

RLH Properties ("RLH A"), the first public company specializing in high-end hotels in Mexico, announces its fourth quarter 2022 financial results.

Mexico City. - RLH Properties (BMV: RLH A), the first public company specializing in luxury and ultra-luxury segment hotels in Mexico, announces its financial results for the fourth quarter of 2022. Except where otherwise noted, all figures in the report were prepared in accordance with International Financial Reporting Standards ("IFRS") and expressed in nominal Mexican pesos.

Borja Escalada, CEO Comments

The fourth quarter of 2022 was a very good quarter for our company's assets and was the period with the highest average occupancy of the year.

This quarter, the Four Seasons Mexico City hotel continued to show the highest average occupancy in the portfolio with 78%, ranking first among its competitive group.

Meanwhile, Banyan Tree Mayakoba and Rosewood Mayakoba hotels recorded the highest occupancy levels of our beach assets, 67.9% and 67.5% respectively, again exceeding their pre-pandemic occupancy levels. Rosewood Mayakoba presented the highest EBITDA of the portfolio for the period, with slightly more than double that recorded in the same period in 2019.

In Riviera Nayarit, the One&Only Mandarin hotel continues to perform great and behave as a consolidated hotel, with 62% occupancy and the highest average rate of the entire portfolio during the quarter.

With respect to our hotels in Spain, on November 16, 2022, we consummated the sale of our interest in these assets, capitalizing our investment in Spain and confirming and focusing our position as the leading company in the luxury and ultra-luxury hotel sector in Mexico and the Caribbean.

Our residential business continues to show extraordinary results, demonstrating our customers' preference and confidence in the quality of our exclusive and unique residential products. This quarter we completed the sale of seven residences at Rosewood Residences Mayakoba, four fractional units and one full ownership residence at Fairmont Heritage Place Mayakoba.

Our quarter results are clear proof of the exceptional quality of our assets and the preference of our customers and, of course, confirm the capability and excellence of the RLH Properties team. We will continue to work hard to deliver on our promise to create value for our shareholders, team and environment and continue to build on our company's great success story. As I mentioned, our residential business has exceeded expectations, with extraordinary results and securing our position in the market, which show our customers' preference and confidence in the quality of our exclusive and unique residential products. This quarter we closed the sale of one of our residences in **One&Only Mandarin Private Homes** for \$17.5M usd, surpassing the record sale price in the entire Riviera Nayarit. We also sold two residences at **Rosewood Residences Mayakoba**, eight fractional units and one full ownership residence at **Fairmont Heritage Place Mayakoba**.

The results for this quarter are a clear proof of the exceptional quality of our assets, as well as our customers' preference and, of course, confirm the capacity and excellence of our team. We will continue to work hard to deliver on our promise to create value for our shareholders, our team, and environment, and continue to build on our company's great success story.

RLH Properties announces its fourth quarter 2022 Earnings Conference Call.

You are cordially invited to attend our fourth quarter 2022 financial results presentation via conference call.

Date: 8 March 2022.

Time: 11:30 a.m. Mexico City (12:30 a.m. New York / 17:30 p.m. London / 18:30 p.m. Madrid).

Presented by:

- **Borja Escalada**, Chief Executive Officer and Member of the Board.
- **Juan Novoa**, Chief Financial Officer.

To access the call, please use the following dial-in:

Toll Free: 888-506-0062

International Dial in: 973-528-0011

Access Code: 779432

RLH Conference Call 4Q2022

Quarterly results materials will be available at the following link:

<http://rlhproperties.com.mx/informacionfinanciera/>

About RLH Properties, S.A.B. de C.V.

RLH Properties is a Mexico City-based public company, a leader in the acquisition, development and management of luxury and ultra-luxury hotels and resorts and associated residential products. RLH Properties, a company capitalized primarily by pension funds and institutional investors, was incorporated in Mexico City on February 28, 2013. RLH directs its investment strategy towards the acquisition and development of luxury hotel assets in strategic locations that are difficult to replicate, with various barriers to entry and in short supply relative to current and potential demand, in partnership with internationally recognized hotel operators. RLH Properties' portfolio currently consists of four hotels in Mayakoba operated by Rosewood, Fairmont, Banyan Tree and Andaz, the Four Seasons Mexico City, and two hotels in Mandarin, one operated by One&Only and the other to be operated by Rosewood, which will open in 2024

Chief Executive Officer

Borja Escalada

RLH Properties

Tel. + 52 (55) 14 500 800

bescalada@rlhproperties.com.mx

www.rlhproperties.com.mx

Chief Financial Officer

Juan Novoa

RLH Properties

Tel. + 52 (55) 14 500 800

jnovoa@rlhproperties.com.mx

www.rlhproperties.com.mx

4Q 2022 and 2022 Relevant Information

During the fourth quarter, RLH Properties' results continue to show a positive trend with a sustained increase in gross profit and EBITDA compared to the same quarter of the previous year. Likewise, EBITDA and gross profit results compared to 2021 show an increase of 27% and 22%.

Consolidated Income Statement											
Figures in MXN \$ thousands, unless stated otherwise											
	4Q 2022	%	4Q 2021	%	Var. a/a Quarterly	2022	%	2021	%	Var. a/a annual	
Total Revenues	2,695,101	100%	2,282,316	100%	412,785 18%	9,030,293	100%	5,742,878	100%	3,287,415	57%
Direct costs and expenses	(870,499)	-32%	(805,309)	-35%	(65,190) -8%	(2,974,452)	-33%	(2,138,511)	-37%	(835,941)	-39%
Indirect expenses and other expenses	(822,334)	-31%	(748,718)	-33%	(73,616) -10%	(2,771,105)	-31%	(2,092,585)	-36%	(678,520)	-32%
Gross Operating Profit (GOP)	623,154	23%	563,034	25%	60,120 11%	2,242,710	25%	1,346,527	59%	896,183	67%
Margin (%)	23.1%		24.7%		15%	24.8%		23.4%		27%	
Recurring EBITDA (excluding corporate expenses)	456,419	17%	423,087	19%	33,332 8%	1,632,765	18%	899,715	39%	733,050	81%
Margin (%)	16.9%		18.5%		8%	18.1%		15.7%		22%	

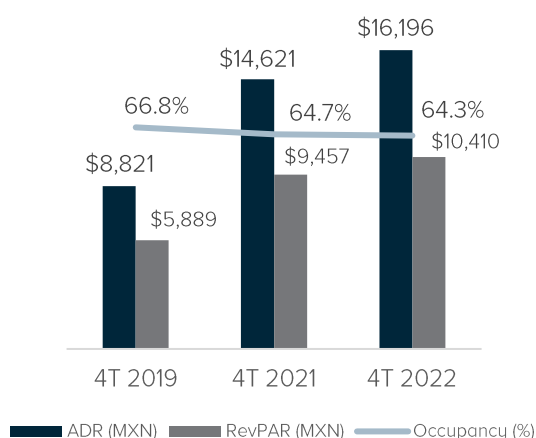
Total revenue in the fourth quarter of 2022 amounted to MXN \$2,695.1 million, an increase of **18% compared** to the same quarter of the previous year. Total revenue for 2022 amounted to MXN \$9,030.3 million, an increase of 57% compared to 2021.

Gross operating profit for the fourth quarter was MXN \$623.2 million, **11% higher** than the same period of the previous year. Gross profit for 2022 was MXN \$2,242.7 million, an increase of 67% compared to 2021.

RLH's **consolidated recurring EBITDA before corporate expenses** for the fourth quarter was MXN \$456.4 million, an **8% increase** compared to the same period last year and a 81% increase over 2021, closing 2022 with EBITDA of MXN \$1,632.8 million.

The **occupancy rate** was 64.3%, registering a decrease of 0.4 p.p. compared to the same period last year and a decrease of 2.5 p.p. compared to the same period of 2019.

Aggregate Operating Assets 4Q 2022 vs.
4Q 2019 and 4Q 2021 (MXN)



The **average rate** was MXN \$16,196 (\$826 USD) which represented an increase in local currency of 10.8% and 83.6% compared to 2021 and 2019 respectively. On the other hand, the US dollar rate registered an increase of 17.7% and 79.9% compared to 2021 and 2019, respectively.

RevPAR was MXN \$10,410 (\$531 USD) registering an increase in local currency of 10.1% and 76.8% compared to 2021 and 2019, respectively. Meanwhile, in U.S. dollars, an increase of 16.9% and 73.2% was recorded compared to 2021 and 2019, respectively.

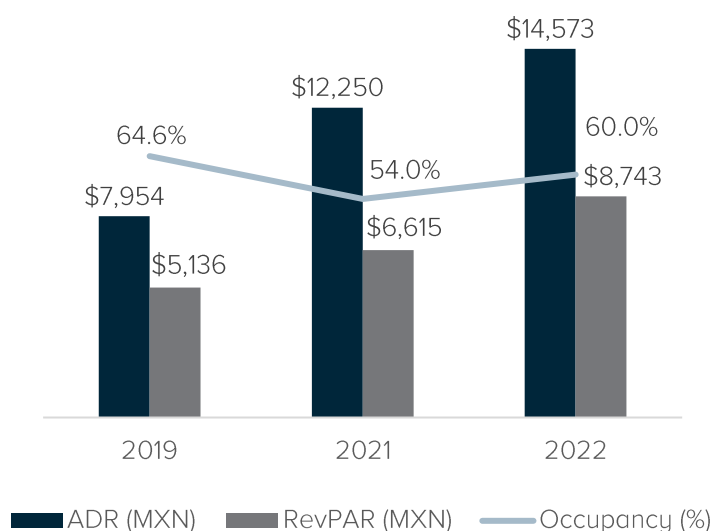
2022 Relevant Information¹

The **occupancy rate** was 60.0%, registering an increase of 6.0 p.p. compared to last year and a decrease of 4.6 p.p. compared to 2019.

The **average rate** was MXN \$14,573 (\$726 USD) which represented an increase in local currency of 19.0% and 83.2% compared to 2021 and 2019 respectively. Meanwhile, the rate in U.S. dollars registered an increase of 20.7% and 75.3% compared to 2021 and 2019, respectively.

RevPAR was MXN \$8,743 (\$436 USD) registering an increase in local currency of 32.2% and 70.2% compared to 2021 and 2019, respectively. Meanwhile, in U.S. dollars, an increase of 34.1% and 62.8% was recorded compared to 2021 and 2019, respectively.

Aggregate Operating Assets 2022 vs 2019 and 2021 (MXN)



¹ The indicators presented in all periods do not consider the performance of the Assets in Spain (Rosewood Villa Magna and BLESS Hotel Madrid) given their divestment from the RLH Properties Portfolio on November 15, 2022.

Hotel Assets Operating Statistics²

Below are the key aggregate operating indicators³ of RLH Properties' **Hotel Assets** portfolio as of the **fourth quarter of 2022**:

Operating Indicators as of the 4th Quarter of 2022					
Stabilized Assets and Other Assets					
Indicator	4Q 2019	4Q 2021	4Q 2022	% Var. 4Q 2022 vs. 4Q 2019	% Var. 4Q 2022 vs. 4Q 2021
ADR (USD)	\$486	\$619	\$746	53.5%	20.4%
ADR (MXN)	\$9,329	\$12,897	\$14,602	56.5%	13.2%
Occupancy (%)	69.1%	64.1%	64.5%	(4.6 pp)	0.4 pp
RevPAR (USD)	\$336	\$397	\$481	43.3%	21.1%
RevPAR (MXN)	\$6,443	\$8,273	\$9,420	46.2%	13.9%
Total Revenues (USD '000)	\$49,670	\$74,670	\$90,699	82.6%	21.5%
Total Revenues (MXN '000)	\$954,741	\$1,554,021	\$1,777,371	86.2%	14.4%
EBITDA* (USD '000)	\$15,516	\$23,503	\$30,177	94.5%	28.4%
EBITDA* (MXN '000)	\$297,742	\$489,765	\$590,739	98.4%	20.6%
EBITDA* Net of FF&E Reserve (USD '000)	\$13,876	\$21,760	\$27,296	96.7%	25.4%
EBITDA* Net of FF&E Reserve (MXN '000)	\$266,231	\$453,487	\$534,262	100.7%	17.8%
EBITDA Margin (%)	31.2%	31.5%	33.2%	2.1 bps	1.7 bps
EBITDA Net of FF&E Reserve Margin (%)	27.9%	29.2%	30.1%	2.2 bps	0.9 bps
Operating Assets					
Indicator	4Q 2019	4Q 2021	4Q 2022	% Var. 4Q 2022 vs. 4Q 2019	% Var. 4Q 2022 vs. 4Q 2021
ADR (USD)	\$459	\$702	\$826	79.9%	17.7%
ADR (MXN)	\$8,821	\$14,621	\$16,196	83.6%	10.8%
Occupancy (%)	66.8%	64.7%	64.3%	(2.5 pp)	(0.4 pp)
RevPAR (USD)	\$307	\$454	\$531	73.2%	16.9%
RevPAR (MXN)	\$5,889	\$9,457	\$10,410	76.8%	10.1%
Total Revenues (USD '000)	\$55,734	\$88,866	\$106,597	91.3%	20.0%
Total Revenues (MXN '000)	\$1,071,234	\$1,849,380	\$2,090,458	95.1%	13.0%
EBITDA* (USD '000)	\$16,769	\$28,668	\$33,353	98.9%	16.3%
EBITDA* (MXN '000)	\$321,697	\$596,991	\$653,135	103.0%	9.4%
EBITDA* Net of FF&E Reserve (USD '000)	\$14,947	\$26,690	\$30,083	101.3%	12.7%
EBITDA* Net of FF&E Reserve (MXN '000)	\$286,690	\$555,812	\$588,995	105.4%	6.0%
EBITDA Margin (%)	30.0%	32.3%	31.2%	1.2 bps	(1.0 bps)
EBITDA Net of FF&E Reserve Margin (%)	26.8%	30.1%	28.2%	1.4 bps	(1.9 bps)

* Aggregated EBITDA (SoTP) of the operating assets, unaudited without adjustments due to financial consolidation.

² The indicators and results presented in all the periods do not consider the performance of the Assets in Spain (Rosewood Villa Magna and BLESS Hotel Madrid) given their divestment from the RLH Properties Portfolio on November 15, 2022. The results of the PGA golf tournament held annually at the Camaleón Mayakoba are also not considered.

³ Aggregate operating hotel information is based on USALI (Uniform System of Accounts for the Hotel Industry) and includes all hotel assets.

Occupancy Rate

The **occupancy rate** was 64.3%, registering a decrease of 0.4 p.p. compared to the same period last year and a decrease of 2.5 p.p. compared to the same period of 2019.

While occupancy during the quarter did **not reach the level recorded prior to the pandemic**, it was **very much in line with that recorded in the same period of the previous year**. In this sense, it is important to consider that occupancy during the quarter was achieved in an **international tourism environment with minimal restrictions** related to the COVID-19 pandemic as opposed to the context experienced in the same period of the previous year.

Four Seasons Mexico City, Banyan Tree Mayakoba and Rosewood Mayakoba recorded the highest occupancy levels for the quarter, respectively. The Four Seasons Mexico City recorded a higher level than the same period of the previous year related to the slow recovery of the destination after the pandemic, but still below the level recorded in 2019. Banyan Tree Mayakoba and Rosewood Mayakoba showed an increase compared to the same period in 2019, but with levels below those reported in 2021, largely due to the reconfiguration of tourism that took place in that year due to travel restrictions that still existed in certain destinations.

Average Rate

The **average rate** was MXN \$16,196 (\$826 USD) which represented an increase in local currency of 10.8% and 83.6% compared to 2021 and 2019 respectively. On the other hand, the US dollar rate registered an increase of 17.7% and 79.9% compared to 2021 and 2019, respectively.

During the quarter, **the portfolio continued to experience increases in average rates**, supporting the recognition of the assets in the markets in which they compete. In this regard, two specific assets stood out with the largest increases in average rates compared to the same period of the previous year. On the one hand, the **Four Seasons Hotel had the higher increase in the portfolio** in the comparison, considering the **tourist reactivation of the destination** with respect to the previous year, together with the **positioning of the hotel within its market**. On the other hand, the **Fairmont Mayakoba** hotel registered the **second highest increase**, which is related to its complete renovation.

Considering that the rates on the portfolio's assets are fixed in U.S. dollars, the difference in the average rate increase between both currencies in the quarter is mainly related to the appreciation and depreciation of the Mexican peso against the U.S. dollar compared to the same period of the previous year and 2019, respectively.

With respect to the previous year, the fourth quarter of 2022 registered a 5.3% annual appreciation, going from an average of 20.75 MXN/USD in the fourth quarter of 2021 to 19.70 MXN/USD in 2022. With respect to 2019, a 2.1% annual depreciation was recorded, going from an average of 19.28 MXN/USD in the fourth quarter of 2019 to 19.70 MXN/USD in 2022.

RevPAR

RevPAR was MXN \$10,410 (\$531 USD) registering an increase in local currency of 10.1% and 76.8% compared to 2021 and 2019, respectively. Meanwhile, in U.S. dollars, an increase of 16.9% and 73.2% was recorded compared to 2021 and 2019, respectively.

The increase in RevPAR during the quarter is mainly related to the increase in the average rates of all the assets in the portfolio. The Four Seasons Mexico City, Rosewood Mayakoba and Banyan Tree Mayakoba hotels recorded RevPAR levels significantly above the levels of their competitive peers.

EBITDA

EBITDA recorded in the quarter was higher than the one recorded in the same period of the previous year, but it is noteworthy that it **doubled that recorded in 2019 in both local currency and U.S. dollars.**

Specifically, the **Four Seasons Hotel Ciudad de Mexico had a year-end that exceeded expectations,** recording an EBITDA level that significantly surpassed that of the same period of the previous year. Considering that the fourth quarter represents one of the busiest periods for tourism in Mexico City due to the Formula 1, Day of the Dead and Christmas festivities, the results recorded by this asset denote its positioning in the luxury segment of the destination.

The **Rosewood Mayakoba and Banyan Tree Mayakoba hotels together contributed half of the EBITDA results for the quarter.** The Rosewood Mayakoba hotel continued with an important market positioning in the quarter, while the Banyan Tree Mayakoba hotel has achieved a new positioning thanks to its new inventory. In addition to the results achieved, it is noteworthy that both assets had the highest margin increase with respect to the same period of the previous year, but especially with respect to 2019. The above, considering the impact that inflation had on the cost and expense structure of the entire industry throughout the year.

Hotel Assets Operating Statistics⁴

The following are the key aggregate operating indicators⁵ of RLH Properties' 2022 Hotel Assets portfolio:

Operating Indicators of 2022					
Stabilized Assets and Other Assets					
Indicator	2019	2021	2022	% Var. 2022 vs. 2019	% Var. 2022 vs. 2021
ADR (USD)	\$433	\$538	\$651	50.5%	21.0%
ADR (MXN)	\$8,307	\$10,960	\$13,063	57.2%	19.2%
Occupancy (%)	68.0%	53.7%	59.7%	(8.3 pp)	6.0 pp
RevPAR (USD)	\$294	\$289	\$389	32.0%	34.5%
RevPAR (MXN)	\$5,651	\$5,886	\$7,796	38.0%	32.4%
Total Revenues (USD '000)	\$176,414	\$216,861	\$290,720	64.8%	34.1%
Total Revenues (MXN '000)	\$3,389,542	\$4,415,223	\$5,832,627	72.1%	32.1%
EBITDA* (USD '000)	\$47,710	\$49,740	\$80,036	67.8%	60.9%
EBITDA* (MXN '000)	\$913,665	\$1,017,233	\$1,605,170	75.7%	57.8%
EBITDA* Net of FF&E Reserve (USD '000)	\$41,833	\$45,690	\$70,933	69.6%	55.3%
EBITDA* Net of FF&E Reserve (MXN '000)	\$800,759	\$934,579	\$1,422,555	77.7%	52.2%
EBITDA Margin (%)	27.0%	23.0%	27.5%	0.6 bps	4.5 bps
EBITDA Net of FF&E Reserve Margin (%)	23.6%	21.2%	24.4%	0.8 bps	3.2 bps
Operating Assets					
Indicator	2019	2021	2022	% Var. 2022 vs. 2019	% Var. 2022 vs. 2021
ADR (USD)	\$414	\$601	\$726	75.3%	20.7%
ADR (MXN)	\$7,954	\$12,250	\$14,573	83.2%	19.0%
Occupancy (%)	64.6%	54.0%	60.0%	(4.6 pp)	6.0 pp
RevPAR (USD)	\$267	\$325	\$436	62.8%	34.1%
RevPAR (MXN)	\$5,136	\$6,615	\$8,743	70.2%	32.2%
Total Revenues (USD '000)	\$197,411	\$255,637	\$347,603	76.1%	36.0%
Total Revenues (MXN '000)	\$3,792,536	\$5,204,854	\$6,977,364	84.0%	34.1%
EBITDA* (USD '000)	\$50,006	\$62,161	\$93,905	87.8%	51.1%
EBITDA* (MXN '000)	\$957,157	\$1,270,164	\$1,884,962	96.9%	48.4%
EBITDA* Net of FF&E Reserve (USD '000)	\$43,499	\$57,649	\$83,706	92.4%	45.2%
EBITDA* Net of FF&E Reserve (MXN '000)	\$832,161	\$1,178,062	\$1,680,346	101.9%	42.6%
EBITDA Margin (%)	25.2%	24.4%	27.0%	1.8 bps	2.6 bps
EBITDA Net of FF&E Reserve Margin (%)	21.9%	22.6%	24.1%	2.1 bps	1.4 bps

* Aggregated EBITDA (SoTP) of the operating assets, unaudited without adjustments due to financial consolidation.

⁴ The indicators and results presented in all periods do not consider the performance of the Assets in Spain (Rosewood Villa Magna and BLESS Hotel Madrid) given their divestment from the RLH Properties Portfolio on November 15, 2022. The results of the PGA golf tournament held annually at the Camaleón Mayakoba are also not considered.

⁵ Aggregate operating hotel information is based on USALI (Uniform System of Accounts for the Hotel Industry), and includes the sum of hotel assets.

Occupancy Rate

The **occupancy rate** was 60.0%, registering an increase of 6.0 p.p. compared to last year and 4.6 p.p. less compared to 2019.

The **Four Seasons Mexico City** hotel recorded an **occupancy significantly higher than 2021 but below the 2019 level**. This is in response to the slow recovery of the destination after the impact of the pandemic. However, despite **being below the pre-pandemic level**, the hotel's **occupancy for the year** represented the **highest of the entire portfolio, the highest of its competitive set** considering the new offerings in the destination and marked a milestone as it represented **the highest level of all Four Seasons properties in the Americas including resorts**.

Occupancy at the Banyan Tree Mayakoba hotel was the **second highest in the portfolio and the highest of the beach assets**, registering a significant increase over the 2019 level considering the new inventory available. Such occupancy level represented the highest annual level of the hotel's competitive set with **sustained growth in market penetration**.

Finally, the **rest of the portfolio's beach assets** remained **very much in line with the occupancy levels** recorded in **2021** and with **slight increases compared to 2019** except for the **Fairmont Mayakoba** hotel considering the period in which the asset was undergoing **complete renovation**.

Average Rate

The **average rate** was MXN \$14,573 (\$726 USD) which represented an increase in local currency of 19.0% and 83.2% compared to 2021 and 2019 respectively. Meanwhile, the rate in U.S. dollars recorded an increase of 20.7% and 75.3% compared to 2021 and 2019, respectively.

All the portfolio's assets experienced sustained increases in average rates throughout the year, reaching milestone levels that have driven results. This increase is mainly related to the **recognition of the portfolio's assets in the markets in which they compete, coupled with the generalized repositioning of rates in the luxury segment**.

Considering that the rates on the portfolio's assets are fixed in U.S. dollars, the difference in the average annual rate increase between both currencies is mainly related to the appreciation and depreciation of the Mexican peso against the U.S. dollar compared to the previous year and 2019, respectively. 2022 recorded an appreciation of 0.8% compared to the previous year, going from an average of 20.28 MXN/USD in 2021 to 20.13 MXN/USD in 2022.

2019, recorded a 4.3% annual depreciation from an average of MXN19.26/USD in 2019 to MXN20.13/USD in 2022.

RevPAR

RevPAR was MXN \$8,743 (436 USD) registering an increase in local currency of 32.2% and 70.2% compared to 2021 and 2019, respectively. Meanwhile, in U.S. dollars, an increase of 34.1% and 62.8% was recorded compared to 2021 and 2019, respectively.

Overall, the generalized increase in average rates had a positive impact on the RevPAR level achieved by the portfolio during the year. Specifically, the **Four Seasons Mexico City and Rosewood Mayakoba** hotels maintained the **highest RevPAR level of their respective competitive groups during the whole year**. The

One&Only Mandarin hotel ranked **fourth in RevPAR within the competitive set of the top seven stabilized luxury hotels in all of Mexico**, considering that the hotel completed its second year of operation in 2022.

EBITDA

Overall, the results during the year exceeded expectations reaching an EBITDA level that was very close to double that of 2019 both in local currency and in US dollars. In addition, it is noteworthy that the results achieved **registered a higher margin than the previous year and 2019**, which indicates that the momentum that the rate increase had on the portfolio's revenue was protected with **strict management of the cost and expense structure despite the inflationary pressure in the tourism sector throughout the year**.

Most of the portfolio's assets recorded all-time levels results for the year. In the case of the Four Seasons Mexico City hotel, its results exceeded those recorded in 2019 despite new competition and the slow recovery of the destination. For their part, the portfolio's beach assets achieved results significantly above the previous year, which shows their positioning in the luxury resort segment in Mexico. In context, the demand of 2021 was somewhat atypical compared to the common seasonality of the beach tourism business in Mexico, which was mainly related to the tourism reconfiguration that emerged after the pandemic and to the fact that several destinations in Europe were still closed or had restrictions. In this sense, **the analysis of the portfolio's performance during 2022 is relevant considering that this year's results could begin to show more stable demand trends given the lift of international tourism restrictions during most of the year**.

Information related to the Residential Business

The following are the main commercial indicators for RLH's Residential Business⁶ as of the fourth quarter of 2022:

Component	Total inventory	Sales held accumulated as of December 31, 2022	Available inventory	Sale Contracts Signed in 2022	Sales 2022
Residencias	319	220	99	22	37
Mayakoba	279	201	78	13	33
Residencias Rosewood	33	31	2	5	11
Fairmont Heritage place FO (a)	54	34	20	2	3
Fairmont Heritage place FC (b)	192	136	56	6	19
Mandarina	40	19	21	9	4
Mandarina Private Homes O&O (c)	40	19	21	9	4

(1) FO is Abbreviation for Full Ownersip

(2) FC is Abbreviation for Fracciones

(3) Only the units of the lots already activated are considered

⁶ In accordance with the International Financial Reporting Standards, income from the sale of residences is recognized at the time control of the property is transferred, i.e., at RLH Properties it is recognized at the time the property is deeded.

Fourth quarter 2022 results

Total Revenue

For the period from October 1 to December 31, 2022, RLH achieved an 18% increase compared to the same period last year, driven by the combination of the great performance of the beachfront and city assets, where they closed the fourth quarter with a very positive performance thanks to a strategy focused on selling the beachfront categories, exceeding the budgeted occupancy for the fourth quarter, as well as the boost in the average rate, mainly due to the new Beachfront/Oceanfront and Laguna inventory.

RLH Properties' total revenue for the quarter amounted to MXN \$2,695.1 million:

- MXN \$1,353.2 million from rental of rooms and residences (50% of income).
- MXN \$584.3 million in food and beverage (22% of revenue).
- MXN \$402.9 million from residential sales (15% of income).
- MXN \$354.7 million of other hotel revenue (13% of revenue).

Costs and expenses

During this quarter, RLH Properties' costs and overhead were MXN \$2,238.7 million:

- MXN \$402.3 million in administrative and operating expenses (18% costs and expenses).
- MXN \$371.6 million in food and beverage costs and expenses (17% costs and overhead).
- MXN \$379.1 million in residential sales costs (17% of costs and overhead).
- MXN \$353.3 million in IT and telecommunications, marketing and maintenance expenses (16% costs and overhead).
- MXN \$339.4 million in room expenses (15% costs and overhead).
- MXN \$207.3 million in golf course, spa and gym services expenses (9% costs and overhead).
- MXN \$166.7 million in operating fees, depreciation, insurance and property expenses (7% costs and overhead).
- MXN \$18.7 million in departmental expenses and basic services (1% costs and overhead).

Compared to the same period in 2021, costs and overheads showed an increase of 20%.

EBITDA

Recurring EBITDA for the quarter reached MXN \$456.4 million, registering an 8% increase compared to the same quarter of 2021, while EBITDA after corporate expenses stood at MXN \$68.2 million registering a 78.9% decrease compared to the same period of 2021; the increase in recurring EBITDA is mainly attributed to the excellent performance of the beach and city hotels, on the other hand, the decrease in EBITDA after corporate expenses is mainly due to the recognition of the incentive plan.

Comprehensive financing result

During the quarter, the financial debt generated a cost in results of MXN \$297.8 million.

During the quarter, the cost of financing, including interest expense and foreign exchange gain or loss, was MXN \$81.9 million:

Consolidated Income Statement

Figures in MXN \$ thousands, unless stated otherwise

	4Q 2022	4Q 2021	Var. a/a
Cost of financing			
Interest paid	(134,403)	(105,222)	(29,181)
FX loss	(163,437)	(205,018)	41,581
Financial costs	(297,840)	(310,240)	12,400
Interest gain / (loss)	34,469	15,114	19,355
FX gain	181,422	203,902	(22,480)
Comprehensive financing cost	(81,949)	(91,224)	9,275

9 million.

Corporate expenses:

Corporate expenses show an increase compared to the previous year, mainly due to non-recurring expenses including the incentive plan.

Other Non recurring income

The increase in other income is generated by the sale of Spain Hotels for 305M.

Deferred income tax benefit:

In the fourth quarter, the benefit of MXN \$370.9 million corresponds mainly to the activation of tax losses in *Golf de Mayakoba* for MXN \$147. million and the accrual of income advances on residential assets for MXN \$233.3 million.

Net income for the period

Consolidated net income was MXN \$391.3 million.

Other comprehensive income

They registered a loss of MXN \$268.8 million, comprised by the result of the net translation effect of MXN \$187.9 million and cash flow hedges of MXN \$80.

Annual results for the year 2022.

Total Revenue

The 57% increase in revenue is due to the excellent performance and results of the hotel assets, which represent 69% of this increase; the hotels in Madrid, Hotel Rosewood Villa Magna and Hotel BLESS Madrid, contributed with 11 months of revenue (prior to the sale) with MXN \$703.5 million compared to the previous year, likewise, the beach hotels showed an important growth of MXN \$1,179.2 million, that is, 35.8% of the growth in hotels.

It is important to note, the increase of MXN \$1,003.8 million in residence income from the deed of 5 residences of Rosewood Mayakoba and 9 of O&O Mandarin, which are recorded in the income statement at the time of the deed.

RLH Properties' total revenue for the year amounted to MXN \$9,030.3 million:

- MXN \$4,723.8 million from rental of rooms and residences (52% of revenue).
- MXN \$2,071.7 million from food and beverage revenue (23% of revenue).
- MXN \$1,205.3 million from residential sales (13% of revenue).
- MXN \$616.8 million from other hotel revenue (7% of revenue).
- MXN \$412.7 million from golf course services and spa and gym services (5% of revenue).

Costs and expenses

During the year, RLH Properties' costs and overhead were MXN \$7,397.5 million:

- MXN \$1,354.4 million in food and beverage (18% cost and overhead).
- MXN \$1,291.7 million in administrative and operating expenses (17% costs and expenses).
- MXN \$1,221.7 million in room and residence rental expenses (17% costs and overhead).
- MXN \$1,198.9 million in IT and telecommunications, marketing and maintenance expenses (16% costs and overhead).
- MXN \$1,042.1 million in sale of residences expenses (14% costs and overhead).
- MXN \$678.8 million in golf course services, spa and gym services and others (10% costs and overhead).
- MXN \$609.9 million in operating fees, insurance, and property expenses (8% costs and overhead).

Costs and overhead expenses increased 53% versus the same period in 2021.

EBITDA

During this period, Recurring EBITDA was MXN \$1,632. million, registering an increase of 82% compared to the same period of 2021, while EBITDA after corporate expenses was MXN \$998.1 million registering

an increase of 54%, both increases are a consequence of the excellent results of the hotels and the sale of residential assets which contributed 36%.

Corporate expenses:

Corporate expenses show an increase compared to the previous year, mainly due to non-recurring expenses including the incentive plan.

Other Non recurring income

The increase in other income is generated by the sale of Spain Hotels for 305M.

Comprehensive financing result

The net debt position at the end of the year was MXN \$1,525.9 million and the total debt MXN \$6,590.7 million, generating a cost in results for the year of MXN \$1,097.2 million.

During the year, the financing cost, including interest expense and foreign exchange gain or loss, was MXN \$453.1 million and is detailed as follows:

Consolidated Income Statement

Figures in MXN \$ thousands, unless stated otherwise

	2020	2021	Var. a/a
Cost of financing			
Interest paid	(470,262)	(314,409)	155,853
FX loss	(626,968)	(375,832)	251,136
Financial costs	(1,097,230)	(690,241)	406,989
Interest gain / (loss)	89,743	36,708	(53,035)
FX gain	554,338	373,915	(180,423)
Comprehensive financing cost	(453,149)	(279,618)	173,531

Deferred tax benefits:

The benefit of MXN \$530.8 million in 2022 corresponds mainly to the activation of tax losses in *Golf de Mayakoba* for MXN \$147.8 million and the accrual from income advances from residential assets for MXN \$233.3million.

Net income for the period

Consolidated net income was MXN \$412 million.

Other comprehensive income

During the year, other comprehensive income represented a loss of MXN \$504 million, mainly due to the cancellation of the comprehensive effects of the hotels in Spain for MXN \$588.7 million, the appreciation of the peso against the dollar resulting in a decrease in the valuation of assets for MXN \$361.6 million, offset by the positive result of the valuation of financial instruments for MXN \$446.3 million.

Financial Position

Cash and Liquidity

As of December 31, 2022 the RLH position of cash and cash equivalents is MXN \$5,064.8 million, showing an increase of MXN \$403.9 million with respect to December 31, 2021 mainly originated by MXN \$1,926.7 million from net cash flows from operating activities, bank loans for MXN \$1,594.3 million, mainly offset by principal and interest payments of MXN \$1,700.7 million, investment in CAPEX and intangibles of MXN \$1,341.8 million, decrease in non-controlling interest of MXN \$57.3 million and lease payments of MXN \$22.2 million.

Real estate inventory

As of December 31, 2022, the short-term real estate inventory shows a balance of MXN \$1,414 million and are comprised of land under development for MXN \$545 million and work in progress for MXN \$869 million. Long-term real estate inventories correspond to land under development for MXN \$762.6 million, presenting a decrease of MXN \$458.9 million with respect to December 31, 2021, due to the deeding of residential assets for MXN \$1,042 million, offset by the progress in construction for MXN \$1,500.9 million.

Property, plant and equipment, goodwill, and intangible assets

As of December 31, 2022, fixed assets had a net decrease of MXN \$7,763.5 million with respect to December 31, 2021, mainly (i) the sale of the BLESS Madrid Hotel and the Rosewood Villa Magna Hotel for MXN \$6,219.2 million, (ii) due to the negative translation effect as a result of the appreciation of the peso against the dollar and the euro (6% and 12%, respectively) with respect to the valuation of fixed assets in foreign currency for MXN \$2,110.4 million, (iii) depreciation of MXN \$676.1 million and (iv) write-offs for MXN \$63 million; offset by fixed asset additions and investments in construction under progress for MXN \$1,298.3 million.

As of December 31, 2022, intangible and other assets had a net decrease of MXN \$335.9 million with respect to December 31, 2021, mainly due to the sale of the BLESS Madrid Hotel and the Rosewood Villa Magna Hotel for MXN \$232.7 million, amortization for the period of MXN \$80 million, negative translation effect derived from the appreciation of the peso against the euro of MXN \$54.4 million and write-offs for MXN \$12.5 million, offset by additions of MXN \$43.6 million.

Goodwill of MXN \$151.8 million shows a decrease of MXN \$978 million due to the sale of the BLESS Madrid Hotel and the Rosewood Villa Magna Hotel for MXN \$801.6 million and the negative translation

effect derived from the appreciation of the peso against the euro for MXN \$176.4 million, generated during the 11 months prior to the sale of the hotels in Madrid.

Customer advances

As of December 31, 2022, total customer advances amounted to MXN \$2,123.1 million, comprised of MXN \$1,118.8 million of deposits received from the promise of sale contracts for villas and MXN \$1,004.3 million of advances from hotel customers.

The increase of MXN \$162 million compared to December 31, 2021, is due to an increase in hotel advances of MXN \$154 million because of the great performance of beach and city hotels at the end of the year and an increase in advances for residences of MXN \$1,749.8 million, offset by MXN \$1,741.8 million derived from the deed of residence sales.

Total and net bank debt

As of December 31, 2022 the group's total debt is MXN \$6,590.7 million showing a decrease of MXN \$3,332.9 million compared to the balance of December 31, 2021, such decrease is mainly due to: (i) the cancellation of the loan for the sale of the BLESS Madrid Hotel and the Rosewood Villa Magna Hotel of MXN \$2,695 million; (ii) loan payments for MXN \$1,269.4 million; (iii) foreign exchange fluctuations derived from the appreciation of the peso against the dollar and the euro (6% and 12%, respectively) for MXN \$953.7 million and (iv) the amortization of opening costs for MXN \$9 million; offset by the obtaining of loans for MXN \$1,594.3 million, mainly in the One&Only Mandarin Hotel.

As of December 31, 2022, 100% of the Company's total debt is denominated in U.S. dollars, with a weighted average financial cost of 5.7%. Additionally, debt maturities are long-term.

The following table presents the detail of the debt position:

Component	4Q2022	Currency	Interest Rate	Maturity
<i>Figures in USD \$ thousands, unless stated otherwise</i>				
Four Seasons CDMX	59,672	USD	2.50%+ Libor 3M	2025
Fairmont Mayakoba	68,418	USD	2.50%+ Libor 3M	2032
Rosewood Mayakoba	48,538	USD	2.66%+ SOFR 3M	2028
Banyan Tree Mayakoba	43,588	USD	2.45%+ Libor 3M	2030
Andaz Mayakoba	53,288	USD	4.00%+ Libor 3M	2032
One&Only Mandarin	74,775	USD	2.975%+ SOFR 3M	2034
Total debt (1)	6,743,182			

On May 16, 2022, RLH Properties entered into a secured credit agreement with BBVA for the amount of USD \$75 million to refinance under improved terms the bank liability previously contracted for the construction of the One&Only Mandarin Hotel and for general corporate uses.

Derivative financial instruments

As of December 31, 2022, the financial instruments held by the group to hedge the interest rate risk of its bank loans and which are presented at fair value, presented a net increase between assets and liabilities due to the behavior of the derivatives market compared to previous periods (increase in rates), such effect reflects a positive hedge of MXN \$487.2 million and whose effect was recorded in other comprehensive income. These products, with maturities until 2031, were paid at the time of closing the operations and have the following characteristics:

In thousands of mexican pesos

Company	Notional MXN\$	Beginning Date	Maturity	Fixed Rate	Variable Rate	Mark to Market	
					December 31, 2022	December 31, 2022	December 31, 2021
Four Seasons derivative 1	235,746	26-jun-18	24-nov-25	3.03%	4.76%	\$ 15,222	\$ (29,816)
Four Seasons derivative 2	530,428	01-mar-17	24-nov-23	2.32%	4.76%	\$ 13,350	\$ (17,239)
Rosewood	704,819	14-dic-18	15-jun-27	2.73%	4.53%	\$ 28,716	\$ (61,009)
Bananyan Tree derivative 1	371,051	24-jul-18	09-may-27	1.95%	4.59%	\$ 28,716	\$ (9,191)
Bananyan Tree derivative 2	247,367	24-jul-18	10-may-27	1.95%	4.59%	\$ 19,734	\$ (6,426)
Fairmont	1,192,208	23-jul-20	20-jun-31	1.61%	4.75%	\$ 126,515	\$ (7,855)
O&O Mandarin	1,085,817	16-jun-22	30-jun-26	3.46%	4.58%	\$ 16,319	-
Net financial instruments (liabilities) assets						\$ 248,572	\$ (131,536)

Stockholders' equity

The decrease in stockholders' equity of MXN \$4,324.2 million, is due to the decrease from the sale of the hotels in Spain, generating a reduction in common stock and non-controlling interest of MXN \$2,600.1 million and MXN \$1,632.2 million respectively, the appreciation of the peso against the dollar resulting in a decrease in the valuation of assets of MXN \$361.6 million, due to the cancellation of the integral effects of the hotels in Spain for MXN \$588.7 million, offset by the positive result of the valuation of financial instruments for MXN \$446.4 million and the net income for the period of MXN \$412 million.

Cash flow 2022

During 2022, net cash flow from operating activities was MXN \$1,926.7 million, net cash flow from investing activities was MXN \$1,251.8 million, due to asset divestitures of MXN \$2,503.9 million and interest income of MXN \$89.7 million, offset by CAPEX and intangible investments of MXN \$1,341.8 million. Net cash flow from financing activities was negative MXN \$2,782.3 million, mainly due to (i) the decrease in capital stock of MXN \$2,600.1 million derived from the sale of assets in Spain, (ii) the decrease in capital of the non-controlling interest of MXN \$57.3 million, (iii) for the payment of amortizations of bank loans for MXN \$1,269.4 million, (iv) for MXN \$431.3 million in interest paid and (v)

for the payment of leases for MXN \$22.2 million, compensated with bank loans for MXN \$1,594.3 million.

Principal repayments presented an increase of MXN \$1,190.2 million, mainly due to the prepayment of the O&O Mandarinina loan with Bancomext for USD \$50 million.

Corporate Governance

On February 27, 2023, the Board of Directors of RLH held a meeting to approve the Financial Statements as of December 31, 2022, which were unanimously approved.

Annexes

Portfolio:

As of December 30, 2022, RLH has **10 business components in the luxury and ultra-luxury segment** totaling **approx. 1,391 hotel rooms** (1,251 in operation and approx. 140 under development), **approx. 235 full ownership residences and 192 fractional units** both with associated hotel brands, and **1 18-hole golf course**:

- **Operating Assets** (6 hotels with 1,251 rooms and 1 18-hole golf course):
 - **Stabilized Assets** (5 hotels, 1,146 rooms): Four Seasons Mexico City hotel (240 rooms), Rosewood Mayakoba hotel (129 rooms), Banyan Tree Mayakoba hotel (162 rooms), Fairmont Mayakoba hotel (401 rooms) and the Andaz Mayakoba hotel (214 rooms).
 - **Ramp up assets** (1 hotel, 105 rooms): One&Only Mandarin hotel. This hotel started operations in November 2020 and is currently in the stabilization phase.
 - **Other Assets** (1 18-hole golf course): The El Camaleón golf course was designed by famed Australian golfer Greg Norman and is the first to host a PGA tournament outside the United States and Canada.
- **Assets under development** (1 hotel with approximately 140 rooms, 235 *full ownership* residences and 192 fractional units, both with hotel brand):
 - **Rosewood Mandarin Hotel** (approx. 140 rooms): This hotel is in the conceptual design and technical studies stage.
 - **Residences in Mandarin with One&Only and Rosewood brands** (up to 148 residences): The One&Only Mandarin residences are in the marketing and construction stage. Rosewood Mandarin residences will be developed in the future as the Rosewood Mandarin hotel progresses.
 - **Fairmont and Rosewood branded residences at Mayakoba** (approx. 87 full ownership residences and 192 fractional units): Fairmont Heritage Place considers an inventory of approx. 54 full ownership residences and 192 fractional units. Rosewood Residences considers an inventory of 33 full ownership residences.

Reconciliation between Operating Results and Consolidated Income Statement

The main variations between the Consolidated Income Statement and the Aggregate Operating/Hotel Results are shown below:

The Consolidated Income Statement includes the EBITDA before corporate expenses plus other income, in comparison with aggregate hotel Operating EBITDA.

MXN million		
Hotel EBITDA 4Q2022		1,884
Residential/Corporate Income	} MXN 106M	110
Divestiture of assets		103
Owner's Expenses/Income		(12)
Account receivable / Claim expenses		(94)
Others		- 2
Consolidated Statement of Income 4Q2022		1,990

The net difference of MXN \$106 million derives mainly from:

- MXN \$110 million from Residence income: Fairmont Heritage Place, Rosewood Residences, Mandarin Private Homes are not included in the operating results as they are not hotels.
- Neither the Rosewood Villa Manga Hotel nor the Bless Hotel are presented in the operating income; however, they are included in the consolidated income statement up to the date of divestment. MXN \$103 million.
- The owner's income/(expense) is not recorded in the EBITDA of the hotels, but within the consolidated income statement, multiple factors considered as owner's income/(expense), e.g., extraordinary CAPEX of assets, legal expenses among others MXN \$12 million.
- An account receivable from the PGA Tour 2022 tournament and expenses from a claim reported in 2021 of MXN 94 million has been reserved.
- Other includes variations mainly due to consolidation effects that have an impact on the consolidated statement of income for 4Q2022.

Income Statement 4Q2022

RLH's main consolidated financial results for 4Q2022 are shown below.

Consolidated Income Statement																	
Figures in MXN \$ thousands, unless stated otherwise																	
	4Q 2022	%	4Q 2021	%	Var. o/a Quarterly		2022	%	2021	%	Var. o/a annual						
Total Revenues	2,695,101	100%	2,282,316	100%	412,785	18%	9,030,293	100%	5,742,878	100%	3,287,415	57%					
Rooms Revenues	1,353,166	50%	1,173,452	51%	179,714	15%	4,723,848	52%	3,184,690	55%	1,539,158	48%					
Food & Beverage Revenues	584,317	22%	506,387	22%	77,930	15%	2,071,695	23%	1,423,085	25%	648,610	46%					
Residential Revenues	402,948	15%	201,501	9%	201,447	100%	1,205,283	13%	201,501	4%	1,003,782	498%					
Other Revenues	354,670	13%	400,976	18%	(46,306)	-12%	1,029,467	11%	933,602	16%	95,865	10%					
Direct costs and expenses	(870,499)	-32%	(805,309)	-35%	(65,190)	-8%	(2,974,452)	-33%	(2,138,511)	-37%	(835,941)	-39%					
Residential costs and expenses	(379,114)	-14%	(165,255)	-7%	(213,859)	-129%	(1,042,026)	-12%	(165,255)	-3%	(876,771)	-531%					
Indirect expenses and other expenses	(822,334)	-31%	(748,718)	-33%	(73,616)	-10%	(2,771,105)	-31%	(2,092,585)	-36%	(678,520)	-32%					
Gross Operating Profit (GOP)	623,154	23%	563,034	25%	60,120	11%	2,242,710	25%	1,346,527	59%	896,183	67%					
Recurring EBITDA (excluding corporate expenses)	456,419	17%	423,087	19%	33,332	8%	1,632,765	18%	899,715	39%	733,050	81%					
Recurring corporate expenses	(388,174)	-14%	(99,220)	-4%	(288,954)	-291%	(634,694)	-7%	(253,201)	-4%	(381,493)	-151%					
Recurring EBITDA after corporate expenses	68,245	3%	323,867	14%	(255,622)	-79%	998,071	11%	646,514	28%	351,557	54%					
Other non-recurring income /(expenses) and other	321,802	12%	29,923	1%	291,879	975%	357,386	4%	17,810	0%	339,576	1907%					
EBITDA	390,047	14%	353,790	16%	36,257	10%	1,355,457	15%	664,324	29%	691,133	104%					
Depreciation & Amortization	(230,950)	-9%	(171,088)	-7%	(59,862)	-35%	(756,069)	-8%	(648,482)	-11%	(107,587)	-17%					
EBIT / Operation profit / (loss)	159,097	6%	182,702	8%	(23,605)	-13%	599,388	7%	15,842	1%	583,546	3684%					
Cost of financing	(81,949)	-3%	(91,224)	-4%	9,275	10%	(453,149)	-5%	(279,618)	-5%	(173,531)	-62%					
Profit / (loss) before taxes	77,148	3%	91,478	4%	(14,330)	-16%	146,239	2%	(263,776)	-12%	410,015	155%					
Deferred tax benefit	370,875	14%	228,595	10%	142,280	62%	530,828	6%	400,123	7%	130,705	33%					
Tax provision	(56,741)	-2%	(40,367)	-2%	(16,374)	-41%	(265,031)	-3%	(116,212)	-2%	(148,819)	-128%					
Consolidated net profit / (loss)	391,282	15%	279,706	12%	111,576	40%	412,036	5%	20,135	1%	391,901	1946%					
Other comprehensive effects	(268,817)	-10%	94,154	4%	(362,971)	-386%	(503,958)	-6%	167,862	3%	(671,820)	-400%					
Comprehensive net profit / (loss)	122,465	5%	373,860	16%	(251,395)	-67%	(91,922)	-1%	187,997	8%	(279,919)	-149%					

Financial Position

The consolidated balance sheet of RLH as of December 30, 2022, is shown below.

Consolidated Balance Sheet

Figures in MXN \$ thousands, unless stated otherwise

Assets	2022	2021	Var. a/a Annual	
Cash and cash equivalents	5,064,823	4,660,894	403,929	9%
Accounts receivables and related parties	1,215,682	1,138,155	77,527	7%
Real estate inventories	1,414,089	1,872,990	(458,901)	-25%
Other current assets	366,300	267,432	98,868	37%
Total current assets	8,060,894	7,939,471	121,423	2%
Fixed asset, intangible assets and goodwill	16,175,008	24,274,403	(8,099,395)	-33%
Goodwill	151,844	1,129,848	(978,004)	-87%
Real estate inventories	762,568	762,568	0	0%
Deferred taxes	941,603	344,674	596,929	173%
Derivative financial instruments	234,589	-	234,589	100%
Other non current assets	125,188	192,209	(67,021)	-35%
Total non current assets	18,390,800	26,703,702	(8,312,902)	-31%
Total Assets	26,451,694	34,643,173	(8,191,479)	-24%
Liabilities and Stockholders' Equity				
Short term portion of bank loans	333,293	168,414	164,879	98%
Costumers deposits	2,123,101	1,961,083	162,018	8%
Accounts payable and acumulated expenses	2,284,546	1,555,236	729,310	47%
Derivative financial instruments	0	2,145	(2,145)	-100%
Total short term liabilities	4,740,940	3,686,878	1,054,062	29%
Long term bank loans	6,257,401	9,755,189	(3,497,788)	-36%
Deferred taxes	842,039	1,572,901	(730,862)	-46%
Derivative financial instruments	-	237,147	(237,147)	-100%
Other accounts payable in the long term	162,064	617,580	(455,516)	-74%
Total long term liabilities	7,261,504	12,182,817	(4,921,313)	-40%
Total shareholders' equity	14,449,250	18,773,478	(4,324,228)	-23%
Total liabilities and shareholders' equity	26,451,694	34,643,173	(8,191,479)	-24%

Cash Flow Statement

The consolidated cash flow statement of RLH as of December 30, 2022, is shown below.

Consolidated Cash Flow Statement

Figures in MXN \$ thousands, unless stated otherwise

	31-Dec 2022	31-Dec 2021	Var. a/a anual	
Operating activities				
Gain (loss) before income taxes	146,239	(263,776)	410,015	155%
Adjustments for non cash items:				
Depreciation and amortization	756,069	648,482	107,587	17%
FX of cash	(7,718)	4,657	(12,375)	-266%
FX of loans	(53,059)	(133,878)	80,819	-60%
Interest income	(89,743)	(36,708)	(53,035)	144%
Interest expense	470,262	314,409	155,853	50%
Operating Income	(305,824)	0	(305,824)	100%
Employee Benefits	374,906	0	374,906	100%
Provision for impairment of accounts receivable	50,506	0	50,506	100%
Removal of property, furniture and equipment	68,446	139,643	(71,197)	-51%
Other items that do not require the use of cash	102,051	45,399.00	56,652	100%
Subtotal	1,512,135	718,228	793,907	111%
Working capital	712,639	247,339	465,300	188%
Income taxes paid	(298,059)	(27,532)	(270,527)	983%
Net cash flow from operating activities	1,926,715	938,035	988,680	105%
Net cash flow from investing activities	1,251,807	(2,303,016)	3,554,823	-154%
Net cash flow from financing activities	(2,782,311)	4,000,160	(6,782,471)	-170%
Decrease in cash and cash equivalents	396,211	2,635,179	(2,238,968)	-85%
Cash and cash equivalents at the beginning of the period	4,660,894	2,030,372	2,630,522	130%
FX gain on cash and cash equivalents	7,718	(4,657)	12,375	266%
Cash and cash equivalents at the end of the period	5,064,823	4,660,894	403,929	9%