

## **Grupo Posadas Takes Action to Continue Maximizing its Financial Flexibility**

*The Company has decided not to make its December 30 interest payment*

*Services at hotels are moving forward in accordance with the provisions of federal and state epidemiological traffic lights, with limited services in accordance with the capacity restrictions determined by health authorities*

**Mexico City, Mexico, December 30, 2020 - Grupo Posadas S.A.B. de C.V.** (BMV: POSADASA) announced today that, in line with its June 25, 2020 communication, is undertaking an action to continue maximizing its financial flexibility in the near term and better manage the unprecedented challenges affecting the hospitality industry in Mexico as a result of the COVID-19 pandemic. The Company has decided not to make the approximately US\$15.5 million interest payment due on December 30, 2020 on its 7.875% senior notes due 2022 and it does not expect to make such payment during the subsequent 30-day cure period.

As a result of the ongoing protocols and health security mechanisms established by the various levels of government, all hotels operated by the Company are open subject to the restrictions on capacity and complementary services mandated by federal, state and municipal authorities in compliance with the applicable epidemiological traffic lights. According to the federal epidemiological traffic light in effect as of December 28: five states are on a red traffic light which mandates that hotel occupancy must not exceed 25% and completely restricts in-restaurant (food and beverage) dining; twenty two states are on an orange traffic light, which allows hotel occupancy and restaurant capacity (food and beverage) between 25% and 75% according to each state; 30% as is the case for Mexico City; three states have a yellow traffic light, limiting hotel occupancies and restaurant capacity to between 50% and 75%; states with high tourism demand, such as Baja California Sur (Los Cabos) and Quintana Roo (Cancun), are restricted to 50% and 60% hotel occupancy levels, respectively; and two additional states with lower tourism demand are on a green traffic light, which allows for 75% occupancy in hotel and restaurant capacity.

Grupo Posadas has made the decision to forgo the December 30, 2020 interest payment to ensure the continuity of its business, as a result of the significant impact, related to COVID-19, in the Company's operating revenue and cash flows, as well as the still uncertain impact that COVID-19 will have in the Mexican tourism industry in the near future. This decision aims to prioritize the use of cash resources for the Company's operating activities to help maintain the high quality for which Grupo Posadas' hotels are known and to preserve its relationships with, and its ability to honor its commitments to, clients, agencies, employees, suppliers, and other stakeholders.

Grupo Posadas has hired DD3 Capital Partners, Ritch Mueller Heather y Nicolau, and Cleary Gottlieb Steen & Hamilton as its advisors to analyze and develop constructive strategic solutions that enable Grupo Posadas to best serve the interests of all of its stakeholders.

### **About Posadas**

Posadas is the leading hotel operator in Mexico and owns, leases, franchises and manages 181 hotels and 28,633 rooms in the most important and visited urban and coastal destinations in Mexico.

Urban hotels represent 85% of total rooms and coastal hotels represent 15%. Posadas operates the following brands: Live Aqua Beach Resort, Live Aqua Urban Resort, Live Aqua Boutique Resort, Grand Fiesta Americana, Curamoria, Fiesta Americana, The Explorean, Fiesta Americana Vacation Villas, Live Aqua Residence Club, Fiesta Inn, Fiesta Inn LOFT, Fiesta Inn Express, Gamma and One Hotels. Posadas has traded on the Mexican Stock Exchange since 1992.

### **Forward-Looking Statements**

This press release may contain forward-looking statements that are not based on historical facts and are not assurances of future results. You should not place reliance on any forward-looking statement contained in this press release. All forward-looking statements are expressly qualified in their entirety by this cautionary statement. Grupo Posadas undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events or for any other reason.

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