Business School. The candidate declared, for all legal purposes, that: (i) over the last 5 years, he has not been subject to the effects of any criminal conviction or administrative proceeding against him filed by the Brazilian Securities and Exchange Commission (CVM) and/ or any final and unappealable conviction at the judicial or administrative levels, which has suspended or disqualified him for the practice of any professional or business activity; and (ii) he is not considered a politically exposed person pursuant to CVM Rule No. 301 of April 16, 1999, as amended.

Rodrigo Calvo Galindo

Member of our Board of Directors since October 2017. He has served in executive positions at various educational institutions in the last 27 years. Mr. Galindo has been the CEO of the Kroton Educacional Group (since January 2012), an independent member of the Board of Directors of Clínica SIM (since July 2015) and a member of the Board of Directors of Endeavor (since February 2017). In addition, Mr. Galindo was the CEO of IUNI Educational Group (from 2007 to 2010), Operations and Higher Education Officer at Kroton (from 2010 to 2011) and independent member of the Board of Directors of Arezzo (July 2013 to April 2017). Mr. Galindo holds a Law degree from the Pontifícia Universidade Católica de São Paulo. The criterion for determining independence is established in the Novo Mercado Listing Regulation, in force until January 2, 2018, pursuant to B3 Official Notice 618/2017-DRE. The candidate declared, for all legal purposes, that: (i) over the last 5 years, he has not been subject to the effects of any criminal conviction or administrative proceeding against him filed by the Brazilian Securities and Exchange Commission (CVM) and/ or any final and unappealable conviction at the judicial or administrative levels, which has suspended or disqualified him for the practice of any professional or business activity; and (ii) he is not considered a politically exposed person pursuant to CVM Rule No. 301, as amended ("ICVM 301").

Bruno Augusto Sacchi Zaremba

Member of our Board of Directors since August 2018. He is the head of the Private Equity team of Vinci Partners. He is a member of the Board of Directors of several companies in Vinci's customer portfolio, such as Austral, Cecrisa, CBO, Uniasselvi and Le Biscuit and of the Decision-Making Board of ABVCAP. He began his career with Banco Pactual in 1996 as a Senior Analyst for Banks, Beverages, Retail, Food and Tobacco industries. He became a Partner of the Bank in 2001 and a leader of the investments and debt stock exchange trading desk for developed markets. Between 2006 and 2009, he worked for UBS Pactual Gestora de Investimentos Alternativos, and was already involved in Private Equity strategy. In 2009, he joined Vinci Partners where, from the outset, he has focused on Private Equity strategy. He graduated in Economics from PUC-Rio, is a Chartered Financial Analyst (CFA) and has completed the Owner and President Management (OPM) 50 Program from the Harvard Business School (USA). The candidate declared, for all legal

Professional Experience/ Statement of No Prior Convictions

purposes, that: (i) over the last 5 years, he has not been subject to the effects of any criminal conviction or administrative proceeding against him filed by the Brazilian Securities and Exchange Commission (CVM) and/ or any final and unappealable conviction at the judicial or administrative levels, which has suspended or disqualified him for the practice of any professional or business activity; and (ii) he is not considered a politically exposed person pursuant to CVM Rule No. 301 of April 16, 1999, as amended ("ICVM 301").

12.7 / 12.8 – Composition of the statutory committees and of the audit, financial and compensation committees

Name	Type of committee	Position taken	Profession	Date of election	Term of office	Number of consecutive terms of office
CPF	Description of other committees	Description of other positions	Date of birth	Date of inauguration	Elected by the majority shareholder	Percentage of attendance in meetings
Other positions and activities carried out at the Company						
Guilherme de Araújo Lins	Audit Committee	Member of the Committee (Primary)	Engineer	04/29/2019	AGM 2021	2
745.336.817-00	N/A	N/A	02/07/1963	04/29/2019	No	100%
Chairman of the Board of Directors and member of the Compensation Committee						
Guy Almeida Andrade	Audit Committee	Member of the Committee (Primary)	Accountant	04/29/2019	AGM 2021	2
771.729.228-91	N/A	N/A	05/16/1954	04/29/2019	No	100%
N/A						
Marcelo Dodsworth Penna	Audit Committee	Member of the Committee (Primary)	Lawyer	04/29/2019	AGM 2021	2
108.521.597-06	N/A	N/A	09/01/1984	04/29/2019	No	100%
Member of the Board of Directors and of the Compensation Committee						
Guilherme de Araújo Lins	Audit Committee	Member of the Committee (Primary)	Engineer	04/29/2019	AGM 2021	1
745.336.817-00	N/A	N/A	02/07/1963	04/29/2019	No	100%
Chairman of the Board of Directors and member of the Audit Committee						
Iuri de Araújo Miranda	Audit Committee	Member of the Committee (Primary)	Administrator	04/29/2019	AGM 2021	1
422.741.175-00	N/A	N/A	11/08/1968	04/29/2019	No	100%
Chief Executive Officer						
Joshua Arthur Kobza	Compensation Committee	Chairman of the Committee	Economist	04/29/2019	AGM 2021	1
000.000.000-00	N/A	N/A	05/13/1986	04/29/2019	No	100%
Member of the Board of Directors						
Marcelo Dodsworth Penna	Compensation Committee	Member of the Committee (Primary)	Lawyer	04/29/2019	AGM 2021	1

Name	Type of committee	Position taken	Profession	Date of election	Term of office	Number of consecutive terms of office
CPF	Description of other committees	Description of other positions	Date of birth	Date of inauguration	Elected by the majority shareholder	Percentage of attendance in meetings
Other positions and activities carried out at the Company						
108.521.597-06	N/A	N/A	01/09/1984	04/29/2019	No	100%
Member of the Board of Directors and of the Audit Committee						
Professional Experience/ Statement of No Prior Convictions						
Guy Almeida Andrade						
<p>Mr. Andrade has 40 years of experience in audit, accounting, internal control systems, costing systems, valuation of companies, taxes and corporate governance. He holds a degree in Accounting from the Economics and Business Administration School of the University of São Paulo and in Business Administration from Mackenzie University – São Paulo. He was a member of the audit committee and of the risks committees of a number of companies from various economic sectors, such as Cetip, Embraer (consultant), Itaú Unibanco, HSBC Bank Brasil and Editora Abril. Mr. Andrade also held a number of positions at the International Federation of Accountants – IFAC, at the Institute of Independent Auditors of Brazil – IBRACON and at the Regional Accounting Council of the State of São Paulo. He is currently a partner at Magalhães Andrade S/S Auditores Independentes, a member of the board of directors of Companhia Muller de Bebidas and a member of the Nomination Committee of the International Federation of Accountants – IFAC. The candidate declared, for all legal purposes, that: (i) over the last 5 years, he has not been subject to the effects of any criminal conviction or administrative proceeding against him filed by the Brazilian Securities and Exchange Commission (CVM) and/ or any final and unappealable conviction at the judicial or administrative levels, which has suspended or disqualified him for the practice of any professional or business activity; and (ii) he is not considered a politically exposed person pursuant to CVM Rule No. 301 of April 16, 1999, as amended ("ICVM 301").</p>						
Guilherme de Araújo Lins						
<p>Member of the Board of Directors since August 2016, of the Audit Committee since March 2017, of the Compensation Committee since June 2017 and Chairman of the Board of Directors since August 2018. Mr. Lins joined Capital Group Private Markets in 2000. He is a Managing Partner, mainly responsible for Africa and Latin America, focusing on Brazil, and has been a member of the Investment Committee since 2010. Mr. Lins has 30 years' investment experience and has been with Capital Group Private Markets for 19 years. He has been a member of the Board of Directors and the Audit Committee of Constellation Oil Services Holding S.A. since 2010. Prior to joining the Capital Group Private Markets team, he spent eight years at JP Morgan in New York and São Paulo and three years with the Matuschka Group in Paris and Munich in the corporate finance department. Mr. Lins was also a member of the Board of Directors of Abril S.A. (2004 to 2006), Magazine Luiza S.A. (2005 to 2011), Serviços e Tecnologia de Pagamentos S.A. (STP) (2014 to 2016), Arcos Dorados (2007 to 2011), El Tejar S.A. (2009 to 2015) and Ibmecc S.A. (2010 to 2015). Mr. Lins holds a Bachelor's Degree in Chemical Engineering from the Universidade Federal do Rio de Janeiro and in Business Administration from École des Hautes Études Commerciales - HEC, Paris. The candidate declared, for all legal purposes, that: (i) over the last 5 years, he has not been subject to the effects of any criminal conviction or administrative proceeding against him filed by the Brazilian Securities and Exchange Commission (CVM) and/ or any final and unappealable conviction at the judicial or administrative levels, which has suspended or disqualified him for the practice of any professional or business activity; and (ii) he is not considered a politically exposed person pursuant to CVM Rule No. 301 of April 16, 1999, as amended ("ICVM 301").</p>						
Marcelo Dodsworth Penna						
<p>Member of the Board of Directors since April 2016, of the Audit Committee since March 2017 and of the Compensation Committee since August 2018. He has been an officer of Vinci Capital Gestora de Recursos Ltda. and its affiliates since 2009. He has been a partner of that firm since 2018. Mr. Penna joined UBS Pactual Bank in 2007 and before joining the Private Equity team at Vinci Partners, he served as a member of the legal department, focused on mergers and acquisitions (M&A) and Private Equity operations. As a member of the Private Equity team at Vinci Partners, Mr. Penna has served as a member of the Board of Directors of (i) Oceana Offshore S.A. since March 2016, and (ii) Cagliari Participações S.A. since January 2019, an investee of the investment funds managed by Vinci Capital. Mr. Penna holds a Law degree from the Universidade do Estado do Rio de Janeiro and a Master's Degree in Business Administration (MBA) from the Columbia Business School (USA). The candidate declared, for all legal purposes, that: (i) over the last 5 years, he has not been subject to the effects of any criminal conviction or administrative proceeding against him filed by the Brazilian Securities and Exchange Commission (CVM) and/ or any final and</p>						

Name	Type of committee	Position taken	Profession	Date of election	Term of office	Number of consecutive terms of office
CPF	Description of other committees	Description of other positions	Date of birth	Date of inauguration	Elected by the majority shareholder	Percentage of attendance in meetings

Other positions and activities carried out at the Company

unappealable conviction at the judicial or administrative levels, which has suspended or disqualified him for the practice of any professional or business activity; and (ii) he is not considered a politically exposed person pursuant to CVM Rule No. 301 of April 16, 1999, as amended ("ICVM 301").

Iuri de Araújo Miranda

CEO of the Company since July 2011 and member of the Compensation Committee since July 2014. From May 2010 to July 2011, Mr. Miranda was the Managing Officer of Brazil at Burger King Corporation. His previous experience extends to working for the ExxonMobil Corporation for 20 years in charge of the retail operation of the company's Gas Stations and Convenience Stores in Brazil, Latin America and the Caribbean. He holds a Bachelor's degree in Business Administration from Universidade Católica de Salvador, a Master's Degree in Business Administration and in Economic and Business Law from the Getúlio Vargas Foundation in Rio de Janeiro, and participated in executive training programs at the Kenan-Flagler Business School (North Carolina, USA) and the Thunderbird School of Global Management (Phoenix, USA). He has no criminal conviction or administrative proceeding against him that prevents him from holding management positions. The candidate declared, for all legal purposes, that: (i) over the last 5 years, he has not been subject to the effects of any criminal conviction or administrative proceeding against him filed by the Brazilian Securities and Exchange Commission (CVM) and/ or any final and unappealable conviction at the judicial or administrative levels, which has suspended or disqualified him for the practice of any professional or business activity; and (ii) he is not considered a politically exposed person pursuant to CVM Rule No. 301 of April 16, 1999, as amended ("ICVM 301").

Joshua Arthur Kobza

Member of our Board of Directors since April 2013, member of the Compensation Committee since September 2017 and Chairman of the Compensation Committee since August 2018. In January 2019, he was elected Chief Financial Officer (CFO) of Restaurant Brands International Inc. ("**RBI**"), a Burger King Corporation group company, and has been the CFO of Popeyes Louisiana Kitchen, Inc. since 2013, as well as of Restaurant Brands International since 2014. Mr. Kobza served as Technology and Development Officer at RBI from January 2018 to January 2019, and as Chief Financial Officer (CFO) at RBI from December 2014 to January 2018. From April 2013 to December 2014, Mr. Kobza served as an advisor to Burger King France S.A., a franchisee of Burger King, since 2013. Prior to that, he served as Chief Financial Officer (CFO) of Investor Relations and Senior Global Finance Vice CEO for Burger King Worldwide, Inc. (2012 to 2013), and as a member of the Board of Directors of Burger King France SEE, a franchisee of Burger King (from 2013 to 2014). Mr. Kobza joined Burger King Worldwide in June 2012 as Investor Relations Officer and was promoted to Senior Global Finance Vice CEO in December 2012. Prior to joining Burger King, Mr. Kobza worked at SIP Capital (January 2011 to June 2012) and was an analyst in the Private Equity area of the Blackstone Group in New York (July 2008 to December 2010). Mr. Kobza has also worked as a member of the Board of Director of Burger King France S.A., a franchisee of Burger King, since 2013 and, from 2013 to 2014, he was a member of the Board of Directors of Burger King SEE, a Burger King franchisee. He graduated in Economics from Harvard College (USA). The candidate declared, for all legal purposes, that: (i) over the last 5 years, he has not been subject to the effects of any criminal conviction or administrative proceeding against him filed by the Brazilian Securities and Exchange Commission (CVM) and/ or any final and unappealable conviction at the judicial or administrative levels, which has suspended or disqualified him for the practice of any professional or business activity; and (ii) he is not considered a politically exposed person pursuant to CVM Rule No. 301 of April 16, 1999, as amended ("ICVM 301").

Marcos Grodetsky

Member of our Board of Directors since September 2017. With more than 30 years of experience in the Finance Industry, Mr. Grodetsky has held senior management positions in banks, private equity/ venture capital funds and the credit card industry. His activities involved the Corporate & Investment Banking, Trade Finance, Asset Management and Products segments, with exposure to sales, distribution, product structuring, credit and risk, among others. He is a Founding Partner of Mediator Assessoria Empresarial Ltda., a company that since 2011 has carried intermediation services between companies and their shareholders, as well as offering strategic and financial consulting services. Mr. Grodetsky has also served as an Independent Board Member for Smiles S.A. (since 2012), and as a Board Member for Constellation Oil Services Holding S.A., headquartered in Luxembourg (since 2015). He has been the Finance Officer of the União Israelita Brasileira do Bem Estar Social - UNIBES (since 2012) and Board Member of UNIBES Cultural (since 2015), both non-profit entities. He served as an Independent Board Member for Eneva and Oi (both from 2015 to 2017) and as Finance and Investor Relations Officer of Telemar (from 2002 to 2006), Aracruz/Fibria (from 2008 to 2010) and Cielo (from 2010 to 2011). From 2012 to October 2013, Mr. Grodetsky was CEO of DGB S.A., a holding company pertaining to Grupo Abril S.A. and parent company of Dinap - Dist. Nacional de Publicações, Magazine Express Comercial Imp e Exp de Revistas, Entrega Fácil Logística Integrada, FC Comercial e Distribuidora, Treelog S.A. - Logística e Distribuição, DGB Logística

Name	Type of committee	Position taken	Profession	Date of election	Term of office	Number of consecutive terms of office
CPF	Description of other committees	Description of other positions	Date of birth	Date of inauguration	Elected by the majority shareholder	Percentage of attendance in meetings
Other positions and activities carried out at the Company						
<p>e Distribuição Geográfica and TEX Courier (Total Express). Mr. Grodetzky graduated in Economics from the Universidade Federal do Rio de Janeiro in January 1978 and participated in the INSEAD/FDC Senior Management Program in 1993. The candidate declared, for all legal purposes, that: (i) over the last 5 years, he has not been subject to the effects of any criminal conviction or administrative proceeding against him filed by the Brazilian Securities and Exchange Commission (CVM) and/ or any final and unappealable conviction at the judicial or administrative levels, which has suspended or disqualified him for the practice of any professional or business activity; and (ii) he is not considered a politically exposed person pursuant to CVM Rule No. 301 of April 16, 1999, as amended ("ICVM 301").</p>						

12.9 – Existence of a marital relationship, domestic partnership or kinship until the 2nd degree related to managers of the issuer, subsidiaries or parent companies

Justification for non-completion of the table:

Not applicable, since on this date there is no marital relationship, domestic partnership or kinship until the 2nd degree related to Company managers, subsidiaries or parent companies.

12.10 - Relation of subordination, service provision or control among managers and subsidiaries, parent companies and others

Justification for non-completion of the table:

Not applicable.

APPENDIX V

ITEM 13 OF THE COMPANY'S REFERENCE FORM

(pursuant to article 12, section II, of CVM Rule No. 481)

13.1 – Description of the policy or practice of compensation, including the non-statutory board

(a) objectives of the compensation policy or practice

The Company's salary compensation practice has as its main principles, objectives and guidelines: (i) the application of uniform criteria and ethical and technical principles of valuation and management of the different functional structures of the company; and (ii) to ensure the maintenance of internal and external balance standards, compatible with the responsibilities of each position and competitive to the labor market, regulating criteria and establishing administrative controls capable of responding to the diverse needs of the Company.

The Company's business model allows it to reach high growth rates together with the ongoing improvement of profitability indexes. Between the years ended December 31, 2012 and December 31, 2018 the Company's net operating revenue grew at a CAGR of 45.2%, whilst the adjusted EBITDA margin increased by 2.7p.p. for the years ended December 31, 2016 and 2018.

The Executive Board has an average of 20 years of experience in the management of large companies. The Company relies on a group of talented and experienced professionals, highly reputable in the market. The management team led our growth process and nurtured an innovation culture, entrepreneurship and team work. Also, seven of eight officers are with the Company since it was founded in 2011, making up a coherent team with a genuine capacity for successful joint work.

The Company believes that the specializing experience of management and its in-depth knowledge contribute to the efficiency of operations.

By recognizing the importance of managers for the Company success, the Company deployed long-term plans for retention of key executives, always in view of the basic pillars of meritocracy and "owner's vision" applied at all levels of the Company, representing an incentive for growth, generate results and retain talents.

(b) composition of compensation

(i) description of the elements of compensation and objectives of each of them

Board of Directors

The members of the Board of Directors are entitled to a monthly fixed compensation intended to compensate them for professional services provided and for the commitment to the Company, its functions and responsibilities inherent to the position taken, which is distributed by the Board of Directors itself based on the global compensation approved by the Annual General Meeting for a given fiscal year.

The compensation of the Board of Directors reflects the market practices, especially those noted in companies of the same industry, also taking into consideration the functions and responsibilities of such managers.

Statutory Board

Board members receive a fixed compensation as defined in their employment contracts, and are eligible for variable annual compensation subject to the achievement of individual and collective goals.

In addition, some previously listed members are beneficiaries of stock option plans and stock plans. Officers are still entitled to the benefit of medical assistance, dental care, life insurance and luncheon vouchers.

The fixed component of the compensation received by the Company's managers is aimed at the direct compensation for services rendered, in line with market practices.

The variable compensation paid to the Company's managers, in turn, is aimed at directing executives' actions towards meeting the Company's strategic objectives, in order to meet the interests of its investors, its customers and other stakeholders, subject to the achievement of individual and collective goals.

The benefits package received by the Executive Board aims to provide executives with an attractive package compatible with market practice.

Finally, the share-based compensation to which certain Company managers are entitled is intended to promote the Company's long-term growth and profitability, providing the persons who are or will be involved in the growth of the Company the opportunity to acquire a right to ownership in the Company, thereby encouraging these persons to contribute and participate in the Company's success.

Except for a certain member of the Audit Committee, who receives monthly fixed fees following the market standard, and the members of the Compensation Committee who are also members of the Executive Board, the members of the Board of Directors, the Audit Committee and the Compensation Committee are not entitled to any fixed compensation or benefits.

(ii) the proportion of each element in total compensation

The table below presents the proportion of each element in the composition of total compensation for the last three fiscal years:

Year ended December 31, 2018					
% in relation to total compensation					
	Drawing salary	Perquisites and fringe benefits	Variable compensation	Share-based compensation, including SOP	Total
Board of Directors	N/A	N/A	N/A	N/A	N/A
Executive Board	23%	5%	50%	22%	100%

Year ended December 31, 2017					
% in relation to total compensation					
	Drawing salary	Perquisites and fringe benefits	Variable compensation	Share-based compensation, including SOP	Total
Board of Directors	N/A	N/A	N/A	N/A	N/A
Executive Board	31%	5%	35%	29%	100%

Year ended December 31, 2016					
% in relation to total compensation					
	Drawing salary	Perquisites and fringe benefits	Variable compensation	Share-based compensation, including SOP	Total
Board of Directors	N/A	N/A	N/A	N/A	N/A
Executive Board	30%	18%	50%	2%	100%

(iii) methodology for calculation and adjustment of each of the compensation elements

The Company's compensation policies and incentive plans were created based on the market research carried out by specialized consultants and at the discretion of the Company management, and provide for fixed and variable compensation, as well as short- and long-term incentives (i.e. stock option plans), which are established through performance and goals.

The amounts are adjusted annually according to: (i) meritocracy, (ii) official inflation indexes, and (iii) analysis of the salary movement of companies in the retail sector and of a size comparable to that of the Company presented by salary surveys and benefits.

(iv) reasons that justify the composition of the compensation

The reasons that justify the composition of the compensation paid to the Company managers are incentives for the improvement of its management and retention of its executives, aiming at gains arising from the commitment of short- and long-term results.

(v) non-compensated members

Until 2018, the members of Board of Directors were not compensated. Beginning fiscal year 2019, no compensation shall be paid to the members of the Board of Directors who resign the receipt of compensation, pointing out that some of the members appointed to the board of directors are compensated within a global compensation platform of their respective shareholders, and not by the companies making up the investment portfolio.

(c) key performance indicators not taken into consideration when determining each compensation element

The key indicators for the definition of variable compensation are the following: (i) the Company's EBITDA target; and (ii) individual targets, which are based on the achievement of results and pre-agreed targets.

The goals are specific, measurable, achievable and express the ultimate impact expected by the organization of the effort undertaken by each officer.

(d) how the compensation is structured to reflect the evolution of performance indicators

The variable portion of the officers is related to the Company's performance in the period in question. Therefore, the amounts to be paid to the Company's officers as variable compensation depend on the Company's results (collective goal) and on the achievement of the individual goals of such officers.

(e) how the compensation policy or practice is in line with the short-, medium- and long-term interests of the issuer

The compensation practice described above seeks to encourage the Company's employees to seek the best profitability of the projects developed by the Company, in order to align their interests with those of the Company.

From a short, medium and long-term perspective, the Company seeks to achieve such alignment through salaries and benefits packages compatible with the market.

(f) existence of compensation supported by subsidiaries, controlled companies or direct or indirect parent companies

Not applicable, as there is no compensation supported by subsidiaries, controlled companies or direct or indirect parent companies.

(g) existence of any compensation or benefit linked to a given corporate event, such as the disposal of the issuer's equity control

Participants in the Company's Stock Option Plan, approved at a general meeting held on March 22, 2019, may be entitled to receive shares of the Company in the event of (i) public offering of Shares (a "POS") for cancellation from register; (ii) POS due to the increase of the controlling shareholder; (iii) POS on disposal of control of publicly-held company; and (iv) voluntary POS for acquisition of control of a publicly-held company (including possible competing POS), as such terms are defined by CVM Rule No. 361/2002. For more information, please refer to section 13.4 of the Reference Form.

(h) practices and procedures adopted by the board of directors to define the individual compensation of the board of directors and of the executive board

The Company has guidelines that must be observed regarding the compensation of its managers in order to align its interests and the Company's objectives.

The reasons that justify the composition of the compensation paid to the managers are incentives for the improvement of its management and the retention of its executives, aiming at gains through established targets of results and short- and long-term operational goals.

(i) bodies and committees that participate in the decision-making process and how they participate

The following bodies participate in the decision-making process to define the individual compensation of the Company's managers: Compensation Committee and Board of Directors, determining the proportion of each component of compensation. At the discretion of the Board of Directors and the Compensation Committee, the Company may hire specialized companies for compensation advice in order to structure the competitive compensation framework.

(ii) criteria and methodology to establish the individual compensation

The individual compensation of the Company's managers is determined using uniform criteria and ethical and technical principles of valuation and administration of its different functional structures, ensuring the maintenance of internal and external balance standards, compatible with the responsibilities of each position and competitive regulating criteria and establishing administrative controls capable of responding to the various needs of the Company.

In addition, the Company uses studies to evaluate and compare the position to be compensated with the market, taking into account companies of the same size of the segment as well as other segments that are competitors for the purpose of hiring executives.

(iii) frequency and way of evaluation of the board of directors to adapt the compensation policy

The Board of Directors and Compensation Committee evaluate the adequacy of their internal guidelines with annual frequency. To this end, they use salary survey carried out by external consultants, which considers companies of the same size in the segment as well as other segments that are competitors for the purpose of hiring executives.

13.2 – Total compensation of the board of directors, statutory board and supervisory board

Total compensation expected for the current year ending 12/31/2019 – Expected Amounts				
	Board of Directors	Statutory Board	Supervisory Board	Total
Total number of members	7	8	0	15
Nº of compensated members	2	8	0	10
Annual fixed compensation				
Salary or partners' draw	600,000.00	5,403,762.99	0	6,003,762.99
Perquisites and fringe benefits	0	598,338.84	0	598,338.84
Participation in committees	0	0	0	0.00
Others	120,000.00	1,513,053.64	0	1,633,053.64
Description of other fixed compensation	INSS for the Board of Directors	INSS for Statutory Officers	0	
Variable compensation				
Bonus	0	3,335,434.00	0	3,335,434.00
Profit sharing	0	5,807,461.00	0	5,807,461.00
Attendance in meetings	0	0	0	0.00
Commissions	0	0	0	0.00
Others	0	0	0	0.00
Description of other variable compensations	N/A	0	0	
Post-employment	0	0	0	0.00
Redundancy	0	0	0	0.00
Share-based compensation, including SOP	0	5,390,526.16	0	5,390,526.16
Note				
Total compensation	720.000,00	22,048,576.63	0	22,768,576.63

Total compensation for the year ended 12/31/2018 – Annual amounts				
	Board of Directors	Statutory Board	Supervisory Board	Total
Total number of members	7.00	8.00	0.00	15.00
Nº of compensated members	0.00	8.00	0.00	8.00
Annual fixed compensation				
Salary of partners' draw	0.00	4,874,083.33	0.00	4,874,083.33
Perquisites and fringe benefits	0.00	973,140.87	0.00	973,140.87

Total compensation for the year ended 12/31/2018 – Annual amounts				
	Board of Directors	Statutory Board	Supervisory Board	Total
Participation in committees	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00
Description of other fixed compensations	N/A	N/A	0.00	0.00
Variable compensation				
Bonus	0.00	4,261,083.33	0.00	4,261,083.33
Profit sharing	0.00	6,261,194.69	0.00	6,261,194.69
Attendance in meetings	0.00	0.00	0.00	0.00
Commissions	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00
Description of other variable compensations	N/A	0.00	0.00	0.00
Post-employment	0.00	0.00	0.00	0.00
Redundancy	0.00	0.00	0.00	0.00
Share-based compensation, including SOP	0.00	4,486,531.54	0.00	4,486,531.54
Note	According to OFFICIAL MEMORANDUM /CVM/SEP/N°03/2019, the number of members of the Board of Directors, of the Statutory Board and of the Supervisory Board (letter "b") were determined in view of the annual average number of members of each body determined monthly, with two decimal places.	According to OFFICIAL MEMORANDUM /CVM/SEP/N°03/2019, the number of members of the Board of Directors, of the Statutory Board and of the Supervisory Board (letter "b") were determined in view of the annual average number of members of each body determined monthly, with two decimal places.	According to OFFICIAL MEMORANDUM /CVM/SEP/N°03/2019, the number of members of the Board of Directors, of the Statutory Board and of the Supervisory Board (letter "b") were determined in view of the annual average number of members of each body determined monthly, with two decimal places.	
Total compensation	0.00	20,856,033.76	0.00	20,856,033.76
Total compensation for the year ended 12/31/2017 – Annual amounts				
	Board of Directors	Statutory Board	Supervisory Board	Total
Total number of members	10.33	8.00	0.00	18.33
Nº of compensated members	0.00	8.00	0.00	8.00
Annual fixed compensation				
Salary or partners' draw	0.00	4,554,025.78	0.00	4,554,025.78
Perquisites and fringe benefits	0.00	924,081.20	0.00	924,081.20
Participation in committees	0.00	0.00	0.00	0.00
Others	0.00	1,440,985.96	0.00	1,440,985.96

Total compensation for the year ended 12/31/2018 – Annual amounts				
	Board of Directors	Statutory Board	Supervisory Board	Total
Description of other fixed compensations	N/A	INSS for Statutory Officers	N/A	N/A
Variable compensation				
Bonus	0.00	2,650,904.00	0.00	2,650,904.00
Profit sharing	0.00	4,116,369.00	0.00	4,116,369.00
Attendance in meetings	0.00	0.00	0.00	0.00
Commissions	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00
Description of other variable compensations	N/A	N/A	N/A	N/A
Post-employment	0.00	0.00	0.00	0.00
Redundancy	0.00	0.00	0.00	0.00
Share-based compensation, including SOP	0.00	5,439,314.07	0.00	5,439,314.07
Note	According to OFFICIAL MEMORANDUM /CVM/SEP/N°03/2019, the number of members of the Board of Directors, of the Statutory Board and of the Supervisory Board (letter "b") were determined in view of the annual average number of members of each body determined monthly, with two decimal places.	According to OFFICIAL MEMORANDUM /CVM/SEP/N°03/2019, the number of members of the Board of Directors, of the Statutory Board and of the Supervisory Board (letter "b") were determined in view of the annual average number of members of each body determined monthly, with two decimal places.	According to OFFICIAL MEMORANDUM /CVM/SEP/N°03/2019, the number of members of the Board of Directors, of the Statutory Board and of the Supervisory Board (letter "b") were determined in view of the annual average number of members of each body determined monthly, with two decimal places.	
Total compensation	0.00	19,125,680.01	0.00	19,125,680.01
Total compensation for the year ended 12/31/2016 – Annual amounts				
	Board of Directors	Statutory Board	Supervisory Board	Total
Total number of members	8.66	6.66	0.00	15.32
N° of compensated members	0.00	6.66	0.00	6.66
Annual fixed compensation				
Salary or partners' draw	0.00	3,430,150.59	0.00	3,430,150.59
Perquisites and fringe benefits	0.00	781,549.65	0.00	781,549.65
Participation in committees	0.00	0.00	0.00	0.00
Others	0.00	1,298,248.25	0.00	1,298,248.25
Description of other fixed compensations	N/A	INSS for Statutory Officers	N/A	

Total compensation for the year ended 12/31/2018 – Annual amounts				
	Board of Directors	Statutory Board	Supervisory Board	Total
Variable compensation				
Bonus	0.00	3,061,090.64	0.00	3,061,090.64
Profit sharing	0.00	2,783,641.80	0.00	2,783,641.80
Attendance in meetings	0.00	0.00	0.00	0.00
Commissions	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00
Description of other variable compensations	N/A	N/A	N/A	
Post-employment	0.00	0.00	0.00	0.00
Redundancy	0.00	0.00	0.00	0.00
Share-based compensation, including SOP	0.00	257,118.35	0.00	257,118.35
Note	According to OFFICIAL MEMORANDUM /CVM/SEP/N°03/2019, the number of members of the Board of Directors, of the Statutory Board and of the Supervisory Board (letter "b") were determined in view of the annual average number of members of each body determined monthly, with two decimal places.	According to OFFICIAL MEMORANDUM /CVM/SEP/N°03/2019, the number of members of the Board of Directors, of the Statutory Board and of the Supervisory Board (letter "b") were determined in view of the annual average number of members of each body determined monthly, with two decimal places.	According to OFFICIAL MEMORANDUM /CVM/SEP/N°03/2019, the number of members of the Board of Directors, of the Statutory Board and of the Supervisory Board (letter "b") were determined in view of the annual average number of members of each body determined monthly, with two decimal places.	
Total compensation	0.00	11,611,799.28	0.00	11,611,799.28

13.3 – Variable compensation for the board of directors, statutory board and supervisory board

Expected for 12/31/2019	Board of Directors	Statutory Board	Supervisory Board	Total
Total number of members	7.0	8.0	0.0	15.0
N° of compensated members	0.0	8.0	0.0	15.0
Bonus				
Minimum amount set forth in the compensation plan	0.00	0.00	0.00	0.00
Maximum amount set forth in the compensation plan	0.00	4,885,519.00	0.00	4,885,519.00
Amount set forth in the compensation plan – goals met	0.00	3,335,434.00	0.00	3,335,434.00
Profit sharing				
Minimum amount set forth in the compensation plan	0.00	0.00	0.00	0.00
Maximum amount set forth in the compensation plan	0.00	8,509,928.00	0.00	8,509,928.00
Amount set forth in the compensation plan – goals met	0.00	5,807,461.00	0.00	5,807,461.00

12/31/2018	Board of Directors	Statutory Board	Supervisory Board	Total
Total number of members	7.00	8.00	0.00	15.00
N° of compensated members	0.00	8.00	0.00	8.00
Bonus				
Minimum amount set forth in the compensation plan	0.00	0.00	0.00	0.00
Maximum amount set forth in the compensation plan	0.00	4,290,000.00	0.00	4,290,000.00
Amount set forth in the compensation plan – goals met	0.00	2,860,000.00	0.00	2,860,000.00
Amount actually recognized in P&L for the year	0.00	4,261,083.33	0.00	4,261,083.33
Profit sharing				
Minimum amount set forth in the compensation plan	0.00	0.00	0.00	0.00

12/31/2018	Board of Directors	Statutory Board	Supervisory Board	Total
Maximum amount set forth in the compensation plan	0.00	7,294,950.00	0.00	7,294,950.00
Amount set forth in the compensation plan – goals met	0.00	4,863,300.00	0.00	4,863,300.00
Amount actually recognized in P&L for the year	0.00	6,261,194.69	0.00	6,261,194.69

12/31/2017	Board of Directors	Statutory Board	Supervisory Board	Total
Total number of members	10.33	8.00	0.00	18.33
N° of compensated members	0.00	8.00	0.00	8.00
Bonus				
Minimum amount set forth in the compensation plan	0.00	0.00	0.00	0.00
Maximum amount set forth in the compensation plan	0.00	3,749,038.84	0.00	3,749,038.84
Amount set forth in the compensation plan – goals met	0.00	2,320,000.00	0.00	2,320,000.00
Amount actually recognized in P&L for the year	0.00	2,650,904.00	0.00	2,650,904.00
Profit sharing				
Minimum amount set forth in the compensation plan	0.00	0.00	0.00	0.00
Maximum amount set forth in the compensation plan	0.00	5,623,558.26	0.00	5,623,558.26
Amount set forth in the compensation plan – goals met	0.00	3,480,000.00	0.00	3,480,000.00
Amount actually recognized in P&L for the year	0.00	4,116,369.00	0.00	4,116,369.00
12/31/2016	Board of Directors	Statutory Board	Supervisory Board	Total
Total number of members	8.66	6.66	0.00	15.32
N° of compensated members	0.00	6.66	0.00	6.66
Bonus				
Minimum amount set forth in the compensation plan	0.00	0.00	0.00	0,00
Maximum amount set forth in the compensation plan	0.00	4,248,000.00	0.00	4,248,000.00
Amount set forth in the compensation plan – goals met	0.00	2,832,000.00	0.00	2,832,000.00

12/31/2017	Board of Directors	Statutory Board	Supervisory Board	Total
Amount actually recognized in P&L for the year	0.00	3,061,090.64	0.00	3,061,090.64
Profit sharing				
Minimum amount set forth in the compensation plan	0.00	0.00	0.00	0.00
Maximum amount set forth in the compensation plan	0.00	3,510,000.00	0.00	3,510,000.00
Amount set forth in the compensation plan – goals met	0.00	2,340,000.00	0.00	2,340,000.00
Amount actually recognized in P&L for the year	0.00	2,783,641.80	0.00	2,783,641.80

13.4 – Share-based compensation plan of the board of directors and statutory board

First Stock Option Plan

The first stock option plan of the Company was approved on July 7, 2014 and amended on June 22, 2017 ("**First Plan**"). Under the First Plan, 6,756,800 (six million, seven hundred fifty-six thousand and eight hundred) options were granted to the members of the Company's management. Each option entitles its holder to the acquisition of one (1) share issued by the Company.

Second Stock Option Plan

The second stock option plan of the Company was approved on June 22, 2017 and amended on October 9, 2017 ("**Second Plan**"). Under the Second Plan, 2,524,400 (two million, five hundred twenty-four thousand, four hundred) options were granted to the members of the Company's management. Each option entitles its holder to the acquisition of one (1) share issued by the Company.

Third Stock Option Plan

The third stock option plan of the Company was approved on June 22, 2017 ("**Third Plan**"). Under the Third Plan, until December 31, 2018, 5,188,900 (five million, one hundred and eighty-eight thousand and nine hundred) options were granted to the members of the Company's management, remaining 626,000 (six hundred and twenty-six thousand) options which may be granted. Each option entitles its holder to the acquisition of one (1) share issued by the Company.

Stock Grant Plan (Fourth Plan)

The Company's stock grant plan was approved on March 22, 2019 ("**Stock Grant Plan**" and jointly with the First Plan, the Second Plan and the Third Plans, referred to as "**Plans**"). Within the scope of the Stock Grant Plan, up to 1,839,905 (one million, eight hundred thirty-nine thousand, nine hundred and five) virtual restricted shares (the "**Virtual Restricted Shares**") may be granted to the Company's management and employees or other companies under its control. The number of shares issued by the Company to be transferred to the holder of the Virtual Restricted Shares, upon compliance with the conditions of the Stock Grant Plan, shall correspond to (a) the number of Virtual Restricted Shares granted to it, less (b) the amount total of withholding income tax and social security contributions then owed by said holder arising from the transfer of shares.

(a) general terms and conditions

First, Second and Third Plans

The First, Second and Third Plans are managed by the Compensation Committee. Except for members of the Compensation Committee who are Officers (and therefore may participate in the Third Plan), the other members of the Compensation Committee may not receive any options. The Compensation Committee may establish terms and / or conditions precedent, as well as specific rules, applicable to one or more participants, to exercise the options, vesting period, acceleration of the vesting period, acceleration and / or extension of the term for exercise of the options, among others, observing the provisions of the general meeting and the First, the Second and the Third

Plans. The Compensation Committee, respecting the provisions of the general meeting, the respective Plans and the grant agreement, may establish additional restrictions on the transfer of shares acquired with the exercise of the options, and may also reserve to the Company repurchase options or preemptive rights in case of sale of shares by the participant.

The Compensation Committee may from time to time create Stock Option Programs ("**Programs**"), in which (i) the terms and conditions of each grant of options will be defined, (ii) the persons to whom the options will be (iii) the number, percentage and type of shares of the Company that the participants will be entitled to subscribe with the exercise of the option, (iv) the (minimum and maximum) periods for the exercise of the option, (v) the (vi) any restrictions on the shares received for the exercise of options and provisions on penalties that may be applicable, observing the basic guidelines established in the Plan and in the General Meeting. The contracts shall be individually prepared for each participant, and the Compensation Committee may establish differentiated terms and conditions for each contract, within the general limits established by said Plans, by the General Meeting and by the respective Program.

For clarification purposes, until December 31, 2018, the First and Second Plans options had already been granted in their entirety, and only part of the Third Plan options that could be granted were left.

Board members and employees of the Company and its affiliates are eligible for such Plans (except members of the Compensation Committee who are not Officers). The Compensation Committee may, at its sole discretion, define the levels of employees eligible for the First, Second and Third Plans, as well as to extend the scope of the said Plans to other levels of employees' positions, upon the creation of each Program. In each Program, the Compensation Committee shall appoint the participants to whom options will be offered. The appointment of certain participants in a particular Program does not entitle them to be appointed as participants in any future Program.

Until they are exercised and converted into shares, the options shall not be entitled to dividends, interest on capital or receipt of amounts as capital reduction or bonus, among others. Likewise, as long as they are not exercised and converted into shares, the options shall not have voting rights or any other equity or political right in the Company.

For the First Plan Only

Under the First Plan, 6,756,800 (six million, seven hundred fifty-six thousand and eight hundred) options were granted, of which: (i) 6,411,600 (six million, four hundred eleven thousand and six hundred) options were exercised and the respective shares were delivered to the beneficiaries of the first plan; (ii) 39,100 (thirty-nine thousand and one hundred) options were lost or overdue, so the beneficiary was not entitled to exercise its options; and (iii) 306,100 (three hundred and six thousand and one hundred) options had their respective period of full vesting, but have not yet been exercised.

For the Second Plan Only

Under the Second Plan, 2,524,400 (two million, five hundred and twenty-four thousand, four hundred) options were granted, of which: (i) 2,442,418 (two million, four hundred and forty-two thousand, four hundred and eighteen) options were exercised and the respective shares delivered to the beneficiaries of the Second Plan; and (ii) 81,982 (eighty-one thousand, nine hundred and

eighty-two) options had their respective vesting period completed or accelerated, but have not yet been exercised.

For the Third Plan Only

Under the Third Plan, 5,188,900 (five million, one hundred eighty-eight thousand and nine hundred) options were granted, of which: (i) 1,299,883 (one million, two hundred and ninety-nine thousand, eight hundred and eighty three) options were exercised and the respective shares delivered to the beneficiaries of the Third Plan; (ii) 819,153 (eight hundred and nineteen thousand, one hundred and fifty-three) options had their respective vesting period completed or accelerated, but have not yet been exercised; and (iii) 2,999,864 (two million, nine hundred and ninety-nine thousand, eight hundred and sixty-four) options have not yet had their vesting period completed, which shall be 1,467,064 (one million, four hundred and sixty-seven thousand and sixty-four) options on July 14, 2021. Under the Third Plan Programs, the Company has 626,000 (six hundred and twenty-six thousand) options that may be granted.

Stock Grant Plan (Fourth Plan)

The Stock Grant Plan shall be managed by the Board of Directors or by the management committee of the First, Second and Third Plans of the Company (Compensation Committee). The Board of Directors or the Committee shall have extensive powers to take all necessary and appropriate measures for the administration of the Stock Grant Plan including: (i) the creation of each of the Programs; (ii) select the participants from the eligible persons (as defined in the Stock Grant Plan); (iii) determine the number of Virtual Restricted Shares to be granted to each participant; (iv) approve the grant agreement model; (v) to analyze exceptional cases, decide on intentionally omitted cases and interpret the Stock Grant Plan; (vi) establish the specific terms, conditions and rules applicable to one or more participants, whenever the Stock Grant Plan contains express provision of discretion on the part of the Board of Directors or the Committee; and (vii) to propose amendments to the Stock Grant Plan for approval by the General Meeting.

The decision to make an eligible person (as defined in the Stock Plan) a participant shall be at the discretion of the Board of Directors or the Committee. The appointment of a certain Participant in a given Program does not entitle him to be appointed as Participant in any other Program.

The Stock Grant Plan is composed of 2 (two) Virtual Restricted Shares grant programs, which shall be created by the Board of Directors or by the Committee. Each Program shall define: (i) the terms and conditions for the granting of Virtual Restricted Shares relating to the Program in question; (ii) the participants of the Program in question, or the criteria for such a definition; (iii) the number of Virtual Restricted Shares subject matter of the Program in question; (iv) the number of Virtual Restricted Shares to which each participant shall be entitled under the Program in question; and (v) the respective periods that the participant shall remain bound to the Company in order to be entitled to the transfer of the shares under the terms and conditions established in the Stock Grant Plan, in the respective Program and in the grant agreement.

As long as they are not converted into shares, the Virtual Restricted Shares shall not be entitled to dividends, interest on capital or receipt of amounts as capital reduction or bonus, among others. Likewise, as long as they are not converted into shares, the Virtual Restricted Shares shall not have voting rights or any other equity or political right in the Company.

(b) key objectives of the plan

The Plans are designed to promote the Company's long-term growth and profitability by providing the people who are or will be involved in the growth of the Company the opportunity to acquire an ownership right in the Company, thereby encouraging these people to contribute to and participate in the Company's success.

(c) how the plan contributes to these objectives

The Plans give its participants the possibility of becoming shareholders of the Company. By enabling participants to become shareholders of the Company, they are expected to have strong incentives to effectively engage in value creation and perform their functions in a manner that integrates with shareholders' interests, corporate objectives and growth plans of the Company, thus maximizing its profits. The Plans also stimulate the participants, through their own resources commitment, if applicable, to seek immediate valuation of the shares issued by the Company, without, however, jeopardizing the growth and future valuation of the shares, equally relevant in view of the model adopted. The model adopted is expected to be effective as a mechanism to retain managers, mainly due to the appreciation of Company shares.

(d) how the plan is incorporated into the issuer's compensation policy

The Company makes it a policy the valuation of meritocracy, establishing specific targets for its current and future individual officers, employees, consultants and advisers, which must be fulfilled in exchange for additional compensation at the end of the period. The Company believes that the Plans conform to its compliance practice, encouraging its respective beneficiaries to pursue better results for the Company, which has a direct impact on the compensation of current and future individual officers, employees, consultants and advisers.

(e) how the plan aligns the managers' and issuer's short-, medium- and long-term interests

The Plans align the current and future individual interests of the Company, its officers, employees, consultants and advisers, in order to optimize the management and maintenance of its main current and future officers, employees, consultants and advisors, whose commitment and dedication in the development of their attributions will positively impact the Company's results in the short- and long-term.

(f) maximum number of covered shares

First Plan

The First Plan is limited to a maximum of 6,756,800 (six million, seven hundred and fifty-six thousand and eight hundred) options, and has a total of 306,100 (three hundred and six thousand and one hundred) options not exercised. Should the remaining options be exercised, it would represent a total of 0.13% of the Company's capital stock at December 31, 2018, and an increase in the number of shares is prohibited.

Second Plan

The Second Plan is limited to a maximum of 2,524,400 (two million, five hundred twenty-four thousand and four hundred) options, and has a total of 81,982 (eighty-one thousand, nine hundred and eighty-two) options not exercised. Should the remaining options be exercised, it would represent a total of 0.04% of the Company's capital stock, at December 31, 2018, and an increase in the number of shares is prohibited.

Third Plan

The Third Plan is limited to a maximum of 5,744,900 (five million, seven hundred and forty-four thousand and nine hundred) options, and has a total of 3,819,017 (three million, eight hundred and nineteen thousand and seventeen) options not exercised and 626,000 (six hundred and twenty-six thousand) options not granted. Should the remaining options be granted and exercised, it would represent a total of 1.68% of the Company's capital stock at December 31, 2018, and an increase in the number of shares is prohibited.

Stock Grant Plan

The Share Grant Plan is limited to a maximum number of 1,839,905 (one million, eight hundred thirty-nine thousand, nine hundred and five) Virtual Restricted Shares (the "**Quantitative Limit**"). In the event of a split or reverse split of shares issued by the Company, said limit shall automatically be adjusted to the same ratio as the reverse split or split in question.

(g) maximum number of options to be granted

First Plan

The First Plan is limited to a maximum number of 6,756,800 (six million, seven hundred fifty-six thousand, eight hundred) options.

Second Plan

The Second Plan is limited to a maximum number of 2,524,400 (two million, five hundred twenty-four thousand, four hundred) options.

Third Plan

The Third Plan is limited to a maximum number of 5,744,900 (five million, seven hundred forty-four thousand, nine hundred) options.

Stock Grant Plan

The Stock Grant Plan does not cover the stock option grant.

(h) stock vesting conditions

First Plan

Due to the exercise of the option and up to the date thus informed by the Company, the participant shall pay to the Company the exercise price determined in each Program (i) as payment of the

subscribed shares, when the exercise occurs through capital increase, or (ii) by way of payment of the acquisition price, when the exercise is due to the acquisition of shares held in treasury by the Company. The payment of the exercise price must always be in cash, by means of a deposit in a current account held by the Company, as indicated by the latter.

If the participant does not pay the exercise price under the conditions provided, he/she shall not receive the corresponding shares, and the relevant options shall be immediately extinguished and cancelled, for all purposes. Notwithstanding the foregoing, even if the Company exceptionally authorizes the acquisition by the participant of shares not yet paid, as long as the exercise price corresponding to them is not paid in full, the shares may not be sold to third parties, unless prior authorization is granted by the Compensation Committee, in which case the proceeds from the sale shall be earmarked for the discharge of the participant's debt to the Company.

Second Plan

By virtue of the exercise of the option and up to the date so informed by the Company, the participant shall pay to the Company the exercise price determined in each program (i) as payment of the subscribed shares, when the exercise occurs through capital increase, or (ii) by way of payment of the acquisition price, when the exercise is due to the acquisition of shares held in treasury by the Company. The payment of the exercise price must always be in cash, by means of a deposit in a current account held by the Company, as indicated by the latter.

If the participant does not pay the exercise price under the conditions provided, he/she shall not receive the corresponding shares, and the relevant options shall be immediately extinguished and cancelled, for all purposes. Notwithstanding the foregoing, even if the Company exceptionally authorizes the acquisition by the participant of shares not yet paid, as long as the exercise price corresponding to them is not paid in full, the shares may not be sold to third parties, unless prior authorization is granted by the Compensation Committee, case in which the proceeds from the sale shall be earmarked primarily for the discharge of the participant's debt to the Company.

Participants appointed for participation in the Second Plan who also participate in the First Plan may not exercise or pay any option granted under the Second Plan before exercising and paying all and not less than the totality of the options granted under the First Plan.

Third Plan

Unless otherwise decided by the Compensation Committee, or unless the participant decides otherwise, the participant shall use at least 25% (twenty-five percent) of the amount of profit sharing, performance bonuses or any other modality of annual variable compensation he/she is entitled to, net of income tax and other charges levied thereon ("**VC**" – "**Minimum Application**"), to pay the exercise price of the remaining options and/or the options that become exercisable up to July 31 of the same year in which VC was paid.

If the resources corresponding to the use of the VC are not sufficient for the participant to exercise all the options that are already exercisable until the receipt of the VC ("**Remaining Options**"), such Remaining Options shall remain valid and exercisable. In addition to the Minimum Application, the

participant shall use for the payment of the Remaining Options exercise all dividends and interest on capital received by virtue of the ownership of any shares of the Company that the participant has already received on account of the prior exercise of the Company's stock options.

The participant who does not perform the Minimum Application in the manner and for the purposes set forth in the Third Plan shall have the amount of his/her options of the respective lot reduced in proportion to the percentage of his VC that is not used, unless the Participant has already subscribed for and paid (i.e. up to the date of payment of the VC to the participant), at least an equal number of shares with own resources (excluding those shares computed for that purpose in previous years).

By virtue of the exercise of the option and up to the date so informed by the Company, the Participant shall pay the company the exercise price determined in each program (i) as payment of the subscribed shares, when the exercise is through capital increase, or (ii) by way of payment of the acquisition price, when the exercise is due to the acquisition of shares held in treasury by the Company. The payment of the exercise price must always be in cash, by means of a deposit in a current account held by the Company, as indicated by the latter.

If the participant does not pay the exercise price under the conditions provided, he/she shall not receive the corresponding shares, and the relevant options shall be immediately extinguished and cancelled, for all purposes. Notwithstanding the foregoing, even if the Company exceptionally authorizes the acquisition by the participant of shares not yet paid, as long as the exercise price corresponding to them is not paid in full, the shares may not be sold to third parties, unless prior authorization is granted by the Compensation Committee, case in which the proceeds from the sale shall be earmarked primarily for the discharge of the participant's debt to the Company.

Participants appointed for participation in the Third Plan who also participate (i) in the First Plan; and/or (ii) of the Second Plan shall not exercise or pay any option granted under the Third Plan before exercising and paying all and not less than the totality of the options granted under the First Plan and the Second Plan, in this order.

Stock Grant Plan (Fourth Plan)

The obligation of the Company to grant Virtual Restricted Shares to the participant of the Stock Grant Plan is conditional upon the execution of the grant agreement with each of said participants.

In addition, the Company only has the obligation to grant shares issued by the Company to the Participant of the Stock Grant Plan by checking all the requirements, conditions and procedures established in said Plan, in the respective Program and grant agreement, including, but not only, the compliance with the grace period, that is, the period that the participant must remain bound to the Company in order to be entitled to the transfer of the Shares ("**Grace Period**").

The Grace Period of each Program shall observe the dates and proportions below, unless otherwise determined by the Board of Directors or by the Committee:

- (a) With respect to the first Program, (i) the Grace Period shall end on January 1, 2022 in relation to 50% (fifty percent) of the Virtual Restricted Shares to be granted in said Program; and (ii) the Grace Period shall end on January 1, 2023 in relation to the remaining 50% (fifty percent) of the Virtual Restricted Shares to be granted under the same Program;

(b) Regarding the second Program, (i) the Grace Period shall end on January 1, 2023 in relation to 50% (fifty percent) of the Virtual Restricted Shares to be granted in said Program; and (ii) the Grace Period shall end on January 1, 2024 in relation to the remaining 50% (fifty percent) of the Virtual Restricted Shares to be granted under the same Program.

The Board of Directors or the Committee may establish other terms and conditions for the granting of Virtual Restricted Shares and shares issued by the Company within the scope of a certain Program.

(i) criteria to set the acquisition or exercise price

First Plan

The exercise price of the options to be paid by the participants upon payment or acquisition of the shares, as the case may be, shall be R\$ 8.01 (eight reais and one cent) per share, to be restated from June 14, 2016 in accordance with the variation in the Extended Consumer Price Index ("**IPCA**"), plus 5.0% (five percent) per year, up to the date of the actual payment.

The exercise price shall be adjusted to a lower amount by the same amount of dividends or interest on capital per share that may be paid by the Company as from the date the grant agreement is entered into with the participant and up to the exercise date of the options, and so shall be adjusted to a lower amount the exercise price in the same amount paid per share as a reduction of capital whenever such reduction does not occur through the cancellation of shares.

Second Plan

The exercise price of the options to be paid by the participants upon payment or acquisition of shares, as the case may be, shall be R\$ 6.48 (six reais and forty-eight cents) per share, to be restated from June 14, 2016 according to the variation of the Extended Consumer Price Index ("**IPCA**"), published by the IBGE, until the actual payment date.

The exercise price shall be adjusted to a lower amount by the same amount of dividends or interest on capital per share as may be paid by the Company from the date the grant agreement is entered into with the Participant until the exercise date of the options, and so shall be adjusted to a lower amount the exercise price in the same amount paid per share as a reduction of capital whenever such reduction does not occur through the cancellation of shares.

Third Plan

The exercise price of the options to be paid by the participants upon payment or acquisition of shares, as the case may be, will be R\$ 9.67 (nine reais and sixty-seven cents) per share, to be restated from June 14, 2016 according to the variation of the Extended Consumer Price Index ("**IPCA**"), published by the IBGE, until the actual payment date.

The exercise price shall be adjusted to a lower amount by the same amount of dividends or interest on capital per share as may be paid by the Company from the date of the grant agreement to the exercise date of the options, and so shall be adjusted to a lower amount the exercise price in the

same amount paid per share as a reduction of capital whenever such reduction does not occur through the cancellation of shares.

Stock Grant Plan (Fourth Plan)

The granting of the Virtual Restricted Shares, as well as the transfer of shares by the Company to the participants of the Stock Grant Plan, shall be performed without charge to the participants, subject to the terms and conditions of the Stock Grant Plan and the respective Program and grant agreement, especially the Grace Period (as defined in item (h) above).

(j) criteria to set the exercise price

First Plan

The first lot of options in the First Plan may be exercised from July 14, 2014 ("**Initial Lot**" or "**Initial Vesting**", as applicable), and the other lots may be acquired subsequently ("**Subsequent Lots**" or "**Subsequent Vestings**"). Under the First Plan programs, there are no options that have not yet had their vesting period completed or accelerated.

The options for the Initial Lot and the Subsequent Lots of the First Plan shall not expire and may be exercised at any time after the relevant vesting, observing however the participant's chances of being removed (item "n"). Without prejudice, the Compensation Committee may, in each individual program or contract, establish different vesting conditions. The Compensation Committee may, at its sole discretion, at any time, accelerate the vesting period of the participants' options.

Second Plan

The Initial Lot of options of the Second Plan can be exercised from July 14, 2017, and the other lots may be acquired subsequently. Under the Second Plan programs, there are no options that have not yet had their vesting period completed or accelerated.

The options for the Initial Lot and the Subsequent Lots of the Second Plan shall not expire and may be exercised at any time after the relevant vesting, observing however the participant's chances of being removed (item "n"). Without prejudice, the Compensation Committee may, in each individual program or contract, establish different vesting conditions. The Compensation Committee may, at its sole discretion, at any time, accelerate the vesting period of the participants' options.

Third Plan

The Initial Lot of options of the Third Plan may be exercised as of July 14, 2017, and the other lots may be acquired subsequently:

07/14/2020	07/14/2021
1,467,064	1,532,800

The options for the Initial Lot and the Subsequent Lots of the Third Plan shall not expire and may be exercised at any time after the relevant vesting, observing however the participant's chances of being removed (item "n"). Without prejudice, the Compensation Committee may, in each individual program or contract, establish different vesting conditions. The Compensation Committee may, at its sole discretion, at any time, accelerate the vesting period of the participants' options.

Stock Grant Plan (Fourth Plan)

After completing the respective Grace Period (indicated in section 13.4 "h") and the other conditions established in the Share Grant Plan, the Program and the Grant Agreement, the Participant that has an interest in converting his/her Virtual Restricted Shares into Shares shall send to the Board of Directors or to the Committee a written notice thereof within six (6) months as of the date of the respective compliance, and, after said term, the Virtual Restricted Shares shall automatically be extinguished in full, regardless of notice prior or indemnification.

The Shares shall be transferred by the Company to the Participant within up to 60 (sixty) days as of the date of receipt of the notice mentioned in the item above.

(k) way of liquidation

First, Second and Third Plans

Due to the exercise of the option, the participant shall pay to the Company the exercise price determined in each Program (i) as payment of the subscribed shares, when exercised through an increase in capital, or (ii) payment of the acquisition price, when exercised through the acquisition of shares held in treasury by the Company. The payment of the exercise price must always be in cash, by means of a deposit in a current account held by the Company.

Stock Grant Plan (Fourth Plan)

Once the conditions established in the Stock Grant Plan and in the respective Grant Agreement and Program have been fulfilled and provided the applicable legal and regulatory requirements are observed, the Company shall elect to (i) transfer to the Participant shares held in treasury through private operation pursuant to CVM Rule No. 567/2015, or (ii) issue new shares within the authorized capital limit.

Alternatively to the granting of Shares, the Company may, by decision of the Board of Directors or the Committee, elect to pay in cash and on demand to the Participant the amount corresponding to the average closing price of the Shares on the last 60 (sixty) trading sessions prior to effective payment.

(I) restrictions to the transfer of shares

First, Second and Third Plans

Shares owned by the participant, in case of voluntary resignation or termination or removal, for cause or without cause ("**Separation Events**"), may not be sold, assigned or transferred by the participant, in any capacity, to any person or third party, from the date of notice of the Separation Event and during the period of 1 (one) year from the formalization of such Separation Event ("**Lock-up Period**").

If, within the Lock-up Period, the participant comes to (i) join, act, participate and/or invest in any business competing with the Company, in the national territory, in any capacity, as a partner, shareholder, employee, consultant or in any other way; and/or (ii) by you or third parties, hire, offer a job or request the services of any employee, director, executive or exclusive consultant of the Company; and/or (iii) by itself or by third parties, adopt any behavior that interferes with or may

adversely interfere with the Company's relationship with its suppliers, service providers and/or customers, the Company may exercise, at its sole discretion, a stock option.

Stock Grant Plan (Fourth Plan)

The Stock Grant Plan does not contain any hypothesis of restriction on the transfer of the shares acquired by the Participants. Nevertheless, the Board of Directors or the Committee may establish the specific terms, conditions and rules applicable to one or more Participants within the scope of the Stock Grant Plan.

(m) criteria and events that, when existing, will lead to suspension, change or extinguishment of the plan

First, Second and Third Plans

The First, Second and Third Plans may be extinguished, suspended or changed, at any time, by decision of the General Meeting.

The termination or modification of the rights granted to a particular participant of said Plans may also occur in the event of separation of the participant through termination or removal, for cause or without cause, or retirement, or in the event of death or permanent disability of the participant, as indicated in section 13.4 (n) below.

Stock Grant Plan (Fourth Plan)

The Share Grant Plan shall remain in force for an indefinite period, until it is expressly extinguished by resolution of the General Meeting or Board of Directors, or until the Quantitative Limit (indicated in section 13.4 (f) above) is reached and the totality of the shares is actually transferred to the Participants.

The Stock Grant Plan may be terminated, suspended or changed at any time by decision of the General Meeting, without any right to actions not effectively transferred to the participants until the date of their extinction, suspension or change.

In addition, a Program may be extinguished, suspended or changed at any time by decision of the Board of Directors or the Committee, in the Company's interest, without any right to shares not actually transferred to the participants until the date of their extinction, suspension or change.

The Grace Periods of the Virtual Restricted Shares (as defined in section 13.4 (h) above) shall be fully prepaid, and the respective shares may be promptly transferred at the participant's request in the event of (i) public offering of Shares (a "Tender Offer") for cancellation of registration; (ii) tender offer due to the increase of the controlling shareholder; (iii) tender offer for disposal of control of publicly-held company; and (iv) voluntary tender offer for acquisition of control of a publicly-held company (including possible competing Tender Offerings), as such terms are defined by CVM Rule No. 361/2002. The Board of Directors or the Committee may establish, at its sole discretion, new hypotheses of accelerating the Grace Period.

In addition, in the event of (i) dissolution, transformation, takeover, merger, spin-off or any reorganization of the Company in which the Company is not the surviving company, or (ii) the Company ceases to have its shares admitted to trading on B3 SA – Brasil, Bolsa, Balcão, the Board

of Directors or the Committee may decide, at its sole discretion, to accelerate the Grace Periods, to cancel any restrictions on the transfer of shares (if any) and/or the recommendation to the successor/surviving company that approves the continuity and adoption of the Stock Grant Plan.

(n) effects on the exit of the manager from the issuer's bodies on its rights set forth in the stock-based compensation plan

First, Second and Third Plans

In the event of separation of the participant due to resignation or removal, for cause or without cause, or retirement, the rights granted to him/her pursuant to the grant agreement may be terminated or modified, observing the following provisions:

If, at any time during the term of the First, Second and Third Plans, the participant voluntarily leaves the Company, whether by tendering resignation from his/her position or resigning from his position as manager or as a result of a request for voluntary or compulsory retirement: (i) options that are not exercisable at the time of separation ("**Non-Vested Options**") shall automatically be extinguished in full, regardless of prior notice or indemnity; and (ii) the options already exercisable on the date of their separation ("**Vested Options**") may be exercised, within a period of up to fifteen (15) days from the date of separation, after which they shall be automatically extinguished ipso jure, irrespective of 30-day resignation notice or severance pay.

If, at any time during the term of the First, Second and Third Plans, the participant is separated from the Company by termination or removal (or non-reelection), without cause or separation in case of Indirect Termination: i) Non-Vested Options shall be automatically exercisable, accelerating the grace period, so that they can be exercised by the Participant, for a period of 90 (ninety) days from the date of separation, after which they shall be automatically extinguished ipso jure, regardless of prior notice or indemnity; and (ii) the Vested Options may be exercised within a period of up to ninety (90) days from the date of separation, after which they shall be automatically extinguished ipso jure, regardless of 30-day resignation notice or severance pay.

If, at any time during the term of the First, Second and Third Plans, the participant is separated from the Company by termination or removal for cause, all options granted to him/her, either Vested or Non-Vested, shall automatically be extinguished ipso jure, regardless of 30-day resignation notice or severance pay, without prejudice to any exercise by the Company of the right to repurchase the shares held by such participant, under the terms of the agreement.

In the event of the participant's death or permanent disability, the rights deriving from the options shall extend to his/her heirs and successors and the options may be exercised subject to the following provisions: (i) Non-Vested Options shall automatically be exercisable, in accelerating of the grace period, so that they may be exercised by the participants or by the heirs or successors of the participant, as the case may be, for a period of one (1) year from the date of death or separation due to permanent disability; and (ii) Vested Options on the date of death or separation due to permanent disability shall remain unchanged, and may be exercised for a period of 36 (thirty-six) months, after which they shall be automatically extinguished ipso jure, independently.

Stock Grant Option (Fourth Plan)

In the event of separation of the participant for any reason, including (i) termination / redundancy at the Company's initiative (with cause or without cause) or at the participant's initiative, (ii) resignation or removal from manager's office, or (iii) the rights granted to the participant in the scope of the Stock Grant Plan of any Program and / or grant agreement shall automatically be extinguished if the respective Grace Period (as defined in section 13.4 (h) above) has not elapsed, except if a decision to the contrary is made by the Board of Directors or the Committee.

In the event of separation of the Participant after the fully completion of the Grace Period, but before expiration of the period of 6 (six) months for sending notice requesting the transfer of the shares (as indicated in section 13.4 (j) above), the rights granted to the participant in the scope of the Stock Grant Plan of any Program and / or grant agreement shall remain valid until (i) the participant sends said notice and receives the shares; or (ii) the term of six (6) months expires, in which case the rights granted to the participant under the Stock Grant Plan, of any Program and/or grant agreement shall automatically be extinguished, whichever occurs first between " i "and" ii ".

Specifically in cases of permanent invalidity or death of the participant, the Grace Periods shall be accelerated, so that all the shares related to the permanently invalid or deceased Participant are immediately received by the participant or by his/her heirs or successors, as the case may be, without, in this case, the sending of notice by the participant and/or heirs or successors thereof to the Company.

13.5 – Share-based compensation of the board of directors and of the statutory board

Expected for 12/31/2019		
	Board of Directors	Statutory Board
Total number of members	7.00	8.00
N° of compensated members	0.00	8.00
Average weighted exercise price:		
a. Outstanding options at beginning of fiscal year	N/A	SOP 1: R\$8.01 to be restated from June 14, 2016 in accordance with the variation in IPCA plus 5.0% p.a. SOP 2: R\$6.48 to be restated from June 14, 2016 in accordance with the variation in IPCA. SOP 3: R\$9.67 to be restated from June 14, 2016. Stock Grant Plan: R\$ 0.00
b. Options lost during the fiscal year	N/A	N/A
c. Options exercised during the fiscal year	N/A	SOP 1: R\$8.01 to be restated from June 14, 2016 in accordance with the variation in IPCA plus 5.0% p.a. SOP 2: R\$6.48 to be restated from June 14, 2016 in accordance with the variation in IPCA. SOP 3: R\$9.67 to be restated from June 14, 2016. Stock Grant Plan: R\$ 0.00
d. Options expired during the fiscal year	N/A	N/A
Potential dilution in case all options granted are exercised	N/A	2.94%

12/31/2018		
	Board of Directors	Statutory Board
Total number of members	7.00	8.00
N° of compensated members	0.00	8.00
Stock option plan grant		
Date of grant	N/A	08/28/2018
Number of options granted	N/A	SOP 3: 175,500
Term for the options to become exercisable	N/A	SOP 3: (a) 35,100 are already exercisable; (b) 35,100 on 07/14/2019; (c) 52,650 on 07/14/2020 (d) 52,650 on 07/14/2021
Maximum term for exercise of options	N/A	SOP 3: N/A
Term of restriction for transfer of shares	N/A	1 year after: (i) termination
Fair value of options on the date of grant	N/A	SOP 3: R\$4.38
Weighted average exercise price:		
a. Outstanding options at beginning of fiscal year	N/A	SOP 1: R\$8.01 to be restated from June 14, 2016 in

12/31/2018		
	Board of Directors	Statutory Board
		accordance with the variation in IPCA plus 5.0% p.a. SOP 2: R\$6.48 to be restated from June 14, 2016 in accordance with the variation in IPCA. SOP 3: R\$9.67 to be restated from June 14, 2016.
b. Options lost during the fiscal year	N/A	N/A
c. Options exercised during the fiscal year	N/A	SOP 1: R\$9.56 SOP 2: R\$6.99 SOP 3: R\$10.44
d. Options expired during the fiscal year	N/A	N/A
Potential dilution in case all options granted are exercised	N/A	3.90%

12/31/2017		
	Board of Directors	Statutory Board
Total number of members	10.33	8.00
N° of compensated members	0.00	8.00
Stock option grant plan		
Date of grant	N/A	June 22, 2017
Number of options granted	N/A	SOP 1: 408,100 SOP 2: 2,524,400 SOP 3: 4,943,400
Term for the options to become exercisable	N/A	SOP 1: (a) 408,100 on 07/14/2017 SOP 2: (a) 1,262,300 on 07/14/2017; (b) 434,500 on 07/14/2018 and (c) 827,600 on 07/14/2019 SOP 3: (a) 494,340 on 07/14/2017; (b) 494,340 on 07/14/2018; (c) 988,680 on 07/14/2019 (d) 1,483,020 on 07/14/2020; and (e) 1,483,020 on 07/14/2021
Maximum term for the exercise of options	N/A	SOP 1 and SOP 2: 24 (twenty-four) months after the 2nd anniversary of the IPO SOP 3: N/A
Lock-up period for transfer of shares	N/A	1 year after: (i) separation
Fair value of options on the date of each grant	N/A	SOP 1: R\$1.45 SOP 2: R\$2.75 SOP 3: R\$1.12
Weighted average exercise price:		

12/31/2017		
	Board of Directors	Statutory Board
a. Outstanding options at beginning of fiscal year	N/A	SOP 1: R\$8.01 to be restated from June 14, 2016 in accordance with the variation in IPCA plus 5.0% p.a. SOP 2: R\$6.48 to be restated from June 14, 2016 in accordance with the variation in IPCA. SOP 3: R\$9,67 to be restated from June 14, 2016 in accordance with the variation in IPCA.
b. Options lost during the fiscal year	N/A	N/A
c. Options exercised during the fiscal year	N/A	SOP 1: R\$9.05 SOP 2: R\$6.81
d. Options expired during the fiscal year	N/A	N/A
Potential dilution in case all options granted are exercised	N/A	3.95%

12/31/2016		
	Board of Directors	Statutory Board
Total number of members	8.66	6.66
N° of compensated members	0.00	6.66
Stock option grant		
Date of grant	N/A	N/A
Number of options granted	N/A	N/A
Term for the options to become exercisable	N/A	N/A
Maximum term for exercise of options	N/A	N/A
Lock-up period for transfer of shares	N/A	N/A
Fair value of options on the date of grant	N/A	N/A
Weighted average exercise price:		
a. Outstanding options at beginning of fiscal year	N/A	SOP 1: R\$8.01 to be restated from June 14, 2016 in accordance with the variation in IPCA plus 5.0% p.a.
b. Options lost during the fiscal year	N/A	N/A
c. Options exercised during the fiscal year	N/A	R\$8.01
d. Options expired during the fiscal year	N/A	N/A
Potential dilution in case all options granted are exercised	N/A	3.05%

13.6 – Information on outstanding options held by the board of directors and by the statutory board

12/31/2018		
	Board of Directors	Statutory Board
Total number of members	7.00	8.00
N° of compensated members	0.00	8.00
Options not yet exercisable		
Number	N/A	SOP 1: 53,600 SOP 2: 827,600 SOP 3: 4,094,300
Date on which they will become exercisable	N/A	SOP 1: (a) 26,800 on 07/14/2019; (b) 26,800 on 07/14/2020 SOP 2: (a) 827,600 on 07/14/2019 SOP 3: (a) 1,023,700 on 07/14/2019; (b) 1,535,300 on 07/14/2020 (c) 1,535,300 on 07/14/2021
Maximum term for exercise of options	N/A	SOP 1 and SOP 2: 24 (twenty-four) months after the 2nd anniversary of the IPO SOP 3: N/A
Lock-up period for transfer of shares	N/A	N/A
Weighted average exercise price	N/A	SOP 1: R\$8.01 to be restated from June 14, 2016 in accordance with the variation in IPCA plus 5.0% p.a. SOP 2: R\$6.48 to be restated from June 14, 2016 in accordance with the variation in IPCA. SOP 3: R\$9.67 to be restated from June 14, 2016.
Fair value of options on the last day of the fiscal year	N/A	SOP 1: R\$1.45 SOP 2: R\$2.75 SOP 3: R\$1.12
Exercisable options		
Number	N/A	SOP 1: 2,374,950 SOP 2: 429,249 SOP 3: 976,549
Maximum term for exercise of options	N/A	SOP 1 and SOP 2: 24 (twenty-four) months after the 2nd anniversary of the IPO SOP 3: N/A
Lock-up period for transfer of shares	N/A	N/A
Weighted average exercise price	N/A	SOP 1: R\$8.01 to be restated from June 14, 2016 in accordance with the variation in IPCA plus 5.0% p.a. SOP 2: R\$6.48 to be restated from June 14, 2016 in

12/31/2018		
	Board of Directors	Statutory Board
		accordance with the variation in IPCA. SOP 3: R\$9.67 to be restated from June 14, 2016.
Fair value of options on the last day of fiscal year	N/A	SOP 1: R\$1.45 SOP 2: R\$2.75 SOP 3: R\$1.12
Fair value of total options on the last day of the fiscal year	N/A	R\$10,124,960.69

13.7 – Options exercised and shares delivered in relation to the share-based compensation for the board of directors and statutory board

12/31/2018		
	Board of Directors	Statutory Board
Total number of members	7.00	8.00
N° of compensated members	0.00	8.00
Options exercised		
Number of shares	N/A	SOP 1: 194,350 SOP 2: 5,251 SOP 3: 48,051
Weighted average exercise price	N/A	SOP 1: R\$9.56 SOP 2: R\$6.99 SOP 3: R\$10.44
Difference between the exercise price and the market value of shares relating to options exercised	N/A	SOP 1: R\$5.77 SOP 2: R\$8.34 SOP 3: R\$4.89
Shares delivered		
Number of shares delivered	N/A	247,652
Weighted average acquisition price	N/A	R\$9.75
Difference between the acquisition value and the market value of shares acquired	N/A	R\$5.58

12/31/2017		
	Board of Directors	Statutory Board
Total number of members	10.33	8.00
N° of compensated members	0.00	8.00
Options exercised		
Number of shares	N/A	SOP 1: 2,662,200 SOP 2: 1,262,300
Weighted average exercise price	N/A	SOP 1: R\$9.05 SOP 2: R\$6.81
Difference between the exercise value and the market value of shares relating to options exercised	N/A	SOP 1: R\$8.95 SOP 2: R\$11.19
Shares delivered		
Number of shares delivered	N/A	3,924,500
Weighted average acquisition price	N/A	R\$8.33
Difference between the acquisition value and the market value of shares acquired	N/A	R\$9.67

12/31/2016		
	Board of Directors	Statutory Board
Total number of members	8.66	6.66

12/31/2016		
	Board of Directors	Statutory Board
N° of compensated members	0.00	6.66
Options exercised		
Number of shares	N/A	12,070
Weighted average exercise price	N/A	R\$800.51
Difference between the exercise price and the market value of shares relating to options exercised	N/A	N/A
Shares delivered		
Number of shares delivered	N/A	N/A
Weighted average acquisition price	N/A	N/A
Difference between the acquisition value and the market value of shares acquired	N/A	N/A

13.8 – Information required to gain an understanding of the data disclosed in sections 13.5 to 13.7 – Method to price the value of shares and options

(a) pricing model

The model used by the Company to price the options granted to its managers is the Black & Scholes model, which considers the following information in its calculation model: volatility, expected dividend, risk-free return rate and fair value of the option on the date of grant. This makes the following explicit assumptions: (i) it is possible to lend and borrow at a constant and known risk-free interest rate; (ii) the price follows a geometric Brownian motion with constant drift and volatility; (iii) there are no transaction costs; and (iv) there are no restrictions on short selling. The calculation methodology and the assumptions adopted are compliant with CPC 10.

(b) data and assumptions used in the pricing model, including the weighted average share price, exercise price, expected volatility, option life cycle, expected dividends and risk-free interest rate

First Plan

Option exercise price: R\$8.01 per share, to be restated from June 14, 2016 in accordance with the variation in IPCA, plus 5.0% p.a.

Second Plan

Option exercise price: R\$6.48, to be restated from June 14, 2016 in accordance with the variation in IPCA.

Third Plan

Option exercise price: R\$9.67, to be restated from June 14, 2016 in accordance with the variation in IPCA.

(c) method used and assumptions adopted to incorporate the expected effects of early exercise

For the options, the Company measures the fair value of the rights on the valuation of shares by applying the Black & Scholes option pricing model on the date of grant, recording such expense as general and administrative expenses over the grace period of options.

The Black & Scholes model considers the following assumptions in its mathematical rationale: option purchase price, option sale price, stock price at the current moment, exercise price, risk free interest rate, time for option expiration (expressed in years) and stock price volatility.

Except as otherwise determined, any option may only be exercised (a) to the exact extent to which the right to exercise is acquired, and (b) on the occurrence of one of the following events: (i) Sale of the Company; or (ii) completion of the IPO. These are the two possibilities to exercise and pay the shares subscribed and/or acquired in accordance with the option granted under the terms of the plan. Payment shall be made on demand through the exercise of the options, with immediate availability.

(d) way of determination of the expected volatility

The estimated volatility was calculated based on the historical volatility of stocks of retail companies on the Brazilian stock exchange.

(e) if some other characteristic of the option was incorporated into fair value measurement

All the criteria used to measure the fair value of the options were described previously.

13.9 - Participations in shares, units of interest and other convertible securities held by management members of the supervisory board - by body

Not applicable, since there were no shares or units of interest directly or indirectly held in Brazil or abroad, or other securities convertible into shares or units of interest, issued by the Company, its direct or indirect majority shareholders, subsidiaries or under common control, members of the board of directors, statutory board or supervisory board at the closing date of the last fiscal year.

13.10 – Information on private pension plans granted to members of the board of directors and of the statutory board

Not applicable, since the Company does not provide a private pension plan to the members of the Board of Directors and of the Statutory Board.

13.11 – Individual maximum, minimum and medium compensation for the board of directors, statutory board and supervisory board

Annual amounts	Year ended December 31, 2018		
	Statutory Board	Board of Directors	Supervisory Board
Total number of members	8	7	0
Nº of compensated members	8	0	0
Amount of the highest compensation (Reais)	5,422,903.78	0	0
Amount of the lowest compensation (Reais)	1,351,176.47	0	0
Average amount of compensation (Reais)	2,607,004.22	0	0
Note	-	No compensation is paid to the Board of Directors	The Company does not have any Supervisory Board.

Annual amounts	Year ended December 31, 2017		
	Statutory Board	Statutory Board	Statutory Board
Total number of members	8.00	10,33	0.00
Nº of compensated members	8.00	0.00	0.00
Amount of the highest compensation (Reais)	2,987,695.32	0.00	0.00
Amount of the lowest compensation (Reais)	855,026.34	0.00	0.00
Average amount of compensation (Reais)	2,390,710.00	0.00	0.00
Note	-	No compensation is paid to the Board of Directors	The Company does not have any Supervisory Board.

Annual amounts	Year ended December 31, 2016		
	Statutory Board	Statutory Board	Statutory Board
Total number of members	6.66	8.66	0.00
Nº of compensated members	6.66	0.00	0.00
Amount of the highest compensation (Reais)	2,729,385.40	0.00	0.00
Amount of the lowest compensation (Reais)	782,718.20	0.00	0.00
Average amount of compensation (Reais)	1,743,513.40	0.00	0.00
Note	-	No compensation is paid to the Board of Directors	The Company does not have any Supervisory Board.

13.12 – Mechanisms of compensation or indemnification for management in case of removal of position or retirement

As indicated above in section 13.4 (n) above, if the Participant of the First, Second and Third Plans is separated from the Company by termination or removal, for cause or without cause, or retirement, the rights granted to him according to with the grant agreement may be extinguished or modified, subject to the following provisions:

- If, at any time during the effectiveness of the First, Second and Third Plans, the participant voluntarily leaves the Company, whether by resigning from his or her employment or resigning from his or her position as a manager or as a result of an optional or compulsory retirement: (i) the options that are not exercisable at the time of separation ("**Non-Vested Options**") shall be automatically extinguished ipso jure, regardless of a 30-day resignation notice or severance pay; and (ii) the options already exercisable on the date of separation ("**Vested Options**") may be exercised, within a period of up to 15 (fifteen) days from the date of separation, after which they shall be automatically extinguished ipso jure, irrespective of a 30-day resignation notice or severance pay.
- If, at any time during the term of the First, Second and Third Plans, the participant is separated from the Company by termination or removal from office for cause, all options granted to him/her, whether Vested or Non-Vested, shall automatically be extinguished ipso jure, regardless of a 30-day resignation notice or severance pay, without prejudice to any exercise by the Company of the right to repurchase the shares held by such participant under the terms of the agreement.

In addition, as indicated above in section 13.4 (n) above, in case the Participant of the Share Grant Plan is separated from the Company for any reason, including (i) dismissal / termination at the Company's initiative (for cause or without cause) at the participant's initiative, (ii) resignation or removal from the position as a manager, or (iii) retirement, the rights granted to the participant within the scope of the Stock Grant Plan, of any Program and/or grant agreement shall be automatically terminated if the respective Grace Period has not fully elapsed (as defined in item 13.4 (h) above), unless otherwise decided by the Board of Directors or the Committee.

In the event of separation the Participant after the fully completion of the Grace Period, but before expiration of the period of 6 (six) months for sending a notice requesting the transfer of shares (as shown in section 13.4 (j) above), the rights granted to the participant in the scope of the Stock Grant Plan of any Program and/or grant agreement shall remain valid until (i) the participant sends said notice and receives the shares; or (ii) the term of 6 (six) months expires, in which case the rights granted to the participant under the Stock Grant Plan of any Program and/or grant agreement shall automatically be terminated, whichever occurs first between "i" and "ii".

13.13 – Percentage of the total compensation held by the management and members of the board of directors who are parties related to the majority shareholders

Not applicable.

13.14 – Compensation of management and members of the supervisory board, grouped by body, received for any reason other than the position they take

Amounts were not recognized in the Company's P&L as compensation of management and members of the supervisory board, grouped by body, received by any reason other than the position they take for the last three fiscal years.

13.15 – Compensation of management and members of the supervisory board recognized in P&L for majority shareholders, whether direct or indirect, of companies under common control and subsidiaries of the issuer

Not applicable.

13.16 – Other significant information

The Company informs that after December 31, 2018 the Vesting Period was accelerated for 53,600 (fifty-three thousand, six hundred) options granted by the Company under the First Plan, for 827,600 (eight hundred twenty-seven thousand, six hundred) options granted by the Company under the Second Plan for 1,094,436 (one million, ninety-four thousand, four hundred and thirty-six) options granted by the Company under the Third Plan, pursuant to the Meeting of the Company's Compensation Committee held on March 11, 2019.

The Company also informs that during the fiscal year 2019, 2,122,450 (two million, one hundred and twenty-two thousand, four hundred and fifty) options of the First Plan, 1,174,867 (one million, one hundred and seventy-four thousand, eight hundred and sixty-seven) options of the Second Plan, and 1,251,832 (one million, two hundred and fifty-one thousand, eight hundred and thirty-two) options of the Third Plan, according to Meetings of the Company's Board of Directors held on January 8, 2019 and March 11, 2019.

Finally, the Company informs that the acceleration of vesting periods and the exercise of stock options by participants in the First, Second and Third Plans, in the aforementioned terms, are already reflected in section 13.4 above.