

POSADAS®



Operating & Financial Results: Third Quarter 2022



Grupo Posadas, S.A.B. de C.V. & Subsidiaries Mexico City, October 27th, 2022.

Information presented with respect to the same quarter of previous year under IFRS accounting standards (figures in MXN):

- Hotel RevPAR (revenues per available room) increased 38% year-over-year, 19% higher than 2019.
- Q3 revenue was \$2,311.3 million, a 20.3% increase QoQ.
- 3QEBITDA was \$432.2 million, 17.4% higher QoQ.
- Net income was \$90 million for the first nine months of 2022.
- Robust pipeline with 20 hotels with 3,919 rooms, with 50% of rooms in Resorts.
- Cash available as of September 30, 2022 was \$1,860 million (US\$92 million), \$231 million more than in Q2.

Million pesos as of September 30, 2022.	3Q22		Var. YY %
	\$	%	
Total Revenues	2,311.3	100	20.3
EBIT	216.9	9.4	20.5
EBITDA	432.2	18.7	17.4

Relevant Events:

During the third quarter revenue increased year-over-year in all the segments in which the company operates. Q3 financial performance exceeded expectations, with the center of the country, mainly Mexico City, registering higher occupancies.

During the third quarter the company performed better compared to 2021 and 2019 in terms of reservations measured in number of room nights, mainly in the group segments and the individual business segment.

As of the date of issuance of this report, based on the epidemiological traffic light system that we have been monitoring since the start of the pandemic, all the states of the Mexican Republic are green.

Hotel occupancies were 64%, with an average available rate (ADR) of \$1,829 resulting in a RevPAR (revenues per available room) of \$1,177. This compares favorably with the previous year, representing a 38% increase, and 19% higher than 2019.

Resort (coastal) (Live Aqua, Grand Fiesta Americana y Fiesta Americana) hotels recorded an occupancy of 75% with an available daily rate (ADR) of \$7,044,

resulting in a RevPAR of \$5,286, 23% higher than the previous year and 73% higher than 2019.

Upscale & Luxury Hotels (urban) recorded an occupancy of 62% with an ADR of \$2,271 resulting in a RevPAR of \$1,406, 56% higher than the previous year and 12% higher than 2019.

Midscale & Economy hotels (urban and coastal) (Fiesta Inn, Gamma y one hotels) recorded an occupancy of 64% with an ADR of \$1,104 resulting in a RevPAR of \$706, 42% higher than the previous year and 1% higher than 2019.

The Loyalty segment (vacation properties) recorded an increase in net sales of 8% QoQ.

The sales mix of traditional timeshare memberships (Fiesta Americana Vacation Club - FAVC and Live Aqua Residence Club - LARC) continues to shift to FAVC Access' new products. FAVC Access' operating net sales represented 36% of total net sales in Q3.

The FAVC Access product, unlike a traditional timeshare, offers its club members temporary access to discounted rooms and vacations. For this reason, it has a term equivalent to its tenor (1/60 each month) from an accounting standpoint.

The balance of vacation club receivables was \$6,451 million, as of September 30, 2022, representing an increase of 6% compared to the previous year.

> Hotel Development

As of September 30, 2022, the Company continues its development plan that includes agreements to operate 20 new hotels with 3,919 rooms. Of the total investment for these projects worth \$17,138 million (US\$844 million), Posadas will contribute with 2% of the resources and 98% is being made by other investors. This will increase the supply of rooms of 13%.

These hotel openings will begin during the fourth quarter of 2022, and according to the commitments assumed by the owners of said properties, it is estimated that most of them will be in operation by 2024. The average life of these operating contracts is more than 15 years.

As of 3Q22, 189 hotels with 29,149 rooms were in operation in more than 60 destinations. The Fiesta Inn Tampico hotel was converted from a managed to a franchised contract and the Casa de la Marquesa Curamoria Collection hotel contract is no longer part of our portfolio.

New Hotels by Brand	México		Caribbean		Total		%
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	
Live Aqua	4	958			4	958	24.4
Live Aqua Residence Club	1	29			1	29	0.7
Grand Fiesta Americana	1	600			1	600	15.3
Fiesta Americana	1	170			1	170	4.3
Curamoria Collection	2	22			2	22	0.6
Fiesta Inn	2	180			2	180	4.6
Fiesta Inn Loft/Express							
Gamma	2	150			2	150	3.8
One	5	608			5	608	15.5
IOH							
Others	1	704	1	498	2	1,202	30.7
Total	19	3,421	1	498	20	3,919	100

During the third quarter we opened the Celeste Beach Residences & Spa Huatulco Curamoria Collection with 8 rooms and the Gamma Colima Garden hotel with 91 rooms.

Openings LTM	No. of rooms	Type of Contract
Gamma Ciudad de México Santa Fe	198	Managed
Huayacán Cuernavaca Curamoria Collection	40	Franchised
IOH Mérida MID Center	136	Managed
Gamma Villahermosa	72	Franchised
Gamma Guaymas Armida	82	Franchised
Celeste Beach Residences & Spa Huatulco Curamoria Collection	8	Franchised
Gamma Colima Garden	91	Franchised
Total	627	

> EBITDA

EBITDA in the third quarter was \$432.2 million, while in the same quarter of the previous year it was \$368.1 million on a comparable basis. IFRS-16 EBITDA for 3Q21 was \$575.2, including \$207 million from the sale of the 12.5% stake in the project Riviera Maya investment trust that was under development.

> Comprehensive Financial Results

At the end of the quarter (LTM), the net coverage ratio was 2.5 times, considering the effect of IFRS 16.

Concept	3T22	3T21	2022	2021
Interest Income	(15,144)	(5,006)	(32,704)	(12,824)
Accrued interest	87,374	198,608	250,762	579,079
Exchange (gain) loss, net	88,174	189,068	(79,754)	155,855
Exchange (gain) loss, from lease payments	28,190	46,350	(27,108)	33,914
Accrued interest from lease payments	73,236	81,646	222,807	272,823
Other financial costs (products)	11,504	17,517	(40,080)	52,550
Other financial expenses	4,623	3,496	10,007	11,390
Total	277,957	531,678	303,931	1,092,786

Figures in thousands of pesos

> CAPEX

In 3Q22, capital expenditures were \$55 million, and \$122 million for the first nine months of 2022, 34% of which was invested in hotels, 78% in vacation properties and 9% in corporate.

> Net Majority Income

As a result of the above, net loss in the quarter was \$73.4 million and net income was \$90.0 million in 9M22, while in the previous year it was a \$397.9 million loss.

> Indebtednes

Concept (Figures in millions)	3Q22		3Q21	
	US\$	MXN	US\$	MXN
FX eop:		20.3058		20.3060
EBITDA LTM		933		(68)
Asset Sale		0		246
EBITDA with sales		933		178
Cash		1,860		2,166
Indebtedness:				
Interests		84		1,214
Senior Notes 2027	393	7,985	393	7,972
Secured Loan			22	450
Subsidiary	7	144	8	159
Issuance expenses (IFRS)		(277)		(67)
Total	400	7,936	423	9,728
Net Debt to EBITDA		6.5		42.5
Lease liabilities		3,198		3,272
Leases LTM		693		784
Adjusted Net Debt to EBITDA		5.7		11.3

As of September 30, 2022, the outstanding balance of the "Senior Notes Due 2027" is USD\$393,235,022.

The \$210 million bank loan drawn in June 2017 in our subsidiary that holds the Fiesta Americana Mérida hotel has an outstanding balance of \$144 million as of 3Q22 after amortizing \$8 million during the Q3.

The Total Debt mix under IFRS at the end of the quarter was 100% long-term, 98% U.S. dollar denominated and 100% with a fixed rate. The average life was 5.2 years and 100% was secured debt.

The corporate rating assigned by the S&P Global agency is "B-"

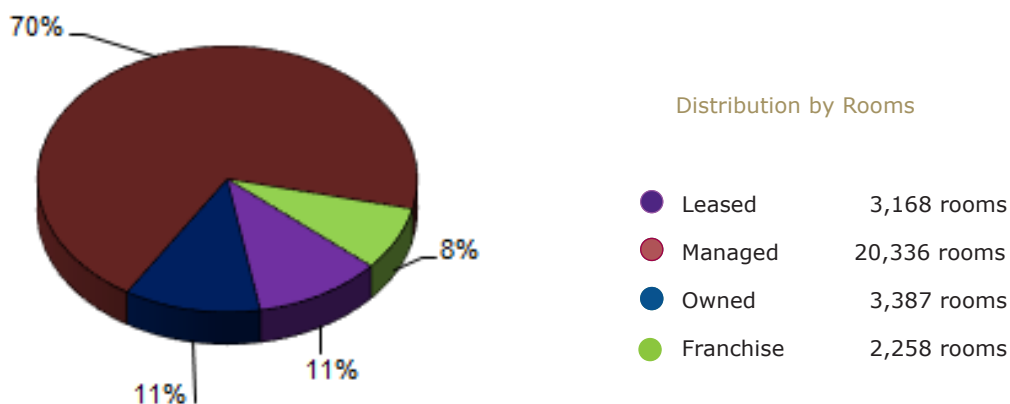
In compliance with Article 4.033.02 Section VIII of the Mexican Stock Exchange rules, Grupo Posadas coverage is provided by:

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> Grupo Posadas as of September 30, 2022.

Posadas is the leading hotel operator in Mexico that owns, leases, franchises and manages 189 hotels and 29,149 rooms in the most important and visited urban and coastal destinations in Mexico. Urban hotels represent 87% of total rooms and coastal hotels represent 13%. Posadas operates the following brands: Live Aqua Beach Resort, Live Aqua Urban Resort, Live Aqua Boutique Resort, Live Aqua Residence Club, Curamoria Collection, Grand Fiesta Americana, Fiesta Americana, Fiesta Americana Vacation Club, The Exploreal, IOH, Fiesta Inn, Fiesta Inn LOFT, Fiesta Inn Express, Gamma y One Hoteles.

Posadas has been trading on the Mexican Stock Exchange since 1992.



Brand	Mexico		Caribbean		Total	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
Live Aqua	4	726	1	347	5	1,073
Live Aqua Residence Club	2	160			2	160
Grand Fiesta Americana	8	1,910			8	1,910
Curamoria	5	134			5	134
Fiesta Americana	14	3,952			14	3,952
The Exploreal	2	96			2	96
FAVC	5	1,774			5	1,774
IOH	1	136			1	136
Fiesta Inn	70	10,178			70	10,178
Fiesta Inn Loft	4	388			4	388
Fiesta Inn Express	3	378			3	378
Gamma	22	2,973			22	2,973
One	48	5,997			48	5,997
Total	188	28,802	1	347	189	29,149
%		99%		1%		100%

> Income Statement IFRS (million pesos)

Concepto	3Q22		3Q21		Var %	2022		2021		Var %
	\$	%	\$	%		\$	%	\$	%	
Total Revenues	2,311.3	100.0	1,921.4	100.0	20.3	6,605.7	100.0	5,242.5	100.0	26.0
Owned & Leased Hotels										
Revenues	1,112.7	100.0	858.5	100.0	29.6	3,191.4	100.0	2,360.0	100.0	35.2
Direct cost	881.6	79.2	626.4	73.0	40.7	2,530.9	79.3	1,859.8	78.8	36.1
<i>Business Contribution</i>	231.1	20.8	232.1	27.0	(0.4)	660.5	20.7	500.2	21.2	32.0
Managed										
Revenues	370.0	100.0	268.3	100.0	37.9	1,062.1	100.0	693.1	100.0	53.2
Direct cost	144.8	39.1	173.5	64.7	(16.5)	468.1	44.1	561.0	80.9	(16.6)
<i>Business Contribution</i>	225.2	60.9	94.7	35.3	137.7	594.0	55.9	132.1	19.1	349.8
Vacation Properties										
Revenues	809.9	100.0	774.4	100.0	4.6	2,293.7	100.0	2,121.5	100.0	8.1
Direct cost	699.4	86.4	596.6	77.0	17.2	1,956.8	85.3	1,653.4	77.9	18.4
<i>Business Contribution</i>	110.5	13.6	177.8	23.0	(37.8)	336.9	14.7	468.1	22.1	(28.0)
Other Businesses (1)										
Revenues	18.8	100.0	20.2	100.0	(7.1)	58.6	100.0	67.8	100.0	(13.7)
Direct cost	4.8	25.8	6.7	33.4	(28.3)	21.5	36.7	31.4	46.2	(31.5)
<i>Business Contribution</i>	13.9	74.2	13.5	66.6	3.5	37.1	63.3	36.5	53.8	1.6
Corporate Expenses	151.1	6.5	147.6	7.7	2.3	438.3	6.6	453.4	8.6	(3.3)
Depreciation/Amortization and asset impairment	215.3	9.3	188.2	9.8	14.4	641.5	9.7	664.1	12.7	(3.4)
Other expenses (revenue) (3)	(2.5)	(0.1)	2.3	0.1	na	(8.9)	(0.1)	4.1	0.1	na
Other	0.0	0.0	0.0	0.0	na	0.0	0.0	0.0	0.0	na
Operating Profit	216.9	9.4	179.9	9.4	20.5	557.5	8.4	15.3	0.3	3,555.4
EBITDA	432.2	18.7	368.1	19.2	17.4	1,199.0	18.2	679.3	13.0	76.5
Asset Sales	0.0	0.0	207.1	10.8	na	0.0	0.0	246.1	4.7	na
EBITDA IFRS	432.2	18.7	575.2	29.9	(24.9)	1,199.0	18.2	925.4	17.7	29.6
Comprehensive financing cost	278.0	12.0	531.7	27.7	(47.7)	303.9	4.6	1,092.8	20.8	(72.2)
Other	0.0	0.0	0.0	0.0	na	0.0	0.0	0.0	0.0	na
Part. in results of Associated Companies	0.0	0.0	(15.0)	(0.8)	na	0.0	0.0	(15.0)	(0.3)	na
Profit Before Taxes	(61.1)	(2.6)	(159.6)	(8.3)	(61.7)	253.5	3.8	(846.5)	(16.1)	na
Discontinued Operations	0.0	0.0	0.0	0.0	na	0.0	0.0	0.0	0.0	na
Income taxes	8.5	0.4	12.4	0.6	(31.5)	27.6	0.4	37.3	0.7	(26.0)
Deferred taxes	3.1	0.1	(204.0)	(10.6)	na	135.0	2.0	(478.5)	(9.1)	na
Net Income before Minority	(72.7)	(3.1)	32.0	1.7	na	91.0	1.4	(405.3)	(7.7)	na
Minority Interest	0.7	0.0	(1.6)	(0.1)	na	0.9	0.0	(7.4)	(0.1)	na
Net Majority Income	(73.4)	(3.2)	33.6	1.7	na	90.0	1.4	(397.9)	(7.6)	na

(1) Includes third parties operations for Conectum, Konexo.

> Consolidated Balance Sheet as of September 30, 2022 and December 31st, 2021 IFRS (million pesos)

CONCEPT	SEP-22	%	DEC-21	%	VAR. %
ASSETS					
Current Assets					
Cash and cash equivalents	1,860.2	10.3	1,960.1	10.7	(5.1)
Trade and other current receivables	2,889.8	16.0	2,741.2	15.0	5.4
Current tax assets, current	-	0.0	-	-	-
Other current financial assets	-	0.0	-	-	-
Current inventories	171.0	0.9	192.2	1.1	(11.0)
Other current non-financial assets	91.6	0.5	97.5	0.5	(6.0)
Total	5,012.5	27.7	4,991.0	27.4	0.4
Assets held for sale	-	0.0	-	-	-
Total current assets	5,012.5	27.7	4,991.0	27.4	0.4
Non current assets					
Trade and other non-current receivables	4,338.4	24.0	4,062.4	22.3	6.8
Non-current inventories	-	0.0	-	0.0	-
Other non-current financial assets	41.1	0.2	6.3	0.0	552.2
Investments in subsidiaries, joint ventures and associates	1.1	0.0	1.1	0.0	(2.6)
Property, plant and equipment	4,037.1	22.3	4,187.6	23.0	(3.6)
Right-of-use assets that do not meet definition of investment property	2,781.3	15.4	2,866.6	15.7	(3.0)
Intangible assets other than goodwill	637.1	3.5	759.4	4.2	(16.1)
Deferred tax assets	1,235.1	6.8	1,370.1	7.5	(9.9)
Other non-current non-financial assets	-	0.0	-	-	-
Total non-current assets	13,071.2	72.3	13,253.5	72.6	(1.4)
Total assets	18,083.7	100.0	18,244.5	100.0	(0.9)
LIABILITIES					
Current Liabilities					
Trade and other current payables	2,032.5	11.2	2,009.3	11.0	1.2
Current tax liabilities, current	404.6	2.2	553.5	3.0	(26.9)
Other current financial liabilities	33.1	0.2	23.5	0.1	40.7
Current lease liabilities	435.2	2.4	398.5	2.2	9.2
Other current non-financial liabilities	1,264.8	7.0	1,065.0	5.8	18.8
Current provisions for employee benefits	233.5	1.3	176.4	1.0	32.3
Total current liabilities other than liabilities included in disposal groups classified as held for sale	4,403.7	24.4	4,226.2	23.2	4.2
Liabilities included in disposal groups classified as held for sale	-	0.0	-	0.0	-
Total current liabilities	4,403.7	24.4	4,226.2	23.2	4.2
Non Current Liabilities					
Trade and other non-current payables	1,062.0	5.9	807.2	4.4	31.6
Non-current lease liabilities	2,763.2	15.3	2,861.4	15.7	(3.4)
Bank loans	108.7	0.6	133.2	0.7	(18.4)
Stock market loans	7,709.8	42.6	7,951.9	43.6	(3.0)
Other non-current financial liabilities	7,818.5	43.2	8,085.1	44.3	(3.3)
Non-current provisions for employee benefits	292.1	1.6	262.2	1.4	11.4
Other non-current provisions	-	0.0	-	-	-
Total non-current provisions	292.1	1.6	262.2	1.4	11.4
Deferred tax liabilities	647.0	3.6	990.0	5.4	(34.6)
Total non-current liabilities	12,582.8	69.6	13,006.0	71.3	(3.3)
Total liabilities	16,986.5	93.9	17,232.2	94.5	(1.4)
EQUITY					
Total equity attributable to owners of parent	923.1	5.1	839.1	4.6	10.0
Non-controlling interests	174.1	1.0	173.2	0.9	0.5
Total equity	1,097.2	6.1	1,012.3	5.5	8.4
Total equity and liabilities	18,083.7	100.0	18,244.5	100.0	(0.9)

> Consolidated Cash Flow Statement - IFRS

(Million pesos from January 1st to September 30, 2022 & 2021)

STATEMENT OF CASH FLOWS		
	3Q22	3Q21
Cash flows from (used in) operating activities		
Profit (loss)	91.0	(405.3)
Adjustments to reconcile profit (loss)		
Discontinued operations	0.0	0.0
Adjustments for income tax expense	162.6	(441.2)
Adjustments for finance costs	311.6	878.3
Adjustments for depreciation and amortisation expense	641.5	664.1
Adjustments for unrealised foreign exchange losses (gains)	(139.5)	175.8
Adjustments for fair value losses (gains)	0.0	235.7
Adjustments for losses (gains) on disposal of non-current assets	0.3	(37.5)
Participation in associates and joint ventures	0.0	15.0
Adjustments for decrease (increase) in inventories	21.3	74.2
Adjustments for decrease (increase) in trade accounts receivable	-363.5	-177.3
Adjustments for decrease (increase) in other operating receivables	150.1	-91.9
Adjustments for increase (decrease) in trade accounts payable	91.5	-18.7
Adjustments for increase (decrease) in other operating payables	408.1	332.0
Other adjustments for which cash effects are investing or financing cash flow	0.0	0.0
Other adjustments to reconcile profit (loss)	(6.4)	(236.6)
Total adjustments to reconcile profit (loss)	1,277.7	1,371.8
Cash flows from (used in) operations	1,368.7	966.6
Income taxes paid (refund), classified as operating activities	557.6	359.0
Cash flows from (used in) operating activities	811.0	607.6
Other cash payments to acquire interests in joint ventures, classified as investing activities	0.0	(836.1)
Proceeds from sales of property, plant and equipment, classified as investing activities	2.2	158.0
Purchase of property, plant and equipment, classified as investing activities	120.3	129.8
Purchase of intangible assets, classified as investing activities	119.2	(149.5)
Interest received, classified as investing activities	32.7	12.8
Other inflows (outflows) of cash, classified as investing activities	0.0	0.0
Cash flows from (used in) investing activities	(204.5)	1,026.7
Proceeds from borrowings, classified as financing activities	0.0	450.0
Repayments of borrowings, classified as financing activities	15.4	0.0
Payments of lease liabilities	519.1	366.4
Dividends paid, classified as financing activities	0.0	0.0
Interest paid, classified as financing activities	171.9	54.0
Income taxes paid (refund), classified as financing activities	0.0	0.0
Other inflows (outflows) of cash, classified as financing activities	0.0	0.0
Cash flows from (used in) financing activities	(706.5)	29.6
Increase (decrease) in cash and cash equivalents before effect of exchange rate changes	(99.9)	1,663.9
Effect of exchange rate changes on cash and cash equivalents	0.0	0.0
Increase (decrease) in cash and cash equivalents	(99.9)	1,663.9
Cash and cash equivalents at beginning of period	1,960.1	501.7
Cash and cash equivalents at end of period	1,860.2	2,165.6