Earnings Release 2Q23

26.07.23

Nicolás Espinoza
ri@alsea.com.mx
+52 (55) 7583-2000

CONFERENCE CALL

Date and Time: Thursday July 27th 2023, 9:00 am (Mexico City time)

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Second Quarter 2023 Results and Highlights

- **Same-Store Sales (SSS):**

	VMT 2Q23	OMT 2Q23
Vs. 2Q22	18.6%	6.5%

- **Total sales* increased by 11% in the second quarter of the year**
- **Excluding Domino's Pizza, home delivery sales for the quarter reached $1.4 billion pesos and 6.7 million orders, an increase of 27.4% and 15.9% year-over-year, respectively**
- **6.3 million active users** in our loyalty programs, a growth of 7.8% vs. the previous year**
- **EBITDA increased by 15.0%, with a margin of 13.7%**
- **The Total Debt / EBITDA leverage ratio* was 2.69x at the end of the quarter**
- **At the end of the second quarter, net income* increased by 89.7% compared to 2Q22, reaching $475 million pesos**

**Excluding the effect of IFRS 16, as well as the effect related to the restatement for hyperinflation in Argentina.*

***Active users: last 90 days for Starbucks and 180 days for QSR and restaurant brands.*

Armando Torrado, Chief Executive Officer of Alsea, commented: "I am pleased to share with you another quarter of strong results. During the second quarter of 2023, revenues increased by 10.9% and EBITDA grew by 15%, year-over-year. Excluding foreign-exchange effects, net sales increased by 19.9%.

These results reflect the strong demand for our brands and favorable consumer behavior, driven by our focus on innovation, product quality, and the commitment of our talented team, backed by our highly competitive business model.

As part of our organic expansion strategy, we added 36 new corporate restaurants and 14 franchises, primarily focusing on our core brands, Starbucks and Domino's Pizza. I am pleased to announce that we achieved a significant milestone by opening the first Starbucks store in Paraguay, marking the brand's entry into the country. We will continue to assess carefully assess each potential new opening to ensure our profitability across all locations.

During this quarter, our brands delivered impressive results. Starbucks' achieved a significant same-store sales growth of 26.1%, while the Quick Service Restaurant (QSR) and Casual Dining Segments grew by 19.2% and 10.2%, respectively, compared to the same quarter of last year.

A key driver of our strong results has been talent retention in our stores. Following the strategy announced at Alsea Day 2023, we successfully reduced our global employee turnover rate by 1.9 percentage points during the quarter. This is a result of our recruiting focus on strategic zones and stores, supported by methodical selection processes. We have also prioritized the training and developing of internal talent while ensuring exemplary leadership in key positions.

In terms of digital strategy, we are pleased to announce the launch of "Stars for Everyone," a new addition to the Starbucks Rewards program in Mexico, which has been received extremely well received by our customers. This program offers more opportunities to accumulate stars and enjoy exclusive rewards, encouraging customer engagement and loyalty.

At Burger King Mexico, we began implementing Digital Kiosks, closing the quarter with 18 kiosks in 6 stores, which had a 17% higher average ticket. In the upcoming quarters, we will continue implementing this strategy nationwide and expand the project to South America.

In Alsea, we have strengthened our commitment to our ESG objectives, implementing multiple initiatives to promote the Company's sustainable development. During the quarter, we obtained the certification for 23 greener stores in Starbucks, reaching a total of 42 stores globally.

Regarding environmental initiatives in Europe, Domino's Pizza in Spain began transitioning its delivery fleet to electric vehicles. So far, they have converted 13% of their fleet and plan to increase this to 30% by 2026. Additionally, the brand is working towards achieving self-supply of clean energy by installing solar panels in three of their four factories and in the free-standing stores. Currently, they have 5,135 m2 of solar panels installed, which has reduced CO2 emissions by 21.27% at their factories.

In Mexico, Alsea and its brands, through the “Va por Mi Cuenta” movement led by Fundación Alsea, A.C., donated five vehicles, two of five tons and three of 1.5 tons, which will support the five Food Banks of the BAMX Network located in the states of Jalisco, Chihuahua, Veracruz, Sinaloa and Tamaulipas. These contributions will help the associations fight hunger among the vulnerable population of those areas.

In May, for the twelfth consecutive year, we received the Socially Responsible Company (ESR acronym in spanish) distinction, awarded by the Mexican Philanthropy Center, in recognition of our satisfactory compliance with the standards set in the area of Corporate Social Responsibility.

I am extremely grateful to all our team members for their dedication and hard work, which played a crucial role in achieving such a successful first half of the year. We are excited about the promising outlook this brings for the future of the Company.

With our great team, we are confident in our ability to continue delivering happiness and experiences full of flavor, while generating value for our shareholders and other stakeholders.

July, 2023

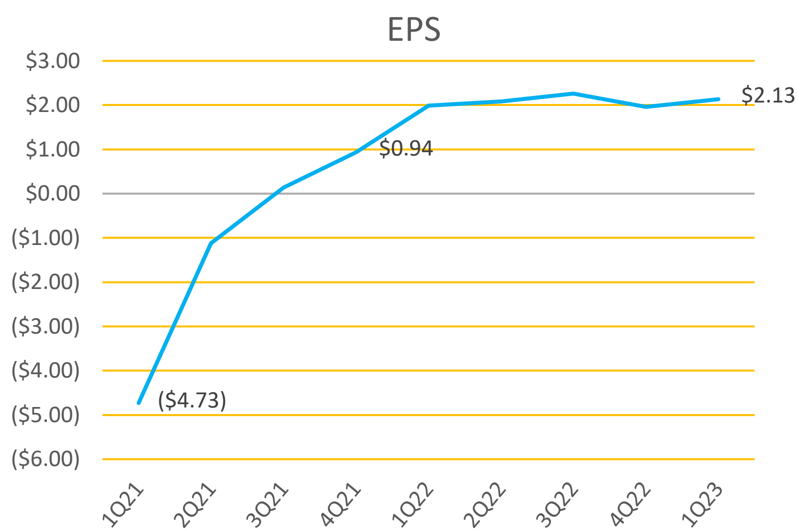
Mexico City, July 26th, 2023. Today, Alsea, S.A.B. de C.V. (BMV: ALSEA), the leading Quick Service Restaurant (QSR), Coffee Shop, Casual Dining, and Family Restaurant operator in Latin America and Europe, released its results for the second quarter of 2023. This information is presented in nominal terms pursuant to International Financial Reporting Standards (IFRS). The comments presented in this report include the effect of IFRS 16, as well as the effect regarding restatement due to hyperinflation in Argentina.*

FINANCIAL HIGHLIGHTS FOR THE SECOND QUARTER OF 2023

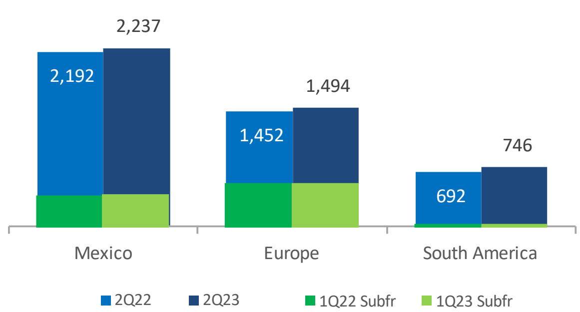
The following table provides a Financial Summary, including the margin for each line item representing net sales, as well as the percentage change for the quarter ended June 30th, 2023, compared to the same period of 2022:

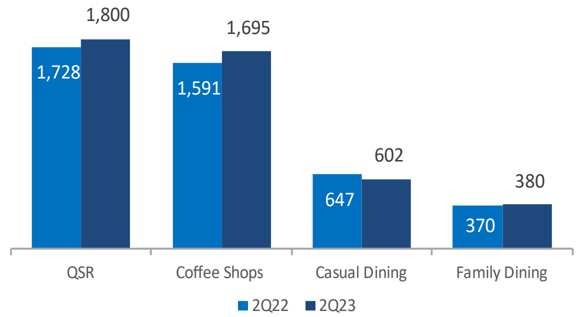
	Pre-IFRS16			*Post-IFRS16 + Argentinian Restatement*		
	2Q23	***2Q22***	***Var %***	***2Q23***	***2Q22***	***Var %***
Same-Store Sales	18.6%	38.7%	N.A.	18.6%	38.7%	N.A.
Net Sales	$18,624	$16,793	10.9%	$18,949	$16,939	11.9%
Gross Profit	12,443	11,296	10.2%	12,663	11,394	11.1%
EBITDA (1)	2,545	2,212	15.0%	3,839	3,627	5.8%
EBITDA Margin	*13.7%*	*13.2%*	50 bps	*20.3%*	*21.4%*	(110) bps
Operating Income	1,533	1,448	5.9%	1,745	1,680	3.9%
Net Income	$475	$250	89.7%	$490	$237	106.9%
Net Income Margin	*2.6%*	*1.5%*	110 bps	*2.6%*	*1.4%*	120 bps
ROIC	18.8%	12.1%	670 bps	11.0%	10.3%	70 bps
ROE	25.0%	17.7%	730 bps	22.4%	23.1%	(65) bps
Net Debt/EBITDA	2.2x	2.8x	N.A.	2.8x	3.2x	N.A.
EPS (2)	2.74	1.71	60.2%	2.37	2.08	13.7%

*** Figures in millions of 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*



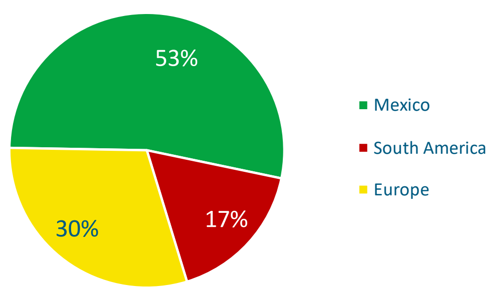


**Note: Total units (corporate + sub franchises)*

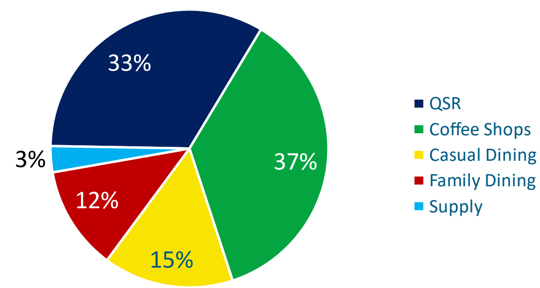
CONSOLIDATED RESULTS

SALES

SALES BY GEOGRAPHY*



SALES BY SEGMENT *



**Figures as of 2Q23, excluding restatement for hyperinflation in Argentina*

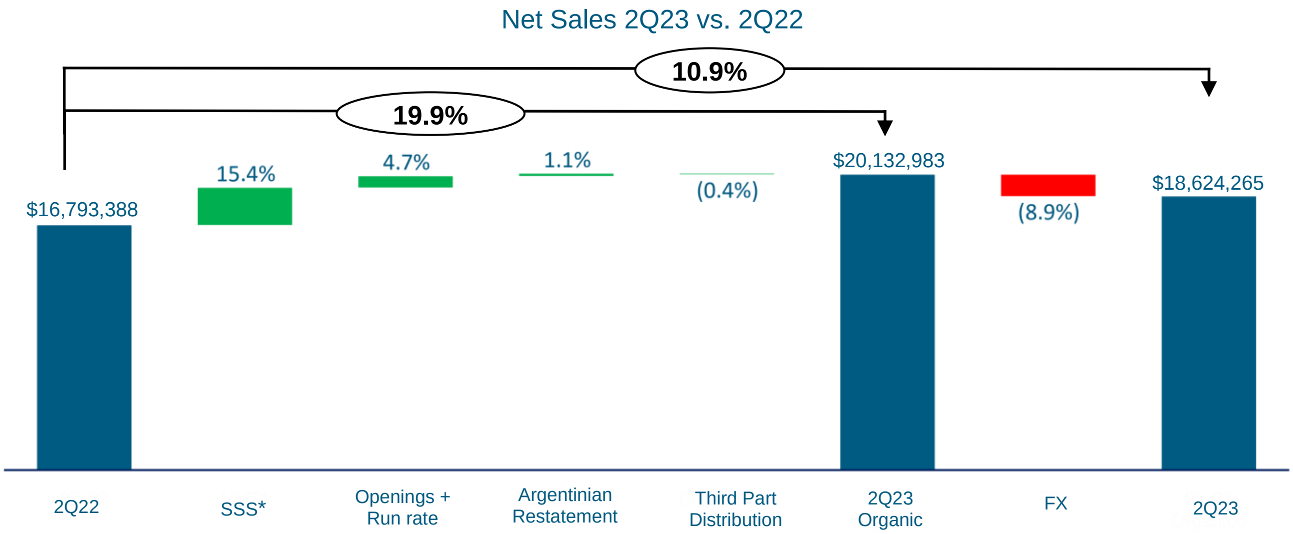
Net sales in the second quarter of 2023 **increased by 10.9% to reach 18,624 million pesos**. This increase is mainly explained by the sustained recovery in consumption trends, the preference for our brands, as well as the implementation of successful commercial strategies and the responsible execution of pricing strategies. This increase was partially offset by an exchange rate impact from the appreciation of the peso against other currencies. Excluding the exchange rate effect, net sales **increased 19.9%.**

The home delivery segment's revenue exceeded 3.2 billion pesos, with more than 12.3 million orders, and a 17.1% share of Alsea's consolidated sales.

Consolidated same-store sales in the second quarter of 2023 were **18.6%**, driven by an increase in same-store orders of **6.5% South America, Mexico, and Europe** exhibited remarkable same-store sales growth rates of **49.0%, 14.1%,** and **11.5%,** respectively.

The casual diningbrands showed solid same-store sales growth of 10.2% compared to the second quarter of 2022. QSR also continues with its positive performance, with same-store sales growth of 19.2%, compared to the second quarter of 2022. Starbucks maintains its strong position, reporting same-store sales growth of 26.1% for the second quarter of 2023, compared to the same period of 2022.

In Burger King Mexico, we began the successful implementation of Digital Kiosks, closing the quarter with 18 kiosks in 6 stores, which have generated a **17%** increase in the average ticket.



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

EBITDA

Pre-IFRS16 EBITDA for 2Q23 increased by 15.0% reaching 2,545 million pesos, with a margin of **13.7%**, representing a 0.5 percentage points increase compared to the second quarter of the previous year. Excluding the foreign exchange rate effect, EBITDA increased by 21.9%.

The 332 million Peso increase in EBITDA is mainly due to the positive trend in consumption, digital strategies, product innovation, and efficiencies achieved during the quarter, as well as an increased participation of the most profitable businesses. Year over year, we were able to achieve significant growth, derived from a cost improvement due to an exchange rate benefit and the decrease in the price of some commodities in Mexico. This was partially offset by higher energy costs and inflation in important products in Alsea Europe, as well as wage increases in different geographies.

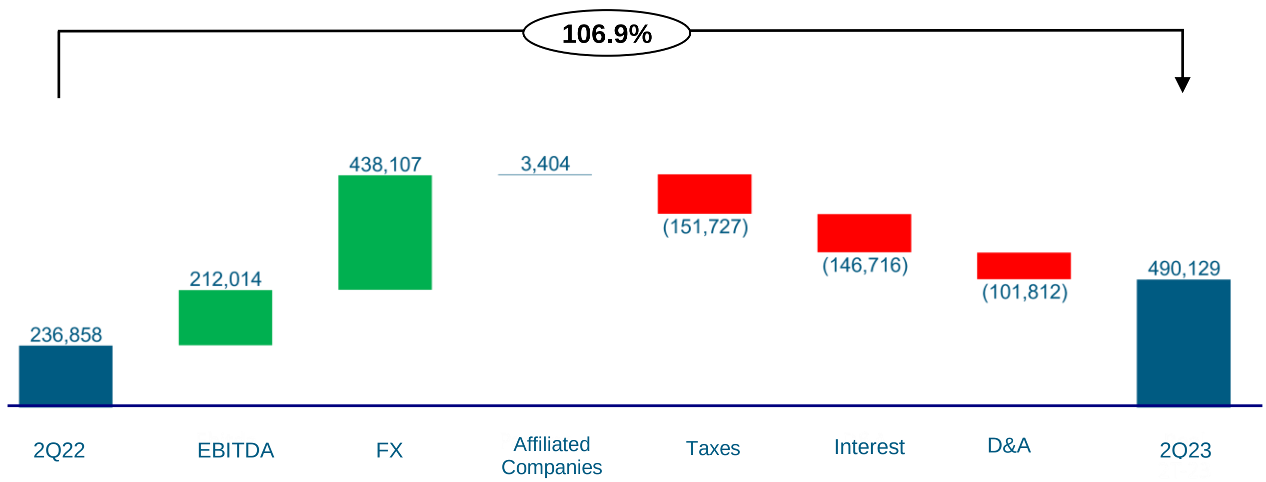
The post-IFRS16 EBITDA for 2Q23 increased by 5.8% reaching 3,839 million pesos, with a margin of 20.3%, representing a contraction of 1.1 percentage points compared to the second quarter of the previous year. This contraction was mainly due to higher variable rent expenses.

A key factor in achieving these results has been the retention of talent in our stores. As a result of the strategy announced at Alsea Day 2023, we were able to reduce our employee turnover rate **by 1.9 percentage points** globally during the quarter.

NET INCOME

Net income for the second quarter increased to **490 million pesos**, compared to 237 million pesos for the same period of the previous year. This increase is mainly due to a 336 million pesos decrease in the all-in cost of financing, resulting from a 438 million pesos foreign exchange benefit, as well as some efficiencies in expense control at the store level, partially offset by an increase in net interest paid and bank fees.

Net Income 2Q23 vs. 2Q22



RESULTS BY SEGMENT FOR THE SECOND QUARTER OF 2023

MEXICO

	Pre-IFRS 16				Post-IFRS 16			
Alsea Mexico	*2Q23*	*2Q22*	*Var.*	*% Var.*	*2Q23*	*2Q22*	*Var.*	*% Var.*
Number of Units	2,237	2,192	45	2.1%	2,237	2,192	45	2.1%
Same-store sales	14.1%	28.1%	N.A.	-	14.1%	28.1%	N.A.	-
Sales	9,831	8,357	1,474	17.6%	9,831	8,357	1,474	17.6%
Costs	3,458	3,026	432	14.3%	3,458	3,026	432	14.3%
Operating Expenses	4,016	3,416	600	17.6%	3,431	2,799	632	22.6%
Adjusted EBITDA *	2,357	1,915	442	23.1%	2,942	2,532	410	16.2%
*Adjusted EBITDA Margin**	*24.0%*	*22.9%*	*110 bps*	-	*29.9%*	*30.3%*	*(40) bps*	-
Depreciation and Amortization	635	413	222	53.9%	1,099	885	215	24.3%
G&A and other expenses	672	563	109	19.4%	672	530	142	26.8%
Operating Income	1,049	939	110	11.8%	1,170	1,116	53	4.8%

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

SALES MEXICO

Alsea Mexico sales represented 51.9% of Alsea's consolidated sales in the second quarter of 2023, an **increase of 17.6%**, reaching 9,831 million pesos and an increase of 8.1% in orders. This was mainly due to menu design, digital innovations, and a continuous improvement in the retention of key talent.

Home delivery sales continue to trend positively, increasing by 4.5% compared to 2Q22, reaching a 16.3% share of sales in 2Q23, with over 6.7 million orders in the quarter and a revenue of more than 1,600 million pesos.

Same-store sales growth by segment increased by 25.2%, 6.2% and 6.6% for Starbucks, Casual Dining and QSR, respectively, compared to 2Q22.

Similarly, the strategies implemented in Vips contributed to same-store sales growth of 7.5% compared to the second quarter of 2022 and same-store orders growth of 6.1%.

PRE-IFRS 16 ADJUSTED EBITDA MEXICO

Alsea Mexico’s pre-IFRS 16 Adjusted EBITDA accounted for **62.9%** of the consolidated adjusted EBITDA in the second quarter, with **23.1%** increase, closing at 2,357 million pesos. We achieved an expansion of 110 basis points at the adjusted EBITDA level due to:

- Same-store sales growth of **14.1%,** which helped improve operating leverage.
- An improvement in gross profit of 100 basis points, derived from a favorable exchange rate and the decrease in the price of some commodities.

In the second quarter we opened 13 corporate stores and 6 franchises in Alsea Mexico. At the end of the second quarter, Alsea Mexico had a total of 1,817 corporate units and 420 sub-franchise units.

EUROPA

	Pre-IFRS 16				Post-IFRS 16			
Alsea Europe	***2Q23***	***2Q22***	***Var.***	***% Var.***	***2Q23***	***2Q22***	***Var.***	***% Var.***
Number of units	1,494	1,452	42	2.9%	1,494	1,452	42	2.9%
Same-store Sales	11.5%	31.0%	N.A.	-	11.5%	31.0%	N.A.	-
Sales	5,658	5,421	237	4.4%	5,658	5,421	237	4.4%
Costs	1,664	1,461	203	13.9%	1,664	1,461	203	13.9%
Operating Expenses	3,127	3,047	81	2.6%	2,626	2,497	129	5.2%
Adjusted EBITDA*	866	912	(46)	(5.1%)	1,368	1,462	(95)	(6.5%)
*Margen EBITDA Ajustado**	*15.3%*	*16.8%*	*(150) bps*	-	*24.2%*	*27.0%*	*(280) bps*	-
Depreciación y Amortización	287	285	3	1.0%	738	794	(56)	(7.0%)
G&A y otros gastos	340	342	(2)	(0.5%)	340	342	(2)	(0.6%)
Utilidad de operación	239	286	(47)	(16.5%)	289	327	(37)	(11.4%)

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

SALES EUROPE

Alsea Europe sales represented 29.9% of the Company's consolidated sales, and are made up of the operations in Spain, Portugal, France, the Netherlands, Belgium, and Luxembourg.

This segment reported sales of 5,658 million pesos, representing a **4.4% increase** compared to the second quarter of 2022. This increase is related to the normalization of consumption trends in the countries in the region, digital strategies and product innovation, and a same-store order growth of **7.4%**. Excluding the foreign exchange effect, sales increased by **15.7%.**

The participation of "My Starbucks Rewards" has already reached 12% of total sales a few months after its implementation.

Home delivery segment sales represented a 17.3% share of Alsea Europe's sales in 2Q23, which was over 970 million pesos and more than 2.3 billion orders.

Same-store sales growth by segment increased by 15.3%, 12.7% and 6.7% for Starbucks, Casual Dining and QSR, respectively, compared to 2Q22.

Vips had a robust increase in same-store sales, growing by 12.8% compared to the same period of last year, supported by product innovation strategies.

PRE-IFRS 16 ADJUSTED EBITDA EUROPE

Alsea Europe's pre-IFRS16 Adjusted EBITDA represented **23.1%** of the consolidated Adjusted EBITDA in the second quarter of 2023. Excluding the exchange rate effect, adjusted EBITDA grew **5.4%**.

The impact of the increase in raw materials costs, the rise in energy prices, and the increase in minimum wage compared to the same period of the previous year were partially offset by responsible price increases, value strategies and cost controls.

However, there were significant raw material cost reductions versus the immediate previous quarters.

In the second quarter, we opened 20 corporate stores and 15 franchises in Alsea Europe, bringing the total number of corporate units to 946 and subfranchisee units to 548.

SUDAMÉRICA

	Pre-IFRS 16				*Post-IFRS 16 + Argentinian Restatement*			
Alsea South America	**2Q23**	**2Q22**	**Var.**	**% Var.**	**2Q23**	**2Q22**	**Var.**	**% Var.**
Number of units	745	692	53	7.7%	745	692	53	7.7%
Same-store Sales	49.0%	100.2%	N.A.	-	49.0%	100.2%	N.A	-
Sales	3,136	3,016	120	4.0%	3,460	3,162	298	9.4%
Costs	1,059	1,010	49	4.8%	1,163	1,058	105	10.0%
Operating Expenses	1,551	1,542	9	0.6%	1,547	1,417	130	9.2%
Adjusted EBITDA*	526	465	61	13.2%	750	688	63	9.1%
*Adjusted EBITDA Margin**	*16.8%*	*15.4%*	*140 bps*	-	*21.7%*	*21.7%*	-	-
Depreciation and Amortization	89	67	22	33.0%	257	269	(12)	(4.6%)
G&A and other expenses	192	175	17	9.7%	207	182	26	14.2%
Operating Income	245	223	22	10.0%	286	237	49	20.8%

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

SALES SOUTH AMERICA

Alsea South America sales made up 18.3% of the Company's consolidates sales for the second quarter of 2023, from its operations in Argentina, Colombia, Chile, Uruguayand, recently, we opened our first Starbucks unit in Paraguay, the first time that this brand has presence in the country.

Sales for this segment **increased by 9.4%**, reaching 3,460 million pesos. This increase is mainly related to the inflationary impact in Argentina, a responsible pricing strategy, technological innovation, and product innovation. In the region, especially in Colombia, we have experienced a decrease in orders due to a reduction in consumption levels. Home delivery sales increased 48.5% compared to 2Q22, reaching a 20.9% share of Alsea South America's sales in 2Q23.

Same-store sales growth by segment reached 42.8%, 50.2% and 6.8% for Starbucks, QSRand Casual Dining, respectively, versus 2Q22.

PRE-IFRS 16 ADJUSTED EBITDA SOUTH AMERICA

Alsea South America's pre-IFRS Adjusted EBITDA was 14.0% of consolidated Adjusted EBITDA in the second quarter of 2023, **and increased by 61 million pesos** compared to 2Q22, reaching **526 million pesos.** This increase was primarily due to a rise in sales, a 30 base point improvement in costs, excellent expense control derived from efficiencies, synergies and best practices linked to the consolidation and integration of the operations in Chile, Argentina, Uruguay and Paraguay.

In the second quarter we opened 22 corporate stores and 1 franchise in Alsea South America, totaling 697 corporate units and 49 subfranchisee units.

NON-OPERATING RESULTS

All-in Cost of Financing

The all-in cost of financing for the second quarter of 2023 **reached 1,001 million pesos**, a decrease of 336 million pesos compared to the 1,337 million pesos in the previous year. This increase was mainly due to a foreign exchange fluctuation gain of 438 million pesos, partially offset by an increase in net interest paid and an increase in bank commissions.

BALANCE SHEET

CAPEX

During the six months ended on June 30th, 2023, **Alsea made capital investments of 1,708 million pesos**, of which 1,440 million pesos, equivalent to 84.3% of total investments, were allocated to:

- The opening of **55 units** in the second quarter of the year
- The **renovation and remodeling** of existing units of the different brands operated by the Company
- Equipment replacement (maintenance CAPEX)

The remaining 268 million pesos were allocated to:

- Strategic technology and process improvement projects

BANK DEBT, SECURITIES

As of June 30th, 2023, 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. In addition, Alsea has 30 million euros in revolving credits.

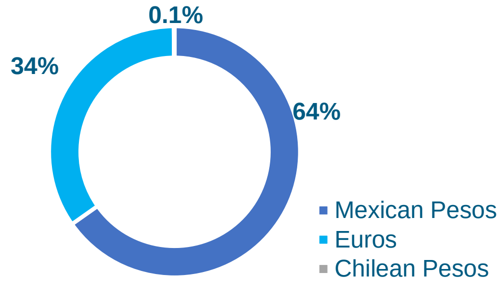
As of June 30th, 2023, **Alsea's total debt,** including leases under IFRS16, **decreased by 6,376 million pesos compared to June 2022**, closing at 45,060 million pesos. Excluding the effect of IFRS 16, Alsea's total debt decreased by 3,147 million pesos, to close at 25,530 million pesos.

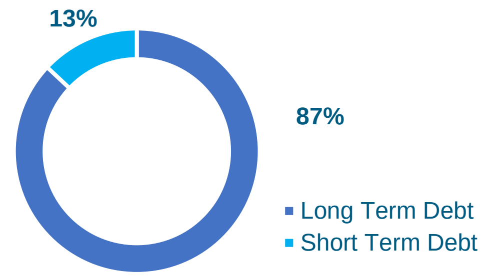
The **decrease in the debt corresponds primarily** to the devaluation of the euro against the Mexican peso, combined with amortization for an amount of 1,352 million pesos corresponding to the last twelve months.

The Company's **consolidated net debt,** including leases due to IFRS16, **decreased by 5,683 million pesos,** closing at 40,711 million pesos as of June 30th, 2023.

Excluding the effect of IFRS16, Alsea's net debt decreased by 2,454 million pesos, to close at 21,181 million pesos.

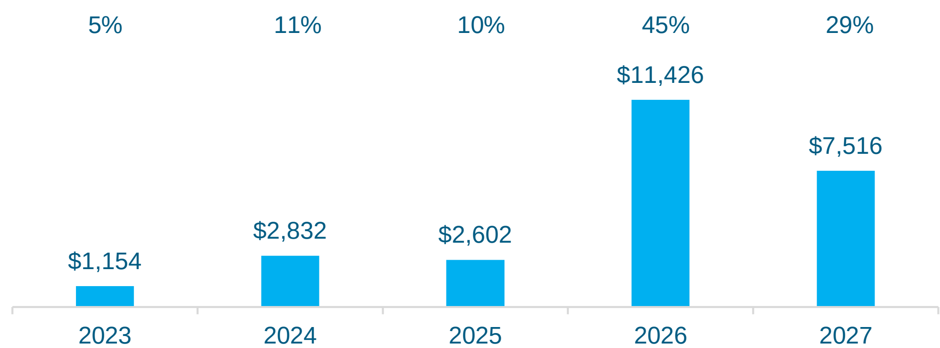
As of June 30th, 2023, the total debt (excluding IFRS16) was as follows:





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

The following graph shows the balance of the total debt (excluding IFRS16) in millions of pesos as of June 30th, 2023, as well as the maturities that are held for subsequent years:



*Figures in million pesos.

FINANCIAL RATIOS

As of June 30th, 2023, the financial ratios were:

- **Total Debt to EBITDA** (last 12 months) was **3.1x**.
- **Net Debt to EBITDA** (last 12 months) was **2.8x.**
- **EBITDA** (last 12 months) **to interest paid** (last 12 months) was **3.8x**.
- In terms of **liquidity**, at the end of the second quarter of 2023, Alsea reported **4.3 billion pesos in cash.**

KEY INFORMATION

Financial ratios	2Q23	2Q22	Var.
EBITDA[1] / Interests Paid	3.8 x	4.4 x	N.A.
Total Debt / EBITDA[1]	3.1 x	3.5 x	N.A.
Net Debt / EBITDA[1]	2.8 x	3.2 x	N.A.
ROIC [2]	11.0%	10.3%	70 bps
ROE [3]	22.4%	23.1%	(65) bps

Stock Market Indicators	2Q23	2Q22	Var.
Book Value per Share	$9.38	$10.20	(8.0%)
EPS (12 months) [4]	2.74	$2.08	31.7%
Shares in circulation at end of period (millions)	$815.1	830.7	(1.9%)
Price per Share at Market Close	$55.51	$38.08	45.8%

(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	2Q23
EBITDA[1] / Interests Paid	3.2 x
Total Debt / EBITDA[1]	2.7 x
Net Debt / EBITDA[1]	2.2 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 nor the restatement due to hyperinflation in Argentina.

UNITS BY BRAND

BRANDS	UNITS 2Q23		
	Corporate	Sub franchises	Total
Domino's Pizza	884	501	1385
Mexico	*462*	*388*	*850*
Spain	*313*	*64*	*377*
Uruguay	*2*	*-*	*2*
Colombia	*107*	*49*	*156*
Burger King	415	-	415
Mexico	*173*	*-*	*173*
Argentina	*115*	*-*	*115*
Spain	*55*	*-*	*55*
Chile	*72*	*-*	*72*
Quick Service Restaurants	**1,299**	**501**	**1,800**
Starbucks	1415	280	1695
Mexico	*791*	*-*	*791*
France	*88*	*137*	*225*
Spain	*133*	*24*	*157*
Argentina	*132*	*-*	*132*
Chile	*156*	*-*	*156*
Netherlands	*20*	*77*	*97*
Colombia	*61*	*-*	*61*
Belgium	*-*	*34*	*34*
Portugal	*19*	*4*	*23*
Uruguay	*14*	*-*	*14*
Paraguay	*1*	*-*	*1*
Luxemburg	*-*	*4*	*4*
Coffee Shops	**1415**	**280**	**1695**
Foster's Hollywood	105	115	220
Ginos	84	36	120
Spain	*82*	*36*	*118*
Portugal	*2*	*-*	*2*
Italianni's	59	16	75
Chili's Grill & Bar	75	-	75
Mexico	*70*	*-*	*70*
Chile	*5*	*-*	*5*
Archie's	29	-	29
P.F. Chang's	31	-	31
Mexico	*28*	*-*	*28*
Chile	*3*	*-*	*3*
TGI Fridays	13	-	13
The Cheesecake Factory	7	-	7
Ole Mole	4	4	8
Casual Dining	**407**	**171**	**578**
Vips Smart	-	24	24
Fast Casual Dining	**-**	**24**	**24**
Vips	339	41	380
Mexico	*227*	*16*	*243*
Spain	*112*	*25*	*137*
Family Dining	**339**	**41**	**380**
ALSEA TOTAL UNITS			**4,477**
Corporate	**3,460**		
Sub-franchises		**1,017**	

UNITS BY COUNTRY

MEXICO	2,237	SPAIN	1,109	ARGENTINA	247	CHILE	236
FRANCE	225	COLOMBIA	246	HOLAND	97	BELGIUM	34
PORTUGAL	25	URUGUAY	16	LUXEMBOURG	4	PARAGUAY	1

ANALYST COVERAGE

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

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. This 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.

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 2Q23

- On June 13, 2023, Alsea, S.A.B. de C.V. (BMV: ALSEA*) "Alsea", informed that it has entered into an agreement for the sale of the operations of "El Portón" in Mexico. As part of this agreement, there will be a transition period to support the transaction and Alsea ceased to operate the 15 units of "El Portón" and 2 units of "Corazón de Barro" in Mexico by the end of the first quarter of 2023. This transaction is aligned with Alsea's strategy to restructure its portfolio and seek efficiencies in order to increase the company's profitability.
- On April 27, 2023, Alsea, S.A.B. de C.V. (BMV: ALSEA*) "Alsea", informed that at the General Ordinary and Extraordinary Stockholders' Meeting of Alsea S.A.B. de C.V. held on April 27, 2023, it was agreed to cancel 4,927,000 common shares repurchased in the market, equivalent to $202.3 million pesos.
- On April 19, 2023, Alsea, S.A.B. de C.V. (BMV: ALSEA*) "Alsea", informed that it signed an agreement with Starbucks to operate and develop Starbucks in Paraguay. This agreement represents Alsea's expansion into a new South American market with the brand and is the first time Starbucks will have presence in this region.

EARNINGS CONFERENCE CALL 2Q23

The video conference to discuss the Company's results will be held on **Thursday, July 27th, 2023, at 09:00 am Mexico City time (11:00 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 video conference call will be available on our website: www.alsea.com.mx in the "Investors" section.

ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET STATEMENTS
AS OF JUNE 30TH, 2023 AND 2022
(In thousands of nominal pesos)

	June 30th, 2023		June 30th, 2022	
ASSETS				
Current assets:				
Cash and short-term investments	4,349,688	5.8%	5,042,752	6.3%
Clients	1,167,046	1.5%	1,234,552	1.5%
Other accounts and documents receivable	1,037,872	1.4%	559,855	0.7%
Inventory	2,873,944	3.8%	2,717,737	3.4%
Tax recoverable	1,262,510	1.7%	496,977	0.6%
Other current assets	753,873	1.0%	921,793	1.2%
Affiliates and related parties	9,844	0.1%	-	-
Current Assets	11,454,777	15.2%	10,973,666	13.8%
Investments in shares of associated companies	173,944	0.2%	155,187	0.2%
Store equipment, improvements to leased property, and furniture, net	14,732,118	19.5%	15,371,686	19.3%
Non-executable right of use asset	18,258,693	24.2%	21,487,240	26.9%
Brand use rights, capital gains and pre-operations, net	24,777,380	32.9%	26,325,570	33.0%
Deferred IRS	5,191,396	6.9%	4,725,062	5.9%
Other assets	820,018	1.1%	692,686	0.9%
Total Assets	**75,408,327**	100.0%	**79,731,097**	100.0%
LIABILITIES				
Short-term:				
Providers	5,057,985	6.7%	4,351,873	5.5%
Tax payable	365,442	0.5%	476,964	0.6%
Other accounts payable	10,349,155	13.7%	8,529,116	10.7%
Non-executable short-term lease liabilities	3,905,940	5.2%	4,551,853	5.7%
Other short-term liabilities	-	-	-	-
Bank loans	1,960,534	2.6%	907,230	1.1%
Debt Instruments	1,350,000	1.8%	-	-
Short-term liabilities	22,989,056	30.5%	18,817,036	23.6%
Long term:				
Bank loans	2,561,862	3.4%	4,667,258	5.9%
Debt instruments	19,658,099	26.1%	23,102,933	29.0%
Deferred tax, net	3,844,414	5.1%	3,215,837	4.0%
Non-executable lease liabilities	15,623,759	20.7%	18,207,411	22.8%
Other long-term liabilities	2,367,558	3.1%	2,684,223	3.4%
Affiliates and related parties	-	-	-	-
Long-term liabilities:	44,055,692	58.4%	51,877,662	65.1%
Total Liabilities	**67,044,748**	88.9%	**70,694,698**	88.7%
SHAREHOLDERS' EQUITY				
Minority interest	956,838	1.3%	1,018,613	1.3%
Majority interest:				
Capital stock	478,749	0.6%	478,749	0.6%
Net premium in share placement	8,675,410	11.5%	8,676,827	10.9%
Retained earnings	(2,728,499)	(3.6%)	(1,874,655)	(2.4%)
Earnings for the period	7,406,741	9.8%	736,864	0.9%
Majority interest	981,081	1.3%	8,017,785	10.1%
Total Shareholders'	8,363,579	11.1%	9,036,398	11.3%
Total Liabilities and Shareholders'	**75,408,327**	100.0%	**79,731,095**	100.0%

ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS FOR THE THREE MONTHS ENDED JUNE 30TH, 2023 AND 2022
(In thousands of nominal pesos)

	Three months ended June 30th, 2023		Three months ended June 30th, 2022	
Net sales	$ 18,948,734	100%	$ 16,939,128	100%
Cost of sales	6,285,521	33.2%	5,545,556	32.7%
Gross Income	**12,663,213**	**66.8%**	**11,393,572**	**67.3%**
*Rent**	277,876	1.5%	83,736	0.5%
Operating expenses	8,823,725	46.6%	7,766,098	45.8%
Depreciation and amortization	2,094,627	11.1%	1,947,911	11.5%
Operating Income	**1,744,862**	**9.2%**	**1,679,563**	**9.9%**
All-in cost of financing:				
Interest paid – net	1,014,961	5.4%	913,149	5.4%
*Banking and derivative instrument fees***	337,814	1.8%	106,300	0.6%
Changes in reasonable value Financial Liabilities	-	-	-	-
Exchange rate loss/gain	(13,849)	(0.1%)	424,258	2.5%
	1,001,112	5.3%	1,337,407	7.9%
Participation in associated companies' results	3,404	0.1%	-	-
Pre-Tax Income	**747,154**	**3.9%**	**342,156**	**2.0%**
Tax on earnings	257,025	1.4%	105,298	0.6%
Consolidated Net Income	**490,129**	**2.6%**	**236,858**	**1.4%**
Non-controlling stake	46,319	0.2%	25,436	0.2%
Controlling Stake	**$ 443,811**	**2.3%**	**$ 211,422**	**1.2%**

***Rent is included in Expenses**
****Banking and derivative instrument fees included in Interest paid - net**

ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS BY SEGMENT FOR THE THREE MONTHS ENDED JUNE 30TH, 2023 AND 2022
(In thousands of nominal pesos)

MEXICO		Three months ended June 30th, 2023			Three months ended June 30th, 2022	
Net sales	$	9,830,941	100%		8,356,719	100%
*Rent**		193,507	2.0%		75,751	0.9%
Operating expenses		4,103,653	41.7%		3,329,062	39.8%
Depreciation and amortization		1,099,381	11.2%		884,806	10.6%
Operating Income		**1,169,733**	**11.9%**		**1,116,468**	**13.4%**
All-in cost of financing		716,185	7.3%		1,035,808	12.4%
Pre-Tax Income	$	**405,951**	**4.1%**	$	**80,660**	**1.0%**

EUROPE		Three months ended June 30th, 2023			Three months ended June 30th, 2022	
Net sales	$	5,657,697	100%	$	5,420,545	100%
*Rent**		(47,174)	(0.8%)		(99,828)	(1.2%)
Operating expenses		2,966,055	52.4%		2,838,873	52.4%
Depreciation and amortization		738,103	13.0%		793,694	14.6%
Operating Income		**289,360**	**5.1%**		**326,529**	**6.0%**
All-in cost of financing		252,158	4.5%		214,094	3.9%
Pre-Tax Income	$	**37,202**	**0.7%**	$	**112,435**	**2.1%**

SOUTH AMERICA		Three months ended June 30th, 2023			Three months ended June 30th, 2023	
Net sales	$	3,460,096	100%	$	3,161,864	100%
*Rent**		131,543	3.8%		107,813	1.3%
Operating expenses		1,754,016	50.7%		1,598,163	50.5%
Depreciation and amortization		257,143	7.4%		269,411	8.5%
Operating Income		**285,769**	**8.3%**		**236,567**	**7.5%**
All-in cost of financing		32,769	0.9%		87,505	2.8%
Pre-Tax Income	$	**253,001**	**7.3%**		**149,062**	**4.7%**

***Rent is included in Expenses**

ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30TH, 2023 AND 2022
(In thousands of nominal pesos)

	Six months ended June 30th, 2023		Six months ended June 30th, 2022	
Net sales	$ 36,614,381	100%	$ 32,167,301	100%
Cost of sales	12,140,684	33.2%	10,388,819	32.3%
Gross Income	**24,473,697**	**66.8%**	**21,778,482**	**67.7%**
Operating expenses	16,949,803	46.3%	14,693,322	45.7%
Depreciation and amortization	4,142,493	11.3%	3,970,357	12.3%
Operating Income	**3,381,400**	**9.2%**	**3,114,803**	**9.7%**
All-in cost of financing:				
Interest paid – net	2,050,035	5.6%	1,824,064	5.7%
*Banking and derivative instrument fees***	626,145	1.7%	187,219	0.6%
Changes in reasonable value Financial Liabilities	-	-	-	-
Exchange rate loss/gain	(315,383)	(0.9%)	228,533	0.7%
	1,734,652	4.7%	2,052,597	6.4%
Participation in associated companies' results	3,404	0.1%	-	-
Pre-Tax Income	**1,650,152**	**4.5%**	**1,062,206**	**3.3%**
Tax on earnings	604,738	1.7%	313,837	1.0%
Consolidated Net Income	**1,045,414**	**2.9%**	**748,369**	**2.3%**
Non-controlling stake	64,333	0.2%	11,505	0.1%
Controlling Stake	**$ 981,081**	**2.7%**	**$ 736,864**	**2.3%**

***Rent is included in Expenses**
****Banking and derivative instrument fees included in Interest paid - net.**

ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENTS FOR THE THREE MONTHS ENDED JUNE 30TH, 2023 AND 2022
(In thousands of nominal pesos)

		June 30th, 2023	June 30th, 2022
Operating activities:			
Consolidated result before income taxes	**$**	**1,650,152**	**1,062,206**
Items related to investment activities:			
Depreciation and amortization of brands		2,027,646	1,607,720
Depreciation for financial leasing		2,114,905	2,362,637
Write-down of fixed assets		147,516	35,134
Other items		-	(188,972)
Total		**5,940,219**	**4,878,724**
Clients		(71,696)	(130,899)
Inventory		(171,184)	(801,477)
Providers		109,727	878,157
Tax payable		(809,878)	-
Other assets and other liabilities		(558,359)	(325,997)
Total		**(1,501,388)**	**(380,216)**
Net cash flow from operating activities		**4,438,831**	**4,498,508**
Investment activities			
Store equipment, improvements to leased properties, and furniture		(1,453,276)	(1,490,664)
Brand use rights, capital gains and pre-operations, net		(254,481)	(84,130)
Subsidiary contribution		-	-
Acquisition or disposal of investments in associated companies		-	-
Net cash flow from investment activities		**(1,707,756)**	**(1,574,793)**
Cash receivable from financing activities		**2,731,074**	**2,923,715**
Financing activities			
Bank credits and loan payments, net		(44,480)	(7,529,554)
Securities credits, net		-	5,854,473
Financial leasing		(2,119,188)	(2,812,138)
Minority interest		-	-
Sale (repurchase) of shares		(202,350)	(332,066)
Non-controlling stake		(58,506)	(35,002)
Other items		-	-
Net cash flow from financing activities		**(2,424,524)**	**(4,854,287)**
Increase (decrease) net of cash		**306,550**	**(1,930,572)**
Adjustments to cash flow due to exchange rate variations		(2,043,679)	79,891
Cash at the beginning of the period		6,086,817	6,893,433
Cash at the end of the period	**$**	**4,349,688**	**5,042,752**

ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET STATEMENTS
AS OF JUNE 30TH, 2023
(In thousands of nominal pesos)

	June30th, 2023		Argentinian Restatement	IFRS 16	June 30th, 2023	
ASSETS						
Current assets:						
Cash and short-term investments	4,349,688	7.7%	-	-	4,349,688	5.8%
Clients	1,167,046	2.1%	-	-	1,167,046	1.5%
Other accounts and documents receivable	1,037,872	1.8%	-	-	1,037,872	1.4%
Inventory	2,873,944	5.1%	-	-	2,873,944	3.8%
Tax recoverable	1,262,510	2.2%	-	-	1,262,510	1.7%
Other current assets	753,873	1.3%	-	-	753,873	1.0%
Affiliates and related parties	9,844	0.1%	-	-	9,844	0.1%
Current Assets	11,454,777	20.4%	-	-	11,454,777	15.2%
Investments in shares of associated companies	173,944	0.3%	-	-	173,944	0.2%
Store equipment, improvements to leased property, and furniture, net	13,836,585	24.7%	895,533	-	14,732,118	19.5%
Non-executable right of use assets	-	-	-	18,258,693	18,258,693	24.2%
Brand use rights, capital gains and pre-operations, net	24,655,125	43.9%	122,255	-	24,777,380	32.9%
Deferred ISR	5,191,396	9.2%	-	-	5,191,396	6.9%
Other assets	820,018	1.5%			820,018	1.1%
Total Assets	**56,131,845**	100.0%	**1,017,789**	**18,258,693**	**75,408,327**	100.0%
LIABILITIES						
Short-term:						
Providers	5,057,985	9.0%	-	-	5,057,985	6.7%
Tax payable	365,442	0.7%	-	-	365,442	0.5%
Other accounts payable	10,349,155	18.4%	-	-	10,349,155	13.7%
Non-executable short-term lease liabilities	-	0.0%		3,905,940	3,905,940	5.2%
Other short-term liabilities	-	0.0%	-	-	-	-
Bank loans	1,960,534	3.5%	-	-	1,960,534	2.6%
Debt Instruments	1,350,000	2.4%	-	-	1,350,000	1.8%
Short-term liabilities	19,083,116	34.0%	-	3,905,940	22,989,056	30.5%
Long-term:						
Bank Credits	2,561,862	4.6%			2,561,862	3.4%
Securities Credits	19,658,099	35.0%			19,658,099	26.1%
Deferred tax, net	3,856,178	6.9%	39,236	(51,000)	3,844,414	5.1%
Non-executable leasing liabilities	-	0.0%		15,623,759	15,623,759	20.7%
Other long-term liabilities	2,367,558	4.2%		-	2,367,558	3.1%
Affiliates and related parties	-	0.0%			-	0.0%
Long-term liabilities	28,443,697	50.7%	39,236	15,572,759	44,055,692	58.4%
Total Liabilities	**47,526,813**	84.7%	**39,236**	**19,478,699**	**67,044,748**	88.9%
SHAREHOLDERS' EQUITY						
Minority interest	956,838	1.7%	-	-	956,838	1.3%
Majority interest			-	-		
Capital stock	478,749	0.9%	-	-	478,749	0.6%
Net premium in share placement	8,675,410	15.5%	-	-	8,675,410	11.5%
Retained earnings	(2,480,976)	(4.4%)	1,077,043	(1,324,566)	(2,728,499)	(3.6%)
Earnings for the period	975,011	1.7%	(98,490)	104,560	981,081	1.3%
Majority interest	7,648,194	13.6%	978,553	(1,220,006)	7,406,741	9.8%
Total Shareholders' Equity	8,605,032	15.3%	978,553	(1,220,006)	8,363,579	11.1%
Total Liabilities and Shareholders' Equity	**56,131,845**	100.0%	**1,017,789**	**18,258,693**	**75,408,327**	100.0%

ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED JUNE 30TH, 2023
(In thousands of nominal pesos)

	Three months ended June 30th, 2023		Argentinian Restatement	IFRS 16	Three months ended June 30th, 2023	
Net sales	$ 18,624,264	100%	324,470	-	$ 18,948,734	100%
Cost of sales	6,180,906	33.2%	104,615	-	6,285,521	33.2%
Gross Income	**12,443,358**	**66.8%**	**219,855**	**-**	**12,663,213**	**66.8%**
*Rent**	1,543,024	8.3%	-	(1,265,148)	277,876	1.5%
Operating expenses	9,898,479	53.1%	190,394	(1,265,148)	8,823,725	46.6%
Depreciation and amortization	1,011,845	5.4%	40,197	1,042,585	2,094,627	11.1%
Operating Income	**1,533,034**	**8.2%**	**(10,736)**	**222,564**	**1,744,862**	**9.2%**
All-in cost of financing:						
Interest paid – net	813,981	4.4%	-19,824	220,804	1,014,961	5.4%
*Banking and derivative instrument fees***	337,814	1.8%	-	-	337,814	1.8%
Changes in reasonable value Financial Liabilities	-	-	-	-	-	-
Exchange rate loss/income	(41,259)	(0.2%)	27,410	-	(13,849)	(0.1%)
	772,722	4.1%	7,586	220,804	1,001,112	5.3%
Participation in associated companies' results	3,404	0.0%	-	-	3,404	0.0%
Pre-Tax Income	**763,716**	**4.1%**	**(18,322)**	**1,760**	**747,154**	**3.9%**
Tax on earnings	288,647	1.5%	19,378	(51,000)	257,025	1.4%
Consolidated Net Income	**475,069**	**2.6%**	**(37,700)**	**52,760**	**490,129**	**2.6%**
Non-controlling stake	46,319	0.2%	-	-	46,319	0.2%
Controlling Stake	**$ 428,751**	**2.3%**	**(37,700)**	**52,760**	**$ 443,811**	**2.3%**

***Rent is included in Expenses**
****Banking and derivative instrument fees included in Interest paid - net.**

ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS BY SEGMENT FOR THE THREE MONTHS ENDED JUNE 30TH, 2023
(In thousands of nominal pesos)

MEXICO		Three months ended June 30th, 2023		IFRS 16	Three months ended June 30th, 2023	
Net sales	$	9,830,941	100%	0	9,830,941	100%
*Rent**		778,386	7.9%	(584,879)	193,507	2.0%
Operating expenses		4,688,532	47.7%	(584,879)	4,103,653	41.7%
Depreciation and amortization		635,110	6.5%	464,271	1,099,381	11.2%
Operating Income		**1,049,125**	**10.7%**	**120,608**	**1,169,733**	**11.9%**
All-in cost of financing		606,451	6.2%	109,734	716,185	7.3%
Pre-Tax Income	**$**	**446,078**	**4.5%**	**-40,127**	**405,951**	**4.1%**

EUROPE		Three months ended June 30th, 2023		IFRS 16	Three months ended June 30th, 2023	
Net sales	$	5,657,697	100%	-	5,657,697	100%
*Rent**		454,085	8.0%	(501,259)	(47,174)	(0.8%)
Operating expenses		3,467,313	61.3%	(501,259)	2,966,055	52.4%
Depreciation and amortization		287,347	5.1%	450,756	738,103	13.0%
Operating Income		**238,857**	**4.2%**	**50,502**	**289,360**	**5.1%**
All-in cost of financing		192,451	3.4%	59,707	252,158	4.5%
Pre-Tax Income	**$**	**46,406**	**0.8%**	**(9,204)**	**37,202**	**0.7%**

SOUTH AMERICA		Three months ended June 30th, 2023		Argentinian Restatement	IFRS 16	Three months ended June 30th, 2023	
Net sales	$	3,135,626	100%	324,470	-	3,460,096	100%
*Rent**		310,554	9.9%	-	(179,011)	131,543	3.8%
Operating expenses		1,742,633	55.6%	190,394	(179,011)	1,754,016	50.7%
Depreciation and amortization		89,388	2.9%	40,197	127,558	257,143	7.4%
Operating Income		**245,052**	**7.8%**	**(10,736)**	**51,453**	**285,769**	**8.3%**
All-in cost of financing		(26,180)	(0.8%)	7,586	51,363	32,769	0.9%
Pre-Tax Income	**$**	**271,232**	**8.7%**	**(18,322)**	**91**	**253,001**	**7.3%**

***Rent is included in Expenses**