Avenida Revolución 1267
Piso 21
Col. Los Alpes, Álvaro Obregón
C.P. 01040, Ciudad de México
T + (55) 7583 2000

ALSEA COVID-19 UPDATE

Mexico City, March 19th, 2020 — Alsea, S.A.B. de C.V. (BMV: ALSEA*) "Alsea", the leading operator of Quick Service Restaurants, Coffee Shops, and Casual Dining establishments in Latin America and Europe, is providing the following update in light of government measures across its main regions to close or limit restaurant capacity to help combat the spread of the *Coronavirus* COVID-19.

Alsea prioritizes the health and safety of its customers, employees and the communities in which it operates and complies with all regulations and measures defined by authorities in all geographies. In line with government edicts, it has temporarily closed establishments in Spain, Portugal, France and Benelux, and our stores are currently operating at 92% in Argentina, 52% in Chile and 95% in Colombia. In Mexico, 99% of our outlets remain open, following strict hygiene and social distancing protocols. Food delivery, take-out and drive-through is permitted in all our markets and is an important revenue source given the circumstances. Considering these closures, and requirements for people to stay at home, we expect trading conditions to be severely challenged in the short term.

Confronted with this unprecedented situation, Alsea is taking immediate action to reduce all non-essential costs and capital investment. It is also working closely with the authorities in all geographies, particularly with respect to compensation for businesses and employees affected by the lock down, in order to access all aid programs that are being announced. To that end we have taken the following decisions to preserve our financial flexibility:

- Maximize the sales from business units that remain open to support our clients through delivery, take-out and drive-through formats, as well as through third party food aggregators.
- Take advantage of Domino's Pizza's strength in delivery and try to keep all stores open in Mexico and Colombia. We will also aim to re-start Domino's Pizza delivery in Spain as soon as possible.
- Our planned Capex for 2020 of MXP4.5bn to MXP5bn has been slashed. All new openings that can be postponed will be. Any project that is not essential to continue operations, including all major remodeling and maintenance projects, as well as technology projects that require Capex and Opex and that are not indispensable, will also be cancelled or postponed. We are expecting Capex to be under MXP2bn for 2020.
- We are reducing overhead expenses with immediate effect. We have cut a significant number of positions in our corporate center. We have also established a program for collaborators willing to take 30 days of unpaid leave.
- We are adjusting our staffing levels at all our brands, reducing working hours and headcount in line with demand. We are negotiating with relevant unions regarding support.
- All non-essential third-party contracts will be stalled. Marketing and advertising will be drastically reduced, as will all publicity expenses.
- We will minimize the impact of the devaluation of our currencies on costs, particularly in Mexico, where approximately 25% of costs is USD based. This will be achieved through pricing strategies, promoting locally sourced products, reducing SKUs and optimizing inventory management for expected sales.
- Working capital will be managed extremely tightly.
- We will be renegotiating our rents in our key markets and seeking waivers for the months with no operations.
- We will maintain our share repurchase fund given the highly depressed price of the stock, while always preserving the liquidity of the company.

On the financial side, we have significant liquidity to keep us going well into the second half of 2020 and paying outstanding interest, even assuming operations in Europe remain effectively closed, and

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Mexico remains down. We are compliant with our debt covenants (under 4x Gross Debt / EBITDA). In addition, we are currently holding constructive negotiations with our banking group regarding covenant waivers for the rest of the year, in the event they should be required.

We support the measures provisionally outlined by the governments of Spain and France and other countries to help the restaurant business overcome this challenge, including paying for corresponding wages of employees and charges of certain utilities and rents. We are also encouraged by the support from our global brand franchisors and our subfranchisees, for whom we remain a key strategic partner and altogether represent 60% of Alsea's sales.

Additionally, we have implemented a series of prevention measures in response to this public health crisis: from the outset, we have increased the cleaning, disinfection and sanitization procedures in our stores and restaurants, following all the preventative measures recommended by the health authorities, while reinforcing the operation with hygiene protocols which we are constantly strengthening.

In its 30 years of operations, Alsea has seen many financial and economic crises. Fortunately, our company has the scale, brands, liquidity, operating flexibility and above all experienced people to overcome this huge challenge. With the decisive actions we are taking today, we will be ready to serve all our customers across our geographies as soon as normality returns, offering them the high food safety standards, renowned brands, quality service and products they are used to from Alsea.

Alsea will provide updates when it has more information regarding developments in its markets.

Disclaimer
This press release contains certain forward-looking information regarding the Company's results and outlook. However, actual results may vary materially from these estimates. Information on future events contained in this release should be read jointly with the risk summary in the Annual Report. That information, as well as future reports made by the Company or any of its representatives, whether verbally or in writing, may vary significantly from actual results. These projections and estimates, which are prepared in reference to a determined date, should not be taken as fact. The Company is in no way liable for updating or revising any of these projections and estimates, whether as a result of new information, future events or other associated events.

About Alsea
Alsea is the leading restaurant operator in Latin America and Spain of global brands in the quick service, coffee shop, casual and family dining segments. It has a diversified portfolio, with brands such as Domino's Pizza, Starbucks, Burger King, Chili's, California Pizza Kitchen, P.F. Chang's, Italianni's, The Cheesecake Factory, Vips, Vips Smart, El Portón, Archies, Foster's Hollywood, Cañas y Tapas, Gino's, TGI Fridays and wagamama. The company operates more than 4,000 units and has more than 80,000 employees in Mexico, Argentina, Chile, Colombia, Brazil, Uruguay, Spain, France, Portugal, the Netherlands, Belgium, Luxembourg and Andorra. Alsea's business model includes support for its brands through a Shared Services Center that provides all the Administrative and Development Processes, as well as the Supply Chain.

For more information please visit: www.alsea.com.mx

Alsea shares are traded on the Mexican Stock Exchange under the ticker symbol ALSEA*

Salvador Villaseñor Barragán
Investor Relations
Contacts: (5255) 7583-2000
ri@alsea.com.mx

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