

A free translation from Portuguese into English of Interim Financial Information prepared in Brazilian currency

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Company data/ Capital composition

Number of Shares (Units)	Current Quarter 09/30/2021
Common - Paid-up Capital	275,355,447
Preferred - Paid-up Capital	-
Total - Paid-up Capital	275,355,447
Common - In Treasury	-
Ordinary - In Treasury	1,222,719
Preferred - In Treasury	-
Total - In Treasury	1,222,719

Individual financial statements - Statement of financial position - Assets
(In thousands of reais)

Account Code	Account Description	Current Quarter 09/30/2021	Prior Year 12/31/2020
1	Total Assets	3,710,897	3,932,729
1.01	Current Assets	792,617	1,119,073
1.01.01	Cash and Cash Equivalents	181,637	219,669
1.01.02	Short-Term Investments	304,106	601,124
1.01.02.01	Short-Term Investments at Fair Value	304,106	601,124
1.01.02.01.03	Marketable Securities	304,106	575,818
1.01.02.01.04	Restricted Marketable Securities	-	25,306
1.01.03	Accounts Receivable	114,620	107,188
1.01.04	Inventories	126,388	125,612
1.01.06	Taxes Recoverable	41,523	37,116
1.01.06.01	Current Taxes Recoverable	41,523	37,116
1.01.08	Other Current Assets	24,343	28,364
1.01.08.03	Others	24,343	28,364
1.01.08.03.02	Advances Paid	2,223	3,695
1.01.08.03.04	Other Receivables	22,120	24,669
1.02	Non-Current Assets	2,918,280	2,813,656
1.02.01	Long-Term Receivables	187,954	144,781
1.02.01.10	Other Non-Current Assets	187,954	144,781
1.02.01.10.03	Judicial Deposits	40,213	38,000
1.02.01.10.04	Other Receivables	10,083	9,548
1.02.01.10.05	Taxes Recoverable	137,658	97,233
1.02.03	Property and Equipment	1,197,704	1,195,664
1.02.04	Intangible Assets	1,532,622	1,473,211
1.02.04.01	Intangible Assets	1,532,622	1,473,211
1.02.04.01.02	Right-of-use asset	781,575	732,308
1.02.04.01.03	Others Intangible Assets	751,047	740,903

Individual financial statements – Statement of financial position - Liabilities
(In thousands of reais)

Account Code	Account Description	Current Quarter 09/30/2021	Prior Year 12/31/2020
2	Total Liabilities	3,710,897	3,932,729
2.01	Current Liabilities	686,116	564,505
2.01.01	Social and Labor Liabilities	109,153	86,147
2.01.01.01	Social Obligations	109,153	86,147
2.01.02	Trade Payables	180,814	217,616
2.01.03	Taxes Payable	32,985	31,561
2.01.04	Loans and Financing	154,643	53,612
2.01.05	Other Current Liabilities	208,521	175,569
2.01.05.02	Others	208,521	175,569
2.01.05.02.04	Other Payables	28,518	20,947
2.01.05.02.05	Deferred revenue, net	16,315	11,857
2.01.05.02.07	Corporate Payables	14,862	15,824
2.01.05.02.08	Lease liabilities	148,826	126,941
2.02	Non-Current Liabilities	1,477,643	1,529,765
2.02.01	Loans and Financing	678,034	777,164
2.02.02	Other Payables	743,217	706,795
2.02.02.02	Others	743,217	706,795
2.02.02.03	Taxes Payable	7,079	10,780
2.02.02.02.05	Other Payables	17,142	16,861
2.02.02.02.06	Deferred revenue, net	6,734	14,764
2.02.02.02.07	Lease liabilities	712,262	664,390
2.02.03	Deferred Taxes	31,262	22,643
2.02.03.01	Deferred income tax and social contribution	31,262	22,643
2.02.04	Provisions	25,130	23,163
2.02.04.01	Provisions for tax, social security, labor and civil claims	25,130	23,163
2.03	Equity	1,547,138	1,838,459
2.03.01	Capital	1,461,068	1,461,068
2.03.02	Capital reserves	694,321	688,057
2.03.02.01	Goodwill on the Issuance of Shares	718,535	712,271
2.03.02.05	Shares in treasury	-24,214	-24,214
2.03.05	Retained losses	-608,421	-310,966
2.03.08	Other comprehensive income	170	300

Individual financial statements – Statement of profit or loss
(In thousands of reais)

Account Code	Account Description	Current quarter	Current Year	Prior quarter	Prior Year
		07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 09/30/2020
3.01	Revenue from Sale of Goods and/or Services	709,978	1,840,419	522,286	1,464,128
3.02	Cost of Sales and/or Services	-258,221	-717,239	-202,682	-601,288
3.03	Gross Profit	451,757	1,123,180	319,604	862,840
3.04	Operating Expenses/Income	-470,420	-1,354,496	-418,699	-1,208,647
3.04.01	Selling Expenses	-414,603	-1,216,149	-381,676	-1,093,121
3.04.02	General and Administrative Expenses	-55,817	-138,347	-37,023	-115,526
3.05	Profit Before Financial Income (Expenses) and Taxes	-18,663	-231,316	-99,095	-345,807
3.06	Financial Income (Expenses), Net	-21,232	-60,746	-6,833	-34,346
3.06.01	Financial Income	12,584	36,086	24,754	49,177
3.06.02	Financial Expenses	-33,816	-96,832	-31,587	-83,523
3.07	Loss Before Income Tax and Social Contribution	-39,895	-292,062	-105,928	-380,153
3.08	Income Tax and Social Contribution	1,949	-5,393	-	31,803
3.08.02	Deferred	1,949	-5,393	-	31,803
3.09	Profit/(Loss)from Continuing Operations	-37,946	-297,455	-105,928	-348,350
3.11	Profit/ (Loss) for the Period	-37,946	-297,455	-105,928	-348,350
3.99.01	Basic Earnings per Share				
3.99.01.01	Registered Common (ON)	-0.13842	-1.08508	-0.46688	-1.53537
3.99.02	Diluted Earnings per Share				
3.99.02.01	Registered Common (ON)	-0.13842	-1.08508	-0.46688	-1.53537

Individual financial statements – Statement of comprehensive income (loss)
(In thousands of reais)

Account Code	Account Description	Current quarter	Current Year	Prior quarter	Prior Year
		07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 09/30/2020
4.01	Profit for the Period	-37,946	-297,455	-105,928	-348,350
4.02	Other comprehensive income	716	-130	869	2,139
4.03	Total Comprehensive Income for the Period	-37,230	-297,585	-105,059	-346,211

Individual financial statements – Statement of cash flows - Indirect method
(In thousands of reais)

		Current Year	Prior Year
		01/01/2021 to	01/01/2020 to
Account Code	Account Description	09/30/2021	09/30/2020
6.01	Net Cash from Operating Activities	-31,193	-269,757
6.01.01	Cash Provided from Operating Activities	103,826	-57,218
6.01.01.01	Loss Before Income Tax and Social Contribution	-292,062	-380,153
6.01.01.02	Depreciation and Amortization of Property and Equipment and Intangible Assets	164,623	151,642
6.01.01.03	Provision for bonuses	12,237	8,448
6.01.01.05	Interest, charges, exchange variation, monetary variation and APV on leases liabilities	59,606	41,241
6.01.01.07	Provision for lawsuits	20,266	20,494
6.01.01.08	PDD and write-off of non-financial assets	16,162	-
6.01.01.09	Result on disposal of fixed and intangible assets	5,507	9,483
6.01.01.10	Amortization of Lease	108,882	89,828
6.01.01.11	Stock Options Cost	6,293	7,656
6.01.01.12	Provision/ (reversal) for Impairment	-115	-5,857
6.01.01.13	Provision for inventory loss	2,427	-
6.01.02	Changes in Assets and Liabilities	-135,019	-212,539
6.01.02.01	Trade Receivables, Net	-23,594	-23,821
6.01.02.02	Inventories	-3,203	-15,465
6.01.02.03	Taxes Recoverable	-44,832	-28,049
6.01.02.04	Advances Paid	1,472	18,590
6.01.02.07	Other Receivables	-199	-899
6.01.02.08	Suppliers and rents payable	-36,802	-121,043
6.01.02.09	Trade Payables	10,769	-8,495
6.01.02.10	Payroll and Social Charges	-962	-12,752
6.01.02.11	Corporate Payables	949	-5,975
6.01.02.13	Taxes Payable	-3,572	-4,210
6.01.02.16	Other Payable	7,721	16,169
6.01.02.17	Interest Expense on Loans and Financing	-24,467	-12,245
6.01.02.19	Legal Claims	-18,299	-14,344
6.02	Net Cash from Investing Activities	124,576	-320,788
6.02.03	Purchases of Property and Equipment	-148,854	-150,739
6.02.04	Purchases of Intangible Assets	-33,345	-34,900
6.02.06	Investment in Marketable Securities	-180,475	-920,624
6.02.07	Redemption in Marketable Securities	487,250	785,475
6.03	Net Cash from Financing Activities	-131,415	312,504
6.03.03	Payment of Lease Liabilities	-131,386	-75,914
6.03.04	Interest on Capital Paid	-	-10,054
6.03.05	Loans and Financings Raised	-	420,000
6.03.06	Payment of loans and financing (principal)	-	-20,375
6.03.07	Share issue costs	-	-1,153
6.03.08	Borrowing costs	-29	-
6.05	Increase (Decrease) in Cash and Cash Equivalents	-38,032	-278,041
6.05.01	Cash and Cash Equivalents at the Beginning of the Period	219,669	325,276
6.05.02	Cash and Cash Equivalents at the End of the Period	181,637	47,235

Individual financial statements – Statement of changes in Equity 01/01/2021 to 09/30/2021
(In thousands of reais)

Account Code	Account Description	Paid-up Capital	Capital Reserves, Options Granted and Treasury Shares	Profit reserves	earnings/accumulated losses	Retained Other comprehensive income	Equity
5.01	Opening balances	1,461,068	688,057	-	-310,966	300	1,838,459
5.03	Adjusted Opening Balances	1,461,068	688,057	-	-310,966	300	1,838,459
5.04	Capital Transactions with Shareholders	-	6,264	-	-	-	6,264
5.04.02	Share Issue Cost	-	-29	-	-	-	-29
5.04.03	Options Granted Recognized	-	6,293	-	-	-	6,293
5.05	Total Comprehensive Income	-	-	-	-297,455	-130	-297,585
5.05.01	Profit for the Period	-	-	-	-297,455	-	-297,455
5.05.02	Other comprehensive income	-	-	-	-	-130	-130
5.07	Closing Balances	1,461,068	694,321	-	-608,421	170	1,547,138

Individual financial statements – Statement of changes in Equity 01/01/2020 to 09/30/2020
(In thousands of reais)

Account Code	Account Description	Paid-up Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings/Accumulated Losses	Other Comprehensive Income	Equity
5.01	Opening balances	950,768	701,203	134,641	-	17	1,786,629
5.03	Adjusted Opening Balances	950,768	701,203	134,641	-	17	1,786,629
5.04	Capital Transactions with Shareholders	-	7,656	-	-	-	7,656
5.04.03	Options Granted Recognized	-	7,656	-	-	-	7,656
5.05	Total Comprehensive Income	-	-	-	-348,350	2,139	-346,211
5.05.01	Profit for the Period	-	-	-	-348,350	-	-348,350
5.05.02	Other Comprehensive Income	-	-	-	-	2,139	2,139
5.07	Closing Balances	950,768	708,859	134,641	-348,350	2,156	1,448,074

Individual financial statements – Statement of value added
(In thousands of reais)

Account Code	Account Description	Current Year 01/01/2021 to 09/30/2021	Prior Year 01/01/2020 to 09/30/2020
7.01	Revenues	2,018,028	1,629,889
7.01.01	Gross Sales of Goods and Services	2,008,432	1,611,376
7.01.02	Other Revenues	9,596	18,513
7.02	Inputs Purchased from Third Parties	-1,303,633	-1,121,085
7.02.01	Cost of Sales and Services	-717,239	-601,288
7.02.02	Materials, Electric Power, Outside Services and Other Expenses	-580,507	-515,463
7.02.03	Impairment of Assets	-5,392	-3,626
7.02.04	Others	-495	-708
7.03	Gross Value Added	714,395	508,804
7.04	Retentions	-273,505	-241,470
7.04.01	Depreciation, Amortization and Depletion	-273,505	-241,470
7.05	Wealth Created by the Company	440,890	267,334
7.06	Wealth Received in Transfer	37,101	49,880
7.06.02	Financial Income	37,101	49,880
7.07	Total Wealth for Distribution	477,991	317,214
7.08	Wealth Distributed	477,991	317,214
7.08.01	Personnel	390,465	373,318
7.08.01.01	Salaries and Wages	364,781	354,839
7.08.01.03	Unemployment Compensation Fund (FGTS)	25,684	18,479
7.08.02	Taxes, Fees and Contributions	240,660	164,420
7.08.02.01	Federal	181,419	106,876
7.08.02.02	State	49,074	46,038
7.08.02.03	Municipal	10,167	11,506
7.08.03	Lenders and Lessors	144,321	127,826
7.08.03.01	Interest	96,349	83,147
7.08.03.02	Rentals	47,972	44,679
7.08.04	Shareholders	-297,455	-348,350
7.08.04.03	Retained Earnings / Profit for the Period	-297,455	-348,350

Consolidated financial statements - Statement of financial position - Assets
(In thousands of reais)

Account Code	Account Description	Current Quarter 09/30/2021	Prior Year 12/31/2020
1	Total Assets	3,710,920	3,932,755
1.01	Current Assets	792,640	1,119,099
1.01.01	Cash and Cash Equivalents	181,638	219,670
1.01.02	Short-Term Investments	304,128	601,149
1.01.02.01	Short-Term Investments at Fair Value	304,128	601,149
1.01.02.01.03	Marketable Securities	304,128	575,843
1.01.02.01.04	Restricted Marketable Securities	-	25,306
1.01.03	Accounts Receivable	114,620	107,188
1.01.04	Inventories	126,388	125,612
1.01.06	Taxes Recoverable	41,523	37,116
1.01.06.01	Current Taxes Recoverable	41,523	37,116
1.01.08	Other Current Assets	24,343	28,364
1.01.08.03	Others	24,343	28,364
1.01.08.03.02	Advances Paid	2,223	3,695
1.01.08.03.04	Other Receivables	22,120	24,669
1.02	Non-Current Assets	2,918,280	2,813,656
1.02.01	Long-Term Receivables	187,954	144,781
1.02.01.10	Other Non-Current Assets	187,954	144,781
1.02.01.10.03	Judicial Deposits	40,213	38,000
1.02.01.10.04	Other Receivables	10,083	9,548
1.02.01.10.05	Taxes Recoverable	137,658	97,233
1.02.03	Property and Equipment	1,197,704	1,195,664
1.02.04	Intangible Assets	1,532,622	1,473,211
1.02.04.01	Intangible Assets	1,532,622	1,473,211
1.02.04.01.02	Right-of-use asset	781,575	732,308
1.02.04.01.03	Others Intangible Assets	751,047	740,903

Consolidated financial statements – Statement of financial position - Liabilities
(In thousands of reais)

Account Code	Account Description	Current Quarter 09/30/2021	Prior Year 12/31/2020
2	Total Liabilities	3,710,920	3,932,755
2.01	Current Liabilities	686,139	564,531
2.01.01	Social and Labor Liabilities	109,153	86,147
2.01.02	Trade Payables	180,814	217,616
2.01.03	Taxes Payable	32,985	31,561
2.01.04	Loans and Financing	154,643	53,612
2.01.05	Other Current Liabilities	208,544	175,595
2.01.05.02	Others	208,544	175,595
2.01.05.02.04	Other Payables	28,541	20,973
2.01.05.02.05	Deferred revenue, net	16,315	11,857
2.01.05.02.06	Corporate Payables	14,862	15,824
2.01.05.02.08	Lease liabilities	148,826	126,941
2.02	Non-Current Liabilities	1,477,643	1,529,765
2.02.01	Loans and Financing	678,034	777,164
2.02.02	Other Payables	743,217	706,795
2.02.02.02	Others	743,217	706,795
2.02.02.02.03	Taxes Payables	7,079	10,780
2.02.02.02.04	Other Payables	17,142	16,861
2.02.02.02.05	Deferred revenue, net	6,734	14,764
2.02.02.02.06	Lease liabilities	712,262	664,390
2.02.03	Deferred Taxes	31,262	22,643
2.02.03.01	Deferred income tax and social contribution	31,262	22,643
2.02.04	Provisions	25,130	23,163
2.02.04.01	Provisions for tax, social security, labor and civil claims	25,130	23,163
2.03	Equity	1,547,138	1,838,459
2.03.01	Capital	1,461,068	1,461,068
2.03.02	Capital reserves	694,321	688,057
2.03.02.01	Goodwill on the Issuance of Shares	718,535	712,271
2.03.02.05	Shares in treasury	-24,214	-24,214
2.03.05	Retained losses	-608,421	-310,966
2.03.08	Other comprehensive income	170	300

Consolidated financial statements – Statement of profit or loss
(In thousands of reais)

Account Code	Account Description	Current Quarter	Current Year	Prior Quarter	Prior Year
		07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
3.01	Revenue from Sale of Goods and/or Services	709,978	1,840,419	522,286	1,464,128
3.02	Cost of Sales and/or Services	-258,221	-717,239	-202,682	-601,288
3.03	Gross Profit	451,757	1,123,180	319,604	862,840
3.04	Operating Expenses/Income	-470,479	-1,354,660	-418,722	-1,208,853
3.04.01	Selling Expenses	-414,603	-1,216,149	-381,676	-1,093,121
3.04.02	General and Administrative Expenses	-55,876	-138,511	-37,046	-115,732
3.05	Profit Before Financial Income (Expenses) and Taxes	-18,722	-231,480	-99,118	-346,013
3.06	Financial Income (Expenses), Net	-21,173	-60,582	-6,810	-34,140
3.06.01	Financial Income	12,643	36,250	24,777	49,383
3.06.02	Financial Expenses	-33,816	-96,832	-31,587	-83,523
3.07	Loss Before Income Tax and Social Contribution	-39,895	-292,062	-105,928	-380,153
3.08	Income Tax and Social Contribution	1,949	-5,393	-	31,803
3.08.02	Deferred	1,949	-5,393	-	31,803
3.09	Profit/ (Loss) from Continuing Operations	-37,946	-297,455	-105,928	-348,350
3.11	Profit/ (Loss) for the Period	-37,946	-297,455	-105,928	-348,350
3.11.01	Attributable to Equity Holders of the Parent	-37,946	-297,455	-105,928	-348,350
3.99.01	Basic Earnings per Share				
3.99.01.01	Registered Common (ON)	-0.13842	-1.08508	-0.46688	-1.53537
3.99.02	Diluted Earnings per Share				
3.99.02.01	Registered Common (ON)	-0.13842	-1.08508	-0.46688	-1.53537

Consolidated financial statements – Statement of comprehensive income (loss)
(In thousands of reais)

Account Code	Account Description	Current Quarter 07/1/2021 to 09/30/2021	Current Year 01/01/2021 to 09/30/2021	Prior Quarter 07/01/2020 to 09/30/2020	Prior Year 01/01/2020 to 09/30/2020
4.01	Profit for the Period	-37,946	-297,455	-105,928	-348,350
4.02	Other comprehensive income	716	-130	869	2,139
4.03	Total Comprehensive Income for the Period	-37,230	-297,585	-105,059	-346,211
4.03.01	Attributable to Parent Company Shareholders	-37,230	-297,585	-105,059	-346,211

Consolidated financial statements – Statement of cash flows - Indirect method
(In thousands of reais)

Account Code	Account Description	Current Year 01/01/2021 to 09/30/2021	Prior Year 01/01/2020 to 09/30/2020
6.01	Net Cash from Operating Activities	-31,196	-269,792
6.01.01	Cash Provided from Operating Activities	103,826	-57,218
6.01.01.01	Loss Before Income Tax and Social Contribution	-292,062	-380,153
6.01.01.02	Depreciation and Amortization of Property and Equipment and Intangible Assets	164,623	151,642
6.01.01.03	Provision for bonuses	12,237	8,448
6.01.01.04	Provision for inventory loss	2,427	-
	Interest, Charges, Exchange Variation, Monetary Variation and APV on Lease		
6.01.01.05	Liabilities	59,606	41,241
6.01.01.06	PDD and write-off of non-financial assets	16,162	-
6.01.01.07	Provision for lawsuits	20,266	20,494
6.01.01.09	Provision/ (reversal) for Impairment	-115	-5,857
6.01.01.11	Share plan cost	6,293	7,656
6.01.01.12	Amortization of Lease	108,882	89,828
6.01.01.13	Result on disposal of fixed and intangible assets	5,507	9,483
6.01.02	Changes in Assets and Liabilities	-135,022	-212,574
6.01.02.01	Trade Receivables, Net	-23,594	-23,821
6.01.02.02	Inventories	-3,203	-15,465
6.01.02.03	Taxes Recoverable	-44,832	-28,049
6.01.02.04	Advances Paid	1,472	18,590
6.01.02.07	Other Receivables	-199	-899
6.01.02.08	Suppliers and rents payable	-36,802	-121,043
6.01.02.09	Other Receivables	10,769	-8,495
6.01.02.10	Trade Payables	-962	-12,752
6.01.02.11	Payroll and Social Charges	949	-5,975
6.01.02.13	Taxes Payable	-3,572	-4,210
6.01.02.16	Deferred Revenue, Net	7,718	16,134
6.01.02.17	Interest payments on loans and financing	-24,467	-12,245
6.01.02.18	Lawsuits	-18,299	-14,344
6.02	Net Cash from Investing Activities	124,579	-320,753
6.02.03	Purchases of Property and Equipment	-148,854	-150,739
6.02.04	Purchases of Intangible Assets	-33,345	-34,900
6.02.06	Applications in bonds and securities	-180,472	-920,589
6.02.07	Redemption in bonds and securities	487,250	785,475
6.03	Net Cash from Financing Activities	-131,415	312,504
6.03.03	Payment of Lease Liabilities	-131,386	-75,914
6.03.04	Interest on Capital Paid	-	-10,054
6.03.05	Loans and Financings Raised	-	420,000
6.03.06	Payment of loans and financing (principal)	-	-20,375
6.03.07	Borrowing costs	-	-1,153
6.03.08	Share Issue Cost	-29	-
6.05	Increase (Decrease) in Cash and Cash Equivalents	-38,032	-278,041
6.05.01	Cash and Cash Equivalents at the Beginning of the Period	219,670	325,277
6.05.02	Cash and Cash Equivalents at the End of the Period	181,638	47,236

Consolidated financial statements – Statement of changes in Equity 01/01/2021 to 09/30/2021
(In thousands of reais)

Account Code	Account Description	Paid-up Capital	Capital Reserves, Options Granted and Treasury Shares	Profit reserves	earnings/accumulated losses	Retained	Other comprehensive income	Equity	Consolidated Equity
5.01	Opening balances	1,461,068	688,057	-	-310,966	300	1,838,459	1,838,459	1,838,459
5.03	Adjusted Opening Balances	1,461,068	688,057	-	-310,966	300	1,838,459	1,838,459	1,838,459
5.04	Capital Transactions with Shareholders	-	6,264	-	-	-	6,264	6,264	6,264
5.04.02	Share Issue Cost	-	-29	-	-	-	-29	-29	-29
5.04.03	Options Granted Recognized	-	6,293	-	-	-	6,293	6,293	6,293
5.05	Total Comprehensive Income	-	-	-	-297,455	-130	-297,585	-297,585	-297,585
5.05.01	Profit for the Period	-	-	-	-297,455	-	-297,455	-297,455	-297,455
5.05.02	Other comprehensive income	-	-	-	-	-130	-130	-130	-130
5.07	Closing Balances	1,461,068	694,321	-	-608,421	170	1,547,138	1,547,138	1,547,138

Consolidated financial statements – Statement of changes in Equity 01/01/2020 to 09/30/2020
(In thousands of reais)

Account Code	Account Description	Paid-up Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings/Accumulated Losses	Other Comprehensive Income	Equity	Consolidated Equity
5.01	Opening balances	950,768	701,203	134,641	-	17	1,786,629	1,786,629
5.03	Adjusted Opening Balances	950,768	701,203	134,641	-	17	1,786,629	1,786,629
5.04	Capital Transactions with Shareholders	-	7,656	-	-	-	7,656	7,656
5.04.03	Options Granted Recognized	-	7,656	-	-	-	7,656	7,656
5.05	Total Comprehensive Income	-	-	-	-348,350	2,139	-346,211	-346,211
5.05.01	Profit for the Period	-	-	-	-348,350	-	-348,350	-348,350
5.05.02	Other Comprehensive Income	-	-	-	-	2,139	2,139	2,139
5.07	Closing Balances	950,768	708,859	134,641	-348,350	2,156	1,448,074	1,448,074

Consolidated financial statements – Statement of value added
(In thousands of reais)

Account Code	Account Description	Current Year 01/01/2021 to 09/30/2021	Prior Year 01/01/2020 to 09/30/2020
7.01	Revenues	2,018,028	1,629,889
7.01.01	Gross Sales of Goods and Services	2,008,432	1,611,376
7.01.02	Other Revenues	9,596	18,513
7.02	Inputs Purchased from Third Parties	-1,303,797	-1,121,291
7.02.01	Cost of Sales and Services	-717,239	-601,288
7.02.02	Materials, Electric Power, Outside Services and Other Expenses	-580,507	-515,463
7.02.03	Impairment of Assets	-5,392	-3,626
7.02.04	Others	-659	-914
7.03	Gross Value Added	714,231	508,598
7.04	Retentions	-273,505	-241,470
7.04.01	Depreciation, Amortization and Depletion	-273,505	-241,470
7.05	Wealth Created by the Company	440,726	267,128
7.06	Wealth Received in Transfer	37,265	50,086
7.06.02	Financial Income	37,265	50,086
7.07	Total Wealth for Distribution	477,991	317,214
7.08	Wealth Distributed	477,991	317,214
7.08.01	Personnel	390,465	373,318
7.08.01.01	Salaries and Wages	364,781	354,839
7.08.01.03	Unemployment Compensation Fund (FGTS)	25,684	18,479
7.08.02	Taxes, Fees and Contributions	240,660	164,420
7.08.02.01	Federal	181,419	106,876
7.08.02.02	State	49,074	46,038
7.08.02.03	Municipal	10,167	11,506
7.08.03	Lenders and Lessors	144,321	127,826
7.08.03.01	Interest	96,349	83,147
7.08.03.02	Rentals	47,972	44,679
7.08.04	Shareholders	-297,455	-348,350
7.08.04.03	Retained Earnings / Profit for the Period	-297,455	-348,350

MANAGEMENT REPORT

HIGHLIGHTS:

PERFORMANCE 3Q21 x 3Q20:

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

FINANCIAL HIGHLIGHTS - R\$ MILLION (CONSOLIDATED)

	3Q21	3Q20	VAR.	9M21	9M20	VAR.
NET OPERATING REVENUE	710.0	522.3	35.9%	1,840.4	1,464.1	25.7%
ADJUSTED EBITDA	85.4	(11.4)	849.1%	64.2	(89.6)	171.7%
% OF NET OPERATING REVENUE	12.0%	-2.2%	1420bps	3.5%	-6.1%	960bps
NET INCOME (LOSS)	(37.9)	(105.9)	-64.2%	(297.5)	(348.3)	-14.6%
GROSS DEBT	832.7	937.8	-11.2%	832.7	937.8	-11.2%
NET DEBT	346.9	466.6	-25.7%	346.9	466.6	-25.7%
SHAREHOLDERS' EQUITY	1,547.1	1,448.1	6.8%	1,547.1	1,448.1	6.8%

OPERATIONAL HIGHLIGHTS

	3Q21	3Q20	VAR.	9M21	9M20	VAR.
# OF RESTAURANTS	927	900	27	927	900	27
OWNED RESTAURANTS						
# OWNED RESTAURANTS BEGINNING OF PERIOD	717	712	5	705	714	(9)
BURGER KING® RESTAURANT OPENINGS	6	6	-	14	7	7
BURGER KING® RESTAURANT CLOSINGS	-	(19)	19	-	(22)	22
ACQUISITION / SALE OF BURGER KING® RESTAURANT BUSINESSES	-	1	(1)	(1)	1	(2)
POPEYES® RESTAURANT OPENINGS	-	2	(2)	5	2	3
# OWNED RESTAURANTS END OF PERIOD	723	702	21	723	702	21
FRANCHISEES RESTAURANTS						
# FRANCHISEES RESTAURANTS BEGINNING OF PERIOD	202	197	5	202	199	3
BURGER KING® RESTAURANT OPENINGS	2	3	(1)	4	3	1
BURGER KING® RESTAURANT CLOSINGS	-	(1)	1	(3)	(3)	-
ACQUISITION / SALE OF BURGER KING® RESTAURANT BUSINESSES	-	(1)	1	1	(1)	2
# FRANCHISEES RESTAURANTS END OF PERIOD	204	198	6	204	198	6
COMPARABLE SALES GROWTH IN SAME RESTAURANTS BKB	17.2%	-27.3%	4450bps	5.5%	-15.3%	2080bps

SUBSEQUENT EVENT:

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

MESSAGE FROM MANAGEMENT

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

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

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

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

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

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

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

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

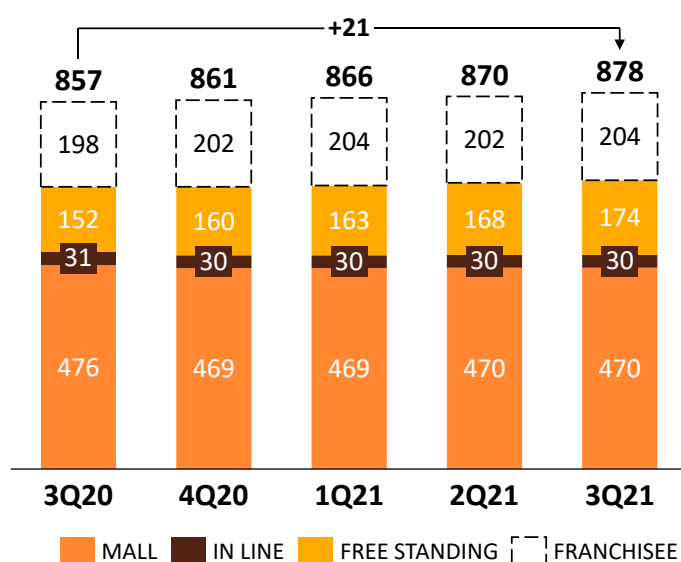
OPERATING PERFORMANCE

Restaurant chain

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

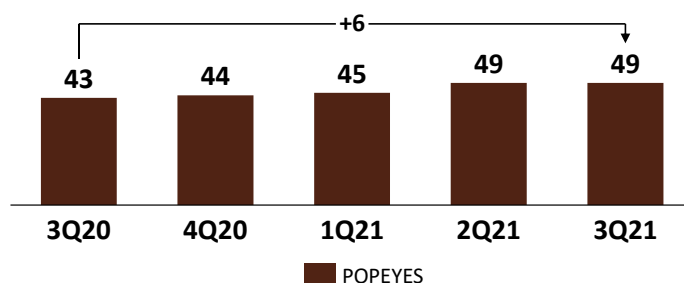
BURGER KING® system

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

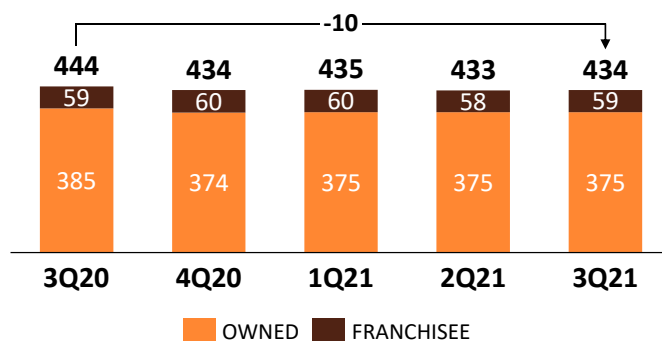


POPEYES® system

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

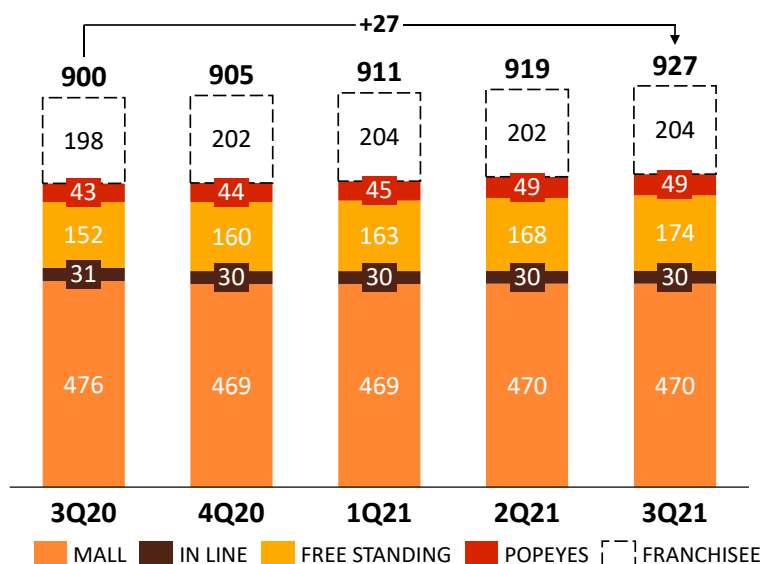
BURGER KING® dessert centers

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



Total restaurant chain

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

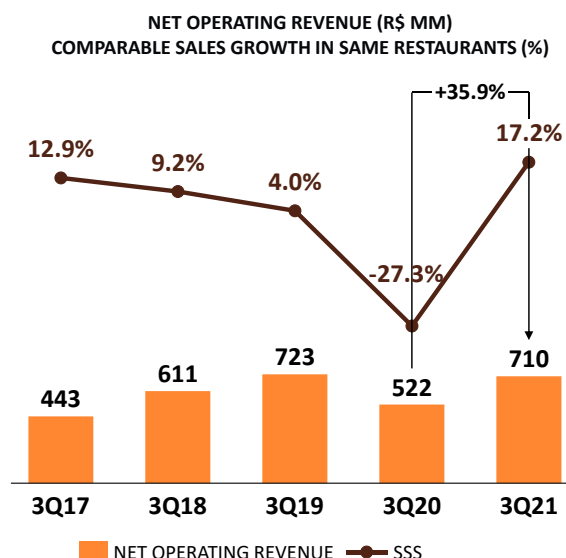


FINANCIAL PERFORMANCE

Net operating revenue

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

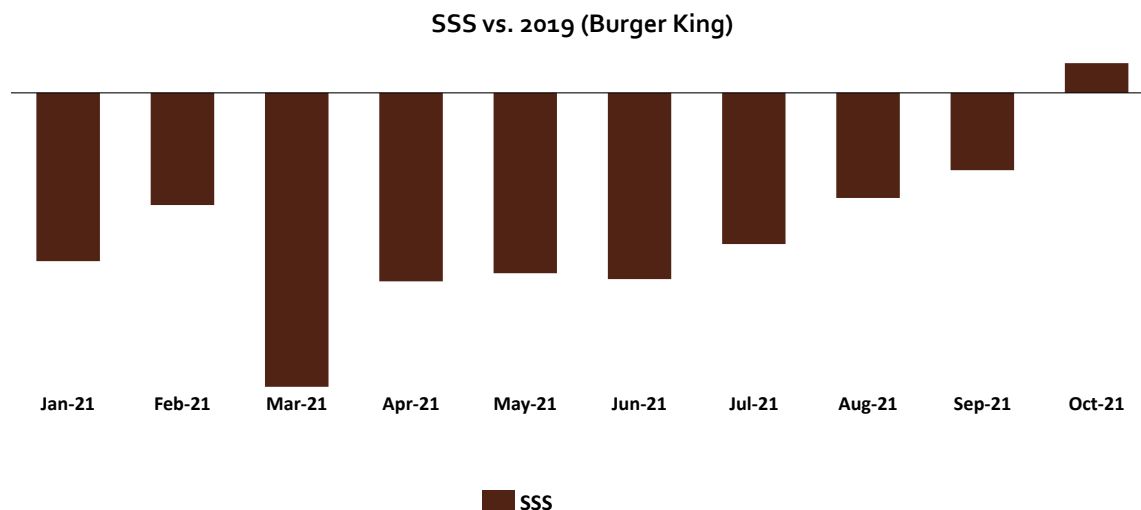
With the easing of restrictive measures, made possible by the advance of immunized population, and the consequent improvement in urban mobility indicators, the Company's sales had a strong recovery and gradually progressed month after month, so that at the end of September, sales per restaurant were already very close to 2019 levels. This improvement is mainly related to the flexibility of flow and opening hours at the malls, where we concentrate a large part of our restaurants, and the strength of the digital channels, which have continued to grow, even with the recovery of on-premise consumption. Digital sales represented by delivery, totem and App once again played an important role in the recovery and accounted for around 33% of the Company's sales, a growth of 70% against the same period of the previous year and 24% when compared to 2Q21.



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

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

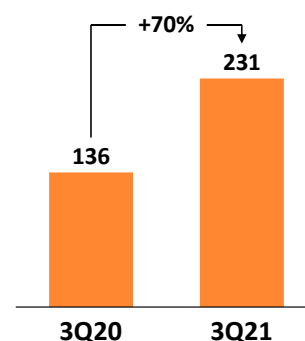
At Popeyes, we continue to build a brand that has been surprising us positively in terms of awareness, operational consistency – with strong NPS levels and quality of our product. The result of this combination, even with restrictions for an operation that is 100% concentrated in malls, was already a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



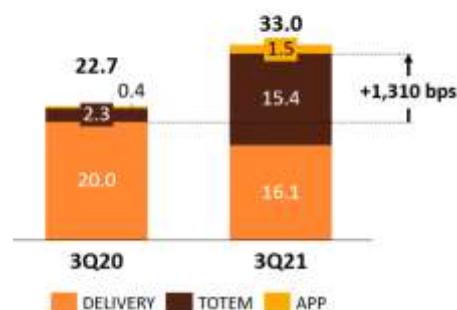
Digitalization of Sales

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

DIGITAL CHANNELS SALES (R\$ MM)



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



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

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

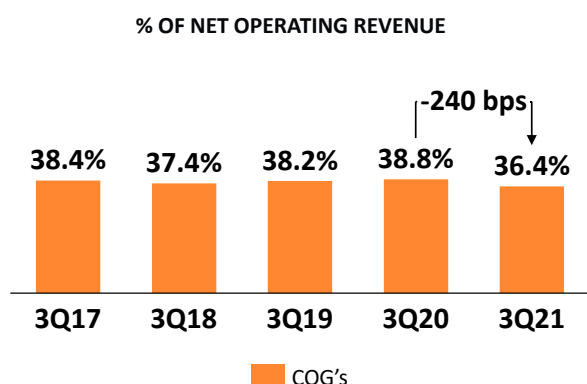
This growth demonstrates that with the digitization of operations, we can improve the user experience by assigning greater efficiency during their consumption journey. In addition, through constant user experience adaptations, we have noticed an important increase in average ticket in these transactions,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

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

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

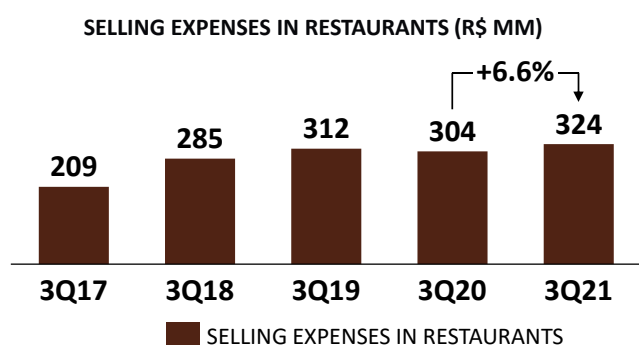
Leveraged by the assertiveness of the CRM and the fast on board of the BK Club, our sales by e-payment (wallets, app, PIX) already represented in this quarter 4% of the total sales of the Cia. This advance represents in our business, a good opportunity to expand data acquisition, improve the experience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

Cost of goods sold and selling expenses



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

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

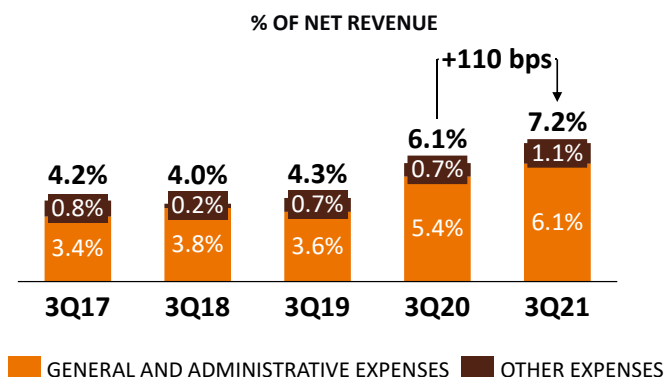


Restaurant selling expenses, excluding depreciation and amortization, reached R\$324 million in 3Q21. This 6.6% growth, compared to the advance in sales of 35.9%, shows the operational leverage of our business. Through a strong discipline in commercial negotiations, cuts in discretionary expenses, but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

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

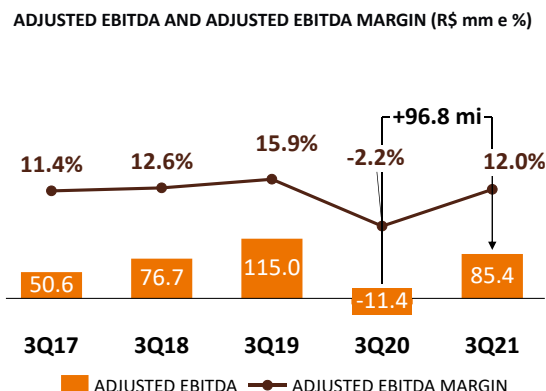
Total general and administrative expenses

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



Adjusted EBITDA

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



EBITDA - R\$ MILLION

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

Net income (loss)

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

RELATIONSHIP WITH INDEPENDENT AUDITORS

In compliance with CVM Instruction No. 381/2003 and Circular Letter SNC/SEP No. 01/2007, the Company informs that until September 30, 2021, the independent auditor (ERNST & YOUNG Auditores Independentes SS (EY)), in addition to of the external audit services, services were contracted to review tax credits in the amount equivalent to 24.46% of the fees for auditing the financial statements and also the contracting of an assurance service regarding the association of the Company with DP Brasil in the amount equivalent to 36.47% of the fees for auditing the financial statements.

The Company and its joint ventures adopt as a formal procedure to consult the independent auditors, to ensure that the performance of other services will not affect the independence and objectivity required to perform independent audit services. The Company's policy in the hiring of independent auditors' services ensures that there is no conflict of interests, loss of independence or objectivity.

In the hiring of such services, the policies adopted by the Company are based on principles that preserve the auditor's independence. These principles, according to internationally accepted standards, are: (a) the auditor cannot audit his own work; (b) the auditor cannot function as a part of management in his client, and (c) the auditor cannot serve in an advocacy role for his clients.

Board of Executive Officers

BK Brasil Operação e Assessoria a Restaurantes S.A.

Notes to the interim financial information

Nine-month period ended September 30, 2021

(Amounts in thousands of reais)



1. Operations

BK Brasil Operação e Assessoria a Restaurantes S.A. (“BKB ” or “Company”) is a publicly-held corporation established in Brazil, with its head office at Alameda Tocantins, 350 - Alphaville - Barueri - SP, engaged in: (i) the development and the operation of “Burger King” and “Popeyes” restaurants in Brazil; (ii) provision of advisory and support services to “Burger King” restaurants in Brazil; (iii) sale, import and export of products related to the aforementioned activities; and (iv) holding of equity interests in other companies that develop the activities above in Brazil, as partner or shareholder.

a) Burger King Operation

The right to operate the “Burger King” restaurants was obtained through a “Master Franchise” agreement entered into with Burger King Corporation (“BKC”) on July 9, 2011. The restaurant operation rights have a term of twenty years, renewable for additional same twenty years, if the parties intend to (Note 17).

The Company obtained from Restaurant Brands International (RBI), owner of the Burger King brand, a franchise for 20 years counted from each store’s opening date. In the opening of each store, an amount ranging from US\$ 5 thousand to US\$ 45 thousand is paid in a single installment as a Franchise Fee, depending on the store model. Royalties of 5% are also paid on the net monthly revenue.

As at September 30, 2021 and December 31, 2020, the Company had 674 and 659 company-owned stores, of which:

	09/30/2021	12/31/2020
State of Alagoas	4	4
State of Bahia	13	13
State of Ceará	14	14
Federal District	10	10
State of Espírito Santo	13	12
State of Goiás	22	22
State of Maranhão	5	5
State of Mato Grosso	5	5
State of Mato Grosso do Sul	4	4
State of Minas Gerais	49	48
State of Pará	7	7
State of Paraíba	5	5
State of Pernambuco	16	15
State of Piauí	2	2
State of Paraná	41	40
State of Rio de Janeiro	98	96
State of Rio Grande do Norte	3	3
State of Rio Grande do Sul	39	38
State of Santa Catarina	4	4
State of Sergipe	6	6
State of São Paulo	314	306
Total Stores	674	659

BK Brasil Operação e Assessoria a Restaurantes S.A.

Notes to the interim financial information

Nine-month period ended September 30, 2021

(Amounts in thousands of reais)



1. Operations--Continued

b) Popeyes Operation

The right to operate restaurants with the “Popeyes” brand was obtained through a “Master Franchise” agreement entered into with Popeyes Louisiana Kitchen (PLK) on March 20, 2018. By signing these agreements, BKB acquired the exclusive right of developing and operating restaurants in Brazil through its own operation or franchisees under the POPEYES® brand for a twenty-year period, which may be renewed for an equal term, in the event the parties are interested (Note 17).

The Company obtained from RBI, owner of the Popeyes brand, a franchise for 20 years counted from each store’s opening date. In the opening of each store, the amount of US\$ 40 thousand is paid in a single installment as a Franchise Fee. Royalties are also paid at levels similar to those applicable to the BURGER KING® brand in Brazil.

As at September 30, 2021, the Company had 49 company-owned stores (44 company-owned stores as at December 31, 2020), of which 44 are located in the State of São Paulo (44 stores as at December 31, 2020) and 5 are located in the State of Rio de Janeiro.

2. Accounting policies

The individual and consolidated interim financial information was prepared consistently with the accounting policies described in Note 2 to the annual individual and consolidated financial statements for the year ended December 31, 2020, and remains valid.

Accordingly, the Company's individual and consolidated interim financial information does not include all the notes and disclosures required by applicable standards for annual individual and consolidated financial statements and, therefore, the respective financial information should be read in conjunction with such annual individual and consolidated financial statements. Based on the assumptions and judgment adopted by the Company regarding the materiality and changes that should be disclosed in the notes to the interim financial information, this report includes selected notes and does not include all the notes presented in the annual financial statements, as allowed by Circular Letter 03/2011 issued by the Securities and Exchange Commission of Brazil (CVM).

The Company's individual and consolidated financial information, contained in the Quarterly Information Form (ITR) for the nine-month period ended September 30, 2021, was prepared in accordance with *NBC TG 21 (R4) - Demonstrações Intermediárias* and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) and presented consistently with CVM rules, applicable to the preparation of Quarterly Information (ITR).

The preparation of interim financial information requires the use of critical accounting estimates and also the exercise of judgment by the Company's management. Accounting estimates and assumptions are periodically evaluated and are based on historical experience and other factors, including expected future events, considered to be reasonable in the circumstances. Actual results may differ from those estimates.

2. Accounting policies--Continued

The Company prepared its consolidated interim financial information using the parent company accounting policies.

The Company's operating results are subject to seasonality that affect the retail industry. Sales usually vary in periods of school holidays (January, July and December); and mainly for stores located at malls, during weeks prior to Mother's day (May), Valentine's day (June), Father's day (August), Children's day and Halloween (October), Black Friday (November) and Christmas (December). Therefore, each quarter has its seasonal effect on the Company's results.

The Company develops its activities and bases its business decisions considering one operating segment, related to the sale of food and beverages in restaurants operated by the Company.

The Company's individual and consolidated interim information for the nine-month period ended September 30, 2021 was concluded and approved by the Company's officers and authorized for issue according to resolution of the members of the Board of Directors on November 4, 2021.

COVID-19 pandemic effects

CIRCULAR LETTER/CVM/SNC/SEP/02/2020 issued by CVM on March 10, 2020 discusses the potential effects that the pandemic caused by the New Coronavirus (COVID-19) may have on the Companies business and their effects on the financial statements. It also mentions the importance of the Companies and their Independent Auditors to thoroughly assess the potential impacts of COVID-19 on their business and the risks and uncertainties to which they are exposed.

Management has closely monitored the evolution of the impacts caused globally by the pandemic, as well as the measures adopted by the governments so far to support the maintenance of jobs and recovery of the economy. However, there are still uncertainties regarding the new measures, which makes it difficult to predict new direct and/or indirect impacts that could be caused by the pandemic. In addition, the effects mentioned herein may distort the Company's historical seasonality and impair the comparability of the information.

In the first quarter of 2021, faced with the worsening of the pandemic, states decided to adopt again more restrictive control phases to combat the evolution of COVID-19. This decision caused several restaurants to be closed, or with sales limited to reduced opening hours, directly impacting the Company's operations. During the second quarter and with the progress of the vaccination curve, the measures of the restrictive phase were relaxed and the restaurants could reopen and extend their opening hours. The favorable evolution in combating the pandemic led restaurants to resume full time operations in the third quarter.

BK Brasil Operação e Assessoria a Restaurantes S.A.

Notes to the interim financial information

Nine-month period ended September 30, 2021

(Amounts in thousands of reais)



2. Accounting policies--Continued

Loyalty Program - BK Club

In complement to item 2.16 - Deferred revenue, net, included in Note 2 to the individual and consolidated financial statements at December 31, 2020, the Company discloses its policy on the loyalty program, which was launched in 2021.

BK Club aims to retain the Company's customers by granting points for each purchase made, so that customers may accumulate points and exchange for rewards available in the program.

The obligation arising from the issue of points is measured based on the customer's compliance with the program and the consumption of branded products and is only fulfilled if the customer actually redeems the award in the store or after it has expired (6 months from the date of issue).

The recognition of revenue in the income for the period is presented net of their respective direct variable costs when the performance obligation is exceeded by making the reward available to the participant, according to CPC 47 / NBC TG 47 / IFRS15 - Revenue from Contracts with Customers.

The other matters related to this note were not materially changed in relation to the disclosures in Note 2 to the individual and consolidated financial statements as at December 31, 2020.

3. Leased assets - Effects of the adoption of CPC 06 (R2)/NBC TG 06 (R3)/IFRS 16

Right-of-use assets	Parent company and Consolidated	
	09/30/2021	12/31/2020
Opening balance (Note 10)	732,308	660,986
Additions and updates of leases recognized in the period (Note 10 (i) and (ii))	166,249	205,224
Amortization of right of use (rental) (Note 10) (ii)	(108,882)	(121,992)
Taxes levied on amortization of leases (Note 10) (ii)	(8,100)	(11,910)
Closing balance (Note 10)	781,575	732,308

Lease liabilities	Parent company and Consolidated	
	09/30/2021	12/31/2020
Opening balance	791,331	693,209
Additions and updates of leases recognized in the period (i) and (ii)	245,380	298,930
Write-off due to payment of lease liabilities (ii)	(131,386)	(116,372)
Discounts obtained on lease payments (ii) and (iv)	(15,943)	(47,033)
Taxes levied on lease payments (ii)	(11,667)	(16,834)
Additions and updates of adjustment to present value (APV) recognized in the period (i) and (ii)	(79,131)	(93,706)
Write-off of accrued interest (APV) (ii)	58,938	68,213
Taxes levied on APV of leases (ii)	3,566	4,924
Closing balance (Notes 27 and 29)	861,088	791,331

Current	148,826	126,941
Non-current	712,262	664,390

BK Brasil Operação e Assessoria a Restaurantes S.A.

Notes to the interim financial information

Nine-month period ended September 30, 2021

(Amounts in thousands of reais)

**POPEYES****3. Leased assets - Effects of the adoption of CPC 06 (R2)/NBC TG 06 (R3)/IFRS 16-Continued**

The amounts of lease liabilities have the following maturities at September 30, 2021:

Expiration period	Parent company and Consolidated					
	09/30/2021			12/31/2020		
	Lease liabilities	(-) Adjustment to present value of lease liabilities	Total	Lease liabilities	(-) Adjustment to present value of lease liabilities	Total
Up to 1 year	229,185	(80,359)	148,826	200,742	(73,801)	126,941
Over 1 year and less than 3 years	382,029	(119,018)	263,011	347,568	(111,005)	236,563
Over 3 years and less than 5 years	292,496	(69,492)	223,004	266,658	(67,147)	199,511
Over 5 years	265,687	(39,440)	226,247	268,046	(39,730)	228,316
Total	1,169,397	(308,309)	861,088	1,083,014	(291,683)	791,331

Income from lease	Parent company and Consolidated	
	09/30/2021	09/30/2020
Expenses on stores - variable rental (iii)	(7,468)	(13,443)
Amortization of right of use (rental) (Notes 22 and 23) (ii)	(108,882)	(89,828)
Financial expenses – Accrued interest (APV) (Note 24) (ii)	(58,938)	(50,526)
Discounts obtained on lease payments COVID-19 (Note 25) (ii) and (iv)	15,943	34,396
Closing balance	(159,345)	(119,401)

- (i) The adjustments of financial indexes for Lease Liabilities are recorded according to each agreement, causing impacts in line items APV, Lease liabilities and Right-of-use assets. These adjustments, when recorded, do not impact the profit or loss for the period, only the amounts in the statement of financial position.
- (ii) In compliance with CVM *Circular Letter 02/2019*, the balances in the statement of financial position accounts are gross of taxes (Pis and Cofins) while the balances in the statement of profit or loss accounts are net of taxes (Pis and Cofins).
- (iii) The effects of the adoption of CPC 06 (R2) / NBC TG 06 (R3) / IFRS16 positively impacted the line items of occupancy and utilities expenses by R\$131,385 as at September 30, 2021 (R\$75,914 as at September 30, 2020), net of Pis and Cofins, as the operating lease (fixed rent) is no longer recognized under this line item (Note 3).
- (iv) Based on the Revision of Technical Pronouncements No.16 issued by CVM on July 7, 2020 and Revision of Technical Pronouncements No. 18 issued by CVM on July 21, 2021, which contained amendments to CPC 06 (R2) referring to Covid-19-Related Rent Concession (and extension), the Company elected to use the practical expedient of not remeasuring the operating lease agreements since the renegotiations made were in respect of benefits considered related to COVID-19, recognizing such benefits in profit or loss for the period (Note 25).

The other matters related to this note were not materially changed in relation to the disclosures in Note 3 to the individual and consolidated financial statements as at December 31, 2020.

BK Brasil Operação e Assessoria a Restaurantes S.A.

Notes to the interim financial information

Nine-month period ended September 30, 2021

(Amounts in thousands of reais)



4. Cash and cash equivalents

	Parent Company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Cash	22,555	24,564	22,555	24,564
Banks	5,938	2,965	5,939	2,966
Financial investments	153,144	192,140	153,144	192,140
Total cash and cash equivalents	181,637	219,669	181,638	219,670

Type of investment	Annual yield	Parent Company		Consolidated	
		09/30/2021	12/31/2020	09/30/2021	12/31/2020
CDB	102% to 106% of CDI	112,310	110,690	112,310	110,690
Repurchase agreement	80% of CDI	29,022	50,015	29,022	50,015
Automatic investment	10% to 60% of CDI	11,812	31,435	11,812	31,435
Total financial investments		153,144	192,140	153,144	192,140

These investments are highly liquid and the Company may redeem them at any time without significant change in value. These investments are in compliance with the Company's internal policy, observing the limits among financial institutions, ratings and liquidity criteria.

5. Marketable securities

Type of investment	Annual yield	Parent company		Consolidated	
		09/30/2021	12/31/2020	09/30/2021	12/31/2020
Exclusive investment fund - XPA BK (i)	100% to 126% of CDI or IPCA	125,668	122,495	-	-
Federal Treasury Bills (LFT)	SELIC	-	-	41,028	44,244
Investment Funds	IPCA	-	-	12,391	41,710
CDB	100% to 111% of CDI	178,438	453,323	178,464	453,323
Investments in debentures	100% to 111% of CDI or IPCA	-	-	11,881	7,449
Financial bills (LF)	100% to 126% of CDI or IPCA	-	-	60,364	29,117
Repurchase agreements (ii)	102% of CDI	-	25,306	-	25,306
Total marketable securities		304,106	601,124	304,128	601,149
Current		304,106	601,124	304,128	601,149
Marketable securities		304,106	575,818	304,128	575,843
Restricted marketable securities		-	25,306	-	25,306

(i) XPA BK Fundo de Investimento Multimercado Investimento no exterior – Exclusive investment fund, 100% held by the Company, created on 12/29/2017. The portfolio of this fund, by type of investment, is shown in the consolidated balances.

(ii) Repurchase agreements given as collateral for loans contracted in 2020 whose contractual liabilities have already been met.

BK Brasil Operação e Assessoria a Restaurantes S.A.

Notes to the interim financial information

Nine-month period ended September 30, 2021

(Amounts in thousands of reais)



6. Trade receivables, net

	Parent company and Consolidated	
	09/30/2021	12/31/2020
Sales transactions	81,586	72,282
Sales transactions - Delivery	36,998	27,070
Service rendered with franchisees	5,324	5,536
Services rendered with related parties	470	645
Provision for expected credit losses (i)	(13,671)	(522)
Other receivables	3,913	2,177
Total trade receivables	114,620	107,188

(i) Provision for estimated losses on realization of credits (Note 22).

The provision for expected credit losses in the nine-month period ended September 30, 2021 and in the exercise ended December 31, 2020 are shown below:

Aging list	Parent company and Consolidated	
	09/30/2021	12/31/2020
Overdue		
From 180 to 364 days	(658)	-
Over 365 days	(10,180)	(522)
Due		
Expected losses	(2,833)	-
Total provision for expected credit losses	(13,671)	(522)

Based on CPC 48/NBC TG 48/IFRS 9 - Financial Instruments and in accordance with the Company's internal policy, which is based on the probability of realization and actual loss and predicts the allowance for doubtful accounts for notes overdue for more than 365 days, the Company recognized in its income the amount of R\$13,671 for the nine-month period ended September 30, 2021 (R\$522 for the year 2020). The amount provisioned is mainly due to amounts outstanding for more than 365 days, in addition to other amounts outstanding in accounts receivable with low expectation of receipt.

The other matters related to this note were not materially changed in relation to the disclosures in Note 6 to the individual and consolidated financial statements as at December 31, 2020.

7. Inventories

	Parent company and Consolidated	
	09/30/2021	12/31/2020
Goods for resale	47,374	47,371
Distribution center - BKB	60,641	55,494
Gifts	11,550	14,277
Consumables	9,250	8,470
Allowance for inventory losses (Note 21)(i)	(2,427)	-
Total inventories	126,388	125,612

(i) Provision for write-off of Inputs not expected to be realized.

BK Brasil Operação e Assessoria a Restaurantes S.A.

Notes to the interim financial information

Nine-month period ended September 30, 2021

(Amounts in thousands of reais)



8. Taxes recoverable

	Parent company and Consolidated	
	09/30/2021	12/31/2020
IRPJ (Income Tax)	4,680	1,973
CSLL (Social Contribution on Profit)	1,082	1,086
IRRF (Withholding Income Tax)	2,979	6,609
ICMS (State VAT) (ii)	78,972	48,482
Non-cumulative PIS (i)	19,069	17,011
Non-cumulative COFINS (i)	65,336	53,155
INSS (Social Security Contribution)	6,715	5,684
Other	348	349
Total taxes recoverable	179,181	134,349
Current	41,523	37,116
Non-current (ii)	137,658	97,233

- (i) CIRCULAR LETTER/CVM/SNC/SEP/01/2021 issued in January 2021 states that in the case of exclusion of ICMS from the calculation base of PIS and COFINS and as there is potential conflict regarding the definition of the interpretation to be given to the decision of the Superior Court of Justice (STJ), the technical areas of CVM understand that credits for which there is certainty and that do not depend on acts of third parties for the entity to control the economic benefits to be originated by it should be recognized as tax credit assets.

In May 2021, the Federal Supreme Court (STF) ended the discussion on the credit right of the companies, defining based on the motions for clarification that the exclusion of ICMS from the calculation base of PIS and COFINS is valid as from March 15, 2017, date on which the thesis of general repercussion was set in the judgment of the Extraordinary Appeal 574706.

Considering that the justices ratified that the ICMS that is not included in the calculation base of PIS/COFINS is that specified in the invoice and not the amount paid, the procedures adopted by the Company to determine the credits correspond to such decision, and therefore, are adequate for the recognition.

In the nine-month period ended September 30, 2021, the Company with the support of its tax consultants recorded the amount of R\$9,081, referring to the period from January 2015 to February 2017, of which R\$6,139 was related to the principal and R\$2,942 to the monetary adjustment. The principal amount was recognized against Deductions from gross revenue (Note 20) and the amount related to monetary adjustment against Monetary adjustment (Note 25).

- (ii) The increase in the balances of taxes recoverable includes the recognition of untimely tax credits. The Company expects to offset these credits by 2026.

9. Property and equipment, net

	Average annual amortization rate	Parent company and Consolidated	
		09/30/2021	12/31/2020
Facilities, improvement and projects	(i)	630,203	608,550
Machinery and equipment	6% to 15%	303,700	293,613
Furniture and fixtures	6% to 15%	51,379	47,593
Computers and hardware	20% to 25%	86,634	80,581
Other assets	-	133,767	173,421
(-) Provision for impairment	-	(7,979)	(8,094)
Total property and equipment		1,197,704	1,195,664

- (i) According to the rental agreement terms, 10 years on average.

In the nine-month period ended September 30, 2021, financial charges in the amount of R\$11,642 were capitalized (R\$8,450 in the period ended September 30, 2020).

The movements in property and equipment in the nine-month periods ended September 30, 2021 and 2020 were as follows:

BK Brasil Operação e Assessoria a Restaurantes S.A.

Notes to the interim financial information

Nine-month period ended September 30, 2021

(Amounts in thousands of reais)



9. Property and equipment, net--Continued

	Parent company and Consolidated						
	Facilities, improvement and projects	Machinery and equipment	Furniture and fixtures	Computers and hardware	Other assets (i)	(-) Provision for impairment (Note 26)	Total
Cost							
Balance as at 12/31/2019	874,677	344,631	88,527	148,227	288,364	(10,340)	1,734,086
Additions	22,682	-	-	-	128,057	-	150,739
Transfers	127,940	96,937	(2,382)	34,037	(256,532)	-	-
Write-offs	(20,993)	(127)	(1,299)	(1,835)	(37)	-	(24,291)
Sales of stores	-	(503)	(5)	(35)	(903)	-	(1,446)
Impairment (Note 23)	-	-	-	-	-	5,857	5,857
Balance as at 09/30/2020	1,004,306	440,938	84,841	180,394	158,949	(4,483)	1,864,945
Balance as at 12/31/2020	1,034,836	442,398	85,360	183,342	173,421	(8,094)	1,911,263
Additions	25,459	-	-	16	123,379	-	148,854
Transfers	78,164	43,749	10,577	28,596	(161,086)	-	-
Write-offs	(1,681)	(4,680)	(1,137)	(5,348)	(1,399)	-	(14,245)
Sales of assets (Note 23)	-	-	-	-	(548)	-	(548)
Impairment (Note 23)	-	-	-	-	-	115	115
Balances as at 09/30/2021	1,136,778	481,467	94,800	206,606	133,767	(7,979)	2,045,439
Depreciation							
Balances as at 12/31/2019	(350,174)	(108,846)	(30,977)	(80,511)	-	-	(570,508)
Additions	(71,710)	(31,668)	(6,557)	(20,221)	-	-	(130,156)
Write-offs	14,330	2	798	884	-	-	16,014
Sales of stores	-	305	3	30	-	-	338
Balances as at 09/30/2020	(407,554)	(140,207)	(36,733)	(99,818)	-	-	(684,312)
Balances as at 12/31/2020	(426,286)	(148,785)	(37,767)	(102,761)	-	-	(715,599)
Additions	(80,633)	(32,678)	(6,311)	(21,800)	-	-	(141,422)
Write-offs	344	3,696	657	4,589	-	-	9,286
Balances as at 09/30/2021	(506,575)	(177,767)	(43,421)	(119,972)	-	-	(847,735)
Total property and equipment at 12/31/2020	608,550	293,613	47,593	80,581	173,421	(8,094)	1,195,664
Total property and equipment at 09/30/2021	630,203	303,700	51,379	86,634	133,767	(7,979)	1,197,704

(i) Stores built and / or remodeled substantially that will be reallocated to the fixed assets groups according to the Company's policy R\$11,221 (R\$35,990 as at December 31, 2020), works referring to stores under construction R\$45,965 (R\$43,125 as at December 31, 2020), new equipment in stock R\$51,069 (R\$48,849 as at December 31, 2020), maintenance equipment R\$4,014 (R\$4,222 as at December 31, 2020), and other assets in progress R\$21,498 (R\$41,235 as at December 31, 2020).

Considering the current information and data regarding the potential impacts of the COVID-19 pandemic on its activities to date, the Company has analyzed and has not identified the need to record a provision for impairment, however continues attentive to any new additional indication of impairment that may arise. Additionally, there was a partial reversal of the provision in the nine-month period ended September 30, 2021 due to the sale of assets that were previously accrued at their recoverable amount.

The other matters related to this note were not materially changed in relation to the disclosures in Note 10 to the individual and consolidated financial statements as at December 31, 2020.

BK Brasil Operação e Assessoria a Restaurantes S.A.

Notes to the interim financial information

Nine-month period ended September 30, 2021

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10. Intangible assets, net

	Average annual amortization rate	Parent company and Consolidated	
		09/30/2021	12/31/2020
Commercial rights	(i)	62,052	67,687
Franchise fee	5%	84,635	84,522
Software licenses	20%	32,161	16,495
Right-of-use asset	(ii)	781,575	732,308
Goodwill	(iii)	572,199	572,199
Total intangible assets		1,532,622	1,473,211

(i) According to the rental agreement terms, 10 years on average.

(ii) According to the rental agreement term.

(iii) Annual analysis of impairment.

The movements in intangible assets in the nine-month periods ended September 30, 2021 and 2020 were as follows:

	Parent company and Consolidated					
	Commercial rights	Franchise fee (Note 17)	Software licenses	Right-of-use assets (Note 3)	Goodwill	Total
Cost						
Balance as at 12/31/2019	141,116	95,594	26,867	779,224	572,199	1,615,000
Additions	12,608	13,548	8,744	93,740	-	128,640
Write-offs	(645)	(22)	(252)	-	-	(919)
Balances as at 09/30/2020	153,079	109,120	35,359	872,964	572,199	1,742,721
Balances as at 12/31/2020	155,930	108,827	37,070	984,448	572,199	1,858,474
Additions	5,865	4,709	22,771	166,249	-	199,594
Balances as at 09/30/2021	161,795	113,536	59,841	1,150,697	572,199	2,058,068
Amortization						
Balances as at 12/31/2019	(72,471)	(18,968)	(15,603)	(118,238)	-	(225,280)
Additions	(13,214)	(4,358)	(3,914)	(100,922)	-	(122,408)
Write-offs	639	-	183	-	-	822
Balances as at 09/30/2020	(85,046)	(23,326)	(19,334)	(219,160)	-	(346,866)
Balances as at 12/31/2020	(88,243)	(24,305)	(20,575)	(252,140)	-	(385,263)
Additions	(11,500)	(4,596)	(7,105)	(116,982)	-	(140,183)
Balances as at 09/30/2021	(99,743)	(28,901)	(27,680)	(369,122)	-	(525,446)
Total intangible assets as at 12/31/2020	67,687	84,522	16,495	732,308	572,199	1,473,211
Total intangible assets as at 09/30/2021	62,052	84,635	32,161	781,575	572,199	1,532,622

Considering the current information and data regarding the potential impacts of the COVID-19 pandemic on its activities to date, the Company has analyzed and has not identified the need to record a provision for impairment, however continues attentive to any new additional indication of impairment that may arise.

The other matters related to this note were not materially changed in relation to the disclosures in Note 11 to the individual and consolidated financial statements as at December 31, 2020.

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**11. Loans and financings**

	Parent company and Consolidated	
	09/30/2021	12/31/2020
Loans and financings (Note 11.1)	424,148	430,002
Debentures (Note 11.2)	408,529	400,774
Total loans and financings	832,677	830,776
Current	154,643	53,612
Non-current	678,034	777,164

The loans and financings in local currency are represented by financings for the purchase of assets for new stores opened and for working capital and the non-current amounts, not discounted from the financial charges to be incurred of R\$1,581 as at September 30, 2021 (R\$1,490 as at December 31, 2020), have the following original maturities as at September 30, 2021 and December 31, 2020:

Year	Parent company and Consolidated	
	09/30/2021	12/31/2020
2022	41,345	140,385
2023	120,885	120,885
2024	483,385	449,384
2025	34,000	68,000
Total	679,615	778,654

11.1. Loans and financings

Description	Interest rates (p.m.)	Maturity	Parent company and Consolidated	
			09/30/2021	12/31/2020
Loan - Working capital	0.22% to 0.30% + CDI	Jun/2022 to Mar/2025	424,916	430,391
Financial charges to be incurred			(768)	(389)
Total loans and financings (Note 11)			424,148	430,002
Current			144,994	51,417
Non-current			279,154	378,585

11.2. Debentures

Description	Interest rates (p.m.)	Maturity	Parent company and Consolidated	
			09/30/2021	12/31/2020
Debentures 8 th issue	100% of CDI + 0.11%	October 2024	410,181	402,721
Financial charges to be incurred			(1,652)	(1,947)
Total debentures (Note 11)			408,529	400,774
Current			9,649	2,195
Non-current			398,880	398,579

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11. Loans and financings--Continued

11.3. Covenants

Covenants are controlled annually by the financial institutions. The Company has monitored the projections of results, the cash consumption in the period and the development of the pandemic effects on its operating activities and understands that, as there is the possibility of non-compliance with covenants at the end of 2021, it started negotiations with creditors and will call a General Meeting of Debenture Holders for discussion about the waiver.

Collaterals

As at September 30, 2021, the Company has a letter of guarantee with banks amounting to R\$7,876 (R\$4,573 as at December 31, 2020) as collateral for the rental of stores.

The other matters related to this note were not materially changed in relation to the disclosures in Note 12 to the individual and consolidated financial statements as at December 31, 2020.

12. Trade payables

	Parent company and Consolidated	
	09/30/2021	12/31/2020
Suppliers of materials and services (i)	143,856	164,643
Agreement with suppliers (ii)	11,650	39,645
Others	25,308	13,328
Total trade and rental payables	180,814	217,616

- (i) The decrease in the balance of suppliers of materials and services in the quarter ended September 30, 2021 is due to the existing seasonality (Note 2), combined with the reduction in natural purchases during the period.
- (ii) The Company has financial liabilities with suppliers, through financial institutions, whose suppliers received in advance in the quarter ended September 30, 2021. As a potential financial value embedded in the operations, we inform that the average rate used in advance is 1.1% p.m., combined with the average term of 29 days in advance (as at December 31, 2020, the average rate used was 1.2% p.m., combined with the average term of 41 days in advance).

13. Taxes payable

	Parent company and Consolidated	
	09/30/2021	12/31/2020
Withholding Income Tax (IRRF)	431	988
State VAT (ICMS)	19,886	17,696
Contribution For Intervention in the Economic Domain (CIDE)	2,425	2,548
Taxes in installments (i)	5,466	10,812
Service Tax (ISS) withheld	8,049	5,577
Social Security Contribution (INSS) withheld	217	862
Social Security Contribution (INSS) payable (ii)	2,432	2,432
Other	1,158	1,426
Total taxes payable	40,064	42,341
Current	32,985	31,561
Non-current	7,079	10,780

(i) Refers to the voluntary installment payment of taxes and enrollment in the PERT made by the investees merged during 2019.

(ii) Refers to the voluntary installment payment of INSS made by the investees merged during 2019.

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14. Deferred revenue, net

	Parent company and Consolidated	
	09/30/2021	12/31/2020
Deferred revenue, net - franchise fee (i)	4,148	3,942
Deferred revenue, net - trade payables (ii)	16,159	22,679
Deferred revenue, net - CLUBE BK (iii)	2,742	-
Total deferred revenue, net	23,049	26,621
Current	16,315	11,857
Non-current	6,734	14,764

- (i) Recognition of franchise fee revenue of sub-franchisee due to the adoption of CPC 47/NBC TG 47/IFRS 15 - Revenue from Contracts with Customers.
- (ii) Amounts received in advance for the marketing campaign agreement entered into with specific suppliers for the exclusive sale of products of these suppliers in Burger King restaurants, exhibition of suppliers' brands and investment in marketing campaigns to increase the sales of Burger King products and consequently increase in sales of the suppliers' products.
- (iii) Loyalty program launched in 2021 with the recognition of revenue in accordance with CPC 47/NBC TG 47/IFRS15 - Revenue from Contracts with Customers (Note 2).

15. Other payables

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Provision for sundry expenses	28,352	22,495	28,352	22,495
Investments payable - King Food/Good Food and Fast Burger	15,726	15,393	15,726	15,393
(-) Adjustment to present value of investments payable - King Food/Good Food and Fast Burger	(407)	(1,120)	(407)	(1,120)
Advances from customers	908	930	908	930
Others	1,081	110	1,104	136
Total other payables	45,660	37,808	45,683	37,834
Current	28,518	20,947	28,541	20,973
Non-current	17,142	16,861	17,142	16,861

16. Provision for legal claims

The Company is exposed to certain risks, represented by tax, civil and labor lawsuits, which are provided for in the financial statements, since they are considered as having a probable likelihood of loss or because of their significance to the Company's financial position.

In addition, the Company is aware, as at September 30, 2021, of other tax, civil and labor lawsuits, and based on the history of probable losses and analysis of main lawsuits, the measurement of lawsuits with a possible likelihood of loss was R\$ 95,993 (R\$46,635 as at December 31, 2020) Parent company and Consolidated, as follows:

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**16. Provision for legal claims--Continued**

	Parent company and Consolidated			
	09/30/2021		12/31/2020	
	Probable	Possible (i)	Probable	Possible (i)
Labor lawsuits (ii)	24,404	43,629	21,896	26,467
Civil lawsuits	726	10,489	1,265	10,690
Tax lawsuits (iii)	-	41,875	2	9,478
Total provision for legal claims	25,130	95,993	23,163	46,635

- (i) For lawsuits with a possible likelihood of loss, there is no provision to cover losses on these lawsuits.
- (ii) The increase in labor lawsuits with a possible likelihood of loss is due to the increase in lawsuits filed against the Company, as well as to lawsuits that were previously considered as remote likelihood of loss and that became possible.
- (iii) The increase in tax lawsuits with a possible likelihood of loss is mainly due to the disclosure of new lawsuits occurred in the quarter as a result of tax assessment notices related to collection of ICMS ST tax for the period from March 2019 to December 2019 and to a tax enforcement proceeding for collection of federal taxes (CIDE, PIS, COFINS, IR, CSLL and INSS) from October 2015 to October 2018. These lawsuits are being discussed in courts and the Company expects to reverse the situation.

Probable labor claims

The Company and its investees are parties to labor lawsuits, mainly regarding employee terminations in the normal course of business. As at September 30, 2021, the Company had a provision of R\$ 24,404 (R\$ 21,896 as at December 31, 2020) in the Parent company and Consolidated, for the contingencies related to lawsuits. These contingencies are evaluated based on the average historical loss of the last eighteen months compared with the total lawsuits outstanding at the end of the period, excluding lawsuits considered as specific and non-routine, for which specific provisions are set up adopting criteria similar to those applied for tax and civil assessments.

The movements in the provision for legal claims were as follows:

	Parent company and Consolidated			
	12/31/2020	Additions	Payment	09/30/2021
Labor lawsuits	21,896	20,265	(17,757)	24,404
Civil lawsuits	1,265	-	(539)	726
Tax lawsuits	2	1	(3)	-
TOTAL	23,163	20,266	(18,299)	25,130

Judicial deposits

	Parent company and Consolidated	
	09/30/2021	12/31/2020
Labor lawsuits	27,303	26,542
Civil lawsuits	709	697
Tax lawsuits	12,201	10,761
Total judicial deposits	40,213	38,000

The other matters related to this note were not materially changed in relation to the disclosures in Note 19 to the individual and consolidated financial statements as at December 31, 2020.

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17. Related parties

17.1 Franchise Fees, Royalties and Service Fee

RBI is a Company's shareholder and, therefore, a related party. As discussed in Note 1, the Company has entered into a Master Franchise agreement, and it has the obligation to pay a franchise fee and royalties to RBI.

As mentioned in note 1, the transactions of Franchise Fees and Royalties are carried out under exclusive conditions provided in the agreements with BKC and PLK, since BKB is the representative of the brands in Brazil, and there are no comparable conditions in the market.

In view of the agreements described above, the Company has recorded in its payables and receivables in the nine-month periods ended September 30, 2021 and December 31, 2020 the following amounts:

	Burger King Corporation (BKC)		Popeyes Louisiana Kitchen (PLK)	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
<u>Assets</u>				
Receivables (Note 6)	470	145	-	500
Additions of Franchise Fee (Note 10)	2,809	12,094	1,900	2,974
<u>Liabilities</u>				
Corporate payables	(14,437)	(15,381)	(425)	(443)
	09/30/2021	09/30/2020	09/30/2021	09/30/2020
<u>Results</u>				
Service fee revenue	535	404	-	-
Royalties expenses	(86,663)	(70,020)	(3,096)	(1,900)

17.2 Corporate payables

As at September 30, 2021, the Company (Parent company and consolidated) had a balance of R\$ 14,862 related to royalties and franchise fee due to BKC and PLK (R\$ 15,824 as at December 31, 2020), as detailed in notes 17.1, 27 and 29.

The other matters related to this note were not materially changed in relation to the disclosures in Note 20 to the individual and consolidated financial statements as at December 31, 2020.

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17. Related parties--Continued

17.3 Management compensation

	09/30/2021		09/30/2020	
	Officers	Directors	Officers	Directors
Management fees	3,731	-	4,031	-
Direct and indirect benefits	324	-	408	-
Variable compensation	4,125	-	6,804	-
Fees	-	1,987	-	1,706
Others (INSS)	1,045	397	1,054	341
	9,225	2,384	12,297	2,047

On April 29, 2021, an Annual General Meeting was held, which approved the Company's global management compensation for 2021, in the amount of up to R\$26,142, of which R\$22,758 refer to the compensation provided for the Company's Statutory Officers and R\$3,384 to the compensation provided for the Board of Directors. The calculated amounts are recorded in general and administrative expenses.

The Company's officers are also included in the Stock Option Plan, which is described in Note 30.

18. Equity

Capital

As at September 30, 2021 and December 31, 2020, the Company's capital is R\$ 1,461,068 and is represented by 275,355,447 common shares, all of them registered, book-entry and without par value.

The other matters related to this note were not materially changed in relation to the disclosures in Note 21 to the individual and consolidated financial statements as at December 31, 2020.

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**POPEYES****19. Earnings (loss) per share**

The following table presents the calculation of the basic and diluted earnings (loss) per share:

	Parent company and Consolidated			
	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
Basic numerator				
Loss for the period	(37,946)	(297,455)	(105,928)	(348,350)
Basic denominator				
Basic weighted average number of shares (net treasury) - in thousands	274,133	274,133	226,883	226,883
Basic loss per share	(0.13842)	(1.08508)	(0.46688)	(1.53537)
Diluted numerator				
Loss for the period	(37,946)	(297,455)	(105,928)	(348,350)
Diluted denominator				
Weighted average number of shares (net treasury) - in thousands	274,133	274,133	226,883	226,883
Stock options (Note 30) - in thousands	629	2,254	1,404	1,693
Anti-dilution effect - in thousands	(629)	(2,254)	(1,404)	(1,693)
Diluted weighted average number of shares	274,133	274,133	226,883	226,883
Diluted loss per share	(0.13842)	(1.08508)	(0.46688)	(1.53537)

The other matters related to this note were not materially changed in relation to the disclosures in Note 22 to the individual and consolidated financial statements as at December 31, 2020.

20. Net operating revenue

	Parent company and Consolidated			
	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
Gross sales revenue	766,403	1,983,831	569,409	1,590,432
Sales revenue deductions (i)	(65,286)	(165,340)	(52,295)	(144,973)
Net sales revenue	701,117	1,818,491	517,114	1,445,459
Gross revenue from services rendered	9,939	24,601	5,818	20,944
Service revenue deductions	(1,078)	(2,673)	(646)	(2,275)
Net service revenue	8,861	21,928	5,172	18,669
Total net operating revenue	709,978	1,840,419	522,286	1,464,128

(i) As mentioned in Note 8, untimely PIS/COFINS tax credits of R\$6,139 were recognized in the period ended September 30, 2021.

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21. Cost of goods and products sold

	Parent company and Consolidated			
	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
Costs of food, beverages and packaging	(247,449)	(662,843)	(189,904)	(540,475)
Cost of services rendered and others	(10,248)	(51,969)	(12,778)	(60,813)
Allowance for inventory losses (i) (Note 7)	(524)	(2,427)	-	-
Total cost of sales and services	(258,221)	(717,239)	(202,682)	(601,288)

- (i) Provision for write-off of Inputs not expected to be realized.

22. Selling expenses

	Parent company and Consolidated			
	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
Personnel expenses	(121,106)	(380,821)	(117,491)	(347,759)
Royalties	(34,601)	(89,759)	(25,592)	(71,920)
Occupancy and utilities expenses (i)	(55,586)	(168,969)	(45,864)	(144,897)
Depreciation and amortization (Notes 9 and 10)	(51,814)	(147,269)	(46,873)	(135,829)
Amortization of right of use (rental) (Note 3) (ii)	(38,410)	(107,789)	(30,418)	(88,890)
Preoperating expenses (iii)	(1,434)	(5,794)	(1,924)	(4,380)
Sundry services (iv)	(44,953)	(133,791)	(44,334)	(109,825)
Repairs and maintenances	(8,743)	(29,649)	(14,011)	(43,888)
Others (v)	(57,956)	(152,308)	(55,169)	(145,733)
Total selling expenses	(414,603)	(1,216,149)	(381,676)	(1,093,121)

- (i) The effects of the adoption of CPC 06 (R2) / NBC TG 06 (R3) / IFRS16 positively impacted the line items of occupancy and utilities expenses by R\$129,722 as at September 30, 2021 (R\$75,437 as at September 30, 2020), net of Pis and Cofins, as the operating lease (fixed rent) is no longer recognized under this line item (Note 3).
- (ii) In compliance with CVM Circular Letter 02/2019, the balance in the statement of financial position account Amortization of right of use (Notes 3 and 10) is gross of taxes (Pis and Cofins) and totals R\$ 116,982 as at September 30, 2021 (R\$ 100,922 as at September 30, 2020), while the balance in the statement of profit or loss account Amortization of right of use (Notes 22 and 23) is net of taxes (Pis and Cofins) and totals R\$108,882 (R\$89,828 as at September 30, 2020).
- (iii) Preoperating costs of restaurants are mainly represented by costs of salaries and charges of the store professionals, services rendered by third parties and other expenses generated before the opening of stores.
- (iv) The variation in sundry services is mainly due to the increase in delivery platform services, which are directly linked to the sales generated by this channel.
- (v) The other expenses consist mainly of provision for expected credit losses on realization of credits (Note 6), fees, uniforms, cleaning materials and kitchen supplies. Additionally, in view of the Master Franchise contracts mentioned in Note 1, the Company has an obligation to invest 5% of net revenues in marketing expenses for its brands.

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POPEYES

23. General and administrative expenses

	Parent company				Consolidated			
	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
Administrative personnel expenses	(38,455)	(88,231)	(31,078)	(81,972)	(38,455)	(88,231)	(31,078)	(81,972)
Occupancy and utilities expenses (i)	145	(982)	(222)	(923)	145	(982)	(222)	(923)
Depreciation and amortization (Notes 9 and 10)	(4,634)	(17,354)	(4,626)	(15,813)	(4,634)	(17,354)	(4,626)	(15,813)
Amortization of right of use (rental) (Note 3) (ii)	(425)	(1,093)	(328)	(938)	(425)	(1,093)	(328)	(938)
Expenses on acquisitions and mergers (iii)	(3,955)	(5,080)	(70)	(153)	(3,955)	(5,080)	(70)	(153)
Disposal of property and equipment (Notes 9 and 10)	(1,598)	(4,959)	(7,492)	(8,374)	(1,598)	(4,959)	(7,492)	(8,374)
Income from stores sold	102	265	2	869	102	265	2	869
Write-off of assets of stores sold	(100)	(548)	-	(1,109)	(100)	(548)	-	(1,109)
Gains on claims	141	125	-	43	141	125	-	43
Provision for impairment (Note 9)	-	115	6,240	5,857	-	115	6,240	5,857
Stock options cost (Note 30)	(1,994)	(6,293)	(2,182)	(7,656)	(1,994)	(6,293)	(2,182)	(7,656)
Other operating income (expenses), net (iv)	(5,044)	(14,312)	2,733	(5,357)	(5,103)	(14,476)	2,710	(5,563)
Total general and administrative expenses	(55,817)	(138,347)	(37,023)	(115,526)	(55,876)	(138,511)	(37,046)	(115,732)

- (i) The effects of the adoption of CPC 06 (R2) / NBC TG 06 (R3) / IFRS16 positively impacted the line items of occupancy and utilities expenses by R\$1,663 as at September 30, 2021 (R\$477 as at September 30, 2020), net of Pis and Cofins, as the operating lease (fixed rent) is no longer recognized under this line item (Note 3).
- (ii) In compliance with CVM Circular Letter 02/2019, the balance in the statement of financial position account Amortization of right of use (Notes 3 and 10) is gross of taxes (Pis and Cofins) and totals R\$ 116,982 as at September 30, 2021, (R\$ 100,922 as at September 30, 2020), while the balance in the statement of profit or loss account Amortization of right of use (Notes 22 and 23) is net of taxes (Pis and Cofins) and totals R\$108,882 (R\$89,828 as at September 30, 2020).
- (iii) Expenses related to the association agreement entered into with the holders of the exclusive rights of Master Franchise of the DOMINO'S PIZZA franchise in the country, DP Brasil (Note 32). The Company informed the market about the association agreement on July 9, 2021 and the agreement termination was informed on October 31, 2021 - both information disclosed in a material fact.
- (iv) Refer to the income from the premium on the initial supply agreement, reversal of costs on the construction of stores, expenses with provisions for legal claims, services taken, travel expenses and services rendered.

24. Financial expenses

	Parent company and Consolidated			
	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
Interest on loans and financing	(9,257)	(23,206)	(8,897)	(19,519)
Banking expenses and sundry interest	(989)	(4,628)	(2,115)	(4,821)
Foreign exchange losses	(957)	(1,433)	(962)	(2,322)
Lease APV liability (Note 3)	(20,302)	(58,938)	(17,007)	(50,526)
Investment APV expense payable - BKCS	(715)	(1,215)	(254)	(658)
Derivatives expenses	(253)	(2,917)	(316)	(1,849)
Monetary adjustment	(164)	(363)	(78)	(339)
Others	(1,179)	(4,132)	(1,958)	(3,489)
Financial expenses	(33,816)	(96,832)	(31,587)	(83,523)

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25. Financial income

	Parent company				Consolidated			
	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
Financial investment interest and yield	5,850	13,033	2,594	8,635	5,909	13,197	2,617	8,841
Foreign exchange gains	75	751	278	1,932	75	751	278	1,932
Derivatives income	556	1,513	283	2,040	556	1,513	283	2,040
Lease discounts (Note 3) COVID-19 (i)	5,401	15,943	19,963	34,396	5,401	15,943	19,963	34,396
Taxes on financial income	(354)	(1,015)	(190)	(703)	(354)	(1,015)	(190)	(703)
Monetary adjustment (ii)	470	3,641	616	616	470	3,641	616	616
Other financial income	586	2,220	1,210	2,261	586	2,220	1,210	2,261
Total financial income	12,584	36,086	24,754	49,177	12,643	36,250	24,777	49,383

- (i) Based on the Revision of Technical Pronouncements No.16 issued by CVM on July 7, 2020 and Revision of Technical Pronouncements No. 18 issued by CVM on July 21, 2021, which contained amendments to CPC 06 (R2) referring to Covid-19-Related Rent Concession (and extension), the Company elected to use the practical expedient of not remeasuring the operating lease agreements since the renegotiations made were in respect of benefits considered related to COVID-19, recognizing such benefits in profit or loss for the period (Note 3).
- (ii) As mentioned in Note 8, monetary adjustments on untimely PIS/COFINS tax credits of R\$2,942 were recognized.

26. Income tax and social contribution

Breakdown of expenses

The breakdown of income tax and social contribution expenses for the periods ended September 30, 2021 and 2020 is as follows:

	Parent company and Consolidated			
	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
Current	-	-	-	-
Deferred	1,949	(5,393)	-	31,803
	1,949	(5,393)	-	31,803

Reconciliation to effective rate

The reconciliation of income tax and social contribution expenses calculated at the statutory rates with amounts recorded in profit or loss for the nine-month periods ended September 30, 2021 and 2020 is shown below:

	Parent company and Consolidated	
	09/30/2021	09/30/2020
Profit (loss) before income tax and social contribution	(292,062)	(380,153)
Income tax and social contribution expense at the combined statutory rate of 34%	99,301	129,252
Adjustments to reconcile the effective rate:		
Deferred taxes not recognized on tax losses	(98,603)	(98,370)
Payment of non-deductible bonus	(1,236)	-
Cash shortage	(293)	(182)
Write-off of non-financial assets	(1,024)	-
Tax and labor fines and infractions	(596)	(508)
Stock options costs	(2,140)	(2,603)
Share issue costs	10	-
Interest on capital (IOC)	-	3,920
Other permanent differences	(813)	294
Income tax and social contribution	(5,393)	31,803

BK Brasil Operação e Assessoria a Restaurantes S.A.

Notes to the interim financial information

Nine-month period ended September 30, 2021

(Amounts in thousands of reais)

**26. Income tax and social contribution--Continued**Deferred--Continued

The breakdown of deferred income tax and social contribution, net, is shown below:

	Parent company and Consolidated	
	09/30/2021	12/31/2020
Deferred income tax and social contribution - assets	225,540	164,351
Deferred income tax and social contribution - liabilities	(256,802)	(186,994)
	(31,262)	(22,643)

The main components of deferred income tax and social contribution are shown below:

	Parent company and Consolidated	
	09/30/2021	12/31/2020
Tax loss carryforwards	890,102	600,094
<u>Temporary differences</u>		
Provision for legal claims (Note 16)	25,130	23,163
Provision for bonuses	13,488	20,126
Provision for purchases	1,532	2,137
Provision for impairment (Note 9)	7,979	8,094
Pre-operating	25,674	26,961
Accrued expenses	27,323	19,956
Amortization of lease and APV on lease liabilities	527,417	359,597
Deferred revenue	6,890	3,942
Others	27,922	19,408
Tax base	1,553,457	1,083,478
Statutory rate	34%	34%
	528,175	368,383
(-) Unrecognized deferred taxes on tax loss carryforwards	(302,635)	(204,032)
Deferred income tax and social contribution - assets	225,540	164,351
Transitional Tax System (RTT)	(695)	(695)
Financial charges to be incurred	(2,420)	(2,336)
Tax amortization of goodwill	(304,283)	(246,378)
Payment of lease liabilities	(447,902)	(300,573)
Tax base	(755,300)	(549,982)
Combined rate	34%	34%
Deferred income tax and social contribution – liabilities	(256,802)	(186,994)
Deferred income tax and social contribution, net	(31,262)	(22,643)

In view of the uncertain and challenging scenarios caused by the COVID-19 pandemic and in a conservative manner, the Company decided not to recognize the deferred tax asset on tax losses for the nine-month period ended September 30, 2021. As for temporary differences, the Company recognized deferred taxes considering the expectation of their future realization.

The other matters related to this note were not materially changed in relation to the disclosures in Note 29 to the individual and consolidated financial statements as at December 31, 2020.

BK Brasil Operação e Assessoria a Restaurantes S.A.

Notes to the interim financial information

Nine-month period ended September 30, 2021

(Amounts in thousands of reais)



27. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and financings, debentures, trade payables and other payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has loans, trade and other receivables, and cash and short-term deposits that arise directly from its operations.

Management reviews and establishes policies for managing each of these risks that are presented below:

Market risk

The sensitivity analyses in the following sections relate to the position as at September 30, 2021 .

Interest rate risk

Interest rate sensitivity

At the end of the reporting period, the profile of interest-bearing financial instruments was:

Variable rate instruments	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Financial assets				
Short-term investments (Note 4)	153,144	192,140	153,144	192,140
Marketable securities (Note 5)	304,106	601,124	304,128	601,149
Financial liabilities				
Loans and financings (Note 11)	(832,677)	(830,776)	(832,677)	(830,776)

The following table demonstrates the possible impacts on profit or loss in the event of the respective scenarios presented, and for the probable scenario we used the average CDI of 3.57%.

Asset exposure	Exposure	Risk	Consolidated				
			I	II	III	IV	V
			Probable	50%	25%	-25%	-50%
Short-term investments (Notes 4 and 5)	457,272	DI variation	13,197	6,599	3,299	(3,299)	(6,599)
Loans and financings (Note 11)	(832,677)	DI variation	(23,206)	(11,603)	(5,802)	5,802	11,603

BK Brasil Operação e Assessoria a Restaurantes S.A.

Notes to the interim financial information

Nine-month period ended September 30, 2021

(Amounts in thousands of reais)

**27. Financial risk management objectives and policies--Continued**Foreign currency risk*Foreign currency sensitivity*

The following table demonstrates the possible impacts on profit or loss in the event of the respective scenarios presented:

Asset exposure	Exposure	Risk	Exchange rate as at 09/30/2021	Parent company and Consolidated				
				I	II	III	IV	V
				Probable	50%	25%	-25%	-50%
Royalties/Franchise Fee (Note 17.2)	14,862	US dollar variation	5.4388	14,862	(7,431)	(3,716)	3,716	7,431

Credit risk

The following table demonstrates the rating of the amounts invested (Notes 4 and 5) according to the rating agency Fitch.

Rating	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
AAA	350,601	549,124	334,423	539,714
AA	106,568	243,879	119,030	253,314
AA-	-	-	3,738	-
A	81	261	81	261
	457,250	793,264	457,272	793,289

Liquidity risk

The following table presents the liquidity risks of the main financial instruments by maturity and reflects the Company's undiscounted cash flows as at September 30, 2021:

Asset exposure	Carrying amount	Financial flow	Consolidated			Total
			Less than 3 months	From 3 months to 1 year	From 1 to 5 years	
Assets						
Cash and cash equivalents (Note 4)	181,638	181,638	181,638	-	-	181,638
Marketable securities (Note 5)	304,128	304,128	-	304,128	-	304,128
Trade receivables (Note 6)	114,620	114,620	114,620	-	-	114,620
Liabilities						
Loans and financings (Note 11)	832,677	1,057,433	61,965	151,271	844,197	1,057,433
Trade payables (Note 12)	180,814	180,814	180,814	-	-	180,814
Corporate payables (Note 17.2)	14,862	14,862	14,862	-	-	14,862
Taxes payable (Note 13)	40,064	40,064	8,246	24,739	7,079	40,064
Lease liabilities (Note 3)	861,088	1,169,397	62,237	166,948	940,212	1,169,397

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Nine-month period ended September 30, 2021

(Amounts in thousands of reais)

**27. Financial risk management objectives and policies--Continued**Capital management

The Company is not subject to any external requirement on capital. Total capital is defined as total equity plus net debt, as follows:

	Consolidated	
	09/30/2021	12/31/2020
Equity	1,547,138	1,838,459
Cash and cash equivalents (Note 4)	(181,638)	(219,670)
Marketable securities (Note 5) (i)	(304,128)	(601,149)
Loans and financings (Note 11) (i)	832,677	830,776
Net debt	346,911	9,957
Lease liabilities (Note 3) (i)	861,088	791,331
Total capital	2,755,137	2,639,747

(i) Includes current and non-current, net of costs

Hedge accounting

The Company applies the hedge accounting rules to derivative and non-derivative instruments that qualify for cash flow hedge relationship, according to the determinations of its Risk Policies.

The Company makes the formal designation of its hedge accounting relationship, as provided for in CVM Resolution 763/16/IFRS 9 and in its Risk Policy.

Sensitivity analysis

Parity - R\$ x EUR		Current Scenario	Scenario I	Scenario II	Scenario III	Scenario IV
Operation/Instrument	Risk		25%	50%	25%	50%
			Appreciation	Appreciation	Depreciation	Depreciation
Designated as hedge accounting						
NDF	R\$ depreciation	170	212	255	127	85
Import (item)	R\$ appreciation	(170)	(212)	(255)	(127)	(85)
Net effect		-	-	-	-	-

The other matters related to this note were not materially changed in relation to the disclosures in Note 30 to the individual and consolidated financial statements as at December 31, 2020.

BK Brasil Operação e Assessoria a Restaurantes S.A.

Notes to the interim financial information

Nine-month period ended September 30, 2021

(Amounts in thousands of reais)

**28. Derivative financial instruments**

The values of derivative financial instruments, represented by NDF contracts, are summarized below:

Instruments	Maturity	Assets (hedged item)	Parent company and Consolidated			
			09/30/2021		12/31/2020	
			Notional	Fair value	Notional	Fair value
<u>(Designated as cash flow hedge)</u>						
NDF	01/2021	Euro	-	-	1,375	49
NDF	02/2021	Euro	-	-	1,338	31
NDF	03/2021	Euro	-	-	1,147	22
NDF	04/2021	Euro	-	-	887	35
NDF	05/2021	Euro	-	-	956	83
NDF	06/2021	Euro	-	-	764	77
NDF	07/2021	Euro	-	-	191	3
NDF	09/2021	Euro	1,358	-	-	-
NDF	10/2021	Euro	1,174	151	-	-
NDF	11/2021	Euro	125	11	-	-
NDF	12/2021	Euro	132	10	-	-
NDF	07/2022	Euro	53	(2)	-	-
			2,842	170	6,658	300

The other matters related to this note were not materially changed in relation to the disclosures in Note 31 to the individual and consolidated financial statements as at December 31, 2020.

BK Brasil Operação e Assessoria a Restaurantes S.A.

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(Amounts in thousands of reais)

**29. Fair value**Methodology for calculation of fair value of financial instruments

The fair value of financial assets and liabilities represents the amount by which the instrument could be exchanged between willing parties in an arm's length transaction, rather than in a forced sale or liquidation. The fair values of the main financial assets and liabilities approximate their carrying amounts, as shown below:

	Consolidated					
	09/30/2021			12/31/2020		
	Carrying amount	Fair value	Fair value hierarchy level	Carrying amount	Fair value	Fair value hierarchy level
Assets						
Amortized cost						
Cash and cash equivalents (Note 4)	28,494	28,494	2	27,530	27,530	2
Trade receivables, net (Note 6)	114,620	114,620	2	107,188	107,188	2
Fair value through profit or loss						
Cash and cash equivalents (Note 4)	153,144	153,144	2	192,140	192,140	2
Marketable securities (Note 5)	304,128	304,128	2	601,149	601,149	2
Liabilities						
Amortized cost (fair value disclosure)						
Loans and financings (Note 11)	832,677	867,767	2	830,776	868,901	2
Trade payables (Note 12)	180,814	180,814	2	217,616	217,616	2
Corporate payables (Note 17)	14,862	14,862	2	15,824	15,824	2
Lease liabilities (Note 3)	861,088	861,088	2	791,331	791,331	2

The other matters related to this note were not materially changed in relation to the disclosures in Note 32 to the individual and consolidated financial statements as at December 31, 2020.

BK Brasil Operação e Assessoria a Restaurantes S.A.

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Nine-month period ended September 30, 2021

(Amounts in thousands of reais)

**30. Share-based compensation plan**

In the nine-month period ended September 30, 2021, the Company recognized the amount of R\$6,293 (R\$7,656 as at September 30, 2020) of expenses arising from the stock option plans, recorded in line item General and administrative expenses (Note 23).

The information on the stock option plan and assumptions used in the valuation are as follows:

Third Plan

The information on the stock option plan and assumptions used in the valuation are as follows:

	Third Plan								Total
	Tranches Prior	First tranche	Second tranche	Third tranche	Fourth tranche	Fifth tranche	Sixth tranche	Seventh tranche	
Issue date	06/22/2017	06/22/2017	06/22/2017	10/30/2019	10/30/2019	10/30/2019	10/30/2019	10/30/2019	N/A
Vesting date	-	07/14/2020	07/14/2021	07/14/2019	07/14/2020	07/14/2021	07/14/2022	07/14/2023	N/A
Strike price	-	10.82	10.82	10.82	11.37	12.14	12.95	13.82	N/A
Strike price (estimated) at the reporting period	-	8.21	8.21	8.21	8.21	8.21	8.21	8.21	8.21
Risk-free interest rate %	-	9.87%	10.24%	5.40%	4.42%	4.70%	5.19%	5.64%	N/A
Contractual period by tranche	-	1 year	2 years	N/A	1 year	2 years	3 years	4 years	N/A
Expected return of dividend	-	0%	0%	0.40%	0.40%	0.40%	0.40%	0.40%	N/A
Volatility of shares in the market %	-	14.91%	14.91%	23.47%	23.47%	23.47%	23.47%	23.47%	N/A
Total number of options granted	2,119,036	1,467,064	1,532,800	112,990	112,990	112,990	112,990	112,989	5,683,849
Number of options vested	2,119,036	1,467,064	2,500	112,990	112,990	112,990	-	-	3,927,570
Number of options lost/expired	148,700	491,929	534,200	28,800	28,800	28,800	28,800	28,800	1,318,829
Number of options exercised	1,871,542	68,236	2,500	-	-	-	-	-	1,942,278
Number of options to be vested	98,794	906,899	996,100	84,190	84,190	84,190	84,190	84,189	2,422,742
Estimated fair value (R\$/share)	-	1.08	1.53	7.88	7.62	7.45	7.49	7.64	N/A

BK Brasil Operação e Assessoria a Restaurantes S.A.

Notes to the interim financial information

Nine-month period ended September 30, 2021

(Amounts in thousands of reais)

**POPEYES****30. Share-based compensation plan--Continued****Fourth Plan**

The information on the stock option plan and assumptions used in the valuation are as follows:

	Fourth Plan				
	First Program	First Program	Second Program	Second Program	Total
Issue date	03/22/2019	03/22/2019	03/22/2019	03/22/2019	N/A
Vesting date	01/01/2022	01/01/2023	01/01/2023	01/01/2024	N/A
Price on granting	18.70	18.70	18.70	18.70	18.70
Total number of restricted shares	-	-	-	-	1,839,905
Total number of restricted shares granted	547,390	547,382	272,094	272,092	1,638,958
Number of restricted shares vested	-	-	-	-	-
Number of restricted shares lost/expired	165,714	165,712	87,343	87,342	506,111
Number of restricted shares exercised	-	-	-	-	-
Number of restricted shares to be exercised	381,676	381,670	184,751	184,750	1,132,847

Fifth Plan

The information on the stock option plan and assumptions used in the valuation are as follows:

	Fifth Plan				
	First Program	First Program	Second Program	Second Program	Total
Issue date	07/31/2020	07/31/2020	07/31/2020	07/31/2020	N/A
Vesting date	01/01/2024	01/01/2025	01/01/2025	01/01/2026	N/A
Price on granting	11.18	11.18	-	-	N/A
Total number of restricted shares	-	-	-	-	1,857,170
Total number of restricted shares granted	296,989	296,997	-	-	593,986
Number of restricted shares vested	-	-	-	-	-
Number of restricted shares lost/expired	24,291	24,292	-	-	48,583
Number of restricted shares exercised	-	-	-	-	-
Number of restricted shares to be exercised	272,698	272,705	-	-	545,403

BK Brasil Operação e Assessoria a Restaurantes S.A.

Notes to the interim financial information

Nine-month period ended September 30, 2021

(Amounts in thousands of reais)

**30. Share-based compensation plan--Continued**

Below we present the movement of the options of the third, fourth and fifth plans:

	Third Plan	Fourth Plan	Fifth Plan	Total
Outstanding as at December 31, 2019	3,741,571	1,638,958	-	5,380,529
Granted	-	-	593,986	593,986
Canceled	(475,704)	-	-	(475,704)
Exercised	-	-	-	-
Outstanding as at December 31, 2020	<u>3,265,867</u>	<u>1,638,958</u>	<u>593,986</u>	<u>5,498,811</u>
Granted	-	-	-	-
Canceled	(843,125)	(506,111)	-	(1,349,236)
Exercised	-	-	-	-
Outstanding as at September 30, 2021	<u>2,422,742</u>	<u>1,132,847</u>	<u>593,986</u>	<u>4,149,575</u>
Exercisable as at September 30, 2021 (vested) (Note 19)	<u>2,254,363</u>	<u>-</u>	<u>-</u>	<u>2,254,363</u>

The other matters related to this note were not materially changed in relation to the disclosures in Note 33 to the individual and consolidated financial statements as at December 31, 2020.

31. Insurance

As at September 30, 2021, the Company had the following insurance policies in effect:

Insured location	Maximum indemnity limit
Civil Liability of Directors and Officers (D&O)	50,000
General Civil Liability (POSI)	40,000
Property (RO) – Average	11,104
Professional Civil Liability (E&O)	15,000

32. Events after the reporting period

32.1 Termination of agreement between BK Brasil and DP Brasil

As disclosed in a material fact on July 9, 2021, the Company entered into an association agreement with the holders of the exclusive rights of Master Franchise of the DOMINO'S PIZZA franchise in the country, DP Brasil. When the transaction was completed, the Company would become the holder of 100% of the shares issued by DP Brasil.

In a material fact of October 31, 2021, BK Brasil informed the market in general about the termination of the association agreement after the parties re-evaluated the current market conditions compared to the conditions at the time of the negotiation.

The termination established the Company's preemptive right, for twelve months, to acquire all of the shares of DP Brasil in the event of any sale of control of DP Brasil, for the same price of the share offered by the third party. The acquisition was subject to the compliance with several conditions usual in this type of operation.

The termination also provides reciprocal release to the parties and does not entail penalty of any nature.

The Company will maintain its shareholders and the market informed about any significant updates pursuant to relevant legislation through its usual channels for disclosure of periodic and eventual information.

A free translation from Portuguese into English of Independent Auditor's Review Report on Individual and Consolidated Interim Financial Information prepared in Brazilian currency in accordance with NBC TG 21 and IAS 34 – Interim Financial Reporting and the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR)

Review report on Interim Financial Information

To the
Shareholders, Board of Directors and Officers of
BK Brasil Operação e Assessoria a Restaurantes S.A.
Barueri - SP

Introduction

We have reviewed the accompanying individual and consolidated interim financial information, contained in the Quarterly Information Form (ITR) of BK Brasil Operação e Assessoria a Restaurantes S.A. ("Company") for the quarter ended September 30, 2021, comprising the statement of financial position as of September 30, 2021 and the related statements of profit or loss and of comprehensive income (loss), for the three and nine-months periods then ended, and of changes in equity and of cash flows for the nine-months period then ended, including the explanatory notes.

Management is responsible for preparation of the individual and consolidated interim financial information in accordance with Accounting Pronouncement NBC TG 21 – *Demonstrações Intermediárias*, and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the rules issued by the Brazilian Securities and Exchange Commission applicable to the preparation of the Quarterly Information Form (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of the review

We conducted our review in accordance with Brazilian and international standards on review engagements (NBC TR 2410 - *Revisão de Informações Intermediárias Executada pelo Auditor da Entidade* and ISRE 2410 - Review of Interim Financial Information performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and the consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the quarterly information referred to above are not prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information Form (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission.

Other matters

Statement of value added

The abovementioned quarterly information includes the individual and consolidated statement of value added (SVA) for the nine-month period ended September 30, 2021, prepared under Company's Management responsibility and presented as supplementary information by IAS 34. These statements have been subject to review procedures performed together with the review of the quarterly information with the objective to conclude whether they are reconciled to the interim financial information and the accounting records, as applicable, and if its format and content are in accordance with the criteria set forth by NBC TG 09 – *Demonstração do Valor Adicionado*. Based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, consistently with the overall individual and consolidated interim financial information.

São Paulo, November 4, 2021.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP034519/O-6

Luciano Ferreira da Cunha
Accountant CRC-1SP210861/O-2

Officer's Statement on the Financial Statements

STATEMENT OF COMPLIANCE WITH ARTICLE 25, PARAGRAPH 1, ITEM VI, OF CVM INSTRUCTION 480/09

We state hereby, as executive officers of BK Brasil Operação e Assessoria a Restaurantes S.A., a publicly-held corporation headquartered in the City of Alphaville – Barueri, State of São Paulo, at Alameda Tocantins, 350, 11o floor, registered under the Corporate Taxpayer's ID (CNPJ) No. 13.574.594/0001-96 ("Company") that, in compliance with the provisions of item VI, paragraph 1, of article 25 of CVM Instruction 480 of December 7, 2009, we have reviewed, discussed and agreed with the Company's Interim Financial Information for the nine-month period ended September 30, 2021.

Barueri, November 4, 2021.

Iuri de Araújo Miranda Chief
Executive Officer

Gabriel Magalhães da Rocha Guimarães
Chief Financial Officer

Officer's Statement on the Independent Auditor's Report

STATEMENT OF COMPLIANCE WITH ARTICLE 25, PARAGRAPH 1, ITEM VI, OF CVM INSTRUCTION 480/09

We state hereby, as executive officers of BK Brasil Operação e Assessoria a Restaurantes S.A., a publicly-held corporation headquartered in the City of Alphaville – Barueri, State of São Paulo, at Alameda Tocantins, 350, 11o floor, registered under the Corporate Taxpayer's ID (CNPJ) No. 13.574.594/0001-96 ("Company") that, in compliance with the provisions of item VI, paragraph 1, of article 25 of CVM Instruction 480 of December 7, 2009, we have reviewed, discussed and agreed With the conclusions expressed in the report of the independente auditors of Ernst & Young Auditores Independentes S.A., referring to the Company's Interim Financial Information for the nine-month period ended September 30, 2021.

Barueri, November 4, 2021.

Iuri de Araújo Miranda Chief
Executive Officer

Gabriel Magalhães da Rocha Guimarães
Chief Financial Officer