

The image shows a modern, multi-story hotel building with a light-colored, textured facade and rectangular windows. In the foreground, there is a courtyard with a water feature and several tall, green cacti. The building has a contemporary design with a mix of materials and colors. The sky is clear and blue.

POSADAS®

Operating & Financial Results – 1Q20

04/30/2020

This Presentation has been produced by Grupo Posadas, S.A.B. de C.V. (the “Company” or “Posadas”). This presentation is strictly confidential and may not be reproduced or delivered, in whole or in part, to any other person.

This Presentation contains information that may be deemed to be “forward looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, statements about our future financial position and results of operations, our strategy, plans, objectives, goals and targets, future developments in the markets where we participate or are seeking to participate and other statements contained in this offering memorandum that are not historical facts. Forward looking statements use the words “anticipate,” “believe,” “could,” “estimate,” “except,” “intend,” “may,” “plan,” “predict,” “project,” “will,” “would” and similar terms and phrases. Forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties that could cause actual results, developments and business decisions to differ materially from those contemplated in these forward looking statements. These statements are based on assumptions and assessments made by our management in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe to be appropriate. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect. In addition, our business and operations involve numerous risks and uncertainties, many of which are beyond our control, which could result in our expectations not being realized or otherwise materially affect our financial conditions, results of operations and cash flows. These risks and uncertainties include, among other factors: political and economic factors in Mexico and the United States; supply and demand changes for hotel rooms and vacation club memberships in our markets; the financial condition of the airline industry and its impact on the lodging industry; the impact of government regulations and resolutions, including land use, tax, health, safety and environmental laws; capital market volatility; risks related to our business, our strategy, our expectations about growth in demand for our services, our expectations as to our ability to increase the number of hotels and hotel rooms we manage and our business operations, financial condition and results of operations; statements of our plans, objectives or goals, including our ability to implement our strategy; the availability of funds to finance growth; currency fluctuations and inflation in the countries in which we operate; the impact of natural events, such as earthquakes, hurricanes and floods; and health pandemics, such as the 2009 H1N1 influenza outbreak. Readers are cautioned not to place undue reliance on these forward looking statements, which speak only as of the date of this Presentation. The Company undertakes no obligation (and expressly disclaims any such obligation) to update any forward looking statements to reflect events or circumstances after the date of this Presentation.

- In 1Q20 revenues reached \$2,117 million, +4% QQ.
- EBITDA for the 1Q20 of \$316 million reflecting the application of IFRS 16, which went into effect on January 1st, 2019.
- For January and February, EBITDA particularly strong, up 55 percent.
- The rapid and widening spread of the coronavirus outbreak has suspended activities in virtually all the properties under its management through the end of May 2020.
- Three hotel openings during 1Q20.
- The pipeline considers 35 hotels (27% increase over current number of rooms).
- Cash available as of March 31, 2020 of \$1,192 million (equivalent to US\$51 million) considers US\$38 million denominated in USD. Cash as of April 30, 2020 of \$1,150 million considers 75% denominated in USD.

- March 31, 2020, the government suspended activities through the end of May 2020:
 - In all hotels, except 8 that serve essential activities and health services.
 - Booking channels.
 - Sales offices for Vacation Properties.
 - Corporate offices (flexwork).
- Opening of operations estimated in June.
- Top Company
 - Guests and employees health.
 - Three month forecast and cash balance.
 - Expense and cost savings programs.
 - Bank lines, chain supplies.
 - Defer capex and opex.
 - Leases.
 - Suppliers.
- Comeback plan

Income Statement (million pesos)

Operating & Financial Results - 1Q20

	Acum february BAU				1Q 2020			1Q 2019				
	2020	2019	Var. \$	Var. %	IFRS	Leases	BAU	IFRS	Leases	BAU	Var. \$	Var. %
Total Revenues	1,914	1,645	269	16%	2,595		2,595	2,584		2,584	11	0%
Expenses	1,768	1,551	(217)	(14%)	2,313	210	2,523	2,239	148	2,387	(136)	(6%)
EBITDA	146	94	52	55%	282	(210)	72	344	(148)	197	(125)	(64%)
Margin	8%	6%	2pp		11%		3%	13%		8%	(5pp)	
Asset Sale	34		34	0%	34		34				34	0%
EBITDA with asset sale	181	94	86	91%	316	(210)	106	344	(148)	197	(91)	(46%)
Depreciation / Amortization	57	63	6	9%	256	(170)	86	191	(98)	93	7	8%
Comprehensive Financial Result	178	(29)	(207)	n.a	2,024	(585)	1,439	84	(23)	61	(1,377)	n.a
Total exchange (gain) loss	96	(220)	(316)	n.a	1,743	(482)	1,261	(151)	63	(88)	(1,349)	n.a
Total interest, net	164	143	(21)	(15%)	259	(103)	157	214	(86)	128	(29)	(23%)
Income taxes	14	4	(10)	(238%)	16		16	9		9	(7)	(80%)
Deferred taxes	66	92	26	28%	(322)		(322)	48		48	370	773%
Non-controlling interest	2	1	(1)	(59%)	1		1	(0)		(0)	(1)	353%
Consolidated income (loss)	(137)	(37)	(99)	(265%)	(1,659)	545	(1,114)	13	(27)	(14)	(1,100)	(7,884%)
Cash and cash equivalents							1,192					

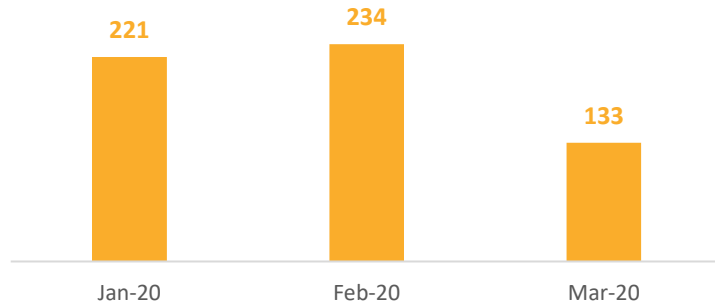
	Dec-19	Mar-20	Var \$	Var %
Fx eop	18.87	23.51	4.6	24.6%

	Accum february 2020				Mar-20				1Q 2020			
	Real	YY	Var. \$	Var. %	Real	YY	Var. \$	Var. %	Real	YY	Var. \$	Var. %
Occupancy	57%	60%	(2pp)		37%	67%	(30pp)		50%	62%	(12pp)	
Average Daily Rate	1,270	1,240	30	2%	1,251	1,275	(24)	(2%)	1,265	1,253	12	1%
RevPAR	726	738	(12)	(2%)	465	856	(391)	(46%)	637	779	(141)	(18%)
GGOP (millones)	431	404	27	7%	89	293	(204)	(70%)	521	697	(177)	(25%)

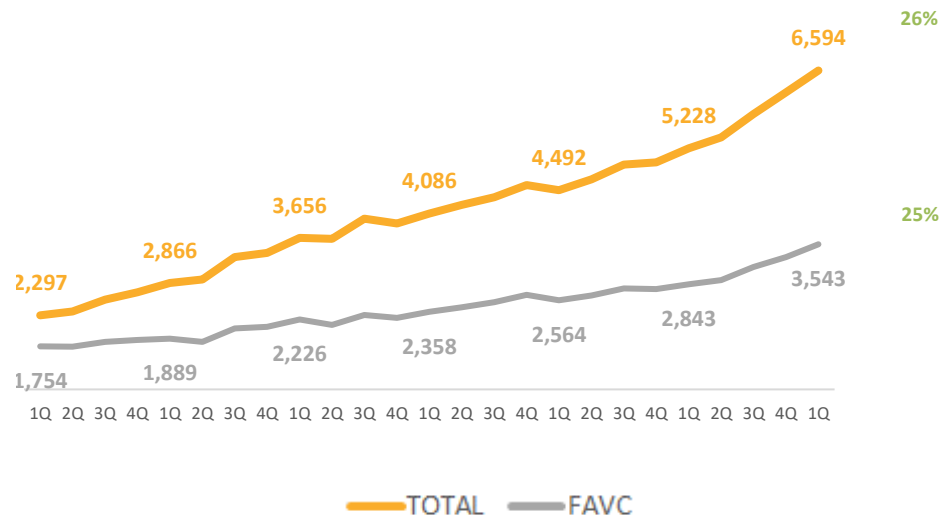
Resorts (mxn)

	Accum february 2020				Mar-20				1Q 2020			
	Real	YY	Var. \$	Var. %	Real	YY	Var. \$	Var. %	Real	YY	Var. \$	Var. %
Occupancy	75%	71%	4pp		42%	77%	(36pp)		64%	73%	(10pp)	
Average Daily Rate	2,922	2,875	46	2%	3,011	2,715	295	11%	2,942	2,817	124	4%
RevPAR	2,194	2,050	144	7%	1,250	2,096	(846)	(40%)	1,872	2,066	(193)	(9%)
GGOP (millones)	264	217	47	22%	59	132	(73)	(55%)	323	349	(26)	(7%)

Gross Sales

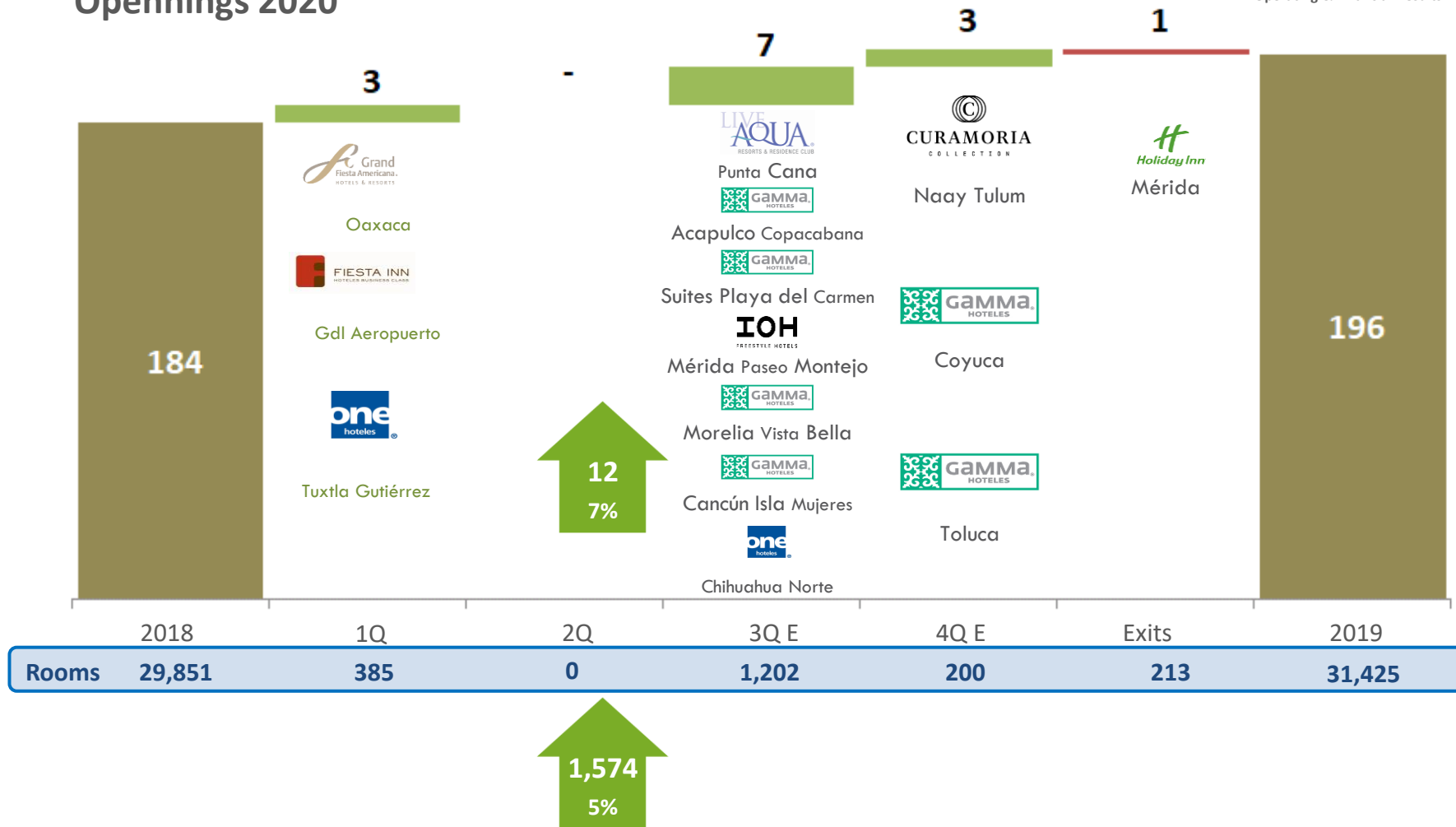


Receivables



Opennings 2020

Operating & Financial Results - 1Q20



Hotels

	Luxury			Upper		Midscale			Economy	Vacation Club	Other	Total
	New Brand	LIVE AQUA	Grand Fiesta Americana	Fiesta Americana	EXPLOREAN	New Brand	FIESTA INN	FIESTA INN	GAMMA	one hoteles	Fiesta Americana	Other
1Q20												3
9M20		1			2		1		6	1		10
2021		1	1	3		3		1	1	6		16
2022	1	2	1	3								7
2023		1	1									2
Total	1	5	4	6	2	4	1	7	8			38

35
19%

Rooms

	Luxury			Upper		Midscale			Economy	Vacation Club	Other	Total
	New Brand	LIVE AQUA	Grand Fiesta Americana	Fiesta Americana	EXPLOREAN	New Brand	FIESTA INN	FIESTA INN	GAMMA	one hoteles	Fiesta Americana	Other
1Q20												385
9M20		345			178				753	126		1,402
2021		349	280	1,070		455		137	124	770		3,185
2022	703	481	554	846								2,584
2023		452	600									1,052
Total	703	1,627	1,578	1,916	178	570	137	877	1,022			8,608

8,223
27%

Free Cash Flow, Internal Reporting (million pesos)

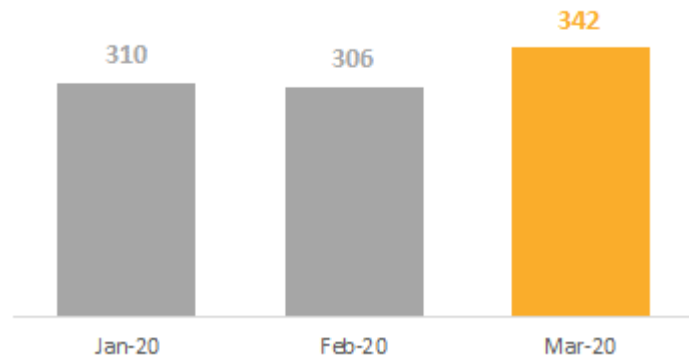
Operating & Financial Results - 1Q20

1Q 2020	
Cash eop 2019	1,240
EBITDA excluding asset sale	72
Working capital & Other	75
Interest, net	(2)
Financings	(9)
Taxes	(341)
Cash before CAPEX	(206)
CAPEX BAU	(70)
FCF BAU	(275)
Asset Sales	347
Cash 2020	1,312
Key Money	(120)
Cash eop	1,192

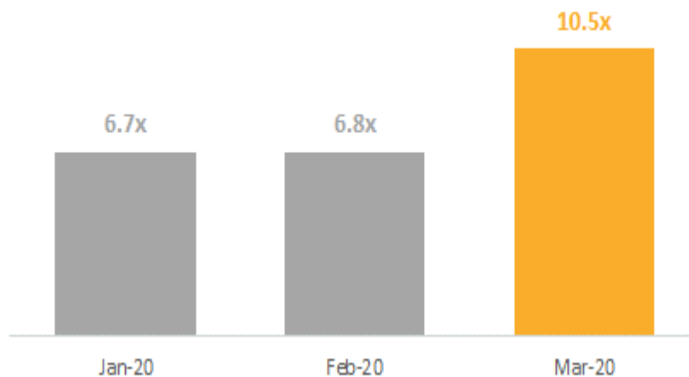
Debt Ratios January – March 2020.

Operating & Financial Results - 1Q20

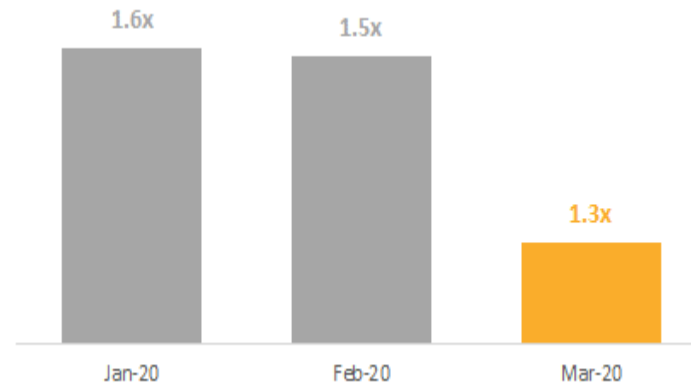
Net Debt (US\$M)



Net Debt / EBITDA



Net Debt Coverage

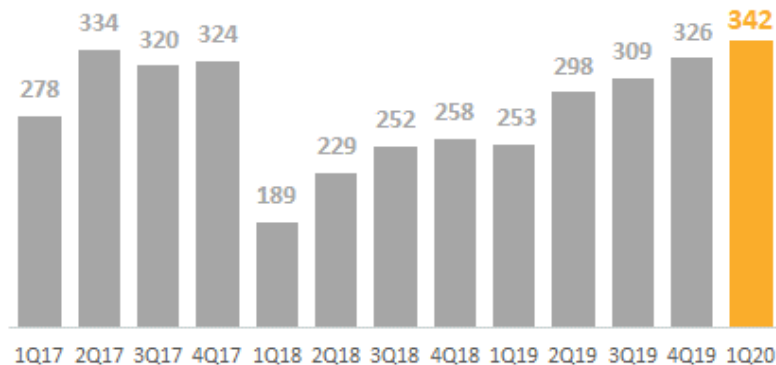


	Jan-20	Feb-20	Mar-20
Total Debt	7,336	7,517	9,230
Cash	1,535	1,650	1,192
Net Debt	5,800	5,867	8,038
EBITDA LTM	863	867	765
ND / EBITDA	6.7x	6.8x	10.5x
Fx eop	18.71	19.16	23.51
Lease liabilities	4,321	4,373	4,788
Leases LTM	729	748	841
ND/ EBITDA IFRS16	6.6x	6.3x	8.0x

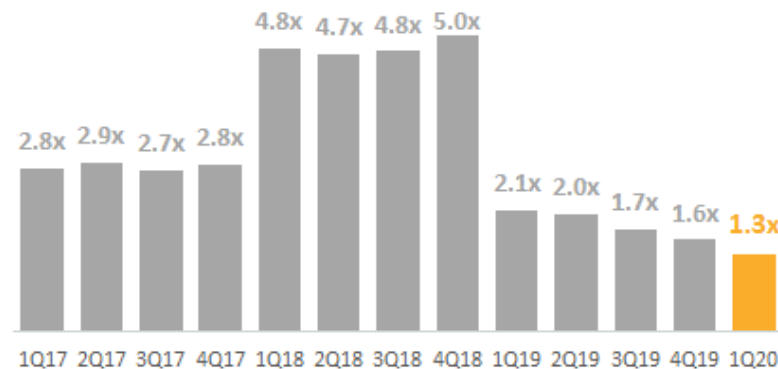
Financial Health (Fx eop 23.51)

Operating & Financial Results - 1Q20

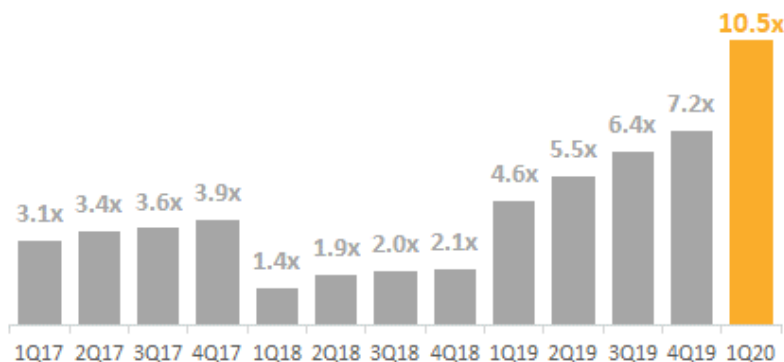
Net Debt (US\$M)



Net Interest Coverage



Net Debt / EBITDA



(Figures in millions)	1Q20		1Q19	
	US\$ Notional	IFRS MXN	US\$ Notional	IFRS MXN
FX eop:		23.5100		19.3201
EBITDA BAU LTM		765		1,072
Cash		1,192		2,637
Indebtedness:				
Senior Notes 2022	393	9,230	393	7,585
Subsidiary	7	159	9	183
Issuance expenses (IFRS)		(159)		(235)
Total	399	9,230	402	7,533
Net Debt to EBITDA		10.5		4.6
Lease liabilities		4,788		
Leases LTM		841		
Net Debt to EBITDA IFRS-16		8.0		

LIVE
AQUA
RESORTS & RESIDENCE CLUB

Grand
Fiesta Americana
HOTELS & RESORTS

Fiesta
Americana
HOTELS & RESORTS

EXPLOREAN
HOTELS & RESORTS

FIESTA INN
HOTELS & RESORTS

GAMMA
HOTELS

one
HOTELS

LIVE
AQUA
RESORTS & RESIDENCE CLUB

Fiesta
Americana
VACATION CLUB

Kivac
HOTELS & RESORTS

Re_set
HOTELS & RESORTS

FR
FIESTAREWARDS

APRECIARE
CLUB DE RECONOCIMIENTO

motivo

