

Mexico City, February 22, 2024 – Grupo Hotelero Santa Fe S.A.B. de C.V. (BMV: HOTEL) (“HOTEL” or the “Company”), announced its consolidated results for the fourth quarter (“4Q23”) and full year ended December 31, 2023. Figures are expressed in Mexican pesos, unaudited, and in accordance with International Financial Reporting Standards (“IFRS”). Numbers may vary due to rounding.

Highlights

- 2023 EBITDA¹ was Ps. 839.7 million compared to Ps. 749.2 million in 2022, a 12.1% increase driven by higher revenues which more than compensated the effect of the temporary closing of the *Krystal Beach Acapulco* due to Hurricane Otis.
- 2023 Total Revenue was Ps. 2,959.2 million, an 11.6% increase compared to 2022, due to strong increases in Room Revenue, Food and Beverages Revenue, Third-Party Hotel Management Fees, and Vacation Club Revenue which more than compensated lower Other Hotel Revenue and the effect of the temporary closing of the *Krystal Beach Acapulco* due to Hurricane Otis.
- 4Q23 EBITDA¹ was Ps. 180.3 million, a 16.3% decrease compared to Ps. 215.5 million in 4Q22, reflecting lower revenues driven by the effect of the temporary closing of the *Krystal Beach Acapulco* due to Hurricane Otis and higher costs.
- 4Q23 Total Revenue was Ps. 709.9 million, a 4.2% decrease compared to Ps. 740.9 million in 4Q22, due to decreases in Room Revenue, Food and Beverages Revenue, and Vacation Club Revenue driven by the effect of the temporary closing of the *Krystal Beach Acapulco* due to Hurricane Otis which were partially compensated by higher Other Hotel Revenue and Third-Party Hotel Management Fees.
- In 4Q23, HOTEL recorded a Net Income of Ps. 5.2 million, compared to a Net Loss of Ps. 5.0 million in 4Q22, due to lower income taxes.
- 4Q23 Net Operating Cash Flow was Ps. 136.8 million, a 25.9% increase compared to Ps. 108.7 million reported in 4Q22.
- Net Debt/EBITDA (LTM) ratio was 3.0x at the end of 4Q23.
- HOTEL's total portfolio at the end of 4Q23 was 6,258 rooms in operation, a 1.6% increase compared to the 6,159 rooms at the end of 4Q22.
- RevPAR² for Company-owned hotels increased 3.8% from Ps. 1,055 in 4Q22 to Ps. 1,095 in 4Q23, driven by an 4.3% increase in ADR² which more than compensated a 0.3 percentage point decrease in Occupancy.

Figures in thousands of Mexican pesos	Fourth Quarter				12 months ended December 31			
	2023	2022	Var.	% Var.	2023	2022	Var.	% Var.
Total Revenue	709,898	740,897	(30,998)	(4.2)	2,959,207	2,652,319	306,889	11.6
EBITDA	180,333	215,487	(35,154)	(16.3)	839,708	749,151	90,557	12.1
EBITDA Margin	25.4%	29.1%	(3.7 pt)	(3.7 pt)	28.4%	28.2%	0.1 pt	0.1 pt
Operating Income	(15,849)	34,945	(50,795)	NA	380,248	354,590	25,658	7.2
Net Income	5,226	(5,022)	10,248	NA	592,896	198,304	394,592	NA
Net Income Margin	0.7%	(0.7%)	1.4 pt	1.4 pt	20.0%	7.5%	12.6 pt	12.6 pt
Operating Cash Flow	136,809	108,673	28,136	25.9	727,815	641,045	86,770	13.5
Occupancy	65.3%	65.6%	(0.3 pt)	(0.3 pt)	64.3%	62.7%	1.6 pt	1.6 pt
ADR	1,677	1,607	70	4.3	1,661	1,518	143	9.4
RevPAR	1,095	1,055	40	3.8	1,069	951	118	12.4

Note: operating figures include hotels with 50%+ ownership.

¹EBITDA is calculated by adding Operating Income, Depreciation and Total Non-Recurring Expenses.

²Revenue Per Available Room (“RevPAR”) and Average Daily Rate (“ADR”).

Comments from the Executive Vice President

Mr. Francisco Zinser, stated:

All in all, 2023 was a year with healthy top and bottom-line growth. In the last quarter, our hotel, Krystal Beach Acapulco was affected by hurricane Otis. This event had an impact on our quarterly results and will continue impacting until the end of 2024. In terms of operating indicators of Company-owned hotels, in 2023 we increased our RevPAR by 12 percent, driven by a 9 percent increase in ADR combined with a 1.6 percentage point expansion in occupancy compared to 2022. Revenue totaled Ps. 2,959 million for 2023, up 12 percent compared to 2022. EBITDA was Ps. 840 million for the year, up 12 percent compared to 2022. We were able to post these results despite a decrease in tourism in Mexico, driven by drops in airport traffic that began in April.

Just a few days ago, we announced that the Krystal Grand Puerto Vallarta hotel will be converted into the Breathless Puerto Vallarta Resort & Spa by Hyatt, a grand tourism category resort. The conversion is expected to conclude in the second quarter of 2025 and will offer 451 luxurious rooms and suites. The resort is the latest addition to the breathless resorts & spa brand collection, which includes branded properties in Mexico, Dominican Republic and Jamaica. Breathless Resorts & Spas offer an authentic experience infused with stylish originality and the ideal blend of relaxation and entertainment for all-adults.

Lastly, I would like to mention that none of these achievements would have been possible without the support of our dedicated staff members, experienced management team, and the confidence placed in us by our investors.

Portfolio of Properties

No.	Property	Total Rooms	Ownership	Type	Category	City	State
1	Krystal Urban Monterrey	150	100%	Urban	4 stars	Monterrey	Nuevo Leon
2	Krystal Urban Cd. Juarez	120	100%	Urban	4 stars	Ciudad Juarez	Chihuahua
3	Krystal Urban Cancun	246	100%	Urban	4 stars	Cancun	Quintana Roo
4	Krystal Satellite Maria Barbara	215	100%	Urban	5 stars	State of Mexico	State of Mexico
5	Hilton Garden Inn Monterrey Aeropuerto	134	15%	Urban	4 stars	Monterrey	Nuevo Leon
6	Hampton Inn & Suites Paraiso Tabasco	117	-	Urban	4 stars	Paraiso	Tabasco
7	Krystal Urban Aeropuerto Mexico City	96	-	Urban	4 stars	Mexico City	Mexico City
8	Krystal Urban Guadalajara	140	100%	Urban	4 stars	Guadalajara	Jalisco
9	Krystal Monterrey	207	-	Urban	5 stars	Monterrey	Nuevo Leon
10	Ibis Irapuato	140	-	Urban	3 stars	Irapuato	Guanajuato
11	Krystal Grand Suites Insurgentes	150	50%	Urban	Grand Tourism	Mexico City	Mexico City
12	Hyatt Place Aguascalientes	144	-	Urban	4 stars	Aguascalientes	Aguascalientes
13	Hyatt Centric Campestre Leon	140	50%	Urban	Grand Tourism	Leon	Guanajuato
14	Hyatt Regency Mexico City Insurgentes	201	50%	Urban	Grand Tourism	Mexico City	Mexico City
15	Krystal Grand San Miguel de Allende	22	100%	Urban	Grand Tourism	San Miguel de Allende	Guanajuato
Subtotal Urban		2,222					
16	Krystal Resort Cancun	502	-	Resort	5 stars	Cancun	Quintana Roo
17	Krystal Resort Ixtapa	255	-	Resort	5 stars	Ixtapa	Guerrero
18	Krystal Resort Puerto Vallarta	530	-	Resort	5 stars	Puerto Vallarta	Jalisco
19	Krystal Grand Puerto Vallarta	451	100%	Resort	Grand Tourism	Puerto Vallarta	Jalisco
20	Krystal Beach Acapulco	400	100%	Resort	4 stars	Acapulco	Guerrero
21	Krystal Grand Cancun	398	100%	Resort	Grand Tourism	Cancun	Quintana Roo
22	Krystal Grand Los Cabos	454	50%	Resort	Grand Tourism	Los Cabos	Baja California Sur
23	Krystal Grand Nuevo Vallarta	480	50%	Resort	Grand Tourism	Nuevo Vallarta	Nayarit
24	SLS Cancun	45	-	Resort	Luxury	Cancun	Quintana Roo
25	Mahekal Beach Resort	195	50%	Resort	4 stars	Playa del Carmen	Quintana Roo
26	Secrets Tulum Resort & Spa	326	25%	Resort	Grand Tourism	Tulum	Quintana Roo
Subtotal Resort		4,036					
Total in Operation		6,258					
Total in Construction		0					
Total		6,258					

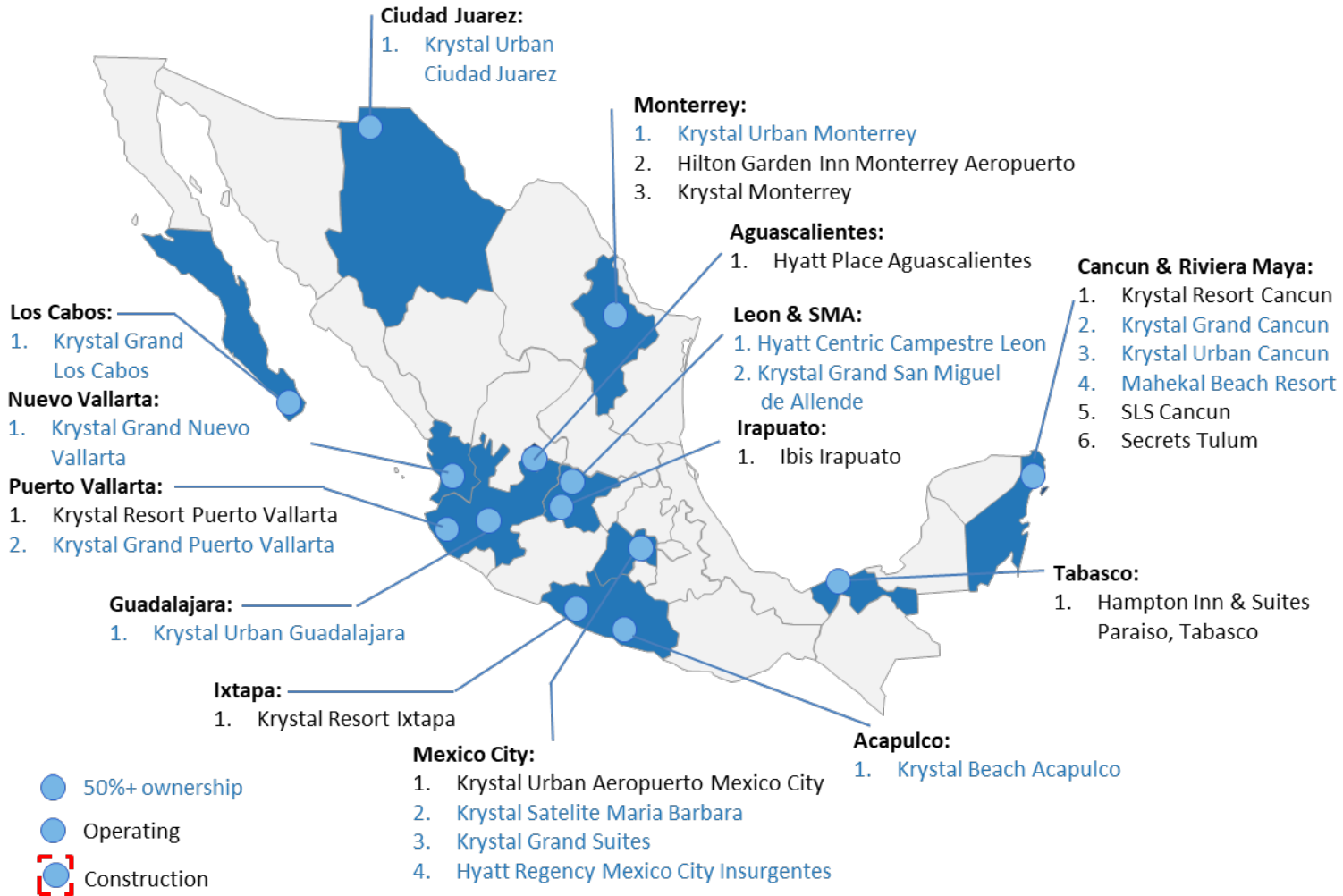
At the end of 4Q23, HOTEL recorded a total of 26 properties in operation, of which 15 are Company-owned³ and the remaining 11 are third-party owned⁴.

The total number of rooms in operation at the end of 4Q23 was 6,258, a 1.6% increase compared to the 6,159 in operation for the same period last year.

³ The Company operates Hyatt Regency Mexico City Insurgentes, Krystal Grand Los Cabos, Krystal Grand Nuevo Vallarta, Krystal Grand Suites Insurgentes, Mahekal Beach Resort and Hyatt Centric Campestre Leon, in which it also has a 50% ownership position. As per IFRS, the results of these properties are consolidated in the Company's financial statements.

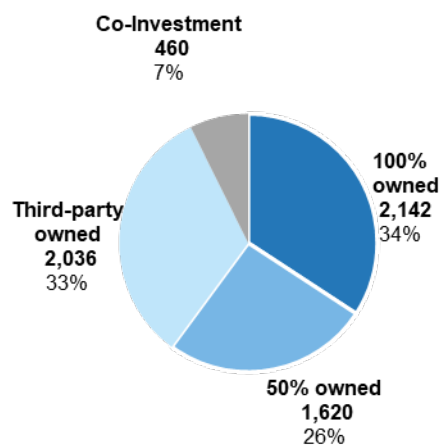
⁴ The Company operates Hilton Garden Inn Monterrey Aeropuerto hotel, in which it also has a 15% ownership position and operates Secrets Tulum Resort & Spa in which it also has a 25% ownership position. As per IFRS, although the results of this property are not consolidated in the Company's financial statements, third-party hotel management fees are included as "Other Revenues," given that the property is considered a third-party hotel under management.

The hotel portfolio is geographically distributed as follows:

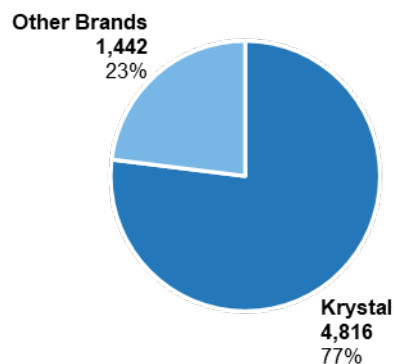


Rooms in operation and rooms under development (including rooms under construction and in conversion), in 4Q23 the hotel portfolio was as follows:

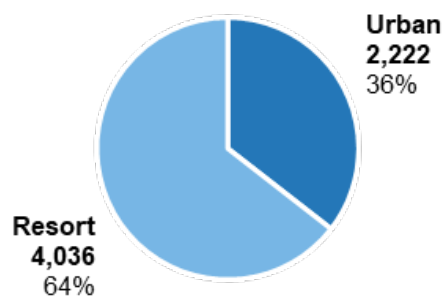
Ownership (number of rooms)



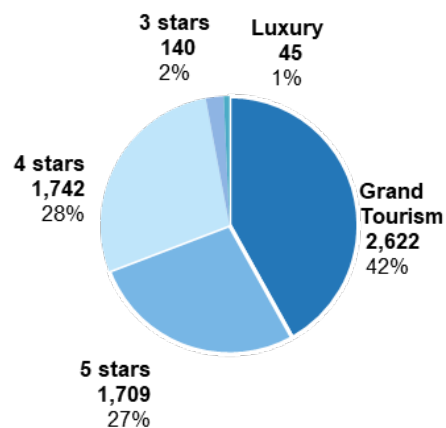
Brand (number of rooms)



Segment (number of rooms)



Category (number of rooms)



Hotel Classification

For comparison purposes, the hotel portfolio is classified into: (i) Company-owned hotels, and (ii) those owned by third parties that are managed by HOTEL. The rationale for this classification is that Company-owned hotels form the basis of the majority of revenues. While commercially important and relevant for the hotel platform, hotels under management only generate management fees for the Company, which are shown in the profit and loss statement under Third-Party Hotel Management Fees. At the end of 4Q23, HOTEL had 15 Company-owned hotels and 11 third-party owned hotels under management.

Of a total 6,258 hotel rooms in operation, the operating indicators for 4Q23 include 5,626 rooms; 632 rooms (263 corresponding to Vacation Club, 45 rooms with unavailable information, 260 rooms in renovation and 64 unavailable rooms) are excluded from the present analysis and are detailed at the end of this report in Appendix 1. The following table is a summary of the main 4Q23 operating indicators compared to the same period of last year, based on hotel classification. The methodology used to determine the number of rooms divides the total number of available rooms by the corresponding number of days in each period.

Figures in Mexican pesos		Fourth Quarter				12 months ended December 31			
Hotel Classification		2023	2022	Var.	% Var.	2023	2022	Var.	% Var.
Total Hotels in Operation		25	24	1	4.2	26	23	3	13.0
Number of rooms		5,626	5,851	(225)	(3.8)	5,712	5,851	(139)	(2.4)
Occupancy		66.0%	66.8%	(0.8 pt)	(0.8 pt)	65.8%	64.5%	1.3 pt	1.3 pt
ADR		1,765	1,645	120	7.3	1,712	1,583	129	8.1
RevPAR		1,165	1,098	67	6.1	1,126	1,021	105	10.2
1 Total Owned Hotels (50%+ ownership)⁽¹⁾		15	14	1	7.1	16	14	2	14.3
Number of rooms		3,446	3,936	(490)	(12.4)	3,730	3,936	(206)	(5.2)
Occupancy		65.3%	65.6%	(0.3 pt)	(0.3 pt)	64.3%	62.7%	1.6 pt	1.6 pt
ADR		1,677	1,607	70	4.3	1,661	1,518	143	9.4
RevPAR		1,095	1,055	40	3.8	1,069	951	118	12.4
2 Third-party Hotels Under Management⁽²⁾		10	10	-	0.0	10	9	1	11.1
Number of rooms		2,180	1,915	265	13.8	1,982	1,915	67	3.5
Occupancy		67.1%	69.0%	(1.9 pt)	(1.9 pt)	68.4%	68.1%	0.3 pt	0.3 pt
ADR		1,900	1,718	182	10.6	1,802	1,702	100	5.9
RevPAR		1,275	1,185	90	7.6	1,232	1,158	74	6.4

Note: The variation in number of rooms in the portfolio is due to renovations, acquisitions or recent openings in each period.

(1) The increase in number of hotels and rooms is due to the inclusion of the Hyatt Regency Mexico City Insurgentes and the Krystal Grand San Miguel de Allende

(2) The difference in number of rooms is due to the fact that we will no longer be reporting operational data from SLS Cancun and the inclusion of the Secrets Tulum Resort & Spa

Consolidated Financial Results

Figures in thousands of Mexican pesos

Income Statement	Fourth Quarter				12 months ended December 31			
	2023	2022	Var.	% Var.	2023	2022	Var.	% Var.
Room Revenue	347,063	366,683	(19,619)	(5.4)	1,455,751	1,302,470	153,281	11.8
Food and Beverage Revenue	290,031	294,901	(4,870)	(1.7)	1,215,912	1,017,326	198,585	19.5
Other Revenue from Hotels	38,427	36,154	2,273	6.3	150,578	200,097	(49,519)	(24.7)
Vacation Club Revenue	10,264	20,158	(9,893)	(49.1)	46,806	46,675	131	0.3
Third-Party Hotels' Management Fees	24,113	23,002	1,111	4.8	90,160	85,750	4,410	5.1
Total Revenue	709,898	740,897	(30,998)	(4.2)	2,959,207	2,652,319	306,889	11.6
Cost and Operating Expenses	364,935	427,076	(62,141)	(14.6)	1,439,305	1,343,045	96,259	7.2
Sales and Administrative	146,947	77,119	69,828	90.5	611,481	496,574	114,907	23.1
Other Expenses	11,821	9,429	2,392	25.4	41,203	35,917	5,286	14.7
Vacation Club Cost	5,862	11,785	(5,923)	(50.3)	27,511	27,632	(121)	(0.4)
Depreciation	76,455	74,911	1,544	2.1	307,314	281,203	26,111	9.3
Total Costs and Expenses	606,020	600,321	5,699	0.9	2,426,814	2,184,371	242,443	11.1
Total Non Recurring Expenses	119,727	105,630	14,097	13.3	152,145	113,358	38,788	34.2
EBITDA	180,333	215,487	(35,154)	(16.3)	839,708	749,151	90,557	12.1
EBITDA Margin(%)	25.4%	29.1%	(3.7 pt)	(3.7 pt)	28.4%	28.2%	0.1 pt	0.1 pt
Profit from sale of subsidiaries	3,223	-	3,223	NA	(310,331)	-	(310,331)	NA
Operating Income	(15,849)	34,945	(50,795)	NA	380,248	354,590	25,658	7.2
Operating Income Margin (%)	(2.2%)	4.7%	(6.9 pt)	(6.9 pt)	12.8%	13.4%	(0.5 pt)	(0.5 pt)
Net Financing Result	31,794	49,039	(17,245)	(35.2)	20,254	(12,455)	32,709	NA
Total income taxes	8,469	90,097	(81,628)	(90.6)	123,907	147,445	(23,538)	(16.0)
Net Income	5,226	(5,022)	10,248	NA	592,896	198,304	394,592	NA
Net Income Margin (%)	0.7%	(0.7%)	1.4 pt	1.4 pt	20.0%	7.5%	12.6 pt	12.6 pt
Income attributable to:								
Controlling Interest	29,010	(7,597)	36,608	NA	521,780	162,385	359,394	NA
Non-controlling Interest	(23,784)	2,576	(26,360)	NA	71,117	35,919	35,197	98.0

Total Revenue

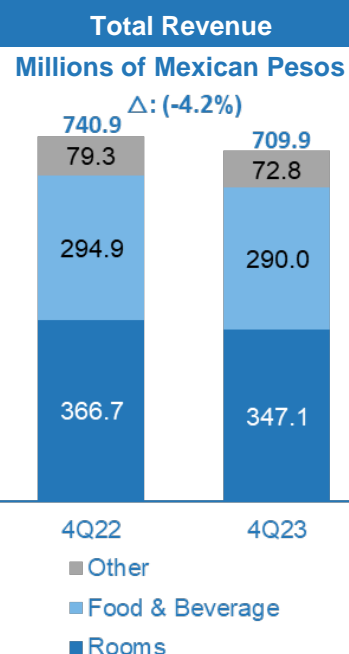
Total Revenue decreased 4.2% from Ps. 740.9 million in 4Q22 to Ps. 709.9 million in 4Q23, with decreases in Room Revenue, Food and Beverage Revenue and Vacation Club Revenue driven by the effect of the temporary closing of the *Krystal Beach Acapulco* due to Hurricane Otis

Room Revenue decreased 5.4% from Ps. 366.7 million in 4Q22 to Ps. 347.1 million in 4Q23, attributed to the temporary shutdown of *Krystal Beach Acapulco*, which is undergoing renovation. RevPAR increased 3.8% comprised of a 4.3% increase in ADR which more than compensated for a 0.3 percentage point decrease in Occupancy.

Food and Beverage Revenue decreased 1.7% from Ps. 294.9 million in 4Q22 to Ps. 290.0 million in 4Q23.

Other Income, which includes, among other items, event room rentals, parking, laundry, telephone, and leasing of commercial spaces, increased 6.3% from Ps. 36.2 million in 4Q22 to Ps. 38.4 million in 4Q23.

Vacation Club Revenue was Ps. 10.3 million in 4Q23 compared to 20.2 million in 4Q22.



Management Fees related to third-party owned hotels increased 4.8% from Ps. 23.0 million in 4Q22 to Ps. 24.1 million in 4Q23. This segment posted a 7.6% RevPAR increase driven by a 10.6% increase in ADR which compensated for a 1.9 percentage point decrease in Occupancy. The Company sees an opportunity to continue its expansion plans by means of third-party operating contracts, mainly with the Krystal® brand, without significantly impacting its operating structure.

Costs and Expenses

Operating Costs and Operating Expenses decreased 14.6% from Ps. 427.1 million in 4Q22 to Ps. 364.9 million in 4Q23. This decrease was attributed to lower revenues and hotel activity.

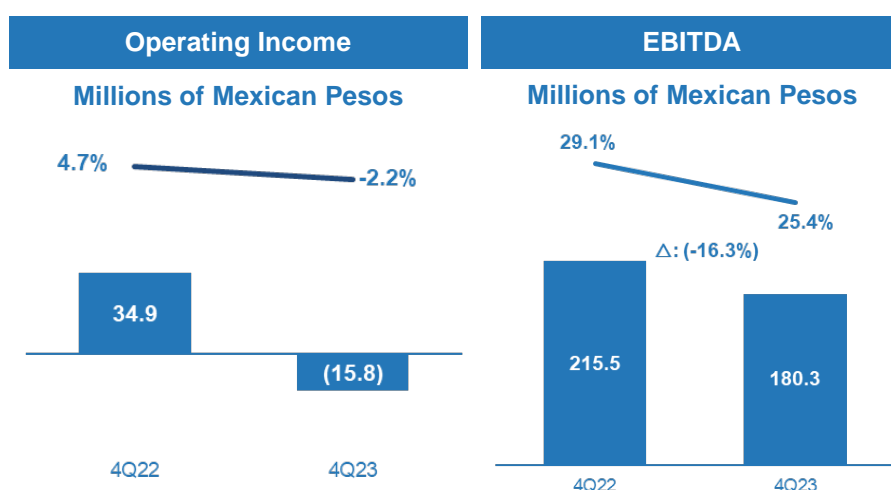
Administrative and Sales Expenses increased from Ps. 77.1 million in 4Q22 to Ps. 146.9 million in 4Q23.

Operating Income

In 4Q23, the Company recorded an Operating Loss of Ps. 15.8 million compared to an Operating Income of Ps. 34.9 million in 4Q22. This result was a consequence of lower revenues driven by the effect of the temporary closing of the *Krystal Beach Acapulco* due to Hurricane Otis combined with higher expenses.

EBITDA

EBITDA decreased 16.3% from Ps. 215.5 million in 4Q22 to Ps. 180.3 million in 4Q23, reflecting the already-mentioned negative effects.



(Figures in thousands of Mexican pesos)	4Q23	4Q22	% Var.	2023	2022	% Var.
Operating Income	(15,849)	34,945	NA	380,248	354,590	7.2
(+) Depreciation	76,455	74,911	2.1	307,314	281,203	9.3
(+) Development and hotel opening expenses ⁵	5,127	9,509	(46.1)	29,042	18,100	60.5
(+) Other non-recurring expenses ⁶	114,600	96,121	19.2	123,103	95,257	29.2
EBITDA	180,333	215,487	(16.3)	839,708	749,151	12.1
EBITDA Margin	25.4%	29.1%	(3.7 pt)	28.4%	28.2%	0.1 pt

Net Financing Result

In 4Q23, the Net Financing Result was a Ps. 31.8 million gain, compared to a Ps. 49.0 million gain in 4Q22. This result derived from higher interest expenses in 4Q23.

Net Income

For 4Q23, we posted a Net Income of Ps. 5.2 million compared to a Net Loss of Ps. 5.0 million in 4Q22.

⁵ Expenses incurred in hotel expansions and openings, including new developments, which are related to researching and acquiring investment opportunities.

⁶ Other non-recurring expenses, including settlement expenses and consulting fees related to the takeover of hotels acquired.

Cash Flow Summary

Figures in thousands of Mexican pesos

Cash Flow Statement	Fourth Quarter				12 months ended December 31			
	2023	2022	Var.	% Var.	2023	2022	Var.	% Var.
Cash flow from operating activities								
Net income	5,226	(5,022)	10,248	NA	592,896	198,304	394,592	NA
Depreciation and amortization	76,455	74,911	1,544	2.1	307,314	281,203	26,111	9.3
Income taxes	8,469	90,097	(81,628)	(90.6)	123,907	147,445	(23,538)	(16.0)
Unrealized loss (gain) in foreign currency exchange	(113,054)	(137,209)	24,155	(17.6)	(363,474)	(173,517)	(189,957)	NA
Net interest expense	49,321	36,427	12,894	35.4	249,770	109,409	140,362	NA
Other financial costs	1,754	1,388	366	26.4	9,567	9,849	(282)	(2.9)
Minority interest	(974)	(1,091)	118	(10.8)	(5,970)	(3,615)	(2,355)	65.2
Income from Dividends of subsidiary	18,750	(5,000)	23,750	NA	-	(12,200)	12,200	NA
Profit from sale of Subsidiaries	3,223	-	3,223	NA	(310,331)	-	(310,331)	NA
Cash flow before working capital variations	49,172	54,502	(5,330)	(9.8)	603,680	556,879	46,801	8.4
Working Capital	87,637	54,171	33,466	61.8	124,135	84,166	39,970	47.5
Net operating cash flow	136,809	108,673	28,136	25.9	727,815	641,045	86,770	13.5
Non-recurring items	(55,008)	(78,706)	23,699	(30.1)	(135,781)	(70,066)	(65,715)	93.8
Cash flow net from non-recurring items	81,801	29,966	51,835	NA	592,034	570,979	21,056	3.7
Investment activities	60,214	(1,300,207)	1,360,422	NA	655,485	(1,875,240)	2,530,725	NA
Financing activities	(121,030)	941,828	(1,062,857)	NA	(1,419,907)	1,204,159	(2,624,066)	NA
Net (decrease) increase in cash and cash equivalents	20,986	(328,413)	349,399	NA	(172,388)	(100,103)	(72,285)	72.2
Cash and cash equivalents at the beginning of the period	250,849	790,890	(540,042)	(68.3)	444,223	564,723	(120,500)	(21.3)
Cash and cash equivalents at the end of the period	271,835	462,477	(190,642)	(41.2)	271,835	464,620	(192,785)	(41.5)
Cash of Assets separated for sale	-	(20,397)	20,397	NA	-	-	-	NA
Effects from cash value changes	-	2,143	(2,143)	NA	-	(20,397)	20,397	NA
Total Cash at the end of the period	271,835	444,223	(172,388)	(38.8)	271,835	444,223	(172,388)	(38.8)

By the end of 4Q23, operating cash flow increased 25.9% to Ps. 136.8 million, compared to Ps. 108.7 million reported in 4Q22. The difference is mainly attributed to positive working capital in 4Q23.

Balance Sheet Summary

Figures in thousands of Mexican pesos

Balance Sheet Summary	Dec-23	Dec-22	Var.	Var %
Cash and cash equivalents	271,834	444,223	(172,389)	(38.8%)
Accounts receivables and other current assets	283,677	265,994	17,683	6.6%
Creditable taxes	245,739	330,361	(84,622)	(25.6%)
Accounts receivables and Deferred cost Vacation Club ST	35,779	44,140	(8,360)	(18.9%)
Assets separated for sale	-	818,026	(818,026)	N/A
Apartment Inventory	713,588	-	713,588	N/A
Total current assets	1,550,617	1,902,743	(352,126)	(18.5%)
Restricted cash	137,702	155,761	(18,059)	(11.6%)
Property, furniture and equipment	8,619,472	7,750,859	868,613	11.2%
Non-productive fixed assets (under development) □	-	1,531,012	(1,531,012)	N/A
Accounts receivables and Deferred cost Vacation Club LT	264,517	252,355	12,162	4.8%
Other fixed assets	1,062,779	849,722	213,057	25.1%
Total non-current assets	10,084,471	10,539,709	(455,238)	(4.3%)
Total Assets	11,635,087	12,442,452	(807,365)	(6.5%)
Current installments of long-term debt	357,785	405,295	(47,510)	(11.7%)
Deferred Income Vacation Club ST	47,410	40,786	6,624	16.2%
Other current liabilities	755,250	680,358	74,892	11.0%
Liabilities separated for sale	-	100,997	(100,997)	N/A
Total current liabilities	1,160,446	1,227,436	(66,990)	(5.5%)
Long-term debt	2,542,323	3,330,627	(788,304)	(23.7%)
Other non-current liabilities	1,110,720	1,026,981	83,739	8.2%
Total non-current liabilities	3,653,042	4,357,608	(704,566)	(16.2%)
Total Equity	6,821,599	6,857,408	(35,809)	(0.5%)
Total Liabilities and Equity	11,635,087	12,442,452	(807,365)	(6.5%)

Cash and Cash Equivalents

By the end of 4Q23, the Company's cash and cash equivalents were Ps. 271.8 million. Of this figure, Ps. 191.0 million is peso-denominated, and Ps. 80.9 million is U.S. dollar-denominated.

Accounts Receivable and Other Current Assets

This line item increased 6.6%, from Ps. 266.0 million in 4Q22 to Ps. 283.7 million in 4Q23.

Property, Furniture & Equipment

This line item was equal to Ps. 8,619.5 million at the end of 4Q23, an 11.2% increase compared to Ps. 7,750.9 million at the end of 4Q22. CAPEX in 4Q23 was Ps. 8.0 million, compared to Ps. 1,284.6 million in 4Q22.

Figures in thousands of Mexican Pesos

	4Q23		Full Year 2023	
CAPEX for the period	% Total		% Total	
Use conversion	135	1.7%	206,482	70.8%
New points of sale	0	0.0%	16,404	5.6%
Ordinary CAPEX	7,850	98.3%	68,565	23.5%
Total CAPEX	7,984	100.0%	291,450	100.0%

Net Debt and Maturity

Total Debt was Ps. 2,490.6 million at the end of 4Q23, which represented a Net Debt / LTM EBITDA ratio equal to 3.0x. Of Total Debt, 76.1% is U.S. dollar-denominated and has an average cost of 8.46%. The remaining 23.9% is peso-denominated, with an average cost of 14.52%. In addition, over 88% of debt maturities are long term.

During 4Q23, the Mexican peso appreciated 4.1% against the U.S. dollar, from Ps. 17.6195 on September 30, 2023, to Ps. 16.8935 on December 31, 2023, positively impacting the Company's financial costs. The Company's short U.S. dollar position by the end of 4Q23 was US\$119.4 million, equal to Ps. 2,017.0 million.

The following graphs show the Company's debt and cash position, as well as debt maturity.

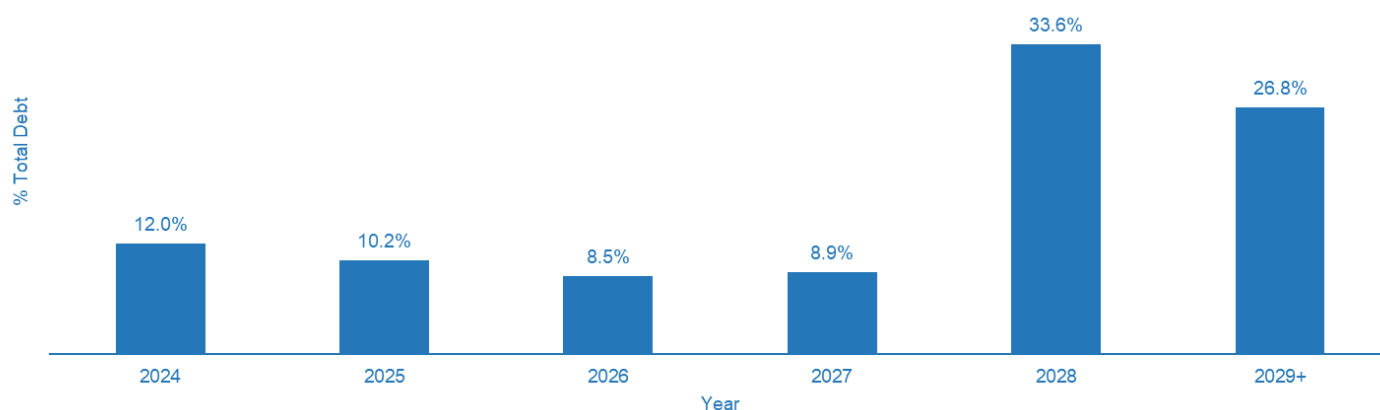
Figures in thousands of Mexican pesos	Denominated in (currency):		
	Pesos	Dollars	Total
Debt*			
Short Term	29,785	328,000	357,785
Long Term	662,600	1,879,723	2,542,323
Total	692,384	2,207,723	2,900,108
% Total	23.9%	76.1%	100.0%
Average rate of financial liabilities	14.52%	8.46%	9.90%
Cash and cash equivalents	190,954	80,880	271,834
Restricted cash	27,842	109,860	137,702
Cash and cash equivalents**	218,796	190,740	409,536
Net Debt	473,588	2,016,983	2,490,572

Net Debt / LTM EBITDA (as of December 31, 2023) 3.0x

*Includes accrued interest and effect of financial instruments related to financial debt.

**Includes restricted cash related to bank debt.

Debt Maturity Profile of Grupo Hotelero Santa Fe
as of December 31, 2023



As it pursues its growth plans, the Company will continue to balance its debt between pesos and dollars. Both peso- and dollar-denominated debt are hedged over reference rates (TIIE and LIBOR), with a strike price at 8.5% and 4.5%, respectively.

According to IFRS, the exchange rate used was USD/MXN 16.8935 on December 31, 2023, as published in Mexico's *Official Federal Gazette*.

Currency Hedging Analysis

Figures in thousands of Mexican pesos

Fourth Quarter 2023

Full Year 2023

Currency Hedging Analysis	Denominated in Pesos	Denominated in USD	Total in Pesos	Denominated in Pesos	Denominated in USD	Total in Pesos
Total Revenue	503,193	206,705	709,898	2,000,827	958,380	2,959,207
% of Total Revenue	70.9%	29.1%	100.0%	67.6%	32.4%	100.0%
(-) Total Costs and Expenses	549,909	56,111	606,020	2,179,865	246,949	2,426,814
(-) Non-recurring Expenses	47,950	-	47,950	77,145	-	77,145
Operating Income	(94,666)	150,594	55,928	(256,183)	711,431	455,248
(+) Depreciation	76,445	-	76,445	307,314	-	307,314
Operating Cash Flow	(18,221)	150,594	132,373	51,131	711,431	762,562
% of Operating Cash Flow	(13.8%)	113.8%	100.0%	6.7%	93.3%	100.0%
Interest	19,056	52,269	71,325	87,556	211,015	298,571
Principal	1,417	53,545	54,962	84,337	226,651	310,988
Total Debt Service	20,473	105,814	126,287	171,893	437,666	609,559
Interest Coverage Ratio 1	(1.0x)	2.9x	1.9x	0.6x	3.4x	2.6x
Debt Service Coverage Ratio 2	(0.9x)	1.4x	1.0x	0.3x	1.6x	1.3x

1) Operating Cash Flow / Interest; 2) Operating Cash Flow / Total Debt Service

In 2023, approximately 32.4% of revenue and 93.3% of cash flow was denominated in U.S. dollars.

At the end the 2023, the Company's debt coverage ratio was 1.3x due to higher interest rates combined with the effect from *Krystal Beach Acapulco*. In addition, HOTEL had a U.S. dollar-denominated cash balance of Ps. 190.7 million at the end of 4Q23, decreasing its total exposure to currency risks.

Recent Events

- On October 19, 2023, the Company announced that its Board of Directors has authorized that its shareholder Héctor Fabián Gómez Sainz García may increase his shareholding to 9.90% of the share capital of HOTEL.
- On October 20, 2023, the Company announced the opening of the *Secrets Tulum Resort & Beach Club* hotel (the "*Hotel Secrets Tulum*") of which the Company owns 25% of the shares. The remaining 75% of the shares are owned by a group of private investors. The hotel has 326 rooms and a Beach Club in Tulum, Quintana Roo within the all-inclusive adult only luxury lodging segment and will be operated by the Company.
- On October 27, 2023, the Company announced that the *Krystal Beach Acapulco* was damaged by Hurricane Otis without personal incidents for our employees and guests. We continue with the inspections and assessing the damage to the hotel together with our insurer to prepare a renovation plan as soon as possible.

4Q23 Conference Call Details:

HOTEL will host its earnings webcast (audio + presentation) to discuss results:

Date: Friday, February 23, 2024

Time: 12:00 p.m. Mexico City Time

1:00 p.m. New York Time

To participate in the Zoom conference call and Q&A please use the following link:

<https://webcast.investorcloud.net/hotel/index.html>

Or please dial:

Telephone: US: +1 929 205 6099

Mexico: +52 558 659 6002

Other numbers: <https://us02web.zoom.us/j/kc8tRcQr3B>

Zoom Webinar ID: 894 4670 0914

About Grupo Hotelero Santa Fe

HOTEL is a leading company in the Mexican hotel industry, focused on acquiring, converting, developing and operating its own hotels as well as third-party owned hotels. The Company focuses on strategic hotel location and quality, a unique hotel management model, strict expense control and the proprietary Krystal® brand, as well as other international brands. As of year-end 2023, the Company employed over 3,200 people and generated revenues of Ps. 2,959 million. For more information, please visit www.gsf-hotels.com

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Legal Note on Forward-Looking Statements:

The information provided in this report contains certain forward-looking statements and information related to Grupo Hotelero Santa Fe, S.A.B. de C.V. and its subsidiaries (jointly "Grupo Hotelero Santa Fe", "HOTEL", or the "Company") which are based in the understanding of its managers, as well as in assumptions and information currently available for the Company. Such statements reflect the current view of Grupo Hotelero Santa Fe in regard to future events subject to a number of risks, uncertainties and assumptions. Several features may cause that the results, performance or current achievements of the Company may differ materially with respect to future results, performance or attainments of Grupo Hotelero Santa Fe that may be included, expressly or implied within such statements in regard to the future, including among others, alterations in the economic general conditions and/or politics, governmental and commercial changes globally or within the countries in which the Company has any business interests, changes in the interests rates and inflation, exchange rates volatility, changes in the demand and regulations of the products marketed by the Company, changes in the price of raw materials and other goods, changes in the business strategies and several other features. If one or more of these risks or uncertainties are materialized, or if the assumptions used result to be incorrect, the real results may materially differ from those described herein as anticipated, believed, expected or envisioned. Grupo Hotelero Santa Fe undertakes no obligation to update or revise any forward-looking statements.

Income Statement

GRUPO HOTELERO SANTA FE, S.A.B. de C.V.

Consolidated Income Statement

For the three and twelve -month periods ended December 31, 2023 and 2022

(Figures in thousands of Mexican pesos)

	Fourth Quarter				12 months ended December 31			
	2023	2022	Var.	% Var.	2023	2022	Var.	% Var.
Revenue								
Room Revenue	347,063	366,683	(19,619)	(5.4)	1,455,751	1,302,470	153,281	11.8
Food and Beverage Revenue	290,031	294,901	(4,870)	(1.7)	1,215,912	1,017,326	198,585	19.5
Other Revenue from Hotels	38,427	36,154	2,273	6.3	150,578	200,097	(49,519)	(24.7)
Vacation Club	10,264	20,158	(9,893)	(49.1)	46,806	46,675	131	0.3
Third-party Hotels' Management Fees	24,113	23,002	1,111	4.8	90,160	85,750	4,410	5.1
TOTAL REVENUE	709,898	740,897	(30,998)	(4.2)	2,959,207	2,652,319	306,889	11.6
COSTS AND EXPENSES								
Operating Costs and Expenses	364,935	427,076	(62,141)	(14.6)	1,439,305	1,343,045	96,259	7.2
Sales and Administration	146,947	77,119	69,828	90.5	611,481	496,574	114,907	23.1
Property Expenses	11,821	9,429	2,392	25.4	41,203	35,917	5,286	14.7
Vacation Club Cost	5,862	11,785	(5,923)	(50.3)	27,511	27,632	(121)	(0.4)
Depreciation and Amortization	76,455	74,911	1,544	2.1	307,314	281,203	26,111	9.3
TOTAL COSTS AND EXPENSES	606,020	600,321	5,699	0.9	2,426,814	2,184,371	242,443	11.1
Development and hotel opening expenses	5,127	9,509	(4,382)	(46.1)	29,042	18,100	10,942	60.5
Other non-recurring expenses	114,600	96,121	18,479	19.2	123,103	95,257	27,845	29.2
TOTAL	119,727	105,630	14,097	13.3	152,145	113,358	38,788	34.2
ADJUSTED EBITDA	180,333	215,487	(35,154)	(16.3)	839,708	749,151	90,557	12.1
ADJUSTED EBITDA Margin (%)	25.4%	29.1%	(3.7 pt)	(3.7 pt)	28.4%	28.2%	0.1 pt	0.1 pt
OPERATING INCOME	(15,849)	34,945	(50,795)	NA	380,248	354,590	25,658	7.2
Operating Income Margin (%)	(2.2%)	4.7%	(6.9 pt)	(6.9 pt)	12.8%	13.4%	(0.5 pt)	(0.5 pt)
Utilidad por venta de subsidiarias	3,223	-	-	NA	(310,331)	-	(310,331)	NA
Net interest expenses	(49,321)	(36,427)	(12,894)	35.4	(249,770)	(109,409)	(140,362)	NA
Net foreign currency exchange loss	82,870	86,854	(3,984)	(4.6)	279,591	106,803	172,788	NA
Other financial costs	(1,754)	(1,388)	(366)	26.4	(9,567)	(9,849)	282	(2.9)
Net Financing Result	31,794	49,039	(17,245)	(35.2)	20,254	(12,455)	32,709	NA
Undistributed income from subsidiaries, net	974	1,091	(118)	(10.8)	5,970	3,615	2,355	65.2
Income before taxes	13,696	85,075	(71,379)	(83.9)	716,803	345,750	371,053	NA
Total income taxes	8,469	90,097	(81,628)	NA	123,907	147,445	(23,538)	NA
Net Income	5,226	(5,022)	10,248	NA	592,896	198,304	394,592	NA
Net Income Margin (%)	0.7%	(0.7%)	1.4 pt	1.4 pt	20.0%	7.5%	12.6 pt	12.6 pt
Income attributable to:								
Controlling Interest	29,010	(7,597)	36,608	NA	521,780	162,385	359,394	NA
Non-controlling Interest	(23,784)	2,576	(26,360)	NA	71,117	35,919	35,197	98.0

Balance Sheet

Grupo Hotelero Santa Fe, S.A.B. de C.V.

Consolidated Balance Sheet

As of December 31, 2023 and 2022

(Figures in thousands of Mexican pesos)

(Figures in thousands of Mexican pesos)	2023	2022	Var \$	Var %
ASSETS				
Current Assets				
Cash and cash equivalents	271,834	444,223	(172,389)	(38.8%)
Accounts receivables from clients	179,487	161,106	18,381	11.4%
Accounts receivables Vacation Club ST	19,021	27,640	(8,619)	(31.2%)
Accounts receivables from related parties	22,306	15,462	6,844	44.3%
Creditable taxes	245,739	330,361	(84,622)	(25.6%)
Other current assets	81,884	89,426	(7,542)	(8.4%)
Deferred cost Vacation Club ST	16,758	16,500	259	1.6%
Assets separated for sale	-	818,026	(818,026)	NA
Apartment Inventory	713,588	-	713,588	NA
Total current assets	1,550,617	1,902,743	(352,126)	(18.5%)
Non-current Assets				
Restricted cash	137,702	155,761	(18,059)	(11.6%)
Accounts receivables Vacation Club LT	122,315	126,661	(4,346)	(3.4%)
Property, furniture and equipment	8,619,472	7,750,859	868,613	11.2%
Non-productive fixed assets (under development)□	-	1,531,012	(1,531,012)	(100.0%)
Other assets	115,287	259,732	(144,445)	(55.6%)
Investment in subsidiaries	319,895	37,225	282,670	NA
Deferred income taxes	281,980	207,148	74,832	36.1%
Deferred cost Vacation Club LT	142,202	125,694	16,508	13.1%
Goodwill	345,617	345,617	-	0.0%
Total non-current assets	10,084,471	10,539,709	(455,238)	(4.3%)
Total assets	11,635,087	12,442,452	(807,365)	(6.5%)
LIABILITIES AND SHAREHOLDERS EQUITY				
Current liabilities				
Current installments of long-term debt	357,785	405,295	(47,510)	(11.7%)
Suppliers	234,175	200,803	33,372	16.6%
Accrued liabilities	95,554	146,734	(51,180)	(34.9%)
Accounts payable to related parties	557	530	27	5.2%
Payable taxes	68,532	61,944	6,588	10.6%
Guarantee deposits	212,449	193,514	18,935	N/A
Client advanced payments	143,983	76,833	67,150	87.4%
Deferral Income Vacation Club ST	47,410	40,786	6,624	N/A
Liabilities separated for sale	-	100,997	(100,997)	N/A
Total current liabilities	1,160,446	1,227,436	(66,990)	(5.5%)
Non-current liabilities				
Long-term debt	2,542,323	3,330,627	(788,304)	(23.7%)
Other non-current liabilities	237,624	190,859	46,765	24.5%
Employee Benefits	22,726	16,815	5,911	N/A
Deferred income taxes	850,370	819,307	31,063	3.8%
Total non-current liabilities	3,653,042	4,357,608	(704,566)	(16.2%)
Total liabilities	4,813,488	5,585,044	(771,556)	(13.8%)
Equity				
Capital stock	3,609,459	4,310,498	(701,039)	(16.3%)
Legal reserve	190,493	190,493	-	0.0%
Premium on subscription of shares	80,000	80,000	(0)	(0.0%)
Net income	521,780	162,385	359,395	NA
Retained earnings	807,598	640,213	167,385	26.1%
Shareholder's Equity	5,209,330	5,383,590	(174,259)	(3.2%)
Non-controlling interest	1,612,269	1,473,818	138,451	9.4%
Total Equity	6,821,599	6,857,408	(35,809)	(0.5%)
Total liabilities and equity	11,635,087	12,442,452	(807,365)	(6.5%)

Cash Flow Statement

Grupo Hotelero Santa Fe, S.A.B. de C. V.

Consolidated Cash Flow

For the three and twelve month periods ended December 31, 2023 and 2022

Figures in thousands of Mexican pesos

Cash Flow Statement	Fourth Quarter		12 months ended December 31	
	2023	2022	2023	2022
Cash flow from operating activities				
Net income	5,226	(5,022)	592,896	198,304
Depreciation and amortization	76,455	74,911	307,314	281,203
Income taxes	8,469	90,097	123,907	147,445
Unrealized loss (gain) in foreign currency exchange	(113,054)	(137,209)	(363,474)	(173,517)
Net interest expense	49,321	36,427	249,770	109,409
Other financial costs	1,754	1,388	9,567	9,849
Minority interest	(974)	(1,091)	(5,970)	(3,615)
Income from Dividends of subsidiary	18,750	(5,000)	-	(12,200)
Profit from sale of Subsidiaries	3,223	-	(310,331)	-
Cash flow before working capital variations	49,172	54,502	603,680	556,879
Accounts receivable from clients	(106,002)	(87,767)	(9,762)	(79,144)
Accounts receivable from related parties	(8,510)	(2,856)	(5,113)	(6,527)
Other current assets	27,180	1,356	7,284	(8,741)
Creditable taxes	129,598	48,731	98,860	35,445
Suppliers	28,922	96,859	33,373	65,278
Accrued liabilities	(67,080)	(36,028)	(44,555)	57,253
Accounts payable to related parties	91	(150)	27	(15,157)
Downpayments from clients	34,598	11,478	26,697	42,363
Payable taxes	48,839	22,546	17,327	(6,606)
Net operating cash flow	136,809	108,673	727,815	641,045
Non-recurring items				
Accrued liabilities	21,424	15,825	59,387	82,018
Receivable and Payable taxes	(76,432)	(94,532)	(195,168)	(152,084)
Cash flow net from non-recurring items	81,801	29,966	592,034	570,979
Investment activities				
Change in restricted cash	4,647	(74,500)	18,059	(74,494)
Acquisition of property, furniture and equipment	(7,984)	(1,284,577)	(291,450)	(1,640,288)
Deposit for hotel acquisition	-	106,540	173,600	(123,600)
Sale of shares of subsidiaries	-	-	1,054,906	-
Investment in subsidiary	-	2,200	(290,768)	-
Dividendos ganados	-	-	18,750	7,200
Other net assets and liabilities	37,710	(58,100)	(55,082)	(66,375)
Interest gained	25,841	8,230	27,469	22,317
Cash flow from investment activities	60,214	(1,300,207)	655,485	(1,875,240)
Financing activities				
Net increase in paid-in capital	-	20,000	-	400,000
Disminucion de capital variable	-	-	(713,008)	-
Net increase in paid-in capital from non-controlling company	964	309,539	74,692	304,693
Repurchase of shares	3,306	(2,041)	11,969	(2,633)
Obtained loans	-	748,182	-	954,782
Loan to shareholder of non-controlling company	987	1,708	(1,730)	2,992
Payment of interest and loan amortization	(126,286)	(135,561)	(791,830)	(455,675)
Cash flow from financing activities	(121,030)	941,828	(1,419,907)	1,204,159
Net (decrease) increase in cash and cash equivalents	20,986	(328,413)	(172,388)	(100,103)
Cash and cash equivalents at the beginning of the period	250,849	790,890	444,223	564,723
Cash and cash equivalents at the end of the period	271,835	462,477	271,835	464,620
Cash of Assets separated for sale	-	(20,397)	-	-
Effects from cash value changes	-	2,143	-	(20,397)
Total Cash at the end of the period	271,835	444,223	271,835	444,223

Appendix 1: Integration of Rooms under Operation

Operating indicators for 4Q23 include 5,626 hotel rooms under operation out of 6,258. The integration of 632 excluded rooms is detailed as follows:

- i) 263 rooms that are part of the Vacation Club⁷.
- ii) 45 rooms from *SLS Cancun* where commercial information is unavailable.
- iii) 260 rooms from *Krystal Acapulco* are under renovation.
- iv) 61 rooms from *Secrets Tulum Resort & Spa* were not available.
- v) 3 rooms from *Krystal Grand San Miguel de Allende* were not available.

Operating indicators for full-year 2023 include 5,712 hotel rooms in operation out of 6,258. The inclusion of 546 excluded rooms is detailed below:

- i) 263 rooms that are part of the Vacation Club⁸.
- ii) 45 rooms from *SLS Cancun* where commercial information is unavailable.
- iii) 66 rooms from *Krystal Acapulco* are under renovation.
- iv) 259 rooms from *Secrets Tulum Resort & Spa* were not available.
- v) 15 rooms from *Krystal Grand San Miguel de Allende* were not available.
- vi) 64 rooms from *Hyatt Regency Mexico City Insurgentes* were not available.
- vii) -166 rooms from the *Hilton Guadalajara* were subtracted as the hotel was sold in May.

The following table summarizes the total number of rooms in the Company's portfolio:

Rooms 4Q23	Owned Hotels	Third-Party Owned Hotels	Total Rooms	Rooms 2023	Owned Hotels	Third-Party Owned Hotels	Total Rooms
In Operation	3,446	2,180	5,626	In Operation	3,730	1,982	5,712
Vacational Club	53	210	263	Vacational Club	53	210	263
Information unavailable	-	45	45	Information unavailable	-	45	45
In Renovation	260	-	260	In Renovation	66	-	66
Not Available	3	61	64	Not Available	(87)	259	172
Total Rooms	3,762	2,496	6,258	Total Rooms	3,762	2,496	6,258

⁷ Two hundred and sixty-three rooms are part of Vacation Club, of which 53 rooms are Company-owned, and 210 rooms are third-party owned under the Company's management. Vacation Club revenue is included in the P&L under Other Income, and is, therefore, excluded from this analysis.

⁸ Two hundred and sixty-three rooms are part of Vacation Club, of which 53 rooms are Company-owned, and 210 rooms are third-party owned under the Company's management. Vacation Club revenue is included in the P&L under Other Income, and is, therefore, excluded from this analysis.