Earnings Release 1Q22

27.04.22

Salvador Villaseñor
ri@alsea.com.mx
+52 (55) 7583-2000

CONFERENCE CALL

Date and Time: Thursday, April 28th, 2022, 9:00 am (Mexico City time)

Register at:
https://alseareportederesultados.com/

INDEX

First Quarter 2022 Results and Highlights

- **In 1Q22, Alsea reported 5 quarters of sustained sales and positive EBITDA growth in all regions**
- **Same-Store Sales (SSS):**

	1Q22
Vs. 1Q21	47.3%
Vs. 1Q19	17.5%

- **Home delivery sales continued to grow, with a 13.1% increase vs. 1Q21, reaching over 3 billion pesos and a 20.2% share of consolidated sales**
- **EBITDA:**

	1Q22
Vs. 1Q21	69.1%
Vs. 1Q19	25.8%

- **Net Income for 1Q22 was 512 million pesos, an increase of 981 million pesos compared to 1Q21, with a net margin of 3.4%.**
- **Successfully issued a $300 million Euro bond to refinance debt, and ended 1Q22 with long-term debt making up 89% of the total, and a solid cash position**
- **In 1Q22, capital expenditure reached 712 million pesos, supporting the opening of 27 corporate units**

MESSAGE FROM THE CEO

Fernando Gonzalez, Chief Executive Officer of Alsea commented: "It is an honor to be addressing you for the first time as the Chief Executive Officer of Alsea. As the first quarter results demonstrate, I am fortunate to be leading a company that is in strong shape and is already reporting higher sales levels than in 2019.

We are very pleased with our consolidated results for the first quarter of 2022. Growth was widespread across the geographies and brands, efficient cost control and further dine-in sales recovery was complemented by a solid contribution from the delivery segment.

Sales growth was 49.1% year over year, and we lowered costs as a percentage of sales, which led consolidated EBITDA to be up an impressive 69.1% compared to 1Q21. That brought our consolidated EBITDA margins to 22.7%, 270 basis points higher than the same period last year. This is an enormous achievement given industry challenges, such as inflationary pressure, supply chain constrains, and shifts in consumer habits.

This quarter we were able to counter inflationary pressure in food and energy costs thanks to our efficiency strategies and price adjustments. Going forward, we expect cost pressure to continue, but we will keep relying on mitigation strategies from our excellent sourcing and logistics teams, and the negotiation power of our strong leading brands, to offset this as best as possible.

Looking to the regions, Alsea Mexico's sales increased 47.4%, adjusted EBITDA grew 59.7%, and margin was up 240 basis points to 31.2%, compared to the same quarter of last year. Both Alsea Europe and South America followed suit with increases in sales of 48.5% and 55.2%, respectively. Alsea Europe increased its adjusted EBITDA by 35.9% and Alsea South America by 60.9%, achieving adjusted margins of 26.6% and 21.7%, respectively.

As a result, we are pleased to share that net income, compared with 1Q21, increased significantly by Ps. 981 million, to reach Ps. 512 million, with a net margin of 3.4%.

Home delivery sales increased 13.1% compared to 1Q21, demonstrating that this channel will continue to be an attractive choice for our customers even without mobility restrictions. Wow+ continued to make progress, with more than 958,000 active users at the end of the quarter.

Alsea was recognized as a Socially Responsible Company for the eleventh consecutive year by the Mexican Center for Philanthropy (CEMEFI, for its acronym in Spanish). This distinction is awarded to organizations or companies that demonstrate principles and institutional projects that benefit their stakeholders. Receiving this distinction is a recognition and validation of our responsible practices from a third party, but beyond that it commits us to redouble our efforts to seek to benefit all our stakeholders by offering high quality products, contributing to the holistic development of our employees, promoting a corporate culture based on ethical standards, supporting the conservation of natural resources, and caring for the well-being of neighboring communities, among many others.

An example of this was in this first quarter, when we launched the anonymous diversity and inclusion survey for employees, with the objective of aligning our strategy and promoting a more tolerant culture. We also launched the "Vive Alsea" program, which focuses on improving our collaborators' quality of life and increasing their sense of pride and belonging to the company.

Finally, I would like to thank all of Alsea's collaborators for their hard work and dedication, which made these results possible."

April 2022

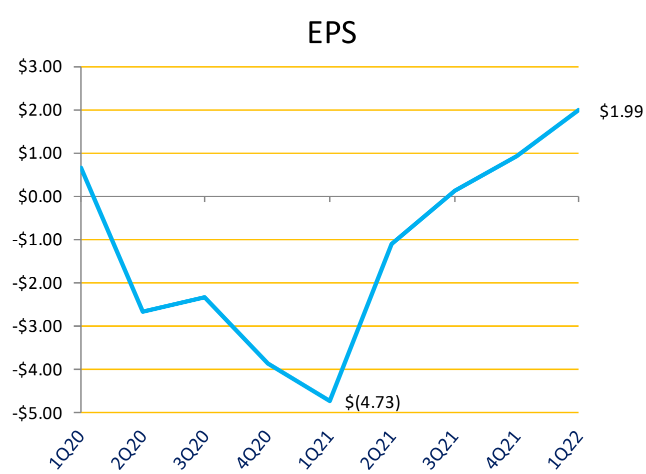
Mexico City, April 27th, 2022. Today, Alsea, S.A.B. de C.V. (BMV: ALSEA), the leading Quick Service Restaurant (QSR), Coffee Shop, Casual Dining and Family Restaurant operator in Latin America and Europe, released its results for the first quarter of 2022. This information is presented in nominal terms 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 FIRST QUARTER OF 2022

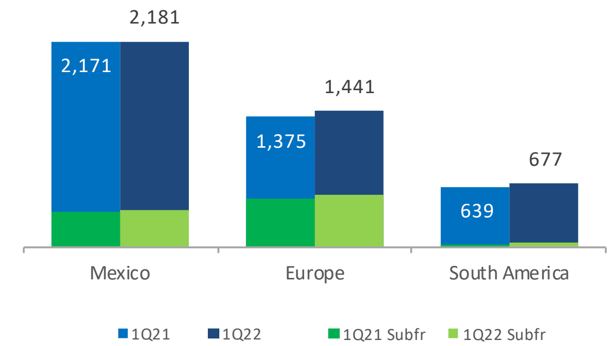
The following table provides a Financial Summary, including the margin for each line item representing net sales, as well as the percentage change for the quarter ended March 31st, 2022, compared to the same period of 2021:

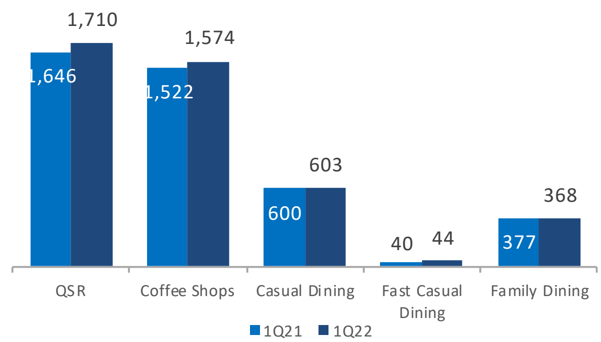
	Pre-IFRS16			*Post-IFRS16 + Argentinian Restatement*		
	1Q22	***1Q21***	***Var %***	***1Q22***	***1Q21***	***Var %***
Same-Store Sales	47.3%	(13.3%)	N.A.	47.3%	(13.3%)	N.A.
Net Sales	$15,165	$10,200	48.7%	$15,228	$10,212	49.1%
Gross Profit	10,342	6,873	50.5%	10,385	6,880	50.9%
EBITDA (1)	1,859	691	169.3%	3,458	2,045	69.1%
EBITDA Margin	*12.3%*	*6.8%*	*550 bps*	*22.7%*	*20.0%*	*270 bps*
Operating Income	1,088	(207)	N.A.	1,435	38	3,653.1%
Net Income	$400	($487)	N.A.	$512	($469)	N.A.
Net Income Margin	*2.6%*	*(4.8%)*	*740 bps*	*3.4%*	*(4.6%)*	*800 bps*
ROIC	10.2%	(2.7)%	N.A.	8.6%	(0.8)%	N.A.
ROE	16.1%	(42.0)%	N.A.	21.8%	(47.9)%	N.A.
Net Debt/EBITDA	3.2x	29.5x	N.A.	3.5x	8.2x	N.A.
EPS (2)	1.60	(4.73)	N.A.	1.99	(4.73)	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*



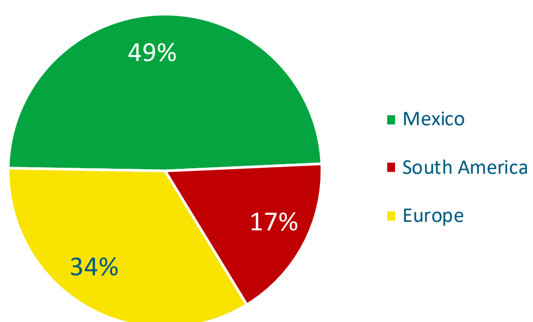


**Note Total units (corporate + sub franchises)*

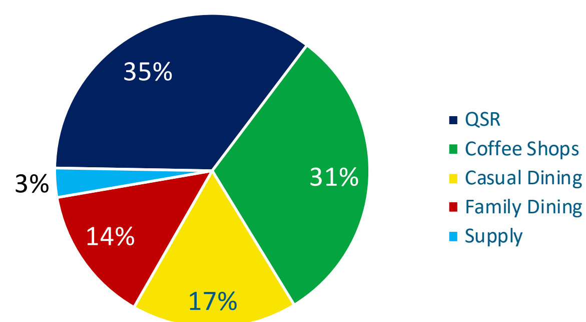
CONSOLIDATED RESULTS

SALES

SALES BY GEOGRAPHY*



SALES BY SEGMENT*



**Figures as of 1Q22*

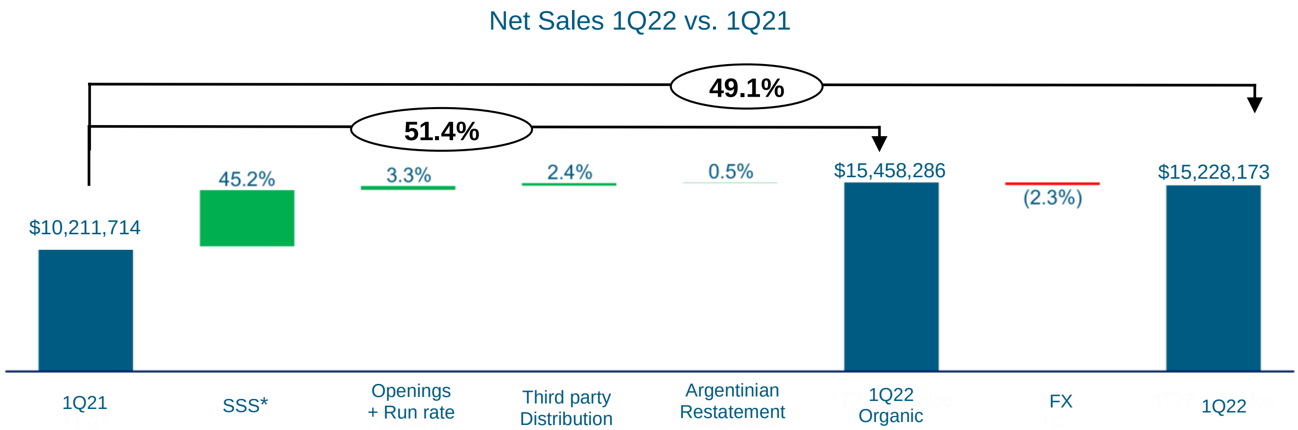
Net Sales in the first quarter of 2022 **increased by 49.1% to reach 15,228 million pesos,** compared to 10,212 million pesos in the same quarter of the previous year. This increase is mainly explained by the recovery in consumption and mobility, as well as the implementation of successful business strategies in the first quarter of 2022.

Compared to 1Q19, net sales for the quarter grew 11.2% and same-store sales grew 17.5%.

The home delivery segment grew by 13.1% in the first quarter compared to 1Q21, which represents more than 3,000 million pesos, over 11.4 million orders, and a 20.2% share of Alsea's consolidated sales.

Same-store sales for the portfolio in the first quarter of 2022 **increased 66.4%** in **South America**, **44.4%** in **Mexico** and the operations in **Europe expanded by 41.6%**, compared to 1Q21.

Importantly, casual dining brands reported a solid recovery, growing by 67.8% compared to the first quarter of 2021, and 96.1% compared to the first quarter of 2019. QSR continues to perform well, its same-store sales increased 32.5% and 32.4% compared to the first quarter of 2021 and 2019 respectively. Starbucks continues to adapt even better than expected to new sales trends, reporting a same store sales growth of 47.5% and 33.2% compared to sales from the same period of 2021 and 2019 respectively.



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

EBITDA

EBITDA for 1Q22 increased by 69.1%, to 3,458 million pesos, with a margin of 22.7%, that increased 2.7 percentage points compared to the first quarter of the previous year. The increase in EBITDA of 1,413 million pesos was mainly due to the significant recovery in consumption. All of Alsea's geographies reported positive EBITDA in the first quarter of 2022.

During the quarter, EBITDA grew 25.8% compared to the first quarter of 2019.

During the first quarter, an 80-basis point improvement in cost was reported. This was due to the benefits of scale, improved supply chain productivity, as well as a positive effect from the business mix caused by an increase in the share of brands with a lower cost of sales. In addition, in brands where we observed a significant increase in the cost of some inputs, we have implemented pricing strategies responsibly, trying to avoid a significant impact on demand. Additionally, the implementation of actions to reduce non-essential expenses for operations and corporate expenses continued, resulting in a reduction of 190 basis points in operational expenses, compared to the first quarter of 2021. This was mainly supported by high labor productivity among all brands, efficiencies in advertising, and administrative expenses. This improvement in expenses was achieved even considering the benefit of 3 percentage points in rents as a result of negotiations with landlords obtained in 2021.

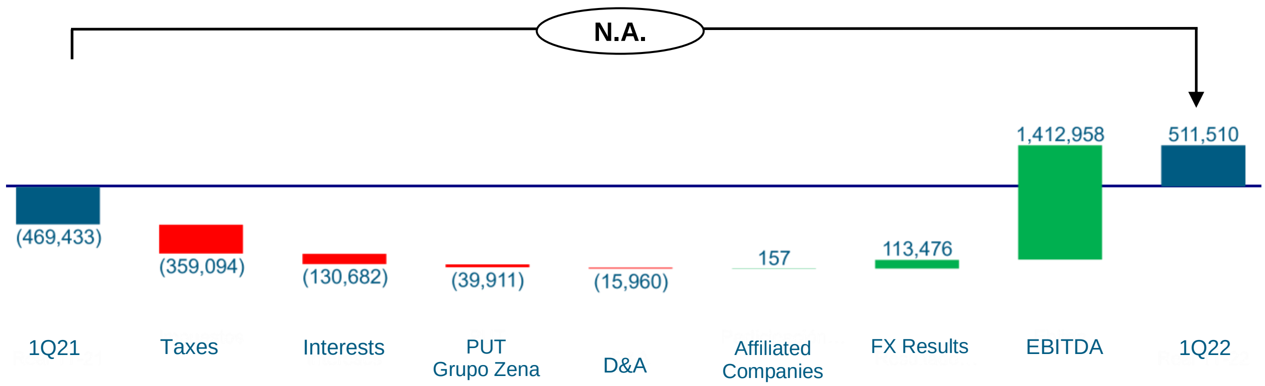
Additionally, the results for the quarter consider the provision related to profit sharing for the year 2022 of approximately 41 basis points.

NET INCOME

Net income for the first quarter increased by 980 million pesos, compared to the same period in the previous year, closing at **511 million pesos**, compared to a net loss of 469 million pesos reported in the first quarter of 2020. The increase was due to a **1,397 million peso increase in operating income**, resulting from the recovery in sales, commercial strategies, product innovation, implementation of digital applications, as well as improved cost and expense control efficiencies.

In addition, the increase in net income was partially offset by a 57 million peso increase in the all-in cost of financing result, as a consequence of a 131 million peso increase in net interest paid, coupled with the 359 million peso increase related to income tax.

Net Income 1Q22 vs. 1Q21



RESULTS BY SEGMENT FOR THE FIRST QUARTER OF 2022

MEXICO

	Pre-IFRS 16				Post-IFRS 16			
Alsea Mexico	*1Q22*	*1Q21*	*Var.*	*% Var.*	*1Q22*	*1Q21*	*Var.*	*% Var.*
Number of Units	2,181	2,171	10	0.5%	2,181	2,171	10	0.5%
Same-store sales	44.4%	(8.4)%	N.A.	-	44.4%	(8.4)%	N.A.	-
Sales	7,335	4,975	$2,360	47.4%	7,335	4,975	$2,360	47.4%
Costs	2,590	1,810	$780	43.1%	2,590	1,810	$780	43.1%
Operating Expenses	3,099	2,264	$834	36.9%	2,458	1,733	$725	41.8%
Adjusted EBITDA *	1,646	901	$746	82.8%	2,287	1,432	$855	59.7%
*Adjusted EBITDA Margin**	*22.4%*	*18.1%*	*430 bps*	*-*	*31.2%*	*28.8%*	*240 bps*	*-*
Depreciation and Amortization	414	481	($68)	(14.1%)	905	866	$38	4.4%
G&A and other expenses	457	287	$170	59.3%	325	262	$63	23.9%
Operating Income	776	132	$643	486.3%	1,058	304	$754	248.1%

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

SALES MEXICO

Alsea Mexico sales represented 48.2% of Alsea's total consolidated sales in the first quarter of 2022 and reported an **increase of 47.4%,** reaching 7,335 million pesos, compared to 4,975 million pesos in the same period of 2021, mainly due to the recovery in consumption and increase in restaurant 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 delivery strategies. Said strategies are "*Wow+*", *Domino's Online Ordering,* and agreements with the main aggregator platforms, helping the channel with sales continuity. Overall delivery accounted for 19.8% of 1Q22 sales, with more than 6.5 million orders in the quarter, totaling over 1,450 million pesos.

Starbucks, Burger King and Domino's continue to be the best performing brands in the current environment, achieving same-store sales growth of 42.2%, 38.1% and 32.2%, respectively, compared with the first quarter of 2019 and; 40.6%, 40.5% and 17.1% compared with the first quarter of 2021. Similarly, all casual food brands presented positive same-store sales, reporting an average growth of over 70% compared to 1Q21 and finally Vips with same-store sales growth of 82.1% compared to the first quarter of 2021.

ADJUSTED EBITDA MEXICO

Alsea Mexico's Adjusted EBITDA represented 53.8% of the consolidated Adjusted EBITDA in the first quarter of 2022, closing at 2,287 million pesos compared to 1,432 million pesos in the same period of the previous year. This was mainly driven by the increase in sales, efficiencies in labor resulting in greater profitability per collaborator by achieving greater control in the management of schedules according to demand curves and projection of store traffic, as well as control of administrative expenses and the different commercial strategies implemented throughout the quarter.

This increase benefited from a 110 basis point reduction in costs as a percentage of sales, related to the business mix effect from a higher share of sales for Starbucks, casual dining, and Vips brands, as well as an improvement in the supply chain, which was partially offset by an increase in operating expenses mainly due to the effect of profit sharing, which represented 85 percentage points in the quarter compared to the first quarter of 2021, in addition to the effect of the increase in sales which resulted in operational expenses gradually returning to their normalized levels.

At the end of the first quarter, Alsea Mexico managed a total of 1,788 corporate units and 393 sub-franchise units.

EUROPE

	Pre-IFRS 16				Post-IFRS 16			
Alsea Europe	***1Q22***	***1Q21***	***Var.***	***% Var.***	***1Q22***	***1Q21***	***Var.***	***% Var.***
Number of units	1,441	1,375	66	4.8%	1,441	1,375	66	4.8%
Same-store Sales	41.6%	(29.2)%	N.A.	-	41.6%	(29.2)%	N.A.	-
Sales	5,185	3,492	$1,693	48.5%	5,185	3,492	$1,693	48.5%
Costs	1,335	935	$399	42.7%	1,335	935	$399	42.7%
Operating Expenses	3,059	2,178	$881	40.5%	2,472	1,542	$930	60.3%
Adjusted EBITDA*	791	378	$412	108.9%	1,378	1,014	$364	35.9%
*Adjusted EBITDA margin**	*15.2%*	*10.8%*	*440 bps*	-	*26.6%*	*29.0%*	*(240) bps*	-
Depreciation and Amortization	287	338	($50)	(14.9%)	827	925	($98)	(10.6%)
G&A and other expenses	345	410	($65)	(15.9%)	340	405	($64)	(15.9%)
Operating Income	159	(369)	$528	N.A.	210	(316)	$526	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 34.0% 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 48.5%**, reaching 5,185 million pesos compared to the first quarter of 2021. This increase is related to the rebound of consumption in the region, even though in the first weeks of the year there was a slight slowdown in some countries due to the population acting cautiously with the omicron variant, which was offset towards the end of the quarter, reaching sales levels similar to those reported in March 2019. Home delivery segment sales represented a 21.0% share of Alsea Europe's sales in 1Q22, which is over 1,080 million pesos and more than 2.3 million orders.

The Starbucks brand continued its positive performance in the region during the quarter, achieving same-store sales growth of 154.0% in Portugal and 54.2% in Spain, compared to 1Q21. Compared to 1Q19, same-store sales growth of 11.6% and 10.2% in Portugal and Spain, respectively.

Adjusted EBITDA EUROPE

Alsea Europe's adjusted EBITDA represented 32.4% of the consolidated Adjusted EBITDA in the first quarter of 2022, and reported **an increase of 364 million pesos**, reaching 1,378 million pesos, compared to 1,014 million pesos in the same period of 2021. This increase was generated by the recovery in consumption together with higher operating leverage, as well as efficiencies in G&A, labor productivity, among others.

The Adjusted EBITDA margin reflected a 240 basis point impact related to rent negotiations and store shutdowns during the pandemic.

At the end of the first quarter, Alsea Europe managed a total of 888 corporate units and 553 sub-franchise units.

SOUTH AMERICA

	Pre-IFRS 16				*Post-IFRS 16 + Argentinian Restatement*			
Alsea South America	***1Q22***	***1Q21***	***Var.***	***% Var.***	***1Q22***	***1Q21***	***Var.***	***% Var.***
Number of units	677	639	38	5.9%	677	639	38	5.9%
Same-store Sales	66.4%	4.9%	N.A.	-	66.4%	4.9%	N.A.	-
Sales	2,645	1,733	$912	52.6%	2,708	1,745	$964	55.2%
Costs	898	581	$316	54.4%	918	586	$333	56.8%
Operating Expenses	1,375	942	$433	46.0%	1,201	793	$408	51.4%
Adjusted EBITDA*	372	209	$163	77.8%	589	366	$223	60.9%
*Adjusted EBITDA Margin**	*14.1%*	*12.1%*	*200 bps*	*-*	*21.7%*	*21.0%*	*70 bps*	*-*
Depreciation and Amortization	70	78	($8)	(10.2%)	291	215	$76	35.2%
G&A and other expenses	148	101	$47	46.3%	131	101	$30	29.9%
Operating Income	154	30	$124	412.1%	167	50	$117	233.4%

*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 17.8% of the Company's consolidated sales for the first quarter of 2022, from its operations in Argentina, Colombia, Chile, and Uruguay.

Sales for this segment **increased by 55.2%,** reaching 2,708 million pesos, compared to 1,745 million in the first quarter of 2021. This performance is related to the increase in demand from the reduction of mobility restrictions implemented in the different geographies, driven by the economic recovery.

At the brand level, Burger King and Starbucks in Chile increased same-store sales by 39.9% and 58.6%, respectively, compared to the same period of 2021, and of 34.0% and 7.2%, respectively, compared to the same period of 2019. Domino's Pizza, Starbucks and Archie's in Colombia continue with their positive trend, reporting growth in same-store sales of 41.2%, 63.4%, and 36.9%, respectively, when compared to the same period of 2021; and increases of 3.0%, 26.7%, and 46.6%, respectively, compared to the same period in 2019.

Adjusted EBITDA SOUTH AMERICA

Alsea South America's adjusted EBITDA was 13.8% of the consolidated Adjusted EBITDA in the first quarter of 2022, and increased by 223 million pesos compared to 1Q21, reaching 589 million pesos. This increase was primarily due to the reduction throughout the region in both operational and administrative expenses in different countries that we operate in in South America, in addition to the successful implementation of new commercial strategies.

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 first quarter, Alsea South America managed a total of 663 corporate units and 44 sub-franchise units.

NON-OPERATING RESULTS

All-in Cost of Financing

The all-in cost of financing for the first quarter of 2022 **closed at 715 million pesos**, an increase of 57 million pesos compared to the 658 million pesos in the previous year. This increase is mainly due to the 131 million pesos increase in net interest paid, which was partially offset by the positive effect of the 113 million pesos variation resulting in a foreign exchange gain of 196 million pesos in the quarter, related to the variation in the exchange rate of the US dollar and euro against the Mexican peso.

BALANCE SHEET

CAPEX

During the twelve months ended on March 31st, 2022, **Alsea made capital investments, excluding acquisitions, of 712 million pesos**, of which 349 million pesos, equivalent to 49.0% of total investments, were allocated to:

- The opening of **27 units**
- The **renovation and remodeling** of existing units of the different brands operated by the Company

The remaining 363 million pesos were allocated to:

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

BANK DEBT, SECURITIES

On January 21st, 2022, the Company issued senior notes for €300 million (three hundred million euros), at an annual interest rate of 5.500%, issued through its subsidiary Food Service Project, S.A. and guaranteed by Alsea (the "Euro 2027 Notes") and with a partial or full redemption option beginning on January 21st, 2024.

The net proceeds of the issuance were used to refinance the Company's debt through an operation consisting of the prepayment of certain debt of Alsea and its subsidiaries, as well as to pay fees and expenses related to the same placements.

As of March 31st, 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.

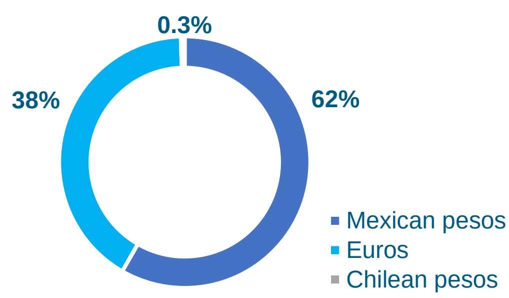
As of March 31st, 2022, **Alsea's total debt,** including leases under IFRS16, **decreased 4,295 million pesos**, closing at 53,641 million pesos compared to 57,935 million pesos in the previous year. This **decrease in debt** corresponds mainly to the prepayment of the *Certificado Bursátil Alsea-17* in the amount of 1,000 million pesos and the depreciation of the dollar and euro against the Mexican peso.

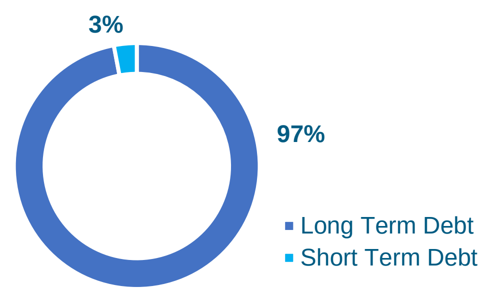
Excluding the effect of IFRS16, Alsea's total debt decreased 2,492 million pesos, to close at 29,582 million pesos compared to 32,074 million pesos on the same date last year.

The Company's **consolidated net debt,** including leases due to IFRS16, **decreased 5,997 million pesos,** closing at 48,570 million pesos as of March 31st, 2022, compared to the 54,567 million pesos on the same date of 2020.

Excluding the effect of IFRS16, Alsea's net debt decreased by 4,195 million pesos, to close at 24,512 million pesos, compared to 28,706 million pesos on the same date last year.

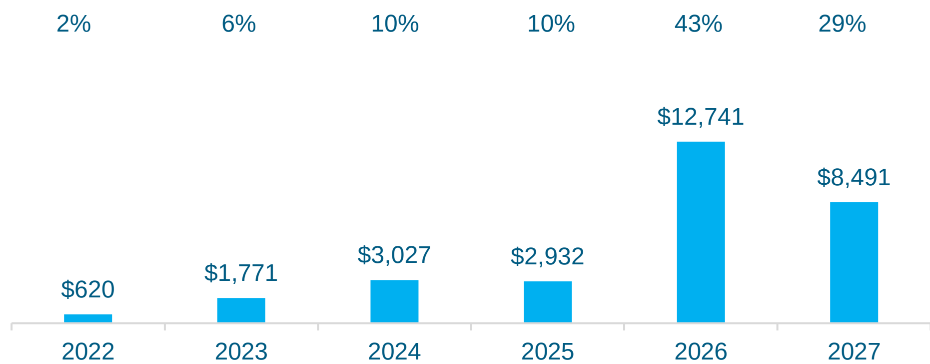
As of March 31st, 2022, the total debt (excluding IFRS16) was as follows:





**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 March 31st, 2022, as well as the maturities that are held for subsequent years:



*Figures in million pesos.

FINANCIAL RATIOS

As of March 31st, 2022, the financial ratios established in the Company's loan agreements were:

- **Total Debt to EBITDA** (last 12 months) was **3.9 times.**
- **Net Debt to EBITDA** (last 12 months) was **3.5 times**
- **EBITDA** (last 12 months) **to interest paid** (last 12 months) was **3.3 times.**
- In terms of **liquidity**, at the end of the first quarter of 2022, Alsea had **5.1 billion pesos in cash**, meeting the minimum level required of 2.2 billion pesos according to the waiver by the banks.
- The **consolidated shareholders' equity** (Pre-IFRS 16) closed at **9.6 billion pesos**

KEY INFORMATION

Financial ratios	1Q22	1Q21	Var.
EBITDA(1) / Interests Paid	3.3 x	2.1 x	N.A.
Total Debt / EBITDA(1)	3.9 x	8.7 x	N.A.
Net Debt / EBITDA(1)	3.5 x	8.2 x	N.A.
ROIC (2)	8.6%	(0.8)%	N.A.
ROE (3)	21.8%	(47.9)%	N.A

Stock Market Indicators	1Q22	1Q21	Var.
Book Value per Share	$9.91	$8.17	21.3%
EPS (12 months) (4)	$1.60	$(4.73)	N.A.
Shares in circulation at end of period (millions)	838.2	838.6	-
Price per Share at Market Close	$49.86	$30.28	64.7%

(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	1Q22
EBITDA(1) / Interests Paid	3.3 x
Total Debt / EBITDA(1)	3.8 x
Net Debt / EBITDA(1)	3.2 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 1Q22		
	Corporate	Sub-franchises	Total
Domino's Pizza	835	472	1307
Mexico	*444*	*362*	*806*
Spain	*293*	*66*	*359*
Colombia	*98*	*44*	*142*
Burger King	403	-	403
Mexico	*173*	-	*173*
Argentina	*114*	-	*114*
Spain	*55*	-	*55*
Chile	*61*	-	*61*
Quick Service Restaurants	**1,238**	**472**	**1,710**
Starbucks	1,304	270	1,574
Mexico	*750*	-	*750*
France	*72*	*130*	*202*
Spain	*123*	*22*	*145*
Argentina	*131*	-	*131*
Chile	*142*	-	*142*
Netherlands	*16*	*76*	*92*
Colombia	*40*	-	*40*
Belgium	-	*35*	*35*
Portugal	*19*	*3*	*22*
Uruguay	*11*	-	*11*
Luxembourg	-	*4*	*4*
Coffee Shops	**1,304**	**270**	**1,574**
Foster's Hollywood	100	127	227
Ginos	83	41	124
Spain	*81*	*41*	*122*
Portugal	*2*	-	*2*
Italianni's	58	16	74
El Portón	15	-	15
Chili's Grill & Bar	76	-	76
Mexico	*71*	-	*71*
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	5	9
Casual Dining	**414**	**189**	**603**
Foster's Hollywood Street	1	1	2
Vips Smart	17	25	42
Fast Casual Dining	**18**	**26**	**44**
Vips	335	33	368
Mexico	*243*	*15*	*258*
Spain	92	*18*	*110*
Family Dining	**335**	**33**	**368**
ALSEA TOTAL UNITS			**4,299**
Corporate	**3,309**		
Sub-franchises		**990**	

UNITS BY COUNTRY

MEXICO	2,181	SPAIN	1,084	ARGENTINA	245	CHILE	211
FRANCE	202	COLOMBIA	210	NETHERLANDS	92	BELGIUM	35
PORTUGAL	24	URUGUAY	11	LUXEMBOURG	4		

ANALYST COVERAGE

INSTITUTION	ANALYST	RECOMMENDATION
ACTINVER	VALENTIN MENDOZA BALDERAS	BUY
BANK OF AMERICA MERRILL LYNCH	ROBERT E. FORD AGUILAR	SELL
BANORTE-IXE	CARLOS HERNANDEZ GARCIA	HOLD
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	HOLD
MORGAN STANLEY	JAVIER MARTINEZ DE OLCOZ	BUY
ACTINVER	VALENTIN MENDOZA BALDERAS	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 1Q22

- On March 17th, 2022, Alsea, S.A.B. de C.V. (BMV: ALSEA*), reports, regarding the issuance of 10,000,000 (ten million) of the unsecured local bond (Certificado Bursátil) issued by ALSEA, S.A.B. DE CV, (the "Issuer" or "Alsea") with ticker symbol "ALSEA 17" on October 4th, 2017 (the "Issue"), in which Monex Casa de Bolsa, SA de CV, Monex Grupo Financiero, acts as the Common Representative of the Holders (the "Common Representative"), the execution of the early payment of the "Alsea 17" issue carried out on March 16th, 2022.
- On January 24th, 2022, Alsea, S.A.B. de C.V. (BMV: ALSEA*), announces that in follow-up to the succession process that began on June 1st , 2021, when Fernando Gonzalez joined Alsea as Deputy CEO, the company informs that the previously announced cultural and operational immersion process has been successfully completed, therefore, Fernando formally takes over the role as Chief Executive Officer of Alsea at a global level as of January 2022, while Alberto Torrado remains as Chairman of the Board of Directors.
- On January 21st, 2022, Alsea, S.A.B. de C.V. (BMV: ALSEA*) "Alsea", the leading operator of quick service restaurants, coffee shops, casual and family dining establishments in Latin America and Europe, announces that on Friday, January 21st, the settlement and closing of its €300 million (three hundred million Euros) Senior Notes due 2027, at a 5.500%% coupon per annum, issued by its subsidiary Food Service Project, S.A. and guaranteed by Alsea (the "Euro Notes 2027), with a partial or full settlement option as of January 21st, 2024.

EARNINGS CONFERENCE CALL 1Q22

The video conference to discuss the Company's results will be held on **Thursday, April 28th, 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 MARCH 31ST, 2022 AND 2021
(In thousands of nominal pesos)

	March 31st, 2022		March 31st, 2021	
ASSETS				
Current assets:				
Cash and short-term investments	5,070,472	6.2%	3,367,770	4.1%
Clients	1,091,593	1.3%	1,176,341	1.4%
Other accounts and documents receivable	599,326	0.7%	499,319	0.6%
Inventory	2,080,968	2.6%	1,539,345	1.9%
Tax recoverable	387,838	0.5%	1,045,860	1.3%
Other current assets	1,015,346	1.2%	640,491	0.8%
Current Assets	10,245,543	12.6%	8,269,126	10.0%
Investments in shares of associated companies	133,704	0.2%	92,599	0.1%
Store equipment, improvements to leased property, and furniture, net	15,589,303	19.2%	15,514,760	18.8%
Non-executable right of use asset	22,737,466	28.0%	24,029,966	29.1%
Brand use rights, capital gains and pre-operations, net	27,115,331	33.3%	28,553,613	34.5%
Deferred IRS	4,801,082	5.9%	4,763,405	5.8%
Other assets	699,289	0.9%	1,439,760	1.7%
Total Assets	**81,321,718**	100.0%	**82,663,230**	100.0%
LIABILITIES				
Short-term:				
Providers	3,925,881	4.1%	3,384,354	4.1%
Tax payable	458,405	0.7%	541,793	0.7%
Other accounts payable	7,961,878	7.0%	5,789,427	7.0%
Non-executable short-term lease liabilities	4,811,656	5.3%	4,382,005	5.3%
Other short-term liabilities	1,272,474	3.2%	2,661,495	3.2%
Bank loans	989,063	5.1%	4,199,971	5.1%
Debt Instruments	-	-	-	-
Short-term liabilities	19,419,357	25.4%	20,959,046	25.4%
Long term:				
Bank loans	5,295,559	24.1%	19,894,121	24.1%
Debt instruments	23,297,613	9.7%	7,979,998	9.7%
Deferred tax, net	3,448,813	4.7%	3,913,734	4.7%
Non-executable lease liabilities	19,246,623	26.0%	21,479,150	26.0%
Other long-term liabilities	1,327,173	1.4%	1,177,328	1.4%
Long-term liabilities:	52,615,781	65.9%	54,444,331	65.9%
Total Liabilities	**72,035,138**	91.2%	**75,403,376**	91.2%
SHAREHOLDERS' EQUITY				
Minority interest	1,025,500	1.3%	1,156,106	1.4%
Majority interest:				
Capital stock	478,554	0.6%	478,749	0.6%
Net premium in share placement	8,676,827	10.7%	8,676,827	10.5%
Retained earnings	(1,419,742)	-1.7%	(2,739,720)	(3.3%)
Earnings for the period	525,441	0.6%	(312,108)	(0.4%)
Exchange rate effects from foreign entities	-	-	-	-
Majority interest	8,261,080	10.2%	6,103,748	7.4%
Total Shareholders' Equity	9,286,580	11.4%	7,259,854	8.8%
Total Liabilities and Shareholders' Equity	**81,321,718**	100.0%	**82,663,230**	100.0%

ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS FOR THE THREE MONTHS
ENDED MARCH 31ST, 2022 AND 2021
(In thousands of nominal pesos)

		Three months ended March 31st, 2022			Three months ended March 31st, 2021	
Net sales	$	15,228,173	100%	$	10,211,714	100%
Cost of sales		4,843,263	31.8%		3,331,228	32.6%
Gross Income		**10,384,910**	**68.2%**		**6,880,486**	**67.4%**
Operating expenses		6,927,224	45.5%		4,835,758	47.4%
Depreciation and amortization		2,022,446	13.3%		2,006,486	19.6%
Operating Income		**1,435,239**	**9.4%**		**38,242**	**0.4%**
All-in cost of financing:						
Interest paid – net		910,915	6.0%		780,233	7.6%
Changes in reasonable value Financial Liabilities		-	-		(39,911)	(0.4%)
Exchange rate loss/gain		(195,725)	(1.3%)		(82,249)	(0.8%)
		715,190	4.7%		658,073	6.4%
Participation in associated companies' results		-	-		-157	(0.0%)
Pre-Tax Income		**720,049**	**4.7%**		**(619,988)**	**(6.1%)**
Tax on earnings		208,539	1.4%		(150,555)	(1.5%)
Consolidated Net Income		**511,510**	**3.4%**		**(469,433)**	**(4.6%)**
Non-controlling stake		(13,931)	(0.1%)		(157,325)	(1.5%)
Controlling Stake	**$**	**525,441**	**3.5%**	**$**	**(312,108)**	**(3.1%)**

ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS BY SEGMENT FOR THE THREE MONTHS ENDED MARCH 31ST, 2022 AND 2021
(In thousands of nominal pesos)

MEXICO		Three months ended March 31st, 2022			Three months ended March 31st, 2021	
Net sales	$	7,335,134	100%	$	4,974,937	100%
Operating expenses		2,782,461	37.9%		1,994,706	40.1%
Depreciation and amortization		904,569	12.3%		866,100	17.4%
Operating Income		**1,057,785**	**14.4%**		**303,916**	**6.1%**
All-in cost of financing		434,756	5.9%		435,155	8.7%
Pre-Tax Income	**$**	**623,029**	**8.5%**	**$**	**(131,396)**	**(2.6%)**

EUROPE		Three months ended March 31st, 2022			Three months ended March 31st, 2021	
Net sales	$	5,184,561	100%	$	3,492,022	100%
Operating expenses		2,812,428	54.2%		1,946,971	55.8%
Depreciation and amortization		827,165	16.0%		925,385	26.5%
Operating Income		**210,436**	**4.1%**		**(315,773)**	**(9.0%)**
All-in cost of financing		225,973	4.4%		194,839	5.6%
Pre-Tax Income	**$**	**(15,537)**	**(0.3%)**	**$**	**(510,612)**	**(14.6%)**

SOUTH AMERICA		Three months ended March 31st, 2022			Three months ended March 31st, 2021	
Net sales	$	2,708,478	100%	$	1,744,755	100%
Operating expenses		1,332,336	49.2%		894,080	51.2%
Depreciation and amortization		290,712	10.7%		215,001	12.3%
Operating Income		**167,018**	**6.2%**		**50,099**	**2.9%**
All-in cost of financing		54,461	2.0%		28,079	1.6%
Pre-Tax Income	**$**	**112,557**	**4.2%**	**$**	**22,020**	**1.3%**

ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31ST, 2022 AND 2021
(In thousands of nominal pesos)

		March 31st, 2022	March 31st, 2021
Operating activities:			
Consolidated result before income taxes	$	**720,049**	**(619,988)**
Items related to investment activities:			
Depreciation and amortization of brands		809,755	924,751
Depreciation for financial leasing		1,212,691	1,081,735
Write-down of fixed assets		(141,365)	312,516
Other items		-	-39,755
Total		**2,601,131**	**1,659,258**
Clients		93,584	(21,496)
Inventory		(99,302)	66,827
Providers		138,309	81,054
Tax payable		-	-
Other assets and other liabilities		(1,605,178)	(600,888)
Total		**(1,472,587)**	**(474,503)**
Net cash flow from operating activities		**1,128,544**	**1,184,756**
Investment activities			
Store equipment, improvements to leased properties, and furniture		(640,199)	(276,077)
Brand use rights, capital gains and pre-operations, net		(71,626)	(36,137)
Acquisition or disposal of investments in associated companies		-	-
Net cash flow from investment activities		**(711,825)**	**(312,215)**
Cash receivable from financing activities		**416,720**	**872,541**
Financing activities			
Bank credits and loan payments, net		(7,013,604)	(7,955)
Securities credits, net		5,854,473	-
Financial leasing		(1,438,731)	(1,148,024)
Minority interest		-	-
Sale (repurchase) of shares		-	-
Non-controlling stake		4,509	-
Other items		-	(17,014)
Net cash flow from financing activities		**(2,593,353)**	**(1,172,993)**
Increase (decrease) net of cash		**(2,176,634)**	**(300,452)**
Adjustments to cash flow due to exchange rate variations		353,672	(264,187)
Cash at the beginning of the period		6,893,433	3,932,409
Cash at the end of the period	$	**5,070,472**	**3,367,770**

ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET STATEMENT
AS OF MARCH 31ST, 2022
(In thousands of nominal pesos)

	March 31st, 2022		Argentinian Restatement	IFRS 16	March 31st, 2022	
ASSETS						
Current assets:						
Cash and short-term investments	5,070,472	8.8%			5,070,472	6.2%
Clients	1,091,593	1.9%			1,091,593	1.3%
Other accounts and documents receivable	599,326	1.0%			599,326	0.7%
Inventory	2,080,968	3.6%			2,080,968	2.6%
Tax recoverable	387,838	0.7%			387,838	0.5%
Other current assets	1,015,346	1.8%			1,015,346	1.2%
Current Assets	10,245,543	17.8%			10,245,543	12.6%
Investments in shares of associated companies	133,704	0.2%			133,704	0.2%
Store equipment, improvements to leased property, and furniture, net	14,622,613	25.5%	966,690		15,589,303	19.2%
Non-executable right of use assets	-	-		22,737,466	22,737,466	28.0%
Brand use rights, capital gains and pre-operations, net	26,954,661	46.9%	160,670		27,115,331	33.3%
Deferred ISR	4,787,843	8.3%	13,239		4,801,082	5.9%
Other assets	699,289	1.2%			699,289	0.9%
Total Assets	**57,443,653**	100.0%	**1,140,599**	**22,737,466**	**81,321,718**	100.0%
LIABILITIES						
Short-term:						
Providers	3,925,881	6.8%			3,925,881	4.8%
Tax payable	458,405	0.8%			458,405	0.6%
Other accounts payable	7,961,878	13.9%			7,961,878	9.8%
Non-executable short-term lease liabilities	-	-		4,811,656	4,811,656	5.9%
Other short-term liabilities	1,272,474	2.2%			1,272,474	1.6%
Bank loans	989,063	1.7%			989,063	1.2%
Debt Instruments	-	-			-	-
Short-term liabilities	14,607,701	25.4%		4,811,656	19,419,357	23.9%
Long-term:						
Bank Credits	5,295,559	9.2%			5,295,559	6.5%
Securities Credits	23,297,613	40.6%			23,297,613	28.6%
Deferred tax, net	3,343,520	5.8%	105,293		3,448,813	4.2%
Non-executable leasing liabilities	-	-		19,246,623	19,246,623	23.7%
Other long-term liabilities	1,327,173	2.3%			1,327,173	1.6%
Long-term liabilities	33,263,865	57.9%	105,293	19,246,623	52,615,781	64.7%
Total Liabilities	**47,871,566**	83.3%	**105,293**	**24,058,279**	**72,035,138**	88.6%
SHAREHOLDERS' EQUITY						
Minority interest	1,025,500	1.8%			1,025,500	1.3%
Majority interest						
Capital stock	478,554	0.8%			478,554	0.6%
Net premium in share placement	8,676,827	15.1%			8,676,827	10.7%
Retained earnings	(1,022,680)	-1.8%	1,062,891	(1,459,953)	(1,419,742)	-1.7%
Earnings for the period	413,886	0.7%	(27,585)	139,140	525,441	0.6%
Exchange rate effects from foreign entities	-	-	-	-	-	-
Majority interest	8,546,587	14.9%	1,035,306	(1,320,812)	8,261,080	10.2%
Total Shareholders' Equity	9,572,087	16.7%	1,035,306	(1,320,812)	9,286,580	11.4%
Total Liabilities and Shareholders' Equity	**57,443,653**	100.0%	**1,140,599**	**22,737,466**	**81,321,718**	100.0%

ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED MARCH 31ST, 2022
(In thousands of nominal pesos)

		Three months ended March 31st, 2022		Argentinian Restatement	IFRS 16		Three months ended March 31st, 2022	
Net sales	$	15,164,843	100%	63,330		$	15,228,173	100%
Cost of sales		4,822,628	31.8%	20,635			4,843,263	31.8%
Gross Income		**10,342,215**	**68.2%**	**42,695**			**10,384,910**	**68.2%**
Operating expenses		8,482,766	55.9%	39,974	(1,595,515)		6,927,224	45.5%
Depreciation and amortization		771,255	5.1%	38,500	1,212,691		2,022,446	13.3%
Operating Income		**1,088,194**	**7.2%**	**(35,779)**	**382,824**		**1,435,239**	**9.4%**
All-in cost of financing:								
Interest paid – net		668,010	4.4%	(779)	243,684		910,915	6.0%
Changes in reasonable value Financial Liabilities		-	-				-	-
Exchange rate loss/income		(200,132)	(1.3%)	4,407			(195,725)	(1.3%)
		467,878	3.1%	3,628	243,684		715,190	4.7%
Participation in associated companies' results		-	-				-	-
Pre-Tax Income		**620,316**	**4.1%**	**(39,407)**	**139,140**		**720,049**	**4.7%**
Tax on earnings		220,361	1.5%	(11,822)			208,539	1.4%
Consolidated Net Income		**399,955**	**2.6%**	**(27,585)**	**139,140**		**511,510**	**3.4%**
Non-controlling stake		(13,931)	(0.1%)				(13,931)	(0.1%)
Controlling Stake	$	**413,886**	**2.7%**	**(27,585)**	**139,140**	$	**525,441**	**3.5%**

ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS BY SEGMENT FOR THE THREE MONTHS ENDED MARCH 31ST, 2022
(In thousands of nominal pesos)

MEXICO		Three months ended March 31st, 2022		IFRS 16		Three months ended March 31st, 2022	
Net sales	$	7,335,134	100%	-	$	7,335,134	100%
Operating expenses		3,555,577	48.5%	(773,116)		2,782,461	37.9%
Depreciation and amortization		413,723	5.6%	490,846		904,569	12.3%
Operating Income		**775,515**	**10.6%**	**282,270**		**1,057,785**	**14.4%**
All-in cost of financing		281,562	3.8%	153,194		434,756	5.9%
Pre-Tax Income	**$**	**493,953**	**6.7%**	**129,076**	**$**	**623,029**	**8.5%**

EUROPE		Three months ended March 31st, 2022		IFRS 16		Three months ended March 31st, 2022	
Net sales	$	5,184,561	100%	-	$	5,184,561	100%
Operating expenses		3,404,035	65.7%	(591,607)		2,812,428	54.2%
Depreciation and amortization		287,316	5.5%	539,849		827,165	16.0%
Operating Income		**158,678**	**3.1%**	**51,758**		**210,436**	**4.1%**
All-in cost of financing		173,765	3.4%	52,208		225,973	4.4%
Pre-Tax Income	**$**	**(15,087)**	**(0.3%)**	**(450)**	**$**	**(15,537)**	**(0.3%)**

SOUTH AMERICA		Three months ended March 31st, 2022		Argentinian Restatement	IFRS 16		Three months ended March 31st, 2022	
Net sales	$	2,645,148	100%	63,330		$	2,708,478	100%
Operating expenses		1,523,154	57.6%	39,974	(230,792)		1,332,336	49.2%
Depreciation and amortization		70,216	2.7%	38,500	181,996		290,712	10.7%
Operating Income		**154,001**	**5.8%**	**(35,779)**	**48,796**		**167,018**	**6.2%**
All-in cost of financing		12,551	0.5%	3,628	38,282		54,461	2.0%
Pre-Tax Income	**$**	**141,450**	**5.3%**	**(39,407)**	**10,514**	**$**	**112,557**	**4.2%**