# Earnings Release
# 2Q22

28.07.22

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## CONFERENCE CALL

**Date and Time: Friday, July 29th, 2022, 9:00 am (Mexico City time)**

**Register at:**
**https://alseareportederesultados.com/**

# INDEX

# Second Quarter 2022 Results and Highlights

- **In 2Q22, Alsea reported its sixth quarter of sustained sales growth, and again positive EBITDA growth in all regions**
- **Same-Store Sales (SSS):**

| | 2Q22 |
|---|---|
| *Vs. 2Q21* | 38.7% |
| *Vs. 2Q19* | 25.9% |

- **Despite the normalization of economic activities and open stores, home delivery sales continued to grow. For the quarter, delivery sales increased 13.1% vs. 2Q21, reaching over 3.1 billion pesos and 11 million orders, representing an 18.4% share of consolidated sales.**
- **The Company has over 6.2 million active users across all its digital platforms**
- **EBIDTA in 2Q22 increased by 779 million pesos vs. 2Q21, to reach 3,627 million pesos for the quarter**

  **EBITDA:**

| | 2Q22 |
|---|---|
| *Vs. 2Q21* | 27.4% |
| *Vs. 2Q19* | 18.5% |

- **Net Income for 2Q22 was 237 million pesos, an increase of 180 million pesos compared to 2Q21, with a net margin of 1.4%, and an earnings per share of 2.32 pesos.**
- **In 2Q22, capital expenditure reached 863 million pesos, driven by the opening of 34 corporate units, for a total of 61 openings in the last six months.**
- **Cash held climbed to 5.0 billion pesos at the end of 2Q22, compared to 3.8 billion at the end of 2Q21.**
- **At the end of 2Q22, the Company employed 73,667 people, compared to 65,520 in 2Q21.**

## MESSAGE FROM THE CEO

**Armando Torrado, Chief Executive Officer of Alsea, commented:** "I am pleased to share another strong set of quarterly results. For the sixth quarter in a row we reported positive sales growth, and positive EBITDA in all our regions during the second quarter. These results came despite supply chain challenges, inflationary pressures, and changing consumer habits, a testament to our innovation and adaptation, resilient business model and, above all, our excellent team.

Before going into more detail on the quarter, I would like to thank the Board of Directors for the confidence they placed in me with my appointment as CEO. In this role I am committed to executing our long-term strategy of delivering value for all our stakeholders, above all by always staying close to our customers and their needs, and our day-to-day operations.

In the quarter, we were able to offset inflationary pressures in food and energy costs with our pricing strategies and efficiencies across our brands, while always striving to ensure that our products continue as market leaders. At the same time, we continued to make progress on our key initiatives through selective marketing and strengthening our digital presence.

Dine-in same store sales are up 30.2% versus the same quarter of last year, a clear sign that as all relevant mobility restrictions have been lifted, our customers value our in-store experience and our high-quality products more than ever. Also, delivery sales increased 13.1% compared to 2Q21 , and we will continue building on each of our brand's market leadership positions. Likewise, we are pleased to share that WOW+ added more than 69,000 new users during the quarter and for the first time reached one million active users, an important milestone for the application.

Regarding our commitment to the environment, in June we received the first Greener Store certification in Latin America, for our store located on Paseo Los Dominicos in Santiago, Chile. This store was designed to use 50% less water and reduce its carbon footprint by 20%.

Our actions to reduce food waste and contribute to ending hunger in Mexico have, to date, resulted in donations of over 34 tons of food, benefiting over 125,000 people living in food poverty, in addition to the 374,000 meals served through the "Va por mi Cuenta" program.

In the first half of the year, our 12 new store openings in Spain for the Domino's Pizza, Ginos, and Vips brands were all part of the "Aperturas con Causa" program, which donated 100% of sales from their opening days to NGOs, helping approximately 14,000 beneficiaries.

I am convinced that with the consistent execution of our business plan, our solid brand portfolio, and our experienced management and superb operating team, we will continue succeeding in our projects and goals, thereby fulfilling our commitment to our investors and strategic partners".

**July 2022**

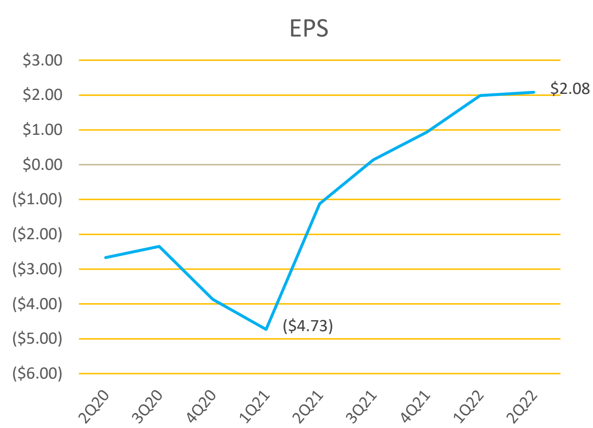
*Mexico City, July 28th, 2022. Today, Alsea, S.A.B. de C.V. (BMV: ALSEA*), the leading Quick Service Restaurant (QSR), Coffee Shop, Casual Dining and Family Restaurant operator in Latin America and Europe, released its results for the second quarter of 2022. This information is presented in nominal terms pursuant to International Financial Reporting Standards (IFRS). The comments presented in this report include the effect of IFRS 16, as well as the effect regarding restatement due to hyperinflation in Argentina.*

# FINANCIAL HIGHLIGHTS FOR THE SECOND QUARTER OF 2022

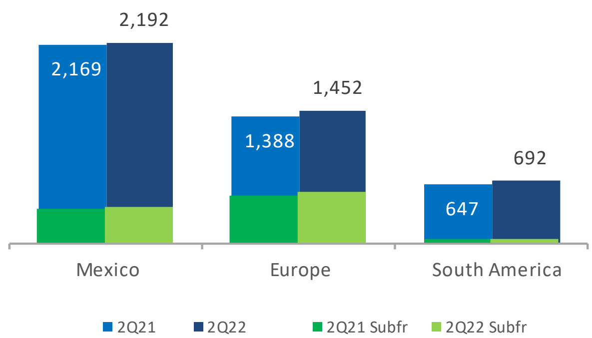
The following table provides a Financial Summary, including the margin for each line item representing net sales, as well as the percentage change for the quarter ended June 30th, 2022, compared to the same period of 2021:

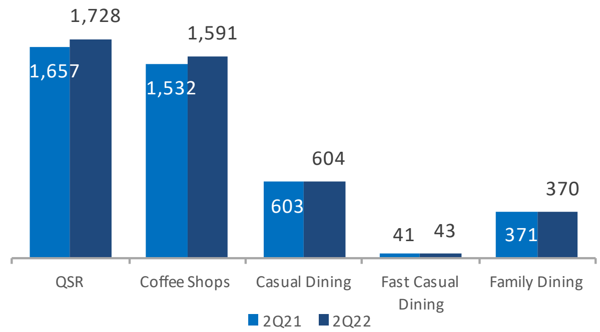
| | *Pre-IFRS16* | | | *Post-IFRS16 + Argentinian Restatement* | | |
|---|---|---|---|---|---|---|
| | *2Q22* | *2Q21* | *Var %* | *2Q22* | *2Q21* | *Var %* |
| **Same-Store Sales** | 38.7% | 67.1% | N.A. | 38.7% | 67.1% | N.A. |
| **Net Sales** | 16,793 | 12,399 | 35.4% | 16,939 | 12,477 | 35.8% |
| **Gross Profit** | 11,296 | 8,466 | 33.4% | 11,394 | 8,518 | 33.8% |
| **EBITDA (1)** | 2,212 | 1,529 | 44.7% | 3,627 | 2,848 | 27.4% |
| *EBITDA Margin* | *13.2%* | *12.3%* | *90 bps* | *21.4%* | *22.8%* | *(140) bps* |
| **Operating Income** | 1,448 | 611 | 136.8% | 1,680 | 859 | 95.5% |
| **Net Income** | $250 | 48 | 416.7% | $237 | 57 | 314.6% |
| *Net Income Margin* | *1.5%* | *0.4%* | *110 bps* | *1.4%* | *0.5%* | *90 bps* |
| **ROIC** | 12.1% | 5.3% | *680 bps* | 10.3% | 4.8% | *550 bps* |
| **ROE** | 17.7% | (17.1%) | N.A. | 23.1% | (12.2%) | N.A. |
| **Net Debt/EBITDA** | 2.8x | 6.5x | N.A. | 3.2x | 4.9x | N.A. |
| **EPS (2)** | 1.71 | (1.88) | N.A. | 2.08 | (1.12) | N.A. |

*** Figures in million pesos, except EPS**
**(1) EBITDA is defined as operating income before depreciation and amortization.**
**(2) EPS is earnings per share for the last 12 months.**



## NUMBER OF UNITS



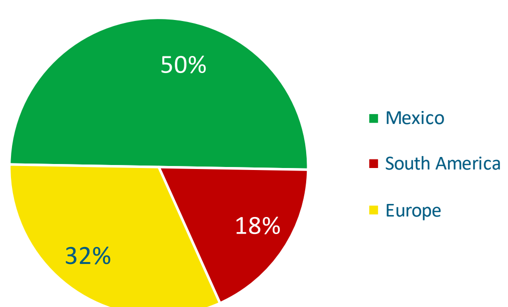




**Note: Total units (corporate + sub franchises)*

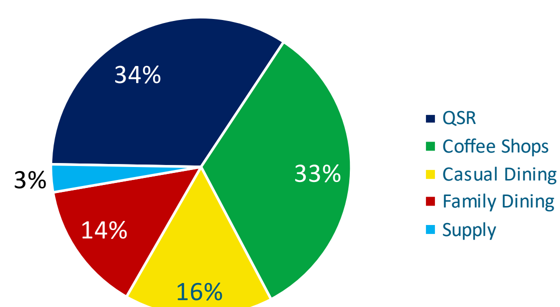
# CONSOLIDATED RESULTS

## SALES

### SALES BY GEOGRAPHY*




### SALES BY SEGMENT*




**Figures as of 2Q22, excluding restatement for hyperinflation in Argentina*

**Net Sales** in the second quarter of 2022 **increased by 35.8% to reach 16,939 million pesos,** compared to 12,477 million pesos in the same quarter of the previous year. This increase is mainly explained by the sustained recovery in consumption and mobility, as well as the implementation of successful commercial strategies and responsible execution of pricing strategies. Excluding the exchange rate effect, net sales increased 45.1%.

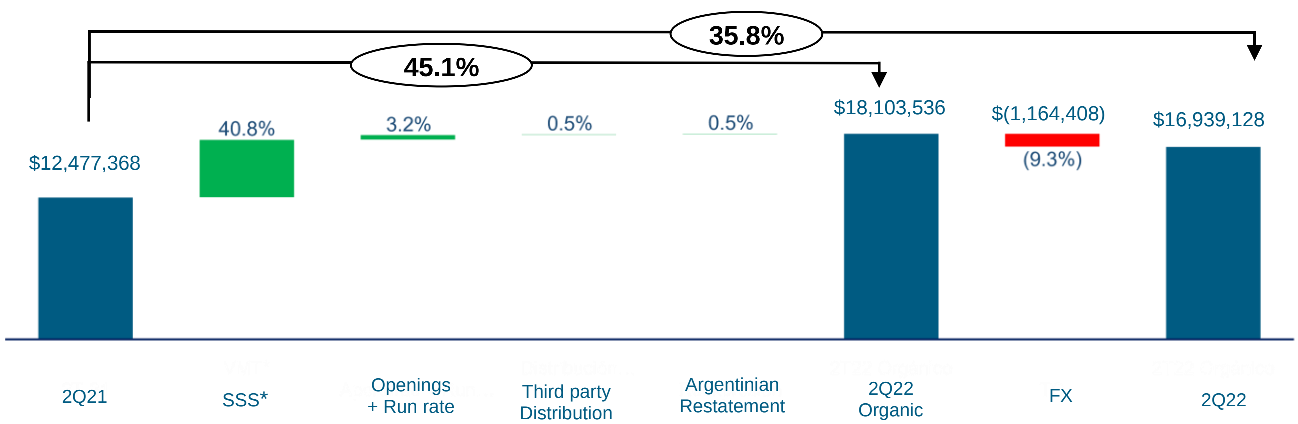
Compared to 2Q19, net sales for the quarter grew 16.2% and same-store sales grew 25.9%.

The home delivery segment grew by 13.1% in the second quarter compared to 2Q21, to reach more than 3,100 million pesos, over 11.6 million orders, and an 18.4% share of Alsea's consolidated sales.

Same-store sales for the portfolio in the second quarter of 2022 **increased 100.2%** in **South America**, **28.1%** in **Mexico,** and the operations in **Europe grew by 31.0%**, compared to 2Q21.

Importantly, casual dining brands reported a solid recovery, with a same store sales growth of 30.2% compared to the second quarter of 2021, and 2.0% compared to the second quarter of 2019. The fast-food segment also continues with its positive performance, with same-store sales growth of 35.1% and 39.7%, compared to the second quarter of 2021 and 2019, respectively. Starbucks continues to adapt even better than expected to new sales trends, reporting same-store sales growth of 47.8% and 45.0% for the second quarter of 2022, compared to the same period in 2021 and 2019, respectively.

Net Sales 2Q22 vs. 2Q21




** The percentage contribution of SSS is the effect on the total revenue base.*

## EBITDA

**EBITDA for 2Q22 increased by 27.4%**, to 3,627 million pesos, with a margin of 21.4%, decreasing 1.4 percentage points compared to the second quarter of the previous year. Excluding the exchange rate effect, adjusted EBITDA increased 52.8%.

The 779 million pesos increase in EBITDA is mainly due to the continued recovery in consumption, customer preference for the Company's portfolio of brands, digital strategies, product innovation, and efficiencies achieved during the quarter, by improving average profitability per employee.

The contraction in EBITDA margin is mainly due to non-recurring benefits in the prior year from government support and labor union agreements, as well as the ending of discounts negotiated with tenants in 2021. Once again, all of Alsea's geographies reported positive EBITDA in the second quarter of 2022.

Despite the 100-basis point cost increase, mainly due to inflationary pressures in raw materials, operating income increased 300 basis points in the second quarter of the year, as a result of effective expense control, higher labor productivity, and advertising efficiencies, which resulted in a 400-basis point reduction in operating and corporate expenses. In addition, we continued to implement responsible pricing strategies to mitigate most of the price increases in raw materials, trying not to affect demand while executing different commercial strategies.

Additionally, the results for the quarter consider the 2022 profit sharing provision of approximately 70 million pesos.

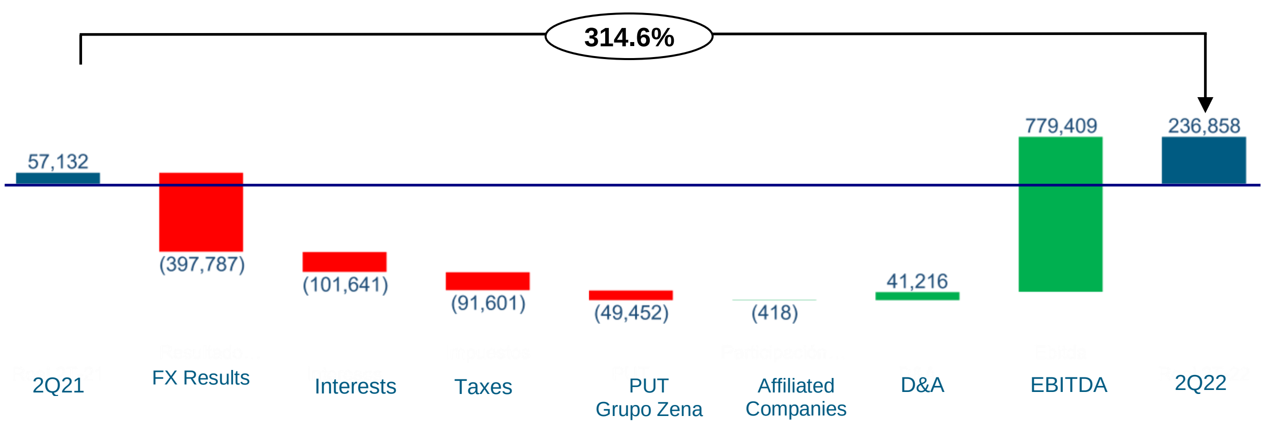
For the quarter, we achieved an 18.5% EBITDA growth compared to the second quarter of 2019.

## NET INCOME

**Net income for the second quarter** increased by 180 million pesos to **237 million pesos**, compared to 57 million pesos for the same period of the previous year. The increase was due to an **821 million peso increase in operating income**, resulting from the recovery in sales, commercial strategies, product innovation, developments in digital applications, as well as improved cost and expense control efficiencies.

In addition, the increase in net income was partially offset by a 549 million peso increase in the comprehensive financing result, because of an increased foreign exchange loss of 398 million pesos, related to the variation in the U.S. dollar exchange rate, coupled with a 105 million peso increase in net interest paid, and a 91 million peso increase in taxes.

Net Income 2Q22 vs. 2Q21



## RESULTS BY SEGMENT FOR THE SECOND QUARTER OF 2022

### MEXICO

| | Pre-IFRS 16 | | | | Post-IFRS 16 | | | |
|---|---|---|---|---|---|---|---|---|
| ***Alsea Mexico*** | ***2Q22*** | ***2Q21*** | ***Var.*** | ***% Var.*** | ***2Q22*** | ***2Q21*** | ***Var.*** | ***% Var.*** |
| Number of Units | 2,192 | 2,169 | 23 | 1.1% | 2,192 | 2,169 | 23 | 1.1% |
| Same-store sales | 28.1% | 86.0% | N.A. | - | 28.1% | 86.0% | N.A. | - |
| Sales | 8,357 | 6,465 | $1,891 | 29.3% | 8,357 | 6,465 | $1,891 | 29.3% |
| Costs | 3,026 | 2,285 | $741 | 32.4% | 3,026 | 2,285 | $741 | 32.4% |
| Operating Expenses | 3,426 | 2,621 | $804 | 30.7% | 2,809 | 2,108 | $701 | 33.2% |
| Adjusted EBITDA * | 1,905 | 1,559 | $346 | 22.2% | 2,522 | 2,072 | $449 | 21.7% |
| *Adjusted EBITDA Margin** | *22.8%* | *24.1%* | *(130) bps* | *-* | *30.2%* | *32.1%* | *(190) bps* | *-* |
| Depreciation and Amortization | 413 | 469 | ($57) | (12.1%) | 885 | 832 | $52 | 6.3% |
| G&A and other expenses | 553 | 338 | $215 | 63.6% | 520 | 325 | $196 | 60.3% |
| Operating Income | 939 | 751 | $188 | 25.0% | 1,116 | 915 | $201 | 22.0% |

* Adjusted EBITDA does not include administrative expenses; thus, it represents the "Store EBITDA". ** Figures in millions of pesos.

### SALES MEXICO

**Alsea Mexico sales represented 49.3% of Alsea's total consolidated sales** in the second quarter of 2022, an **increase of 29.3%,** reaching 8,357 million pesos, compared to 6,465 million pesos in the same period of 2021. This was mainly due to the recovery in consumption, customer preference for the brands in the Company's portfolio, and the increase of dine-in transactions during the quarter.

Despite the increase in restaurant consumption, a significant share of sales in the quarter continued to be home deliveries and take-out, allowing Alsea to leverage its competitive advantage of having delivery strategies such as "*Wow+*", *Domino's Online Ordering,* and agreements with the main aggregator platforms. Overall delivery increased by 18.1% compared to 2Q21 and accounted for 18.4% of 2Q22 sales, with more than 6.6 million orders in the quarter, totaling over 1,530 million pesos.

Starbucks, Burger King, and Domino's continue to be the best performing brands in the current environment, posting same-store sales growth of 52.7%, 28.6%, and 35.7%, respectively, compared with the second quarter of 2019 and; 34.8%, 18.8% and 15.7% compared with the second quarter of 2021. All casual food brands had positive same-store sales, reporting an average growth of nearly 30% compared to 2Q21, and Vips had a 34.1% same-store sales growth compared to the second quarter of 2021.

### ADJUSTED EBITDA MEXICO

**Alsea Mexico's Adjusted EBITDA** represented 54.2% of the consolidated Adjusted EBITDA in the second quarter of 2022, closing at 2,522 million pesos compared to 2,072 million pesos in the same period of the previous year. This was mainly driven by the increase in sales and reduced labor expenses, which resulted in higher profitability per employee by achieving greater control in the management of schedules, according to demand and store traffic projections.

This increase was offset by a 90-basis point rise in costs as a percentage of sales related to inflationary pressures for some inputs. The increase in operating expenses was mainly due to the effect of profit sharing, which was approximately 70 million pesos in the quarter. Also contributing were non-recurring benefits in the previous year related to government support and agreements with unions in terms of labor, discounts negotiated with tenants, and the increase in royalty payments related to the changes in business mix due to the higher sales participation of the Starbucks brand. At the end of the second quarter, Alsea Mexico had a total of 1,794 corporate units and 398 sub-franchise units.

## EUROPE

| | *Pre-IFRS 16* | | | | *Post-IFRS 16* | | | |
|---|---|---|---|---|---|---|---|---|
| ***Alsea Europe*** | ***2Q22*** | ***2Q21*** | ***Var.*** | ***% Var.*** | ***2Q22*** | ***2Q21*** | ***Var.*** | ***% Var.*** |
| Number of units | 1,452 | 1,388 | 64 | 4.6% | 1,452 | 1,388 | 64 | 4.6% |
| Same-store Sales | 31.0% | 24.4% | N.A. | - | 31.0% | 24.4% | N.A. | - |
| Sales | 5,421 | 4,280 | $1,140 | 26.6% | 5,421 | 4,280 | $1,140 | 26.6% |
| Costs | 1,461 | 1,075 | $386 | 35.9% | 1,461 | 1,075 | $386 | 35.9% |
| Operating Expenses | 3,058 | 2,506 | $552 | 22.0% | 2,508 | 1,886 | $623 | 33.0% |
| Adjusted EBITDA* | 901 | 699 | $201 | 28.8% | 1,451 | 1,320 | $131 | 9.9% |
| *Adjusted EBITDA margin** | *16.6%* | *16.3%* | *30 bps* | - | *26.8%* | *30.8%* | *(400) bps* | - |
| Depreciation and Amortization | 285 | 373 | ($88) | (23.7%) | 794 | 942 | ($148) | (15.7%) |
| G&A and other expenses | 330 | 461 | ($130) | (28.3%) | 330 | 445 | ($115) | (25.7%) |
| Operating Income | 286 | (134) | $420 | N.A. | 327 | (67) | $394 | N.A. |

* Adjusted EBITDA does not include administrative expenses; thus, it represents the "Store EBITDA". **Figures in million pesos.

## SALES EUROPE

**Sales for Alsea Europe represented 32.0% of the Company's consolidated sales**, and are made up of the operations in Spain, Portugal, France, the Netherlands, Belgium, and Luxembourg.

**Sales** for this region **increased by 26.6%**, reaching 5,421 million pesos compared to the second quarter of 2021. This increase is due to consumption normalizing in the region, customer preferences for the brands in the Company's portfolio, digital strategies, and product innovation. Excluding the exchange rate effect, sales increased 43.0%.

Home delivery segment sales represented an 18.0% share of Alsea Europe's sales in 2Q22, which is over 970 million pesos and more than 2.1 million orders.

The Starbucks brand continued its positive performance in the region during the quarter, achieving a same-store sales growth of 83.6% in the Netherlands, 75.8% in Portugal, 52.2% in Spain, and 41.8% in France, compared to 2Q21. Compared to 2Q19, same-store sales growth was 26.4%, 22.4%, 5.9% and 1.0% in Portugal, Spain, France, and the Netherlands, respectively.

### Adjusted EBITDA EUROPE

**Alsea Europe's Adjusted EBITDA** represented 31.2% of the consolidated Adjusted EBITDA in the second quarter of 2022, and reported **an increase of 131 million pesos**, reaching 1,451 million pesos, compared to 1,320 million pesos in the same period of 2021. This increase was caused by the recovery in consumption together with higher operating leverage, as well as cost efficiencies, labor productivity, among others. Excluding the exchange rate effect, adjusted EBITDA increased 45.4%.

The Adjusted EBITDA margin reflected a 400-basis point reduction related to non-recurring benefits in the previous year from government support for labor, as well as discounts negotiated with tenants and store closures during the pandemic, and a 190-basis point cost impact due to inflation in the cost of certain inputs. Adjusted EBITDA margin, excluding the effect of IFRS 16, expanded by 30 basis points. mitigating the cost impact.

At the end of the second quarter, Alsea Europe managed a total of 899 corporate units and 553 sub-franchise units.

### SOUTH AMERICA

| | *Pre-IFRS 16* | | | | *Post-IFRS 16 + Argentinian Restatement* | | | |
|---|---|---|---|---|---|---|---|---|
| ***Alsea South America*** | ***2Q22*** | ***2Q21*** | ***Var.*** | ***% Var.*** | ***2Q22*** | ***2Q21*** | ***Var.*** | ***% Var.*** |
| Number of units | 692 | 647 | 45 | 7.0% | 692 | 647 | 45 | 7.0% |
| Same-store Sales | 100.2% | 98.3% | N.A. | - | 100.2% | 98.3% | N.A. | - |
| Sales | 3,016 | 1,653 | $1,363 | 82.4% | 3,162 | 1,732 | $1,430 | 82.6% |
| Costs | 1,010 | 572 | $437 | 76.4% | 1,058 | 599 | $459 | 76.5% |
| Operating Expenses | 1,550 | 892 | $658 | 73.7% | 1,425 | 788 | $637 | 80.8% |
| Adjusted EBITDA* | 457 | 189 | $268 | 141.5% | 679 | 344 | $335 | 97.3% |
| *Adjusted EBITDA Margin** | *15.1%* | *11.4%* | *370 bps* | - | *21.5%* | *19.9%* | *160 bps* | - |
| Depreciation and Amortization | 67 | 76 | ($8) | (11.2%) | 269 | 215 | $54 | 25.3% |
| G&A and other expenses | 167 | 119 | $48 | 40.0% | 173 | 118 | $55 | 46.3% |
| Operating Income | 223 | (6) | $228 | N.A. | 237 | 11 | $226 | 2,100.1% |

*Adjusted EBITDA does not include administrative expenses; thus, it represents the "Store EBITDA". **Figures in million pesos.

### SALES SOUTH AMERICA

**Alsea South America sales made up 18.7% of the Company's consolidated sales** for the second quarter of 2022, from its operations in Argentina, Colombia, Chile, and Uruguay.

Sales for this segment **increased by 82.6%,** reaching 3,162 million pesos, compared to 1,732 million in the second quarter of 2021. This was mainly due to the economic recovery, customer preference for the Company's portfolio of brands, digital strategies, and product innovation. Delivery sales increased 11.6% compared to 2Q21, making up 18.9% of Alsea South America's total 2Q22 sales.

At the brand level, Burger King and Starbucks in Chile increased same-store sales by 40.2% and 75.3%, respectively, compared to the same period of 2021, and by 37.0% and 14.7%, respectively, compared to the same period of 2019. Domino's Pizza, Starbucks and Archie's in Colombia continue with their growth trends, reporting same-store sales growth of 4.3%, 44.2%, and 59.5%, respectively, compared to the same period of 2021; and increases of 22.5%, 77.6%, and 39.7%, respectively, compared to the same period of 2019.

## Adjusted EBITDA SOUTH AMERICA

**Alsea South America's adjusted EBITDA** was 14.6% of the consolidated Adjusted EBITDA in the second quarter of 2022, and increased by 335 million pesos compared to 2Q21, reaching 679 million pesos. This increase was primarily due to the reduction throughout the region in both operational and administrative expenses in South American countries, in addition to the 110-basis point increase related to the elimination of aggressive promotions and the successful implementation of new commercial strategies.

Adjusted EBITDA margin reflected an expansion of 160 basis points, even considering the non-recurring benefits from the previous year related to government labor support in Argentina.

We continue to report savings in terms of efficiencies, synergies, and best practices linked to the consolidation and integration of operations in Chile, Argentina, and Uruguay.

At the end of the second quarter, Alsea South America managed a total of 645 corporate units and 47 sub-franchise units.

## NON-OPERATING RESULTS

### All-in Cost of Financing

**The all-in cost of financing** for the second quarter of 2022 reached **1,337 million pesos**, an increase of 548 million pesos compared to the 789 million pesos in the previous year. This increase is mainly due to an increase in the foreign exchange loss of 398 million pesos, mainly due to the variation in the U.S. dollar exchange rate versus the Mexican Peso, together with an increase of 105 million pesos in net interest paid and an increase of 91 million pesos in taxes.

## BALANCE SHEET

### CAPEX

During the six months ended on June 30th, 2022, **Alsea made capital investments of 1,575 million pesos**, of which 709 million pesos, equivalent to 45.0% of total investments, were allocated to:

- The opening of **61 units,** 34 of which started operating in 2Q22
- The **renovation and remodeling** of existing units of the different brands operated by the Company

The remaining 866 million pesos were allocated to:

- Equipment replacement (maintenance CAPEX)
- Strategic technology and process improvement projects
- Software licenses, etc.

### BANK DEBT, SECURITIES

As of June 30th, 2022, Alsea had committed credit lines of up to 29.9 million euros to be used as necessary according to the needs of the operation in Europe.

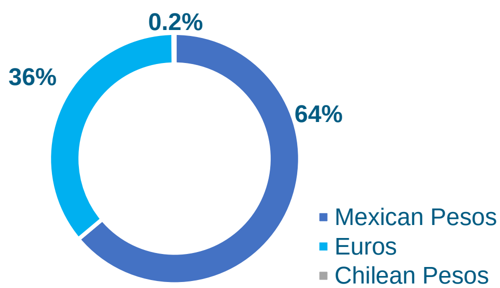
As of June 30th, 2022, **Alsea's total debt,** including leases under IFRS16, **decreased by 4,459 million pesos**, closing at 51,437 million pesos compared to 55,896 million pesos in the previous year. This **decrease in debt** corresponds mainly to the revaluation of the euro exchange rate against the Mexican peso and the amortization of debt of 1,136 million.

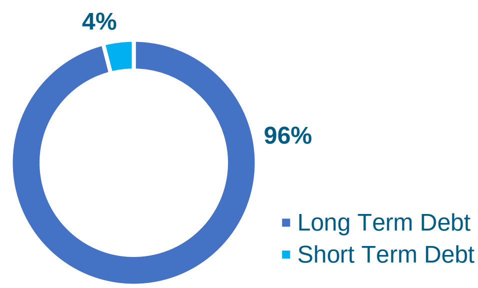
Excluding the effect of IFRS16, Alsea's total debt decreased by 2,883 million pesos, to close at 28,677 million pesos compared to 31,560 million pesos on the same date last year.

The Company's **consolidated net debt,** including leases due to IFRS16, **decreased 5,672 million pesos,** closing at 46,394 million pesos as of June 30th, 2022, compared to the 52,066 million pesos on the same date of 2021.

Excluding the effect of IFRS16, Alsea's net debt decreased by 4,095 million pesos, to close at 23,635 million pesos, compared to 27,730 million pesos on the same date last year.

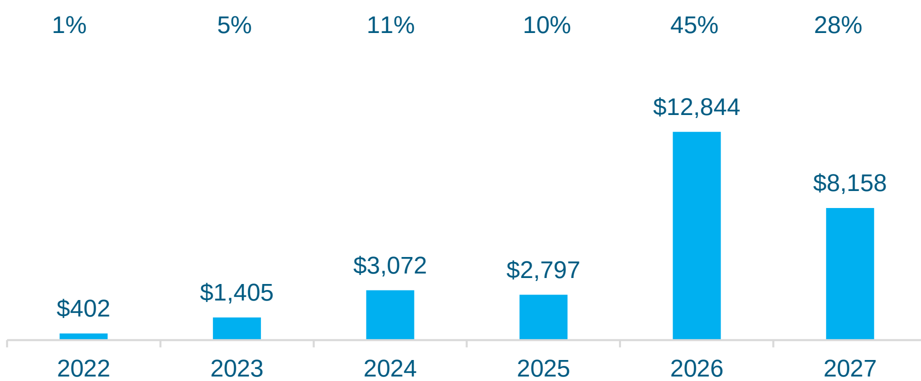
As of June 30th, 2022, the total debt (excluding IFRS16) was as follows:




**Note: Stock debt in U.S. dollars is hedged through an exchange rate derivative and is therefore considered as part of debt in Mexican pesos.*

The following graph shows the balance of the total debt (excluding IFRS16) in millions of pesos as of June 30th, 2022, as well as the maturities that are held for subsequent years:




*Figures in million pesos.

## FINANCIAL RATIOS

As of June 30th, 2022, the financial ratios were:

- **Total Debt to EBITDA** (last 12 months) was **3.5 times.**
- **Net Debt to EBITDA** (last 12 months) was **3.2 times**
- **EBITDA** (last 12 months) **to interest paid** (last 12 months) was **3.2 times.**
- In terms of **liquidity**, at the end of the second quarter of 2022, Alsea reported **5 billion pesos in cash**, surpassing the minimum level required of 2.2 billion pesos according to the waiver by the banks.
- The **consolidated stockholders' equity** *(Pre-IFRS 16)* closed at **9.2 billion pesos**

## KEY INFORMATION

| Financial ratios | 2Q22 | 2Q21 | Var. |
|---|---|---|---|
| EBITDA(1) / Interests Paid | 4.4 x | 3.4 x | N.A. |
| Total Debt / EBITDA(1) | 3.5 x | 5.4 x | N.A. |
| Net Debt / EBITDA(1) | 3.2 x | 5.0 x | N.A. |
| ROIC (2) | 10.3% | 4.8% | *550 bps* |
| ROE (3) | 23.1% | (12.2%) | N.A. |

| Stock Market Indicators | 2Q22 | 2Q21 | Var. |
|---|---|---|---|
| Book Value per Share | $10.20 | $7.58 | 34.6% |
| EPS (12 months) (4) | $2.08 | ($1.12) | N.A. |
| Shares in circulation at end of period (millions) | 830.7 | 838.6 | (0.9%) |
| Price per Share at Market Close | $38.08 | $35.47 | 7.4% |

(1) EBITDA last 12 months
(2) ROIC is defined as operating income after taxes (last 12 months) by net operating investment (total assets – cash and short-term investments – no-cost liabilities).
(3) ROE is defined as net earnings (last 12 months) over shareholders' equity.
(4) EPS is earnings per share for the last 12 months.

## FINANCIAL RATIOS REFERRED TO IN CREDIT AGREEMENTS WITH FINANCIAL INSTITUTIONS

| Leverage ratios excluding IFRS 16 and restatement of hyperinflation in Argentina | 2Q22 |
|---|---|
| EBITDA(1) / Interests Paid | 3.7 x |
| Total Debt / EBITDA(1) | 3.4 x |
| Net Debt / EBITDA(1) | 2.8 x |

(1) EBITDA last 12 months

The financial ratios presented in the table above were calculated based on the Company's consolidated results without considering the effects of IFRS 16 or the restatement due to hyperinflation in Argentina.

## UNITS BY BRAND

| BRANDS | UNITS 2Q22 | | |
|---|---|---|---|
| | Corporate | Sub franchises | Total |
| Domino's Pizza | 842 | 481 | 1,323 |
| *Mexico* | *446* | *367* | *813* |
| *Spain* | *297* | *67* | *364* |
| *Colombia* | *99* | *47* | *146* |
| Burger King | 405 | - | 405 |
| *Mexico* | *174* | - | *174* |
| *Argentina* | *114* | - | *114* |
| *Spain* | *55* | - | *55* |
| *Chile* | *62* | - | *62* |
| **Quick Service Restaurants** | **1,247** | **481** | **1,728** |
| Starbucks | 1,322 | 269 | 1,591 |
| *Mexico* | *753* | - | *753* |
| *France* | *75* | *129* | *204* |
| *Spain* | *124* | *22* | *146* |
| *Argentina* | *131* | - | *131* |
| *Chile* | *146* | - | *146* |
| *Netherlands* | *17* | *76* | *93* |
| *Colombia* | *46* | - | *46* |
| *Belgium* | - | *35* | *35* |
| *Portugal* | *19* | *3* | *22* |
| *Uruguay* | *11* | - | *11* |
| *Luxembourg* | - | *4* | *4* |
| **Coffee Shops** | **1,322** | **269** | **1,591** |
| Foster's Hollywood | 100 | 127 | 227 |
| Ginos | 84 | 41 | 125 |
| *Spain* | *82* | *41* | *123* |
| *Portugal* | *2* | - | *2* |
| Italianni's | 58 | 16 | 74 |
| El Portón | 15 | - | 15 |
| Chili's Grill & Bar | 77 | - | 77 |
| *Mexico* | *72* | - | *72* |
| *Chile* | *5* | - | *5* |
| Archie's | 28 | - | 28 |
| P.F. Chang's | 29 | - | 29 |
| *Mexico* | *26* | - | *26* |
| *Chile* | *3* | - | *3* |
| TGI Fridays | 13 | - | 13 |
| The Cheesecake Factory | 6 | - | 6 |
| Corazón de Barro | 2 | - | 2 |
| Ole Mole | 4 | 4 | 8 |
| **Casual Dining** | **416** | **188** | **604** |
| Foster's Hollywood Street | 1 | 1 | 2 |
| Vips Smart | 16 | 25 | 41 |
| **Fast Casual Dining** | **17** | **26** | **43** |
| Vips | 336 | 34 | 370 |
| *Mexico* | *242* | *15* | *257* |
| *Spain* | *94* | *19* | *113* |
| **Family Dining** | **336** | **34** | **370** |
| **ALSEA TOTAL UNITS** | | | **4,336** |
| **Corporate** | **3,338** | | |
| **Sub-franchises** | | **998** | |

## UNITS BY COUNTRY

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| MEXICO | 2,192 | SPAIN | 1,092 | ARGENTINA | 245 | CHILE | 216 |
| FRANCE | 204 | COLOMBIA | 220 | NETHERLANDS | 93 | BELGIUM | 35 |
| PORTUGAL | 24 | URUGUAY | 11 | LUXEMBOURG | 4 | | |

## ANALYST COVERAGE

| INSTITUTION | ANALYST | RECOMMENDATION |
|---|---|---|
| ACTINVER | VALENTIN MENDOZA BALDERAS | HOLD |
| BANK OF AMERICA MERRILL LYNCH | ROBERT E. FORD AGUILAR | SELL |
| BANORTE-IXE | CARLOS HERNANDEZ GARCIA | BUY |
| BARCLAYS | BENJAMIN M. THEURER | BUY |
| BBVA BANCOMER | MIGUEL ULLOA SUAREZ | BUY |
| BRADESCO | RICHARD CATHCART | HOLD |
| BTG PACTUAL | ALVARO GARCÍA | BUY |
| CITI | SERGIO MATSUMOTO | BUY |
| CREDIT SUISSE | VANESSA QUIROGA | BUY |
| GOLDMAN SACHS | THIAGO BORTOLUCI | SELL |
| GRUPO BURSÁTIL MEXICANO | LUIS RODRIGO WILLARD | BUY |
| BX+ | MARISOL HUERTA | BUY |
| HSBC | FELIPE CASSIMIRO | HOLD |
| INTERCAM | RICHARD HORBACH | HOLD |
| ITAU BBA | JOAQUÍN LEY | BUY |
| J.P. MORGAN | ULISES ARGOTE | HOLD |
| MONEX | JOSE ROBERTO SOLANO | BUY |
| SANTANDER | ALAN ALANIS | HOLD |
| SCOTIABANK | RODRIGO ECHAGARAY | HOLD |
| UBS | RODRIGO ALCÁNTARA | BUY |
| VECTOR | MARCELA MUÑOZ | BUY |
| MORGAN STANLEY | JAVIER MARTINEZ DE OLCOZ | BUY |
| PUNTO CASA DE BOLSA | CRISTINA MORALES | BUY |



***The Company's shares are traded on the Mexican Stock Exchange under the ticker ALSEA*.***

**Rafael Contreras Grosskelwing**
Chief Financial Officer
Phone: (5255) 7583-2750 | ri@alsea.com.mx

## RELEVANT EVENTS 2Q22

- On April 29th, 2022. Alsea, S.A.B. de C.V. (BMV: ALSEA*) informed that it was notified by Mexico's Tax Administration Service (SAT) regarding the resolution to the appeal filed by Alsea against the settlement order, in which the SAT claimed payment of taxes for apparent profit on the acquisition of assets from Alsea, amounting to $3,881 million pesos, from the purchase of the Vips restaurant division from Wal Mart de México, S.A.B. de C.V. (BMV: WALMEX) "Walmex" in 2014. The resolution confirms the settlement order originally issued by the SAT.

  The Company and its external lawyers believe that Alsea has sufficient evidence to demonstrate that the settlement issued by the SAT is unwarranted, and that Alsea has complied in due time and form with its tax obligations with respect to the aforementioned purchase transaction.

  Alsea will exercise all available legal actions to challenge this resolution.

- On July 6th, 2022, Alsea, S.A.B. de C.V. (BMV: ALSEA*) informed that after a thorough analysis, which considered the CEO's personal interests, Fernando González Somoza and Alsea's Board of Directors agreed that Fernando's term as CEO ended as of Friday, July 8.

  The Board of Directors has decided to appoint Armando Torrado Martínez as CEO of Alsea, effective Monday, July 11th. Armando has more than 30 years of experience at the company, from the operation of the first Domino's Pizza stores in Mexico in 1991, to his recent job position as Alsea's International Director (Alsea South America and Alsea Europe).

- On July 11th, 2022, Alsea, S.A.B. de C.V. (BMV: ALSEA*) informed that the restrictions SAT had placed on some of the company's bank accounts have been lifted. The Tax Administration Service (SAT) is now finally complying with the order issued by the Federal Court of Administrative Justice (TFJA). The company will continue with the legal actions using the defense that the law allows.

## EARNINGS CONFERENCE CALL 2Q22

The video conference to discuss the Company's results will be held on **Friday, July 29th, 2022, at 09:00 am Mexico City time (10:00 am EST)**. It will be held in English and will have a question and answer session.

To participate, please register at the following link: https://alseareportederesultados.com/

After the event date, the videoconference call will be available on our website: www.alsea.com.mx in the "Investors" section.

**ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES**
**CONSOLIDATED BALANCE SHEET STATEMENTS**
**AS OF JUNE 30TH, 2022 and 2021**
**(In thousands of nominal pesos)**

| | June 30th, 2022 | | June 30th, 2021 | |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Current assets: | | | | |
| Cash and short-term investments | 5,042,752 | 6.3% | 3,830,343 | 4.8% |
| Clients | 1,234,552 | 1.5% | 1,142,353 | 1.4% |
| Other accounts and documents receivable | 559,854 | 0.7% | 502,841 | 0.6% |
| Inventory | 2,717,737 | 3.4% | 1,740,337 | 2.2% |
| Tax recoverable | 496,977 | 0.6% | 751,690 | 0.9% |
| Other current assets | 921,793 | 1.2% | 637,007 | 0.8% |
| Current Assets | 10,973,665 | 13.8% | 8,604,571 | 10.7% |
| Investments in shares of associated companies | 155,187 | 0.2% | 110,679 | 0.1% |
| Store equipment, improvements to leased property, and furniture, net | 15,371,686 | 19.3% | 14,807,117 | 18.4% |
| Non-executable right of use asset | 21,487,240 | 26.9% | 22,574,755 | 28.0% |
| Brand use rights, capital gains and pre-operations, net | 26,325,570 | 33.0% | 28,182,727 | 35.0% |
| Deferred IRS | 4,725,062 | 5.9% | 4,944,372 | 6.1% |
| Other assets | 692,686 | 0.9% | 1,395,541 | 1.7% |
| **Total Assets** | **79,731,095** | 100.0% | **80,619,762** | 100.0% |
| **LIABILITIES** | | | | |
| Short-term: | | | | |
| Providers | 4,351,873 | 5.5% | 3,385,516 | 4.2% |
| Tax payable | 476,964 | 0.6% | 195,525 | 0.2% |
| Other accounts payable | 8,529,116 | 10.7% | 5,865,566 | 7.3% |
| Non-executable short-term lease liabilities | 4,551,853 | 5.7% | 4,222,547 | 5.2% |
| Other short-term liabilities | 1,272,474 | 1.6% | 2,612,044 | 3.2% |
| Bank loans | 907,230 | 1.1% | 23,580,601 | 29.2% |
| Debt Instruments | - | - | 7,979,740 | 9.9% |
| Short-term liabilities | 20,089,510 | 25.2% | 47,841,539 | 59.3% |
| Long term: | | | | |
| Bank loans | 4,667,258 | 5.9% | - | - |
| Debt instruments | 23,102,933 | 29.0% | - | - |
| Deferred tax, net | 3,215,837 | 4.0% | 4,012,186 | 5.0% |
| Non-executable lease liabilities | 18,207,411 | 22.8% | 20,113,295 | 24.9% |
| Other long-term liabilities | 1,411,749 | 1.8% | 1,199,783 | 1.5% |
| Long-term liabilities: | 50,605,188 | 63.5% | 25,325,264 | 31.4% |
| **Total Liabilities** | **70,694,698** | 88.7% | **73,166,803** | 90.8% |
| **SHAREHOLDERS' EQUITY** | | | | |
| Minority interest | 1,018,613 | 1.3% | 1,100,404 | 1.4% |
| Majority interest: | | | | |
| Capital stock | 478,749 | 0.6% | 478,749 | 0.6% |
| Net premium in share placement | 8,676,827 | 10.9% | 8,676,827 | 10.8% |
| Retained earnings | (1,874,655) | (2.4)% | (2,629,913) | (3.3)% |
| Earnings for the period | 736,864 | 0.9% | (173,108) | (0.2)% |
| **Majority interest** | 8,017,785 | 10.1% | 6,352,555 | 7.9% |
| **Total Shareholders'** | 9,036,398 | 11.3% | 7,452,959 | 9.2% |
| **Total Liabilities and Shareholders'** | **79,731,095** | 100.0% | **80,619,762** | 100.0% |

**ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES**
**CONSOLIDATED INCOME STATEMENTS FOR THE THREE MONTHS**
**ENDED JUNE 30TH, 2022 AND 2021**
**(In thousands of nominal pesos)**

| | | Three months ended June 30th, 2022 | | | Three months ended June 30th, 2021 | |
|---|---|---|---|---|---|---|
| Net sales | $ | 16,939,128 | 100% | $ | 12,477,368 | 100% |
| Cost of sales | | 5,545,556 | 32.7% | | 3,959,601 | 31.7% |
| **Gross Income** | | **11,393,572** | **67.3%** | | **8,517,767** | **68.3%** |
| Operating expenses | | 7,766,098 | 45.8% | | 5,669,702 | 45.4% |
| Depreciation and amortization | | 1,947,911 | 11.5% | | 1,989,127 | 15.9% |
| **Operating Income** | | **1,679,563** | **9.9%** | | **858,939** | **6.9%** |
| All-in cost of financing: | | | | | | |
| Interest paid – net | | 913,149 | 5.4% | | 811,508 | 6.5% |
| Changes in reasonable value Financial Liabilities | | - | - | | (49,452) | (0.4%) |
| Exchange rate loss/gain | | 424,258 | 2.5% | | 26,471 | 0.2% |
| | | 1,337,407 | 7.9% | | 788,527 | 6.3% |
| Participation in associated companies' results | | - | - | | 418 | - |
| **Pre-Tax Income** | | **342,156** | **2.0%** | | **70,829** | **0.6%** |
| Tax on earnings | | 105,298 | 0.6% | | 13,697 | 0.1% |
| **Consolidated Net Income** | | **236,858** | **1.4%** | | **57,132** | **0.5%** |
| Non-controlling stake | | 25,436 | 0.2% | | (81,869) | (0.7%) |
| **Controlling Stake** | **$** | **211,422** | **1.2%** | **$** | **139,001** | **1.1%** |

**ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES**
**CONSOLIDATED INCOME STATEMENTS BY SEGMENT FOR THE THREE MONTHS ENDED JUNE 30TH, 2022 AND 2021**
**(In thousands of nominal pesos)**

| **MEXICO** | Three months ended June 30th, 2022 | | | Three months ended June 30th, 2021 | | |
|---|---|---|---|---|---|---|
| Net sales | $ | 8,356,719 | 100% | $ | 6,465,373 | 100% |
| Operating expenses | | 3,329,062 | 39.8% | | 2,432,400 | 37.6% |
| Depreciation and amortization | | 884,806 | 10.6% | | 832,318 | 12.9% |
| **Operating Income** | | **1,116,468** | **13.4%** | | **915,392** | **14.2%** |
| All-in cost of financing | | 1,035,808 | 12.4% | | 563,065 | 8.7% |
| **Pre-Tax Income** | **$** | **80,660** | **1.0%** | **$** | **352,745** | **5.5%** |

| **EUROPE** | Three months ended June 30th, 2022 | | | Three months ended June 30th, 2021 | | |
|---|---|---|---|---|---|---|
| Net sales | $ | 5,420,545 | 100% | $ | 4,280,401 | 100% |
| Operating expenses | | 2,838,873 | 52.4% | | 2,330,685 | 54.5% |
| Depreciation and amortization | | 793,694 | 14.6% | | 941,768 | 22.0% |
| **Operating Income** | | **326,529** | **6.0%** | | **(67,206)** | **(1.6%)** |
| All-in cost of financing | | 214,094 | 3.9% | | 181,472 | 4.2% |
| **Pre-Tax Income** | **$** | **112,435** | **2.1%** | **$** | **(248,678)** | **(5.8%)** |

| **SOUTH AMERICA** | Three months ended June 30th, 2022 | | | Three months ended June 30th, 2021 | | |
|---|---|---|---|---|---|---|
| Net sales | $ | 3,161,864 | 100% | $ | 1,731,594 | 100% |
| Operating expenses | | 1,598,163 | 50.5% | | 906,616 | 52.4% |
| Depreciation and amortization | | 269,411 | 8.5% | | 215,041 | 12.4% |
| **Operating Income** | | **236,567** | **7.5%** | | **10,753** | **0.6%** |
| All-in cost of financing | | 87,505 | 2.8% | | 43,990 | 2.5% |
| **Pre-Tax Income** | **$** | **149,062** | **4.7%** | **$** | **(33,237)** | **(1.9%)** |

**ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES**
**CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS**
**ENDED JUNE 30TH, 2022 AND 2021**
**(In thousands of nominal pesos)**

| | | Six months ended June 30 2022 | | | Six months ended June 30 2021 | |
|---|---|---|---|---|---|---|
| Net sales | $ | 32,167,301 | 100% | $ | 22,689,082 | 100% |
| Cost of sales | | 10,388,819 | 32.3% | | 7,290,829 | 32.1% |
| **Gross Income** | | **21,778,482** | **67.7%** | | **15,398,253** | **67.9%** |
| Operating expenses | | 14,693,322 | 45.7% | | 10,505,460 | 46.3% |
| Depreciation and amortization | | 3,970,357 | 12.3% | | 3,995,614 | 17.6% |
| **Operating Income** | | **3,114,803** | **9.7%** | | **897,179** | **4.0%** |
| All-in cost of financing: | | | | | | |
| Interest paid - net | | 1,824,064 | 5.7% | | 1,591,741 | 7.0% |
| Changes in reasonable value Financial Liabilities | | - | - | | (89,363) | (0.4%) |
| Exchange rate loss/income | | 228,533 | 0.7% | | (55,778) | (0.2%) |
| | | 2,052,597 | 6.4% | | 1,446,600 | 6.4% |
| Participation in associated companies' results | | - | - | | 261 | - |
| **Pre-Tax Income** | | **1,062,206** | **3.3%** | | **(549,160)** | **(2.4%)** |
| Tax on earnings | | 313,837 | 1.0% | | (136,858) | (0.6%) |
| **Consolidated Net Income** | | **748,369** | **2.3%** | | **(412,302)** | **(1.8%)** |
| Non-Controlling stake | | - | - | | (239,194) | (1.1%) |
| **Controlling stake** | **$** | **736,864** | **2.3%** | **$** | **(173,108)** | **(0.8%)** |

**ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES**
**CONSOLIDATED CASH FLOW STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30TH, 2022 AND 2021**
**(In thousands of nominal pesos)**

| | | June 30th, 2022 | June 30th, 2021 |
|---|---|---|---|
| **Operating activities:** | | | |
| **Consolidated result before income taxes** | **$** | **1,062,206** | **(549,160)** |
| Items related to investment activities: | | | |
| Depreciation and amortization of brands | | 1,607,720 | 1,873,094 |
| Depreciation for financial leasing | | 2,362,637 | 2,122,520 |
| Write-down of fixed assets | | 35,134 | 349,539 |
| Other items | | (188,972) | (89,624) |
| **Total** | | **4,878,724** | **3,706,369** |
| Clients | | (130,899) | (20,002) |
| Inventory | | (801,477) | (165,098) |
| Providers | | 878,157 | 272,406 |
| Tax payable | | - | - |
| Other assets and other liabilities | | (325,997) | (646,523) |
| **Total** | | **(380,216)** | **(559,217)** |
| **Net cash flow from operating activities** | | **4,498,508** | **3,147,151** |
| **Investment activities** | | | |
| Store equipment, improvements to leased properties, and furniture | | (1,490,664) | (746,056) |
| Brand use rights, capital gains and pre-operations, net | | (84,130) | (69,592) |
| Acquisition or disposal of investments in associated companies | | - | - |
| **Net cash flow from investment activities** | | **(1,574,793)** | **(815,648)** |
| **Cash receivable from financing activities** | | **2,923,715** | **2,331,503** |
| **Financing activities** | | | |
| Bank credits and loan payments, net | | (7,529,554) | (195,418) |
| Securities credits, net | | 5,854,473 | - |
| Financial leasing | | (2,812,138) | (2,262,001) |
| Minority interest | | - | (30,254) |
| Sale (repurchase) of shares | | (332,066) | - |
| Non-controlling stake | | (35,002) | - |
| Other items | | - | 9,152 |
| **Net cash flow from financing activities** | | **(4,854,287)** | **(2,478,521)** |
| **Increase (decrease) net of cash** | | **(1,930,572)** | **(147,018)** |
| Adjustments to cash flow due to exchange rate variations | | 79,891 | 44,952 |
| Cash at the beginning of the period | | 6,893,433 | 3,932,409 |
| **Cash at the end of the period** | **$** | **5,042,752** | **3,830,343** |

**ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES**
**CONSOLIDATED BALANCE SHEET STATEMENT**
**AS OF JUNE 30TH, 2022**
**(In thousands of nominal pesos)**

| | June 30th, 2022 | | Argentinian Restatement | IFRS 16 | June 30th, 2022 | |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| Current assets: | | | | | | |
| Cash and short-term investments | 5,042,752 | 8.8% | - | - | 5,042,752 | 6.3% |
| Clients | 1,234,552 | 2.2% | - | - | 1,234,552 | 1.5% |
| Other accounts and documents receivable | 559,854 | 1.0% | - | - | 559,854 | 0.7% |
| Inventory | 2,717,737 | 4.8% | - | - | 2,717,737 | 3.4% |
| Tax recoverable | 496,977 | 0.9% | - | - | 496,977 | 0.6% |
| Other current assets | 921,793 | 1.6% | - | - | 921,793 | 1.2% |
| Current Assets | 10,973,665 | 19.2% | - | - | 10,973,665 | 13.8% |
| Investments in shares of associated companies | 155,187 | 0.3% | - | - | 155,187 | 0.2% |
| Store equipment, improvements to leased property, and furniture, net | 14,397,189 | 25.2% | 974,497 | - | 15,371,686 | 19.3% |
| Non-executable right of use assets | - | - | - | 21,487,240 | 21,487,240 | 26.9% |
| Brand use rights, capital gains and pre-operations, net | 26,165,307 | 45.8% | 160,263 | - | 26,325,570 | 33.0% |
| Deferred ISR | 4,701,256 | 8.2% | 23,806 | - | 4,725,062 | 5.9% |
| Other assets | 692,686 | 1.2% | - | - | 692,686 | 0.9% |
| **Total Assets** | **57,085,290** | 100.0% | **1,158,566** | **21,487,240** | **79,731,095** | 100.0% |
| **LIABILITIES** | | | | | | |
| Short-term: | | | | | | |
| Providers | 4,351,873 | 7.6% | - | - | 4,351,873 | 5.5% |
| Tax payable | 382,300 | 0.7% | 94,664 | - | 476,964 | 0.6% |
| Other accounts payable | 8,529,116 | 14.9% | - | - | 8,529,116 | 10.7% |
| Non-executable short-term lease liabilities | - | - | - | 4,551,853 | 4,551,853 | 5.7% |
| Other short-term liabilities | 1,272,474 | 2.2% | - | - | 1,272,474 | 1.6% |
| Bank loans | 907,230 | 1.6% | - | - | 907,230 | 1.1% |
| Debt Instruments | - | - | - | - | - | - |
| Short-term liabilities | 15,442,993 | 27.1% | 94,664 | 4,551,853 | 20,089,510 | 25.2% |
| Long-term: | | | | | | |
| Bank Credits | 4,667,258 | 8.2% | - | - | 4,667,258 | 5.9% |
| Securities Credits | 23,102,933 | 40.5% | - | - | 23,102,933 | 29.0% |
| Deferred tax, net | 3,215,837 | 5.6% | - | - | 3,215,837 | 4.0% |
| Non-executable leasing liabilities | - | - | - | 18,207,411 | 18,207,411 | 22.8% |
| Other long-term liabilities | 1,411,749 | 2.5% | - | - | 1,411,749 | 1.8% |
| Long-term liabilities | 32,397,777 | 56.8% | - | 18,207,411 | 50,605,188 | 63.5% |
| **Total Liabilities** | **47,840,770** | 83.8% | **94,664** | **22,759,263** | **70,694,698** | 88.7% |
| **SHAREHOLDERS' EQUITY** | | | | | | |
| Minority interest | 1,018,613 | 1.8% | - | - | 1,018,613 | 1.3% |
| Majority interest | | | | | | |
| Capital stock | 478,749 | 0.8% | - | - | 478,749 | 0.6% |
| Net premium in share placement | 8,676,827 | 15.2% | - | - | 8,676,827 | 10.9% |
| Retained earnings | (1,568,610) | (2.7%) | 1,115,307 | (1,421,352) | (1,874,655) | (2.4%) |
| Earnings for the period | 638,941 | 1.1% | (51,405) | 149,328 | 736,864 | 0.9% |
| **Majority interest** | 8,225,907 | 14.4% | 1,063,902 | (1,272,024) | 8,017,785 | 10.1% |
| **Total Shareholders' Equity** | 9,244,520 | 16.2% | 1,063,902 | (1,272,024) | 9,036,398 | 11.3% |
| **Total Liabilities and Shareholders' Equity** | **57,085,290** | 100.0% | **1,158,566** | **21,487,240** | **79,731,095** | 100.0% |

**ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES**
**CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED JUNE 30TH, 2022**
**(In thousands of nominal pesos)**

| | | Three months ended June 30th, 2022 | | Argentinian Restatement | IFRS 16 | | Three months ended June 30th, 2022 | |
|---|---|---|---|---|---|---|---|---|
| Net sales | $ | 16,793,388 | 100% | 145,740 | - | $ | 16,939,128 | 100% |
| Cost of sales | | 5,497,456 | 32.7% | 48,100 | - | | 5,545,556 | 32.7% |
| **Gross Income** | | **11,295,932** | **67.3%** | **97,640** | **-** | | **11,393,572** | **67.3%** |
| Operating expenses | | 9,083,883 | 54.1% | 87,810 | (1,405,595) | | 7,766,098 | 45.8% |
| Depreciation and amortization | | 764,491 | 4.6% | 33,474 | 1,149,946 | | 1,947,911 | 11.5% |
| **Operating Income** | | **1,447,558** | **8.6%** | **-23,644** | **255,649** | | **1,679,563** | **9.9%** |
| All-in cost of financing: | | | | | | | | |
| Interest paid – net | | 669,583 | 4.0% | (1,895) | 245,461 | | 913,149 | 5.4% |
| Changes in reasonable value Financial Liabilities | | - | - | - | - | | - | - |
| Exchange rate loss/income | | 411,977 | 2.5% | 12,281 | - | | 424,258 | 2.5% |
| | | 1,081,560 | 6.4% | 10,386 | 245,461 | | 1,337,407 | 7.9% |
| Participation in associated companies' results | | - | - | - | - | | - | - |
| **Pre-Tax Income** | | **365,998** | **2.2%** | **(34,030)** | **10,188** | | **342,156** | **2.0%** |
| Tax on earnings | | 115,507 | 0.7% | (10,209) | - | | 105,298 | 0.6% |
| **Consolidated Net Income** | | **250,491** | **1.5%** | **(23,821)** | **10,188** | | **236,858** | **1.4%** |
| Non-controlling stake | | 25,436 | 0.2% | - | - | | 25,436 | 0.2% |
| **Controlling Stake** | $ | **225,055** | **1.3%** | **(23,821)** | **10,188** | $ | **211,422** | **1.2%** |

**ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES**
**CONSOLIDATED INCOME STATEMENTS BY SEGMENT FOR THE THREE MONTHS ENDED JUNE 30TH, 2022**
**(In thousands of nominal pesos)**

| **MEXICO** | | Three months ended June 30th, 2022 | | IFRS 16 | | Three months ended June 30th, 2022 | |
|---|---|---|---|---|---|---|---|
| Net sales | $ | 8,356,719 | 100% | - | $ | 8,356,719 | 100% |
| Operating expenses | | 3,978,884 | 47.6% | (649,822) | | 3,329,062 | 39.8% |
| Depreciation and amortization | | 412,735 | 4.9% | 472,071 | | 884,806 | 10.6% |
| **Operating Income** | | **938,717** | **11.2%** | **177,751** | | **1,116,468** | **13.4%** |
| All-in cost of financing | | 887,600 | 10.6% | 148,208 | | 1,035,808 | 12.4% |
| **Pre-Tax Income** | **$** | **51,117** | **0.6%** | **29,543** | **$** | **80,660** | **1.0%** |

| **EUROPE** | | Three months ended June 30th, 2022 | | IFRS 16 | | Three months ended June 30th, 2022 | |
|---|---|---|---|---|---|---|---|
| Net sales | $ | 5,420,545 | 100% | - | $ | 5,420,545 | 100% |
| Operating expenses | | 3,388,560 | 62.5% | (549,687) | | 2,838,873 | 52.4% |
| Depreciation and amortization | | 284,534 | 5.2% | 509,160 | | 793,694 | 14.6% |
| **Operating Income** | | **286,002** | **5.3%** | **40,527** | | **326,529** | **6.0%** |
| All-in cost of financing | | 165,800 | 3.1% | 48,294 | | 214,094 | 3.9% |
| **Pre-Tax Income** | **$** | **120,202** | **2.2%** | **(7,767)** | **$** | **112,435** | **2.1%** |

| **SOUTH AMERICA** | | Three months ended June 30th, 2022 | | Argentinian Restatement | IFRS 16 | | Three months ended June 30th, 2022 | |
|---|---|---|---|---|---|---|---|---|
| Net sales | $ | 3,016,124 | 100% | 145,740 | - | $ | 3,161,864 | 100% |
| Operating expenses | | 1,716,439 | 56.9% | 87,810 | (206,086) | | 1,598,163 | 50.5% |
| Depreciation and amortization | | 67,222 | 2.2% | 33,474 | 168,715 | | 269,411 | 8.5% |
| **Operating Income** | | **222,840** | **7.4%** | **(23,644)** | **37,371** | | **236,567** | **7.5%** |
| All-in cost of financing | | 28,160 | 0.9% | 10,386 | 48,959 | | 87,505 | 2.8% |
| **Pre-Tax Income** | **$** | **194,680** | **6.5%** | **(34,030)** | **(11,588)** | **$** | **149,062** | **4.7%** |

**ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES**
**CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED JUNE 30TH, 2022**
**(In thousands of nominal pesos)**

| | | Six months ended June 30th 2022 | | Argentinian Restatement | IFRS 16 | | Six months ended June 30th 2022 | |
|---|---|---|---|---|---|---|---|---|
| Net sales | $ | 31,958,231 | 100% | 209,070 | - | $ | 32,167,301 | 100% |
| Cost of sales | | 10,320,084 | 32.3% | 68,735 | - | | 10,388,819 | 32.3% |
| **Gross Income** | | **21,638,147** | **67.7%** | **140,335** | **-** | | **21,778,482** | **67.7%** |
| Operating expenses | | 17,566,648 | 55.0% | 127,784 | (3,001,110) | | 14,693,322 | 45.7% |
| Depreciation and amortization | | 1,535,746 | 4.8% | 71,974 | 2,362,637 | | 3,970,357 | 12.3% |
| **Operating Income** | | **2,535,752** | **7.9%** | **(59,423)** | **638,473** | | **3,114,803** | **9.7%** |
| All-in cost of financing: | | | | | | | | |
| Interest paid - net | | 1,337,593 | 4.2% | (2,674) | 489,145 | | 1,824,064 | 5.7% |
| Changes in reasonable value Financial Liabilities | | - | - | - | - | | - | - |
| Exchange rate loss/income | | 211,845 | 0.7% | 16,688 | - | | 228,533 | 0.7% |
| | | 1,549,438 | 4.8% | 14,014 | 489,145 | | 2,052,597 | 6.4% |
| Participation in associated companies' results | | - | - | - | - | | - | - |
| **Pre-Tax Income** | | **986,314** | **3.1%** | **(73,437)** | **149,328** | | **1,062,206** | **3.3%** |
| Tax on earnings | | 335,868 | 1.1% | (22,031) | - | | 313,837 | 1.0% |
| **Consolidated Net Income** | | **650,446** | **2.0%** | **(51,406)** | **149,328** | | **748,369** | **2.3%** |
| Non-Controlling stake | | 11,505 | - | - | - | | 11,505 | - |
| **Controlling stake** | **$** | **638,941** | **2.0%** | **(51,406)** | **149,328** | **$** | **736,864** | **2.3%** |