Santa Fe
grupo | hotelero

2024 Annual Report

TRUST

10 years on the Mexican Stock Exchange

CONTENT

HYATT REGENCY MEXICO CITY INSURGENTES & RESIDENCES

Mexico City

(GRI 2-1, 2-6)

CORPORATE PROFILE

Grupo Hotelero Santa Fe is celebrating its 15th anniversary, as well as its position as a leading company in the Mexican hotel industry. The Company focuses on acquiring beach and urban hotels in the most popular tourist destinations in Mexico, converting property use, and operating and development contracts.

GHSF's model is defined by its dynamic commercial strategy, solid risk management, and strict expense control, which allow it to adapt quickly and anticipate the industry's changing needs, and guests' expectations. With geographic coverage in eleven states throughout Mexico, including its own Krystal Grand, Krystal Resorts, Krystal Beach and Krystal Urban brands, as well as other franchises and brands licensed by Hilton, Hyatt, Ibis, Mahekal and Secrets, GHSF has increased the products it offers year after year to better serve its market segments.

Grupo Hotelero Santa Fe believes that hospitality is transformed when strategy and experience converge. The Company's hotel portfolio is designed to provide solidity and balance to maintain stable revenues throughout the year, and to take advantage of synergies through cross selling and integrated guest experiences.

The leadership of GHSF's management team is one of the Company's greatest strengths. With more than a century of accumulated experience in the industry, the individuals who comprise the management team have been leading figures in the evolution of Mexico's hotel sector, and their vision has been key to positioning the Company as innovative and solid, with a long-term focus.

The direction of the growth strategy is clear: to make a mark by expanding to the most attractive destinations in the country. GHSF is focusing on strengthening the Krystal brand by raising quality standards in the four star, five star, and grand tourism segments through authenticity that connects with today's traveler.

GHSF's asset management is agile and efficient, and each property has strategies that drive the portfolio's value, profitability, and sustainability.

KRYSTAL URBAN CANCÚN & BEACH CLUB

Cancún, Quintana Roo

VALUES

HONESTY
GHSF acts honorably and truthfully, maintaining the highest professional standards with clients, investors, and employees.

SERVICE
GHSF serves with passion, exceeding client expectations for an unforgettable experience, and turning their stay into a new lifestyle.

COMMITMENT
The Company acts responsibly, impacting lives positively both inside and outside the Organization, contributing to sustainable development to benefit the environment and the community.

PROFITABILITY
GHSF works hard to meet investors' profitability expectations, enabling growth on all fronts.

TEAM
The GHSF team gives its absolute best, joining forces and multiplying achievements, leading by example, and helping people develop. The Company believes in respecting diversity, with barrier-free working conditions.

EFFICIENCY
GHSF does things right the first time around, constantly searching for creative ideas that have the potential to change and improve the organization.

ENJOYMENT
The GHSF team enjoys what it does, and performs everyday activities enthusiastically. The Company is proud to have a Mexican ADN, but mostly it is proud of its work and enjoyment in serving clients.

MISSION

To ensure that guests and clients have enjoyable and unforgettable experiences, provided by employees who are committed to providing quality service. Combined with good management, GHSF creates the profitability expected by partners, shareholders, and investors.

VISION

To be recognized as one of the best hotel companies due to high profitability, professional ethics, trustworthiness, quality products and services, and employees who are proud to be part of the Group.

MAHEKAL
Playa del Carmen, Quintana Roo

MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

2024 was a year that improved as it progressed, closing with a record fourth quarter in revenue and EBITDA.

We recorded slight revenue growth and a slight contraction in profitability due to factors such as the decline in tourism in Mexico, a stronger Mexican peso, the renovation of Krystal Beach Acapulco, and the ramp-up process of new hotels in our portfolio.

Regarding the operating indicators across all hotels, in 2024 we increased our RevPAR by 12%, driven by an 11% rise in ADR, combined with an 1.1 percentage point increase in occupancy compared to 2023. It is important to highlight that although revenue only increased slightly, we were able to raise our ADR by double digits to offset the reduction in available rooms due to the factors mentioned above. Total revenue amounted to Ps. 2,985 million in 2024, representing a 1% increase compared to 2023. EBITDA was Ps. 810 million for the year, a 4% decrease compared to 2023.

We are on the right path to becoming the leading hospitality company in the country. I am very grateful for the trust of our investors, and I reiterate that we remain fully committed to the path of excellence, continuing to improve customer satisfaction levels to translate this into greater profitability for our shareholders.

To conclude, I would like to mention that none of these achievements would have been possible without the support of our dedicated employees, our experienced management team, and the trust that you, our investors, have placed in us. I want to recognize and express my gratitude to the more than 4,600 associates who have unconditionally supported the Company—not only through their economic contributions but with their extraordinary commitment, which went above and beyond the call of duty.

As always, we are deeply thankful for the trust and support of our shareholders during these times, and once again, to all our exceptionally professional and cooperative teams.

CARLOS GERARDO ANCIRA ELIZONDO
Chairman of the Board of Directors

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

Dear Stakeholders:

We are celebrating 15 years of sustained growth at Grupo Hotelero Santa Fe, and our position as a benchmark in the Mexican hotel industry. The year 2024 was replete with significant achievements, which were reflected in our financial results. Our income grew by 2% despite the impact caused by the gradual reopening of the Krystal Beach Acapulco Hotel, which was damaged by Hurricane Otis in 2023.

The global environment in 2024 was marked by uncertainty due to elections in Mexico and the United States. Against this backdrop, our Company showed strength, the ability to adapt, budget discipline, and a long-term vision, consolidating our position and value proposition in the market.

I am pleased to share this Sustainability Report with all our stakeholders. This report is an exercise in transparency and communication, in line with our vision of the future and our commitment to sustainable development and operating excellence.

Over the years, we have set ourselves apart by implementing innovative projects and adapting to global trends. An example of this is strengthening the Krystal Vacation Club Exclusive business model, which has evolved from a strategy focused on digitalization and client experience. We also celebrated the opening of the Secrets Tulum hotel, a property that reflects our standards of sustainable luxury. We would also like to point out the performance of the Hyatt Regency Mexico City Insurgentes which, after reaching stabilization, has exceeded expectations and is now seen as an emblematic property due to its high occupancy, competitive rates, and memorable experiences.

Our organizational culture is founded on the commitment of thousands of employees who work with discipline and vocation, providing authentic and personalized experiences to our guests. Thanks to their effort and dedication, we have successfully faced challenges such as an increased payroll, while remaining competitive and retaining our operating quality. I would like to thank each member of the team for your performance and vision, which have allowed us to anticipate trends, adjust rates sensibly, and maintain the stability of our portfolio.

One of the pillars of our sustainability strategy is our relationship with communities. Through our "Visión Joven" program, developed in partnership with the non-profit World Vision Mexico, we bring at-risk youth from the communities where we operate onto our work teams, providing them with skills through training and practical experience, while also promoting inclusion, well-being, and social development.

As part of our environmental commitment, in 2024, the Krystal Ixtapa and Krystal Resort Cancún hotels installed clean and efficient solar energy systems. This initiative is in addition to other key projects, such as the installation of high-efficiency cooling systems in Tulum, and progress on inverse osmosis plants in several hotels in Quintana Roo. These are just some of our team's efforts to manage operating improvement programs, creating modern infrastructure to help in the fight against climate change.

The new international sustainability standards require more than just reporting: they require intentional execution. At Grupo Hotelero Santa Fe, we believe the correct path involves transforming our business with a generational and responsible vision that focuses on creating shared value.

I would like to offer my deepest gratitude to our employees, partners, and clients for your trust and commitment. Together we will continue building a more resilient and inspiring Grupo Hotelero Santa Fe that is prepared for the future.

FRANCISCO MEDINA ELIZALDE
Chief Executive Officer

(GRI 2-1, 2-6, 203-1, 415-1, 418-1)

ABOUT GRUPO HOTELERO SANTA FE

Grupo Hotelero Santa Fe began operating in 2010. Fifteen years later, it has 26 hotels in operation, with 6,258 rooms in 11 states throughout Mexico.

KRYSTAL CANCÚN
Cancún, Quintana Roo

KRYSTAL HOTELS

There are four segments in the Krystal Hotels brand: Krystal Grand, Krystal Resorts, Krystal Beach and Krystal Urban. Krystal is a hotel chain widely recognized in Mexico and worldwide for providing unique experiences for families, friends, romantic getaways, or business.

BUSINESS FOCUS

Grupo Hotelero Santa Fe develops, acquires, and operates its own hotels and third party-owned hotels under a unique multi-brand and multi-segment strategy. GHSF is a reference in the market, providing excellent-quality infrastructure and services to its guests.

SERVICES

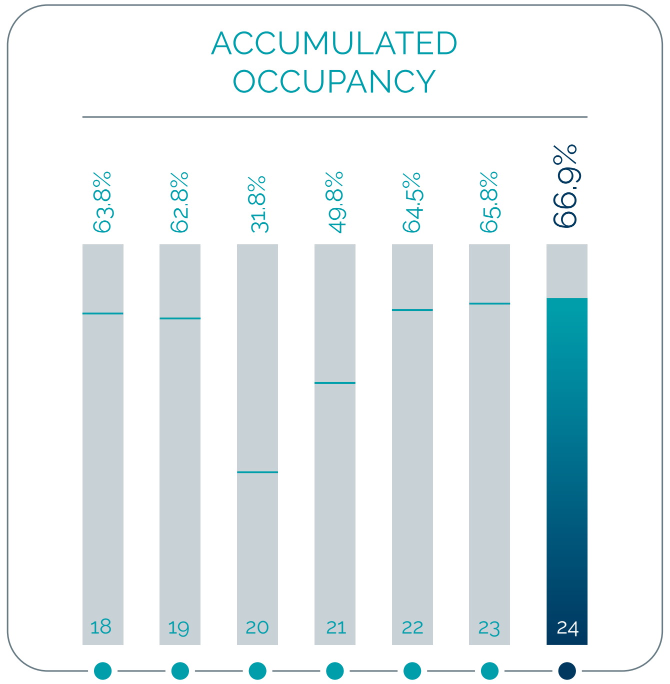
GHSF has hotels in urban and beach destinations, as well as grand tourism hotels with models that include European, continental, and all-inclusive plans, where the smallest details are important, and every guest can enjoy the quality, style, and fun they deserve.

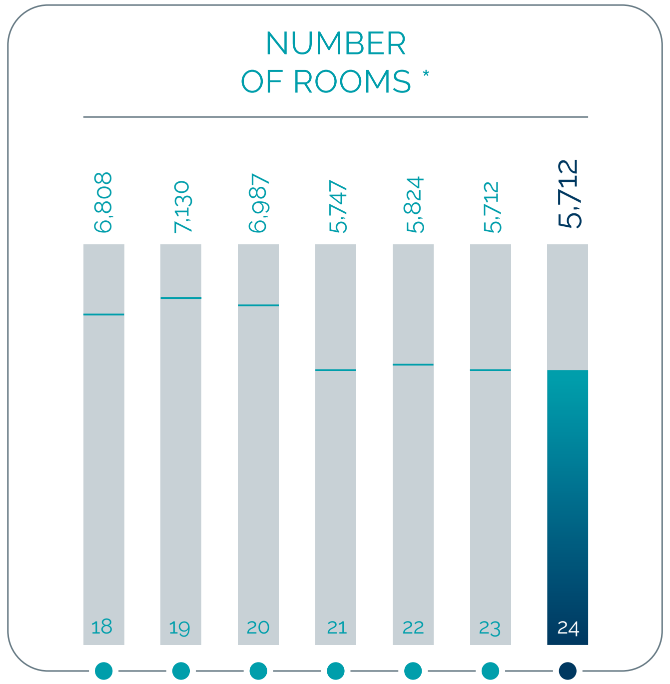
The Company's hotels also offer a wide variety of services, including international restaurants where renowned chefs prepare culinary treats, as well as bars, cafes, spa services, stores, excursions, and everything necessary to ensure guests have an unforgettable experience.

KEY FIGURES

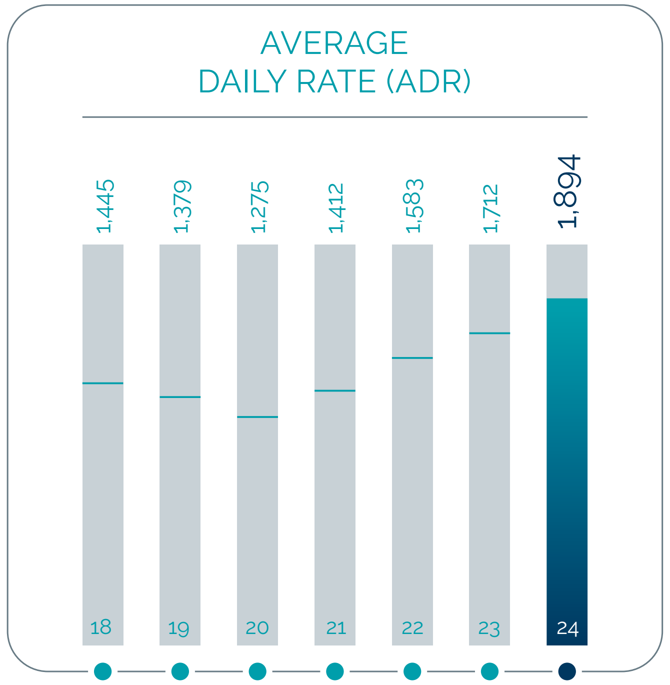
Numbers in thousands of pesos

INCOME STATEMENT	2024	2023	VAR.%
Room revenue	**1,433,492**	1,455,751	(1.5)
Revenue from food and beverages	**1,239,220**	1,215,912	1.9
Other revenue from hotels	**160,876**	150,578	6.8
Vacation Club revenues	**49,279**	46,806	5.3
Fees for managing third-party hotels	**101,914**	90,160	13.0
Total revenues	**2,984,782**	2,959,207	0.9
Costs and operating expenses	**1,470,695**	1,439,305	2.2
Administration and sales	**624,726**	611,482	2.2
Other expenses	**51,500**	41,203	25.0
Vacation Club costs	**28,161**	27,511	2.4
Depreciation	**330,002**	307,314	7.4%
Total Costs and expenses	**2,505,084**	2,426,815	3.2
Total non-recurring expenses	**(49,685)**	152,145	NA
EBITDA	**809,700**	839,707	(3.6)
EBITDA margin	**27.1%**	28.4%	(1.2 pt)
Operating income	**529,383**	380,248	39.2
Operating income margin	**17.7%**	12.8%	4.9 pt
Net financial cost	**(646,161)**	20,254	NA
Income tax	**(8,480)**	123,907	NA
Net income	**(103,517)**	592,895	NA
Net income margin	**(3.5%)**	20.0%	(23.5 pt)
Earnings attributable to:			
Company owners	**80,839**	521,780	(84.5)
Non-controlling stake	**(184,356)**	71,117	NA

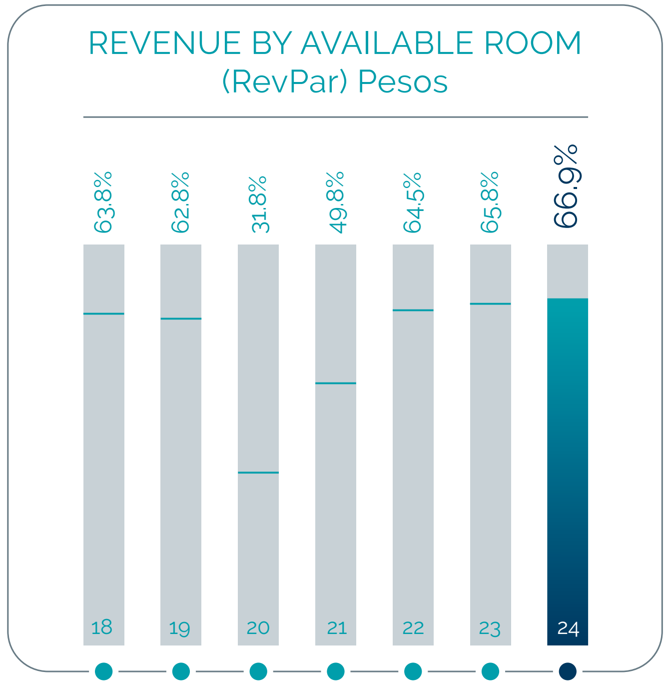




Does not include vacation club rooms, unavailable rooms, or rooms under renovation.



ADR (Average Daily Rate)



RevPAR (Revenue Per Average Room)

By the end of 2024, we had

A TOTAL OF 26 HOTELS IN OPERATION,

15 of which were company owned and 11 owned by third parties.

Our achievements over the past year would not have been possible without the support of

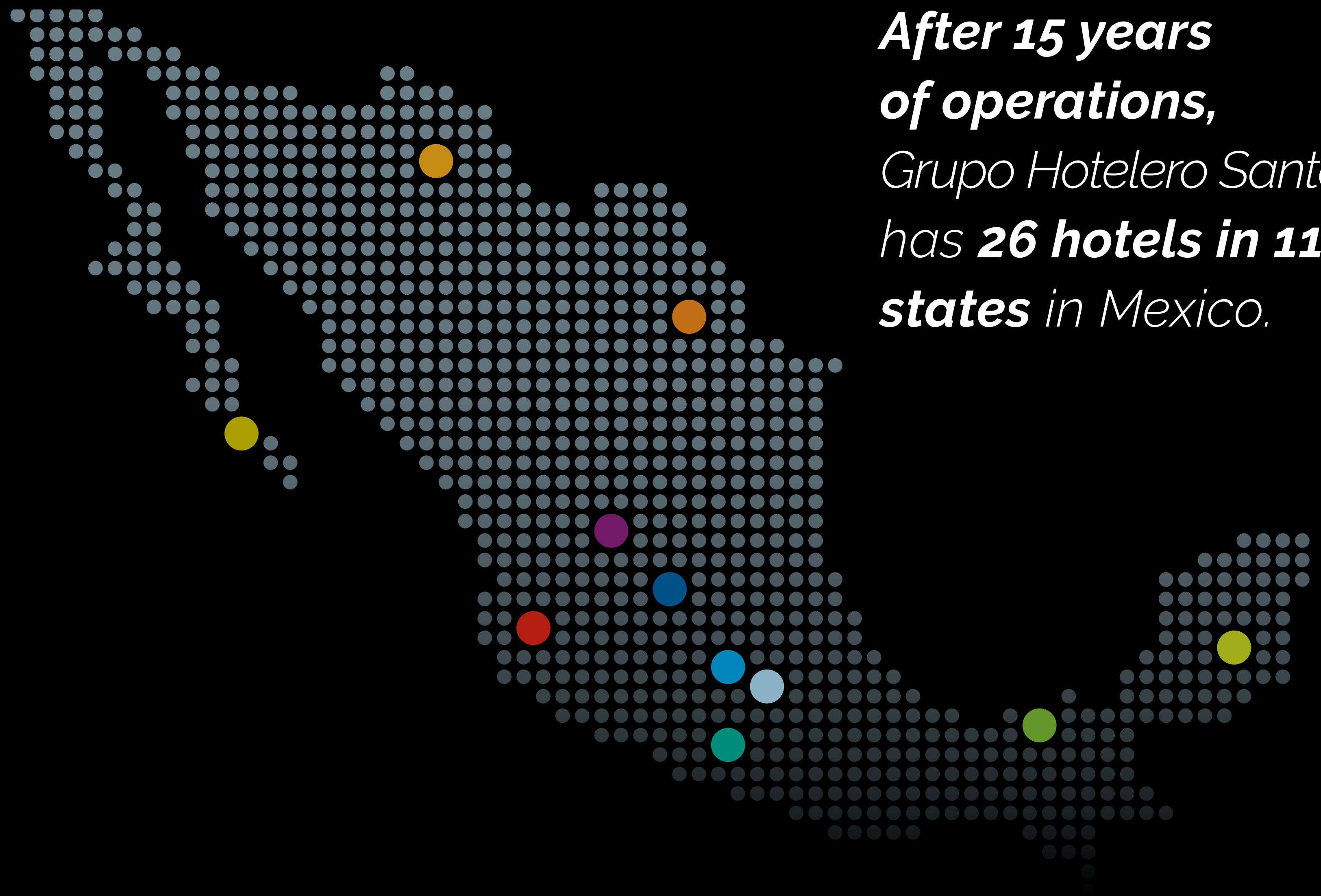
OUR MORE THAN 4,600 EMPLOYEES.

The number of

ROOMS IN 2024 WAS 6,258

in line with the same period last year.

OUR PRESENCE



After 15 years of operations, *Grupo Hotelero Santa Fe has* ***26 hotels in 11 states*** *in Mexico.*

1. BAJA CALIFORNIA SUR
Krystal Grand Los Cabos

2. AGUASCALIENTES
Hyatt Place Aguascalientes

3. JALISCO
Krystal Grand Nuevo Vallarta
Krystal Resort Puerto Vallarta
Krystal Grand Puerto Vallarta
Krystal Urban Guadalajara

4. GUERRERO
Krystal Beach Acapulco
Krystal Resort Ixtapa

5. CHIHUAHUA
Krystal Urban Ciudad Juárez

6. NUEVO LEÓN
Hilton Garden Inn
Krystal Monterrey
Krystal Urban Monterrey
Monterrey Aeropuerto

7. QUINTANA ROO
Krystal Resort Cancún
Krystal Grand Cancún
Krystal Urban Cancún & Beach Club
Mahekal Beach Resort
SLS Cancún
Secrets Tulum

8. GUANAJUATO
Hyatt Centric Campestre León
Ibis Irapuato
Krystal Grand San Miguel de Allende

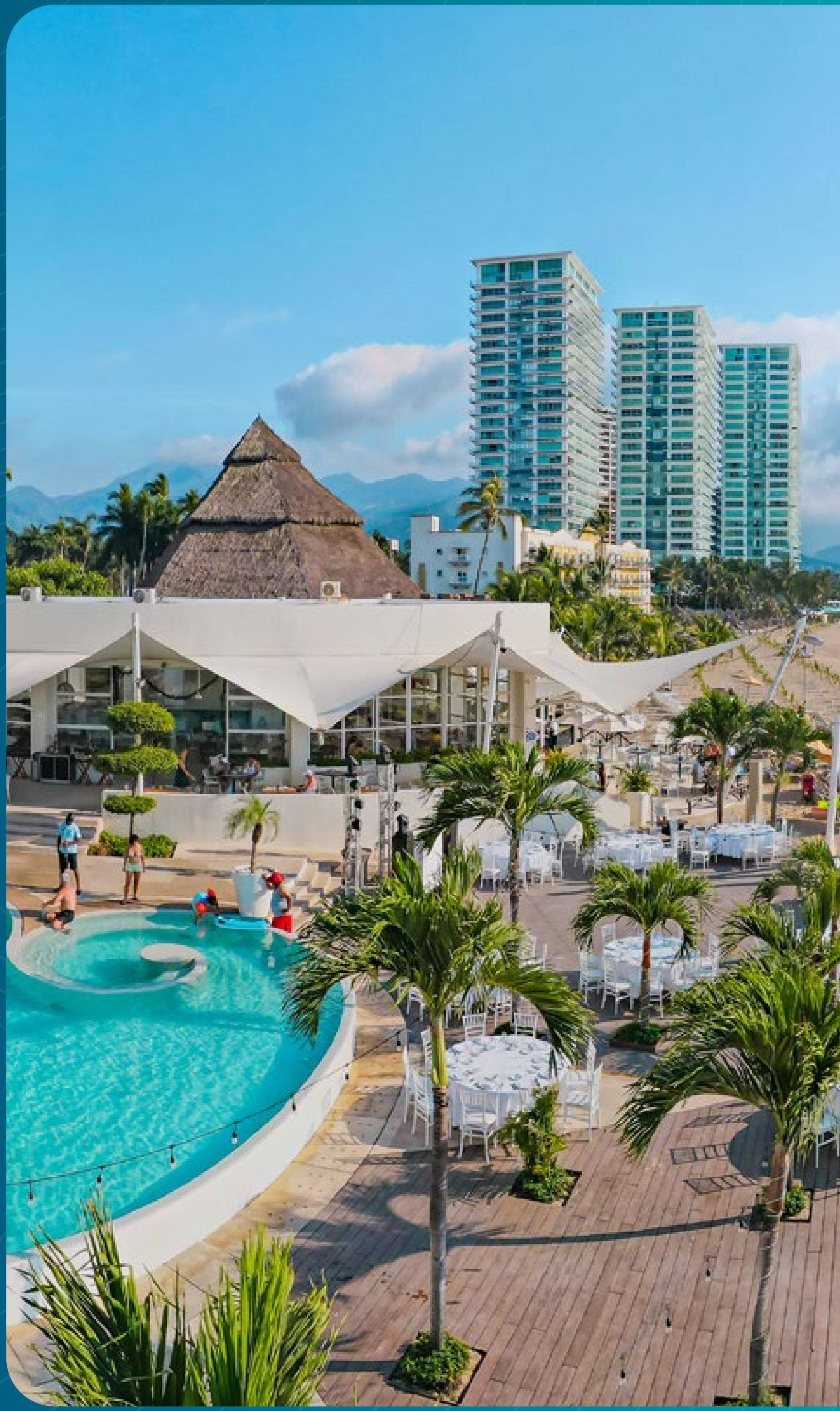
9. MEXICO CITY
Krystal Urban Aeropuerto
Krystal Grand Suites
Hyatt Regency Mexico City
Insurgentes & Residences

10. ESTADO DE MÉXICO
Krystal Satélite María Bárbara

11. TABASCO
Hampton Inn & Suites
Paraiso Tabasco

PORTFOLIO OF HOTELS

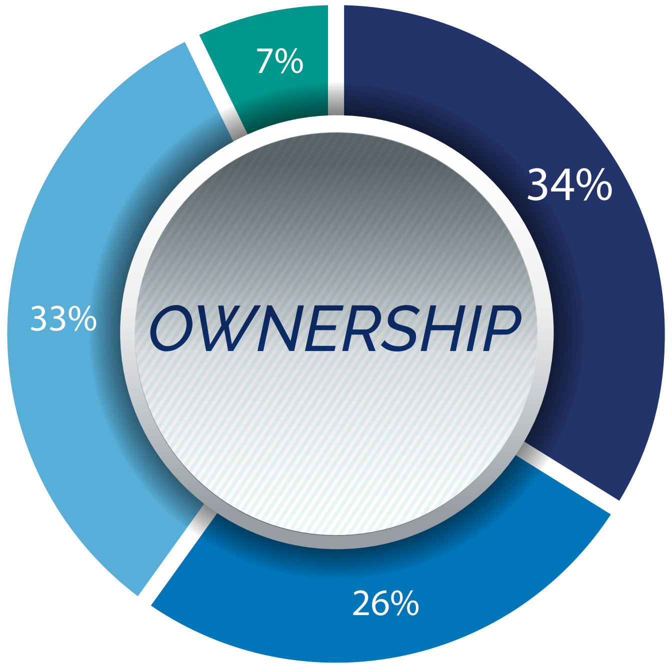
NO.	HOTEL	TOTAL ROOMS	OWNERSHIP	TYPE	CATEGORY	CITY	STATE
1	Krystal Urban Monterrey	150	100%	Urban	4 stars	Monterrey	Nuevo León
2	Krystal Urban Cd. Juárez	120	100%	Urban	4 stars	Ciudad Juárez	Chihuahua
3	Krystal Urban Cancún & Beach Club	246	100%	Urban	4 stars	Cancún	Quintana Roo
4	Krystal Satélite Maria Bárbara	215	100%	Urban	5 stars	Estado de México	Estado de México
5	Hilton Garden Inn Monterrey Aeropuerto	134	15%	Urban	4 stars	Monterrey	Nuevo León
6	Hampton Inn & Suites Paraiso Tabasco	117	-	Urban	4 stars	Paraíso	Tabasco
7	Krystal Urban Aeropuerto Ciudad de México	96	-	Urban	4 stars	Mexico City	Mexico City
8	Krystal Urban Guadalajara	140	100%	Urban	4 stars	Guadalajara	Jalisco
9	Krystal Monterrey	207	-	Urban	5 stars	Monterrey	Nuevo León
10	Ibis Irapuato	140	-	Urban	3 stars	Irapuato	Guanajuato
11	Krystal Grand Suites Insurgentes	150	50%	Urban	Grand Tourism	Mexico City	Mexico City
12	Hyatt Place Aguascalientes	144	-	Urban	4 stars	Aguascalientes	Aguascalientes
13	Hyatt Centric Campestre León	140	50%	Urban	Grand Tourism	León	Guanajuato
14	Hyatt Regency Mexico City Insurgentes	201	50%	Urban	Grand Tourism	Mexico City	Mexico City
15	Krystal Grand San Miguel de Allende	22	100%	Urban	Grand Tourism	San Miguel de Allende	Guanajuato
SUBTOTAL URBAN		**2,222**					
16	Krystal Resort Cancún	502	-	Beach	5 stars	Cancún	Quintana Roo
17	Krystal Resort Ixtapa	255	-	Beach	5 stars	Ixtapa	Guerrero
18	Krystal Resort Puerto Vallarta	530	-	Beacha	5 stars	Puerto Vallarta	Jalisco
19	Krystal Grand Puerto Vallarta	451	100%	Beacha	Grand Tourism	Puerto Vallarta	Jalisco
20	Krystal Beach Acapulco	400	100%	Beach	4 stars	Acapulco	Guerrero
21	Krystal Grand Cancún	398	100%	Beach	Grand Tourism	Cancún	Quintana Roo
22	Krystal Grand Los Cabos	454	50%	Beach	Grand Tourism	Los Cabos	Baja California Sur
23	Krystal Grand Nuevo Vallarta	480	50%	Beach	Grand Tourism	Nuevo Vallarta	Nayarit
24	SLS Cancún	45	-	Beach	Luxury	Cancún	Quintana Roo
25	Mahekal Beach Resort	195	50%	Beacha	4 stars	Playa del Carmen	Quintana Roo
26	Secrets Tulum Resort & Spa	326	25%	Beach	Grand Tourism	Tulum	Quintana Roo
SUBTOTAL BEACH		**4,036**					
TOTAL		**6,258**					



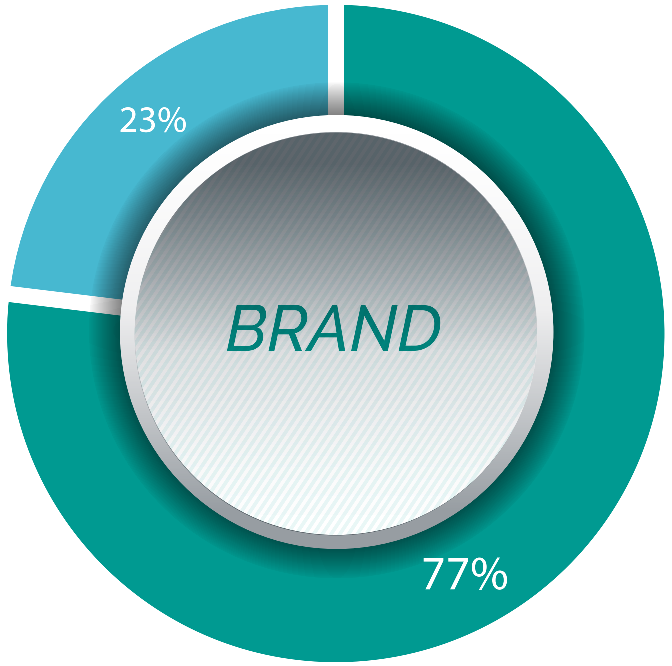
KRYSTAL GRAND PUERTO VALLARTA
Puerto Vallarta, Jalisco

COMPOSITION OF HOTEL PORTFOLIO

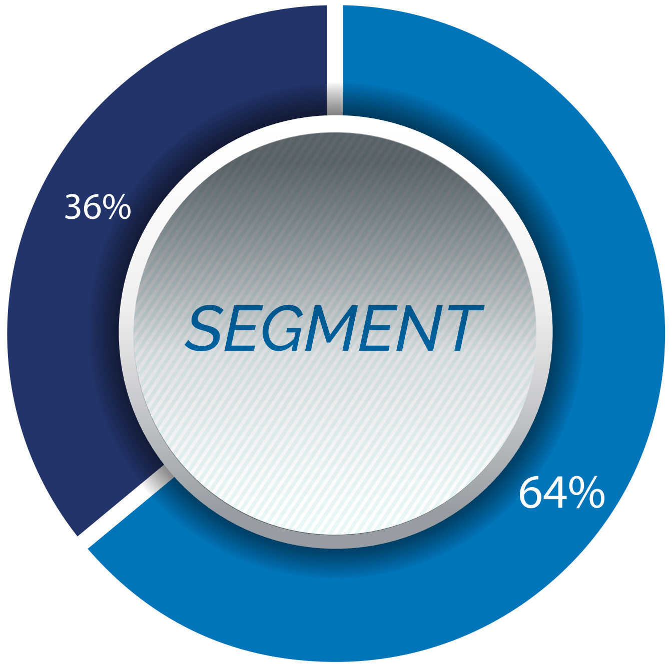
Number of Rooms



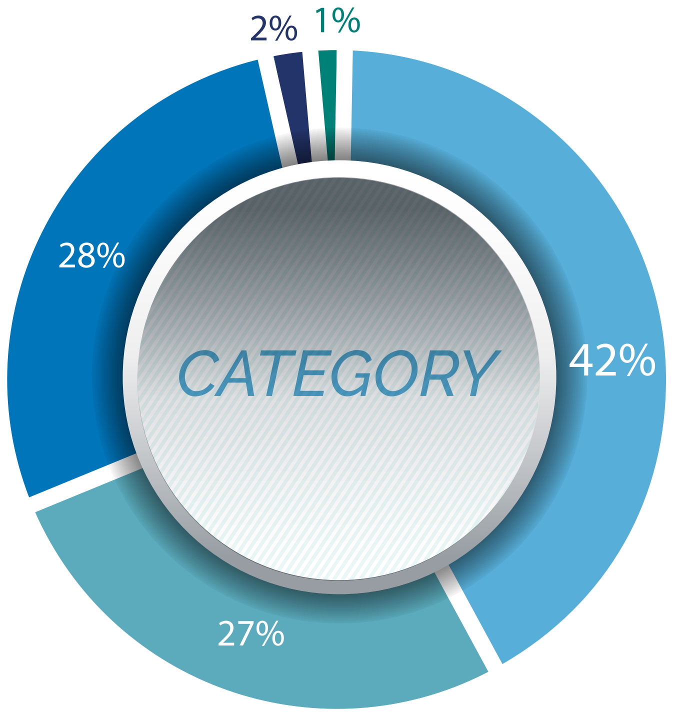
100% OWNERSHIP: **2,142**
50% OWNERSHIP: **1,620**
THIRD PARTY: **2,036**
COINVESTMENT: **460**



KRYSTAL: **4,816**
OTHERS: **1,442**



BEACH: **4,036**
URBAN: **2,222**



GRAND TOURISM: **2,622**
5 STARS%: **1,709**
4 STARS: **1,742**
3 STARS: **140**
LUXURY: **45**

BRAND SEGMENTATION

KRYSTAL GRAND®

THE WIDEST RANGE OF KRYSTAL HOTELS

A Grand Tourism experience with the highest-quality products and services for demanding travelers. The Krystal Grand is a reference in every destination where it is present.

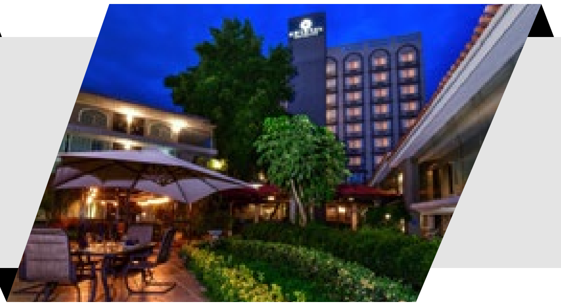
"Feel Special"

KRYSTAL® HOTELS & RESORTS

THE TRADITIONAL KRYSTAL QUALITY

Five-star quality in the country's main destinations. This 35-year-old brand has undergone significant renovations in recent years, becoming a favorite of both Mexican and international travelers. It offers a wide range of alternatives for rest, fun, and business.

"Meaningful Travel"



KRYSTAL BEACH®

FAMILY VACATIONS

This is the brand most focused on families. It provides unforgettable experiences to the youngest ones in the family. Within the four-star segment, it is an extraordinary alternative in beach destinations.

"Family Escapes"

KRYSTAL URBANHOTELS®

THE NEWEST ADDITION TO THE KRYSTAL FAMILY

This brand focuses on the increasingly demanding and productive business traveler. This type of guest wants a modern experience in one-of-a-kind locations and personalized service. Krystal Urban provides a comfortable and functional experience, allowing guests to make the best use of their time.

"Redefining Business"

AWARDS, RECOGNITIONS, AND CERTIFICATIONS

Grupo Hotelero Santa Fe was ranked third in the category of more than 3,000 employees in the Hotel and Tourism sector, rising from fourth place awarded in 2023.

This award is granted by the magazine Expansión and Top Companies to companies with strong and innovative cultures that focus on their employees, while applying the highest quality and service standards.

Note that in comparison to other hotel companies that participated in 2024, the results of Grupo Hotelero Santa Fe were better than other chains such as Grupo Presidente, Hoteles City, Meliá Hotels, and Tafer Hotels & Resorts.

Awarded by the magazine Expansión and Top Companies (Súper Companies) to the companies that offer the best working conditions for their employees, as well as those with the largest number of women in management and director positions (gender equity).

Grupo Hotelero Santa Fe is rated second in the Hotel and Tourism sector, and ninth in the category of more than 3,000 employees, climbing two places over 2023 results.

In 2024, for the tenth consecutive year, GHSF was awarded the Socially Responsible Company Award by the Mexican Center for Philanthropy (CEMEFI). This award recognizes Grupo Hotelero Santa Fe's ethical commitments, valuable relationships with employees and communities, and responsible environmental management.

In 2025, GHSF was recognized in the "Super Empresas" ranking by TOP Companies and Expansión, one of the most prestigious evaluations of organizational culture in Mexico.

This recognition is based on a rigorous assessment of key dimensions such as workplace climate, leadership, development practices, employee well-being, and overall perception.

Granted by the American Automobile Association (AAA) to hotels and restaurants in the United States, Canada, Mexico, and the Caribbean, the AAA Diamond Award recognizes establishments that offer the highest standards of luxury, quality, and service. The Group's hotels with this certification are:

- Krystal Grand Puerto Vallarta
- Krystal Grand Nuevo Vallarta
- Krystal Vallarta

The federal government's Secretary of Tourism and Secretary of Health recognize fixed establishments with the Distintivo H (H Award) for complying with food and beverage hygiene standards established by Mexican Standard NMX-F-605-NORMEX-2018.

Similarly, Certificación Cristal evaluates compliance with rigorous hygiene and food safety standards. It assesses various control points along the food chain, ensuring that the food served to guests complies with best practices in terms of healthiness and quality, increasing guest trust and well-being.

The Krystal Grand Nuevo Vallarta hotel has been recognized with both awards.

AWARDS, RECOGNITIONS, AND CERTIFICATIONS

Consulting Group awarded a certificate of excellence to Krystal Grand Nuevo Vallarta after verifying the modules of food quality, room hygiene and disinfection, disease-prevention program, pool hygiene quality, spa standards, preventing Legionnaire's disease, and microbiological laboratory analysis, among others.

PASSE RECOGNITION (Best Practices for a Safe and Healthy Environment) This award highlights the commitment of Krystal Grand Suites Insurgentes to implement standards that ensure safe, clean, and healthy spaces for employees and guests.

Awarded by the Mexican Social Security Institute for the Company's commitment to creating safe and healthy working environments.

The hotels that have received this award are:

- Krystal Ixtapa
- Krystal Grand Nuevo Vallarta

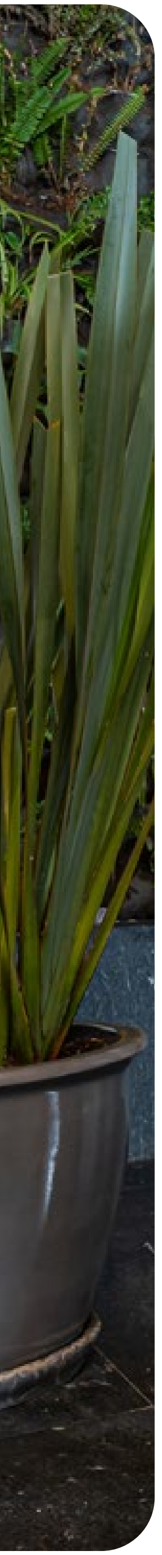
- Recognition for Donation of Braille Books, granted by the Centro de Atención Múltiple "Eduard Huet" in support of inclusive education.
- The Silver Crown award, granted by RCI to Krystal International Vacation Club for maintaining high service quality standards.
- Recognition for Excellence in Hospitality, for ongoing commitment to standards of guest service and care.
- Recognition of "Un Día de Playa con los Abuelitos" (A Day at the Beach with the Grandparents) by Fundación Ciudad de la Alegria, in appreciation of holding events with the elderly.

At the GRI Awards México 2024, Secrets Tulum Resort & Beach Club was ranked second in the Best Hotel Project category, highlighted for its innovative design, integration with nature, and focus on sustainability.

This award positions the hotel as a benchmark in responsible luxury hospitality in Mexico.

As part of its work to support the community, Krystal Ixtapa received this award for its help in collecting 10 kilograms of plastic caps to support children who have been diagnosed with cancer.

This recognition was granted to Hotel Krystal Monterrey by DIF (Desarrollo Integral de la Familia - Comprehensive Family Development) for its commitment as a responsible company, including in providing services for people with disabilities.



ASSOCIATIONS TO WHICH WE BELONG

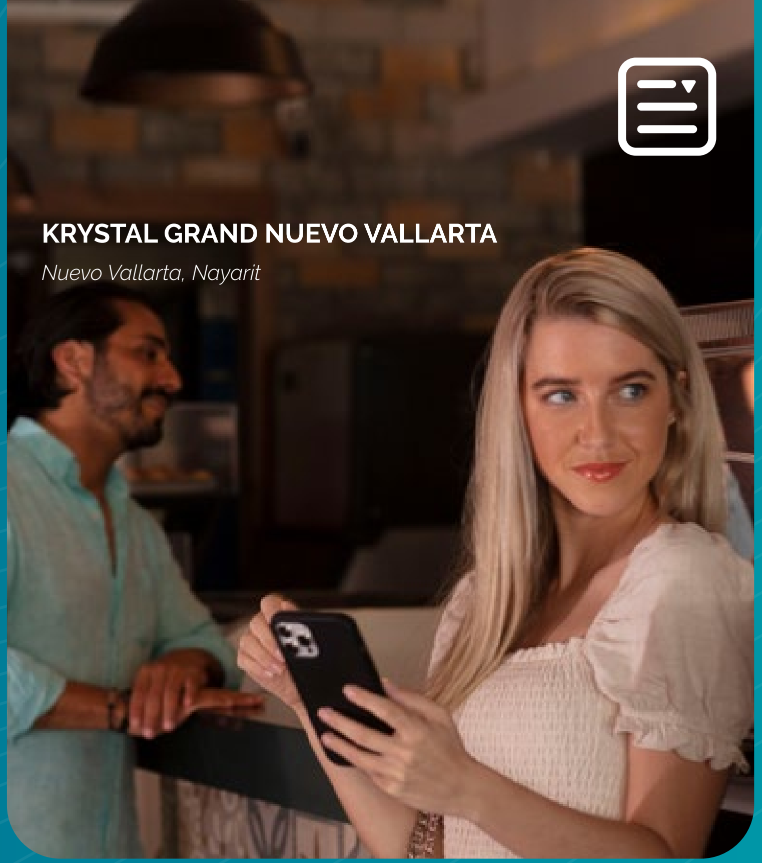
Grupo Hotelero Santa Fe believes in the power of collaboration to transform the industry. It therefore participates actively in several chambers and associations in the tourism and corporate sectors, believing that joining efforts not only helps GHSF, but the entire ecosystem of the Mexican hotel sector.

Participation in various sector organizations at the close of 2024 reflects the Company's commitment to dialogue, focus on continuous improvement, and the goal of more responsible and competitive tourism where the following organizations stand out:.

- Cámara Nacional de Comercio (CANACO)
- Asociación Nacional de Cadenas Hoteleras, Hoteles por México
- Consejo Nacional Empresarial Turístico México
- Asociación de Hoteles y Moteles de Bahía de Banderas
- Asociación de Hoteles de Ciudad de México
- Asociación de Hoteles y Moteles de Zihuatanejo, Guerrero
- Asociación de Hoteles de Puerto Vallarta
- Asociación de Recursos Humanos de los Hoteles de Puerto Vallarta
- Asociación de Hoteles de Ciudad Juárez
- Asociación de Hoteles de Jalisco
- Asociación de Mexicana de Hoteles de Nuevo León
- Asociación de Hoteles de Puerto Vallarta y Bahia de Banderas
- Asociación Mexicana de Hoteles y Moteles de León, Guanajuato
- Asociación Femenil de Ejecutivas de Empresas Turísticas (AFFET)
- Asociación de Hoteles de Los Cabos
- Asociación de Hoteles de Tulum
- Asociación de Hoteles de Cancún, Puerto Morelos e isla Mujeres
- Asociación de Relaciones Públicas
- Asociación Alianza Punta Cancún
- SKAL, Ciudad de México

HYATT REGENCY MEXICO CITY INSURGENTES & RESIDENCES
Ciudad de México

KRYSTAL SATÉLITE MARÍA BÁRBARA
Ciudad Satélite, Estado de México



KRYSTAL GRAND NUEVO VALLARTA
Nuevo Vallarta, Nayarit

OUR CLIENTS

Grupo Hotelero Santa Fe is clear in its purpose: for every guest and client to have a unique, enjoyable, and unforgettable experience.

To fulfill this promise, the Company implements rigorous policies and quality standards among its own brands and for the international franchises it operates. To this end, the Company's Service Standards Manual establishes guidelines and processes so that all employees understand their responsibilities to provide personalized and high-quality service to guests.

To consolidate this client-centered culture, GHSF has ongoing training programs that focus on providing excellent service and complying with attention protocols. Due to this strategy, every year the investment in training increases, which is reflected in the memorable experiences guests have.

Tools to measure service excellence

- Clear operating standards
- Protocols and procedures in line with best practices
- Periodic internal evaluations
- Specialized external audits
- Direct feedback from clients

Focus on quality

- Always do things well the first time
- Exceed expectations
- Understand quality as the real ability to anticipate and satisfy guests' needs

QUALITY AND CLIENT EXPERIENCE AREA

This department heads the efforts to ensure compliance with product and service standards through key actions such as the following:

- Quality Managers on site at each property who are in charge of ensuring consistency and continuity of operating standards.
- Periodic audits and visits by the corporate team focused on evaluating hotel performance and establishing action plans. These reviews at urban hotels also include food safety audits.
- Continuous training of resort hotel personnel, reinforcing service standards in accordance with the institutional deployment program.
- Implementation of Mystery Shopper programs to complement internal audits and provide an impartial view of the client experience.
- Constant monitoring of comments on social networks, OTAs, and the Company's own platforms, to identify opportunities for improvement in real time.
- Systematic analysis of guest suggestions and opinions, with timely follow-up to responses and actions due to their feedback.
- Preparation of periodic reports with key performance indicators (KPIs), such as NPS and qualifications at OTAs, allowing constant monitoring of levels of satisfaction.
- Supervision of critical items such as food safety, water quality, pools, and rooms through reports from HS Consulting at resort hotels.

VACATION CLUB: Krystal Vacation Club Exclusive

Krystal Vacation Club Exclusive has improved its marketing strategy by implementing a comprehensive focus that prioritizes both the client experience and sustainability.

Through a digital communication program—based on email and an optimized web platform—it has managed to significantly reduce paper use, minimizing materials waste and encouraging more sustainable interaction with its affiliates.

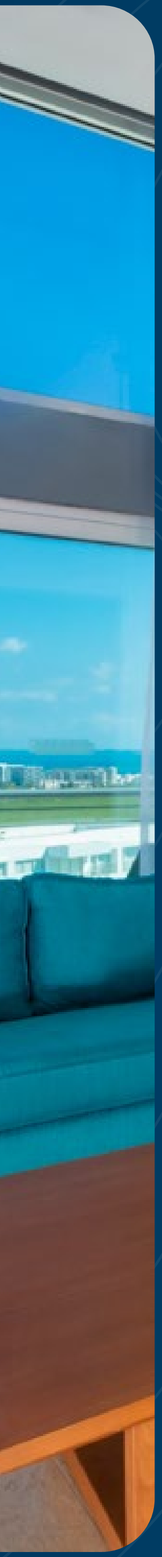
This transition has meant eliminating some traditional processes—such as printing physical vouchers—giving rise to a digital coupon system for stays and reservations. The result is more agile and efficient processes with a smaller environmental footprint.

Digitalization has also reduced the use of telephone calls to handle reservations, decreasing the energy consumption tied to telecommunications equipment and operating personnel. This improvement has contributed directly to reducing carbon emissions, in line with the Group's objectives to mitigate its environmental impact.

Since its implementation, this strategy has created tangible benefits over 2023, doubling the program's sales, and increasing workers' presence in hotels, thus reinforcing the promise to have an exclusive and enjoyable experience, all while complying with sustainability principles.

KVC EXCLUSIVE

KRYSTAL PUERTO VALLARTA
Puerto Vallarta, Jalisco



Rebranding
KRYSTAL URBAN

Transformation of the Krystal Urban brand is much more than an aesthetic change: it is a strategic evolution in response to a new brand philosophy intended to connect contemporary lifestyles with urban travelers.

This approach responds to a more dynamic and flexible market view with a renewed focus on current expectations. The focus retains the original essence, but projects a more versatile image that balances the two worlds of work and rest. Under the "Work Hard, Play Hard" premise, Krystal Urban has redefined its presence with a visual and conceptual identity that adapts to the needs of business and leisure travelers in the same space.

As part of this rebranding, tangible elements that elevate the guest experience were integrated:

- Design of signage and environments inspired by digital life, with smart screens, interactive spaces, and common areas that support a technological and cosmopolitan aesthetic.
- Iconic elements from emblematic cities transformed into photographic points that invite social interaction and organic positioning among social networks.
- Digital campaigns and active presence in social networks to improve the authentic cosmopolitan tone, creating ties with the guest community.
- Specific actions were also implemented to improve brand identity:
  - Redesigned the uniform for operating personnel, with functional and executive clothing that shows professionalism without sacrificing style.
  - Innovative access cards that use better technology and design, enriching the guest experience from the first contact.

This new concept projects the start of a new phase for Krystal Urban, cementing its position in the hotel sector as a brand with a clear identity, modern focus, and a different guest experience.

KRYSTAL URBAN CANCÚN & BEACH CLUB
Cancún, Quintana Roo

KRYSTAL BEACH ACAPULCO
Acapulco Guerrero

KRYSTAL BEACH ACAPULCO
Relaunch Campaign

Grupo Hotelero Santa Fe celebrated the reopening of the Hotel Krystal Beach Acapulco, creating a strategic milestone that combined brand positioning, digital communication, and commitment to responsible practices in the tourism industry.

In February 2024, the **"Reimagina Acapulco: iBrilla Krystal Beach Acapulco!"** campaign was launched. This comprehensive marketing initiative was designed to maximize the hotel's visibility and encourage its reconnection with the market.

The campaign used multiple digital channels with a results-centered focus:

- Multi-channel digital publicity, including promotions in the reservations section of the official web site, Google Ad campaigns to increase conversions, and visual content on Instagram and Facebook showing the hotel's renovation, with a video and high-quality photography.
- Segmented email marketing strategy through personalized emails sharing details about the reopening, exclusive promotions, and discounts for repeat clients. A special campaign was designed for employees, with exclusive benefits for the summer season.
- Krystal Travel Fest 2024, a promotion at the chain level that encouraged trips to all hotels in the Group, with special attention on Krystal Beach Acapulco as a symbol of renewal and resilience.

During the relaunch, responsible operating practices and hotel communication were integrated, notably:

- Efficient use of digital media to replace printed materials and reduce the use of paper.
- Development of audiovisual content adapted to digital platforms, decreasing the production of physical materials.
- Prioritization of direct marketing, focusing on specific audiences to optimize resources.
- Boost to the local economy by promoting tourist attractions and sustainable activities in Acapulco.

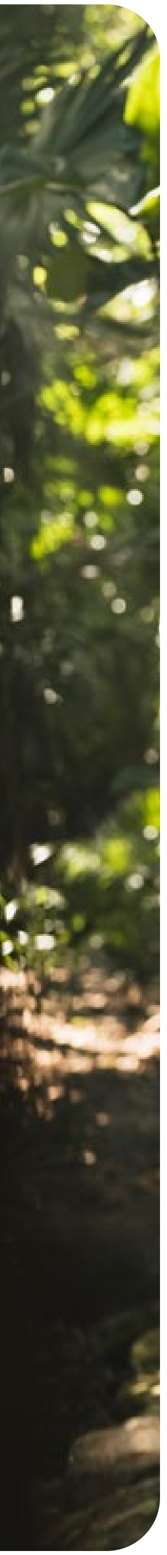
This relaunch not only represents the return to operations; it is also a reaffirmation of Grupo Hotelero Santa Fe's commitment to innovation, sustainability, and improving responsible tourism in key destinations in Mexico, such as the beautiful port of Acapulco.

KRYSTAL BEACH ACAPULCO
Acapulco, Guerrero

KRYSTAL BEACH ACAPULCO
Acapulco, Guerrero

SUSTAINABLE DEVELOPMENT
at Grupo Hotelero Santa Fe

Sustainability is an essential pillar of GHSF's business strategy. Optimizing the Company's resources improves operations and allows investments to be channeled towards environmental initiatives with a long-term impact..



OUR SUSTAINABILITY STRATEGY

Grupo Hotelero Santa Fe believes that sustainability is not a trend; it is an ongoing commitment that helps mold the business strategy.

The Company understands the impact that tourism can have on the natural environment, communities, and the destinations it serves, thus it acts responsibly, with a view toward the future.

GHSF's focus aligns with global action frameworks such as the Sustainable Development Goals of Agenda 2030, and the United Nations Global Compact, guiding the Company's actions and reinforcing its commitment to help create a hotel industry that is more just, conscientious, and resilient.

To make the Sustainability Model a reality, GHSF has created a solid system of governance that includes a Sustainability Board—in charge of defining the strategy and leading in key decisions—as well as Social Responsibility Committees that operate in every hotel, and that are responsible for implementing concrete actions along the four priority axes: quality of life, environmental protection, corporate ethics, and community ties.

With this structure the Groups is moving decisively towards a hotel company that creates shared value, and that is in harmony with the environment and in syntony with stakeholders' expectations.

MAHEKAL
Playa del Carmen, Quintana Roo

STAKEHOLDERS

Open and constant communication with stakeholders is key to giving meaning and direction to the Sustainability Strategy. Dialogue identifies expectations, strengthens ties, and builds initiatives that create shared value, actively contributing to the sustainable development of the operation.

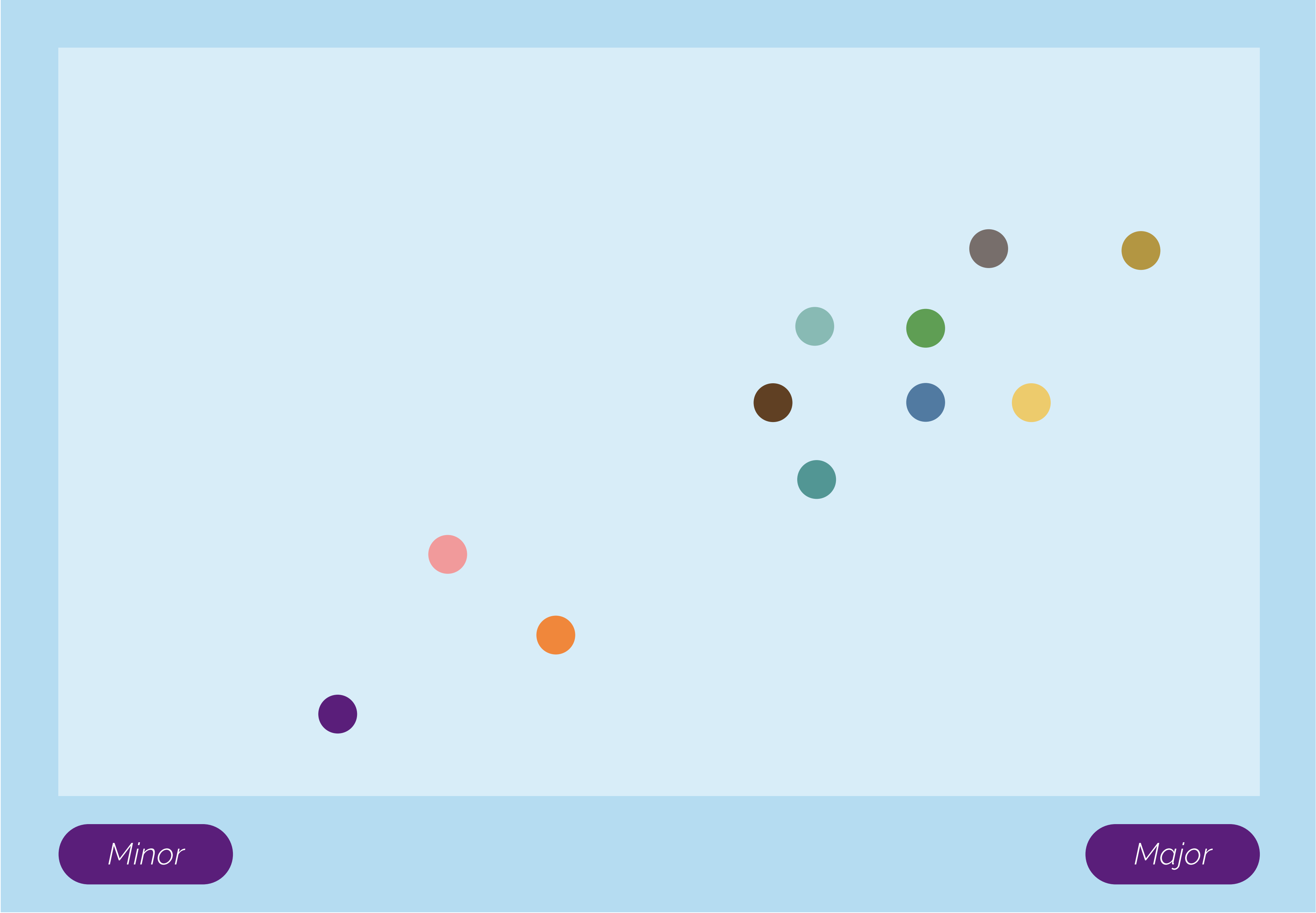
HYATT REGENCY MEXICO CITY INSURGENTES & RESIDENCES
Ciudad de México

STAKEHOLDER	KEY ISSUES IDENTIFIED	MODE OF INTERACTION
PARTNERS AND SHAREHOLDERS	- Economic growth - Job creation - Ethical matters - Reputation - Corporate governance - ESG (environment, social, governance)	- Annual and Sustainability Reports - Quarterly calls and reports - Relevant events
DIRECTORS	- Competitors - Job creation - Certifications - Economic growth - Natural disasters - Emissions - Working conditions - Talent retention - Reputation - Energy savings - Community ties	- Board of Directors - Operating Committee - Annual and Sustainability Reports - Mailing
EMPLOYEES	- Working conditions - Workday - Community support - Environmental awareness - Turnover - Leadership - Insecurity	- Employee bulletin board - Santa Fe News - Mailing - Training sessions - Grupo Hotelero Santa Fe platform
CLIENTS	- Beach clean-up - Volunteering - Reforestation - Emissions reduction - Direct communication in hotels	- GHSF University - Web page - Digital announcements on hotel screens - Relevant events
SUPPLIERS	- Working conditions - Local economy - Recycling - Value chain - ESG management	- Supplier questionnaire - Supplier Code of Ethics - Telephone interview
NON-PROFITS	- Biodiversity - Climate change - Poverty in tourist communities - Company-community relationship	- Focus groups for social issues - Telephone interview
GOVERNMENT	- Biodiversity - Poverty in tourist communities - Child exploitation	- Materiality Study meeting

MATERIALITY MATRIX

The Materiality Matrix is the result of a profound listening and connection exercise with those who bring life to the operation. It contains the priorities and expectations of the main stakeholders: partners, shareholders, leaders, employees, clients, suppliers, non-profits and governments, allowing the Company to align its strategy with what is truly important.

More than a tool, it is a compass that guides decisions, helping to anticipate risks, manage impacts, and focus efforts on creating coherent and responsible social, environmental, and economic value.



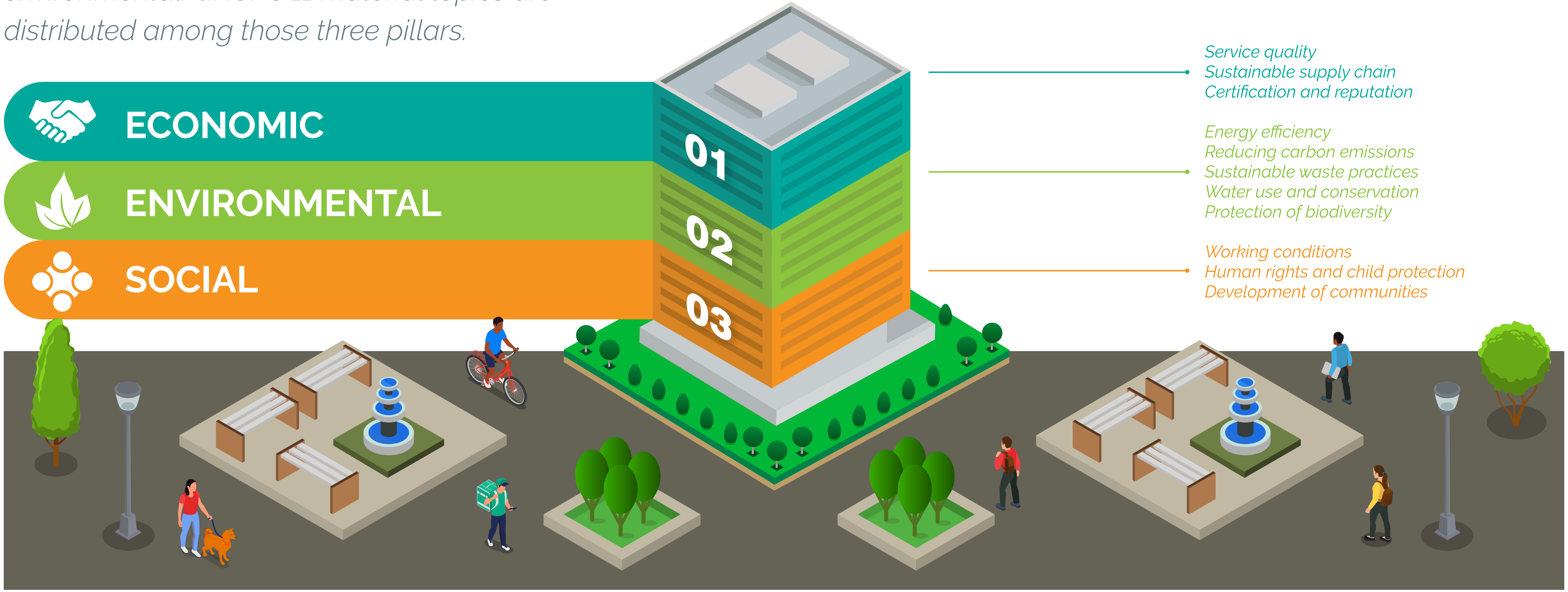
MATERIAL ISSUES

- Service quality
- Sustainable supply chain
- Certification and reputation
- Energy efficiency
- Reducing carbon emissions
- Sustainable waste practices
- Water use and conservation
- Protection of biodiversity
- Working conditions
- Human rights and child protection
- Development of communities

SUSTAINABILITY MODEL

Our Sustainability Model is segmented into three sustainability pillars: economic, social, and environmental. GHSF's 11 material topics are distributed among those three pillars.

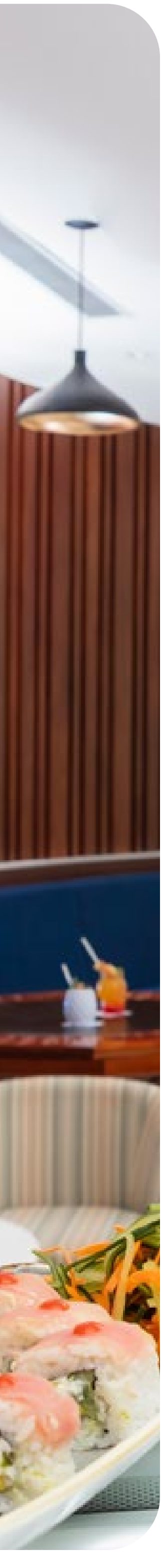
PARTNERS AND INVESTORS, EMPLOYEES, COMMUNITY, CLIENTS, SUPPLIERS, ENVIRONMENT.



Service quality
Sustainable supply chain
Certification and reputation

Energy efficiency
Reducing carbon emissions
Sustainable waste practices
Water use and conservation
Protection of biodiversity

Working conditions
Human rights and child protection
Development of communities

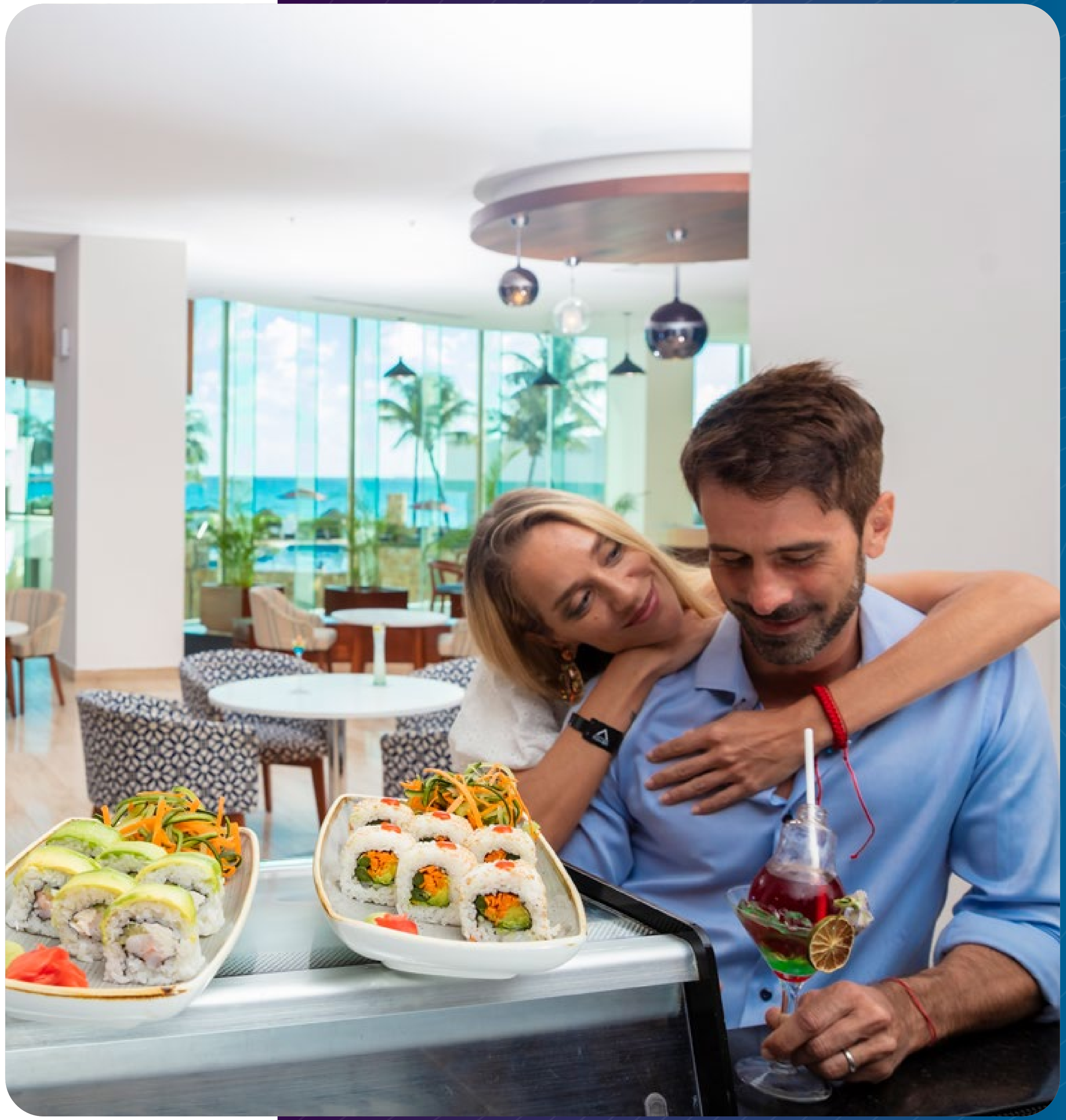


SUSTAINABLE DEVELOPMENT GOALS

We create value for our stakeholders through our business model by aligning our strategy, projects, and activities with the United Nations' Sustainable Development Goals to Contribute to economic, social, and environmental development.

- 1 NO POVERTY
- 7 AFFORDABLE AND CLEAN ENERGY
- 8 DECENT WORK AND ECONOMIC GROWTH
- 11 SUSTAINABLE CITIES AND COMMUNITIES
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
- 13 CLIMATE ACTION
- 14 LIFE BELOW WATER
- 15 LIFE ON LAND
- 17 PARTNERSHIPS FOR THE GOALS

SUSTAINABLE DEVELOPMENT GOALS



KRYSTAL GRAND CANCÚN
Cancún, Quintana Roo

UNITED NATIONS GLOBAL COMPACT

For the seventh consecutive year, GHSF has renewed its commitment to integrate into its business the ten principles of the United Nations Global Compact in relation to human rights, working standards, environmental protection, and the fight against corruption.

THE GLOBAL COMPACT

WE SUPPORT THE GLOBAL COMPACT

ECONOMIC

SUPPLY CHAIN

Principle 2: Businesses must not be complicit in human rights abuses.
Principle 4: Support elimination of all forms of forced and compulsory labor.

ETHICAL CULTURE

Principle 10: Businesses should work against corruption in all its forms, including extorsion and bribery.

SOCIAL

WORKING CONDITIONS

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.
Principle 3: Businesses should uphold the right to collective bargaining.
Principle 4: Support elimination of all forms of forced and compulsory labor.

HUMAN RIGHTS AND CHILD PROTECTION

Principle 2: Businesses must not be complicit in human rights abuses.
Principle 5: Businesses should support the abolition of child labor.

ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges.
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.

RESPONSIBLE WATER AND ENERGY MANAGEMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges.
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.
Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

ENERGY EFFICIENCY AND EMISSIONS REDUCTION

Principle 7: Businesses should support a precautionary approach to environmental challenges.
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.
Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

KRYSTAL GRAND LOS CABOS
Los Cabos, Baja California Sur

(GRI 2-6, 2-24, 3-3, 201-1, 203-2, 204-1)

VALUE CREATION

at Grupo Hotelero Santa Fe

For Grupo Hotelero Santa Fe, creating shared value means integrating the Company's economic growth with the social and environmental development of the communities where it operates. This focus goes beyond traditional social responsibility, and strives to ensure that corporate activities benefit both the Company and the surrounding area.

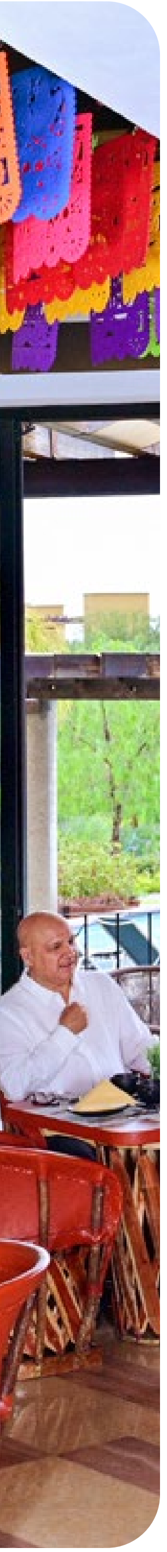
ECONOMIC VALUE CREATED AND DISTRIBUTED

The Company's operations act as a catalyst for local development, driving job creation, making the economy more dynamic, and creating opportunities that benefit investors, the communities, and business partners. With each project GHSF strives to multiply direct and indirect positive impacts that extend beyond the hotel environment.

ECONOMIC VALUE CREATED AND DISTRIBUTED
(In thousands of pesos)

	2023	2024
Economic Value Created (EVC)		
Revenues	4,688,290	5,314,892
Economic Value Distributed (EVD)		
Costs	2,089,066	2,446,734
Wages, salaries, and benefits	1,263,653	1,522,678
Loan payments	352,389	365,672
Payments to the government	184,007	155,282
Total EVD	**3,889,114**	**4,490,366**
Value Retained	**799,176**	**824,525**


HYATT CENTRIC LEÓN
León, Guanajuato



OUR VALUE CHAIN

With nearly 50% of the budget allocated to purchases from local suppliers, the Company is committed to supporting supply chains in areas where it operates.

A solid value chain is essential for providing guests with memorable experiences. Grupo Hotelero Santa Fe therefore continues to improve processes, encouraging responsible and sustainable relationships with suppliers, as they are key pieces in the daily operations of every hotel.

GHSF supports programs that focus on adopting sustainability best practices, encouraging business partners to comply with ethical criteria and to align with the Company's corporate practices. This process is managed by the Purchasing Committee at each hotel, and supervised by the Audit Department and the Commercial Purchasing Division.

As part of the commitment to local development, in 2024, GHSF earmarked nearly 50% of its budget to local suppliers, exceeding the 45% attained in 2023. This is a significant step towards a more inclusive, local, and sustainable supply chain.

KRYSTAL GRAND RESIDENCES & VILLAS SAN MIGUEL DE ALLENDE

San Miguel de Allende, Guanajuato

HYATT REGENCY MEXICO CITY INSURGENTES & RESIDENCES

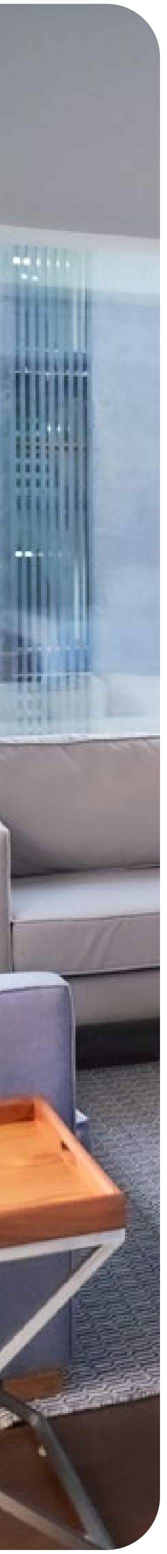
Mexico City

(GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-15, 2-16, 2-17, 2-18, 2-19, 2-20, 2-23,2-24, 2-25, 2-26,2-27, 2-28, 3-3, 205-1, 205-2, 205-3, 206-1, 405-1, 406-1)

ETHICS AND GOVERNANCE

at Grupo Hotelero Santa Fe

Grupo Hotelero Santa Fe sets itself apart by solid corporate governance backed by key structures such as the Board of Directors, the Audit Committee, the Executive Committee, the Ethics Committee, and the Corporate Practices Committee. These groups guide strategic decision-making and ensure the integrity, transparency, and excellent functioning of operations.



COMMITTED TO GHSF PRINCIPLES

The Board of Directors is the highest governing body; it is comprised of 14 members, of whom two are women. The Group's various governance structures are presented below:

BOARD OF DIRECTORS

NAME	POSITION	CAPACITY
Carlos Gerardo Ancira Elizondo	Chairman of the Board of Directors	N/A
María del Rocío Alarcón Brockmann	Board Member	Independent
Luis Alberto Harvey MacKissack	Board Member	Independent
Arturo José Saval Pérez	Board Member	Independente
Pablo Villanueva Martínez	Board Member	Independent
Jorge Manuel Pérez	Board Member	Independent
Francisco Javier Moguel Gloria	Board Member	Independent
Eduardo Chaillo Ortiz	Board Member	Independent
Jerónimo Marcos Gerard Rivero	Board Member	Independent
Eduardo Diaz Balogh	Board Member	Independent
Enrique Gerardo Martinez Guerrero (1)	Alternate Board Member	N/A
Iker Paullada Eguirao (2)	Alternate Board Member	N/A
Eduardo Barajas Ramirez (3)	Alternate Board Member	N/A
Jon Paul Pérez (4)	Alternate Board Member	N/A
Maria Patricia Alarcon Brockmann (5)	Alternate Board Member	N/A

(1) Alternate board member for Carlos Gerardo Ancira Elizondo.
(2) Alternate board member for Arturo José Saval Pérez.
(3) Alternate board member for Pablo Villanueva Martínez.
(4) Alternate board member for Jorge Manuel Pérez.
(5) Alternate board member for María del Rocío Alarcón Brockmann.

KRYSTAL GRAND SUITES INSURGENTES
Ciudad de México

AUDIT COMMITTEE

NAME	POSITION
Francisco Javier Moguel Gloria	Chairman (Independent)
Eduardo Chaillo Ortiz	Member (Independent)
Luis Alberto Harvey MacKissack	Member (Independent)

CORPORATE PRACTICES COMMITTEE

NAME	POSITION
Arturo José Saval Pérez	Chairman (Independent)
Eduardo Chaillo Ortiz	Member (Independent)
Jerónimo Marcos Gerard Rivero	Member (Independent)

EXECUTIVE COMMITTEE

NAME	POSITION
Carlos Gerardo Ancira Elizondo	Chairman of the Executive Committee
Francisco Alejandro Zinser Cieslik	Executive Vice President
Eduardo Diaz Balogh	Member
Arturo José Saval Pérez	Member
Pablo Villanueva Martinez	Member
Eduardo Chaillo Ortiz	Member
Enrique Gerardo Martinez Guerrero (1)	Alternate Member
Iker Paullada Eguirao (2)	Alternate Member
Eduardo Barajas Ramirez (3)	Alternate Member
Maximilian Zimmermann Canovas (4)	Alternate Member

(1) Alternate member for any of Carlos Gerardo Ancira Elizondo, Francisco Alejandro, Zinser Cieslik o Eduardo Diaz Balogh.
(2) Alternate member for Arturo José Saval Pérez.
(3) Alternate member for Pablo Villanueva Martinez
(4) Alternate member for Eduardo Chaillo Ortiz

ETHICS COMMITTEE

NAME	POSITION
Alejandro Abaid Bazan	Director of Auditing (Chairman)
Carlos Ancira Elizondo	Chairman of the Board (Member)
Jerónimo Marcos Gerard Rivero	Board (Member)
Enrique Gerardo Martinez Guerrero	Chief Financial Officer (Member)
Francisco Medina Elizalde	Chief Executive Officer (Member)
Francisco Alejandro Zinser Cieslik	Executive Vice President (Member)
Gabriel Tomás Díaz Hernández	Director of Human Resources (Member)
Gabriela Palacios	Director of Operations

KRYSTAL GRAND LOS CABOS
Los Cabos, Baja California Sur

MANAGEMENT TEAM

Grupo Hotelero Santa Fe is comprised of executives with a solid professional and business trajectory in the hotel and tourism sector who make the Company and its portfolio a true success case.

CARLOS G. ANCIRA ELIZONDO
Chairman of the Board of Directors

FRANCISCO MEDINA ELIZALDE
Chief Executive Officer

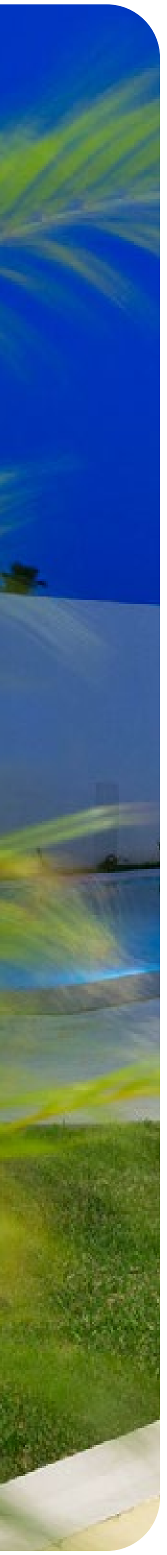
RENE DELGADO CHAPMAN
Legal Director

ALBERTO SANTANA COBIÁN
Director of Administration

FRANCISCO ZINSER CIESLIK
Executive Vice President

ENRIQUE MARTÍNEZ GUERRERO
Chief Financial Officer

MAXIMILIAN ZIMMERMANN CANOVAS
Investor Relations Officer



OUR FOCUS ON AN ETHICAL CULTURE

Solid principles of integrity, legality, and transparency guide Grupo Hotelero Santa Fe. Since its origins, the Company has implemented best business practices and an ethical culture that underlie operations at every step.

The Company has strictly zero tolerance towards behavior such as kickbacks, corruption, bribery, or anything that might compromise its values, interests, or corporate reputation.

GHSF believes that people are the driving force behind its success; the Company therefore supports an environment of respect, equity, and legal compliance, applying protocols regarding integrity and respect for human and labor rights.

HAMPTON INN & SUITES PARAÍSO TABASCO
Paraíso, Tabasco

ANTI-CORRUPTION INITIATIVES

The Company works hard to operate at the highest standards in anti-corruption matters. During this period, GHSF continued to fortify its protocols by incorporating new initiatives to improve the efficacy of control and compliance mechanisms.

Main anti-corruption activities:

- Distribution of the Comprehensive Ethical System and the ethics reporting hotline at all hotels
- Antifraud policy
- Monitored compliance with money-laundering prevention (PLD)
- General Law of Administrative Responsibilities
- Mystery Shopper evaluations
- Front Desk standardization
- Monitored contracting of Specialized Services (REPSE)
- Ethical hacking

GHSF is proud of these results, and will continue improving internal controls in order to preserve operating integrity and transparency. This system also allows the Company to safely and efficiently channel any report on irregularities or possible breaches, as stipulated in the Code of Ethics.

KRYSTAL URBAN CANCÚN & BEACH CLUB
Cancún, Quintana Roo

CODE OF ETHICS AND CONDUCT

At Grupo Hotelero Santa Fe, an ethical culture is the guiding principle behind operations.

This commitment is reflected in the Code of Ethics, a document that establishes the values, principles, and guidelines that should govern the conduct of all employees, without exception.

Its purpose is to provide clear criteria for responsible decision-making, recognizing that every individual action can directly impact the integrity of operations and stakeholders' trust.

Grupo Hotelero Santa Fe supports an ethical culture that transcends internal operations, and it extends these principles to its network of business partners and suppliers.

The Company has a Supplier Code of Ethics whose objective is to ensure not only good prices and quality, but also compliance with best business practices and the values that define the GHSF corporate identity.

As part of this commitment, training in ethics and preventing corruption is an institutional obligation. In 2024, all GHSF employees participated in training focused on internal policies, key processes, and corporate integrity, reinforcing conduct in accordance with the highest compliance standards.

THE CODE OF ETHICS AND CONDUCT CONTAINS THE FOLLOWING MATTERS:

STANDARDS OF CONDUCT	CORRUPTION	WORK ENVIRONMENT
• Conflict of interests	• Relationships with board members, statutory auditors, and employees	• Harassment
• Measures to prevent conflicts of interest	• Board member obligations	• Sexual harassment
• Use of assets and services	• Employee obligations	• Bullying
• Information handling	• Board member prohibitions	• Protection of name and brands
• Measures to prevent improper use of information	• Employee prohibitions	• Respect for working rights
• Confidentiality of available information	• Relationship with suppliers	• Interpretation of the Code
• Improper use of information	• Relationship with the competition	
• Criteria for distributing public information	• Relationship with the authorities	
• Confidential information		

ETHICS SYSTEM AND TIP LINE

Ethical behavior is a pillar of Grupo Hotelero Santa Fe's culture. The Company continually works on improving the processes that support the good conduct and behavior of everyone who works for or has commercial ties with the Company.

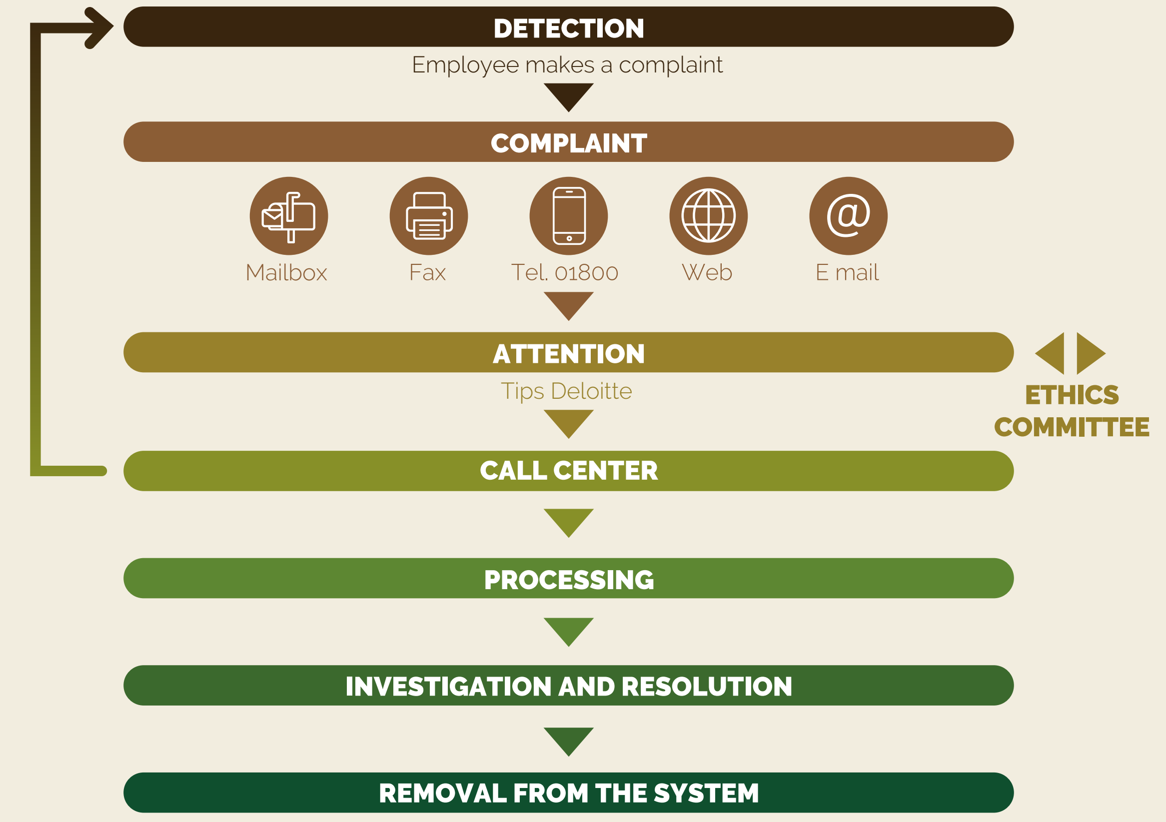
The Ethics System and the hotline are key tools that promote and ensure compliance with the principles established in the Code of Ethics, whose reach includes both hotel operations as well as the supplier network.

The ethics hotline is designed in accordance with international corporate best practices standards, and has several communication channels that are confidential, accessible, and secure, facilitating receipt and follow-up on reports of inappropriate conduct or behavior that go against the Company's values. The following means are available for reporting any type of irregularity:

- Electronic mail
- Web page
- 01 800 number
- Fax
- Regular mail

The Ethics System is managed by an external consulting firm, in accordance with best practices, ensuring that complaints are received anonymously, independently, and confidentially, providing safe and accessible communication for employees, suppliers and guests.

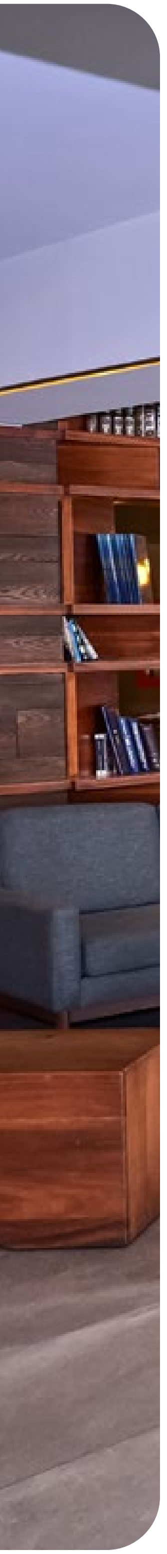
HOW COMPLAINTS ARE HANDLED



The Ethics System safeguards the confidentiality of complaints and reports of possible violations to the Code of Ethics.

KRYSTAL IXTAPA
Ixtapa, Guerrero

KRYSTAL URBAN CIUDAD JUÁREZ
Ciudad Juárez, Chihuahua



In 2024, Grupo Hotelero Santa Fe recorded a total of seven types of violations to the Code of Ethics at different properties. Twenty-five hotels and the corporate area were evaluated, areas of risk were identified, and control mechanisms were improved.

TYPE OF COMPLAINT	NUMBER OF CASES	STATUS
Risky safety conditions	1	Closed
Violence in the workplace	1	Closed
Withholding of payments to suppliers	1	Closed
Conflict of interests	1	Closed
Discrimination	1	Closed
Bullying of employees	23	Closed
Sexual harassment	1	Closed
Total cases	**29**	**100% Closed**

COMPLAINTS RECEIVED BY CHANNEL			
COMPLAINT CHANNEL	**2022**	**2023**	**2024**
Call center	3	6	7
Electronic mail	10	17	12
Web	20	24	10
Total	**33**	**47**	**29**

KRYSTAL URBAN GUADALAJARA
Guadalajara, Jalisco

RESERVATION FRAUD DETECTION AND PREVENTION POLICY

The hotel sector has been experiencing an increase in fraudulent activities in relation to false reservations. In response, Grupo Hotelero Santa Fe has developed a Fraud Detection and Prevention Policy that establishes the guidelines for preventing, detecting, and handling such incidents.

Another improvement to control mechanisms in 2024, was Grupo Hotelero Santa Fe's formalization of the Reservation Fraud Detection and Prevention Policy, which policy was approved by Senior Management, the Operating Division, and the Internal Audit Department.

The Internal Audit Department coordinated implementation of this policy in conjunction with all areas involved, and headed a training process for hotels, with the objective of standardizing responses in light of this type of incident. This training was held in June 2024.

This policy provides tools to hotels to act in a timely and effective manner, working together with the Corporate Marketing area to inform guests by means of notices on official channels so they do not fall victim to fraud:

https://es.krystal-hotels.com/aviso-para-viajeros/#https://es.krystal-hotels.com/aviso-para-viajeros/

One way the Company takes care of guests who have been impacted is to apply consolation rates or discounts, allowing them to continue with their travel plans with the least possible impact. Validation of this support is supervised by the Internal Audit area, which guarantees transparency, traceability, and fulfillment on a case-by-case basis.

MONITORING COMPLIANCE WITH MONEY-LAUNDERING PREVENTION

In 2024, Grupo Hotelero Santa Fe reaffirmed its commitment to corporate ethics and preventing illegal acts, improving its compliance mechanisms to prevent money laundering and terrorism financing.

The Compliance Official has remained a key position at each hotel in the Group, providing direct and specialized supervision of risks associated with operations such as leasing, construction, and sale of properties.

As part of its obligations under the current legal framework, the Company complies with the Federal Law for Prevention and Identification of Operations with Illegally Sourced Funds (LFPIORPI). This includes constant monitoring of Compliance Officials' performance, ensuring timely attention to every obligation and requirement established by the applicable legislation, such as:

a) Updating identification thresholds and giving warnings
b) Identifying clients and users
c) Presenting warnings and reports
d) Clarifying questions from compliance officials at each hotel

In 2024, the provisions established in the Federal Law for Prevention and Identification of Operations with Illegally Sourced Funds (LFPIORPI) were complied with in full.

KRYSTAL SATÉLITE MARÍA BÁRBARA
Ciudad Satélite, Estado de México

INCOME TAX LAW (ISR)

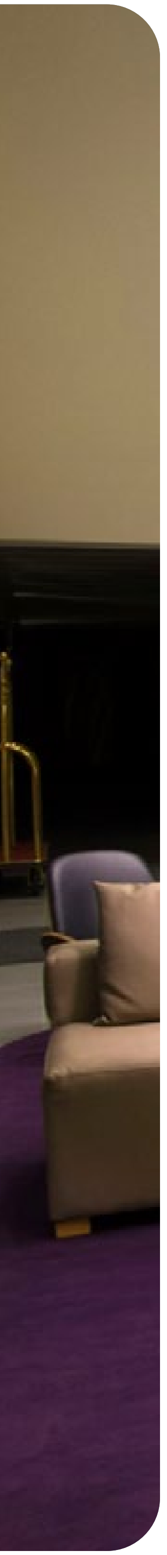
One measure implemented steps to comply with Article 69-B of the Income Tax Law, intended to prevent the contracting of suppliers or companies with non-existent operations. This initiative improves transparency along the value chain, and mitigates risks associated with possible corruption.

LAW ON ADMINISTRATIVE RESPONSIBILITIES

In 2024, Grupo Hotelero Santa Fe improved its training and education of directors in order to deepen their understanding of ethical and legal implications in every operating decision.

These actions seek to prevent any corruption-related conduct, and assure that the Company's relationship with government entities remains within the framework established by the Law on Administrative Responsibilities.

The policy establishes clear procedures so that the Fraud Committee at each property knows how to act in cases in which clients are victims of external fraud. The policy also authorizes a 25% discount for impacted guests who decide to continue with their stay, thus reinforcing the Group's commitment to sympathetic and responsible care.



HILTON GARDEN INN MONTERREY AEROPUERTO

Monterrey, Nuevo León

KRYSTAL GRAND LOS CABOS
Los Cabos, Baja California Sur

MYSTERY SHOPPER EVALUATIONS

The practice of using periodic evaluations and techniques—such as the participation of unknown people—has proven to be effective in exposing scenarios that put ethical decision-making by the employees at all of the Group's hotels to the test. It also identifies weaknesses in internal controls, so that preventive actions can be taken to mitigate the risk of misappropriation of resources. The evaluation of 24 hotels found the following:

- 5 not effective[1]
- 19 effective[2]

Following up on these findings reported by the Internal Audit Area, Human Resources, Senior Management, and the Comptroller analyzed the results so they could implement corrective and preventative actions in light of the control failures.

The principle measures taken were:

- Terminating employment of personnel involved in embezzlement, including a spa manager, a massage therapist, two waiters, a canteen server, and one receptionist.
- Improving operating supervision mechanisms through surveillance managers, such as the Reception Supervisor, Nighttime Auditor, and the Revenues Auditor.
- Heightening the controls described in the Front Office Standardization Manual, and more rigorous reviews by the Revenues Auditing Department of revenues from spas and consumption centers.

Several actions intended to improve operating control and prevent financial irregularities were also implemented in 2024:

I. Training for reception teams and consumption centers on correct application of payments
II. Reinforcing review and control processes by the comptroller
III. Implementing daily reviews of revenues in reception, consumption centers, and the spa area

FRONT DESK STANDARDIZATION

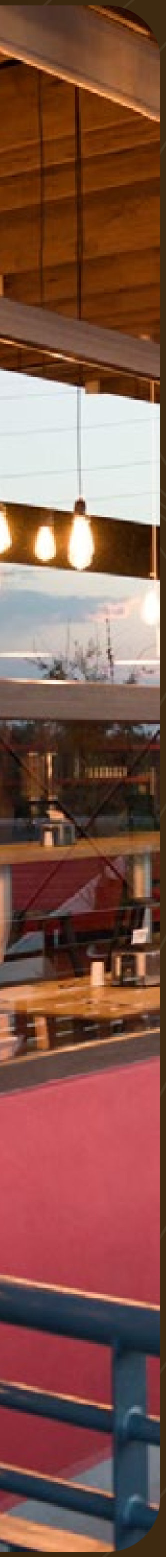
Standardizing internal controls in hotels' reception areas has improved processes and resulted in timely prevention of activities which, due to their nature, represent an inherent risk. These protocols also contribute to complying with the internal programs established at each property, minimizing the probability of operating risks, and standardizing the main functions in the following areas:

a) Reception
b) Nighttime audit
c) Reservations
d) Accounts receivable
e) Revenue audit

As part of the process of continuous improvement, in 2024, as part of the Front Desk standardization, Grupo Hotelero Santa Fe provided a total of 296 hours of training in specific sessions by area and function.

Identifying key supervisory activities was also improved, mitigating possible fraud or embezzlement by reception personnel, and practices were implemented to ensure that personnel are actually implementing the established controls.

1. Not effective: Hotels detected with misappropriations
2. Effective: Hotels satisfactory in Mystery Shopper evaluations



FRONT DESK TRAINING HOURS

No.	DESCRIPTION	NUMBER OF HOTELS TRAINED	NUMBER OF PARTICIPANTS	TRAINING HOURS
1	Front Office Standardization for operating systems (Innsist, OnQ, Opera) and standardized supervision formats	4	88	440
2	Completion of reception forms	4	188	108
3	Training on the Policy to Prevent Reservation Fraud	25	100	200
			Total	**748 hours**

MONITORING CONTRACTING OF SPECIALIZED SERVICES (REPSE)

In 2024, Grupo Hotelero Santa Fe continued to align with the Labor Reform in subcontracting, using mechanisms of review and validation to guarantee that all specialized service providers comply with the requirements established in current legislation.

The following are the main services contracted under this framework:

- Private security
- Fumigation services
- Landscaping services
- Cleaning services

During the year, 100% of contracts under this framework were registered with and approved by the Secretary of Labor and Social Security (STPS), thus assuring an operation that complies with the principles of legality and labor responsibility.

ETHICAL HACKING

Protecting the confidential information of GHSF and guests is of the utmost priority. In an environment in which cyberattacks have increased, the Group has improved systems and networks with a preventive and strategic focus. This includes technological improvements as well as a deep understanding of the tactics, tools, and motivations behind cyberattacks.

The measures taken in 2024 to improve the Company's technology infrastructure and reduce critical vulnerabilities in systems included the following:

a) Updating two key operating systems (BDPRO and BDBI)
b) Installing security patches for the Windows operating system
c) Installing specific security patches for programs and applications
d) Replacing obsolete applications with updated and more secure versions
e) Deactivating low-security communication protocols, replacing them with high-protection protocols
f) Updating programs associated with physical elements, with versions that have not been updated
g) Migrating databases to new versions to eliminate vulnerabilities of the prior version
h) Reviewing and validating permits to file folders, ensuring controlled access
i) Uninstalling applications and tools not in use that represented potential risks
j) Correcting vulnerabilities through specific adjustments in the system's registry

These actions show the Company's commitment to digital security, protecting the integrity of the operation and raising stakeholder confidence.

IBIS IRAPUATO
Irapuato, Guanajuato

HYATT REGENCY MEXICO CITY INSURGENTES
Mexico City

MAHEKAL
Playa del Carmen, Quintana Roo

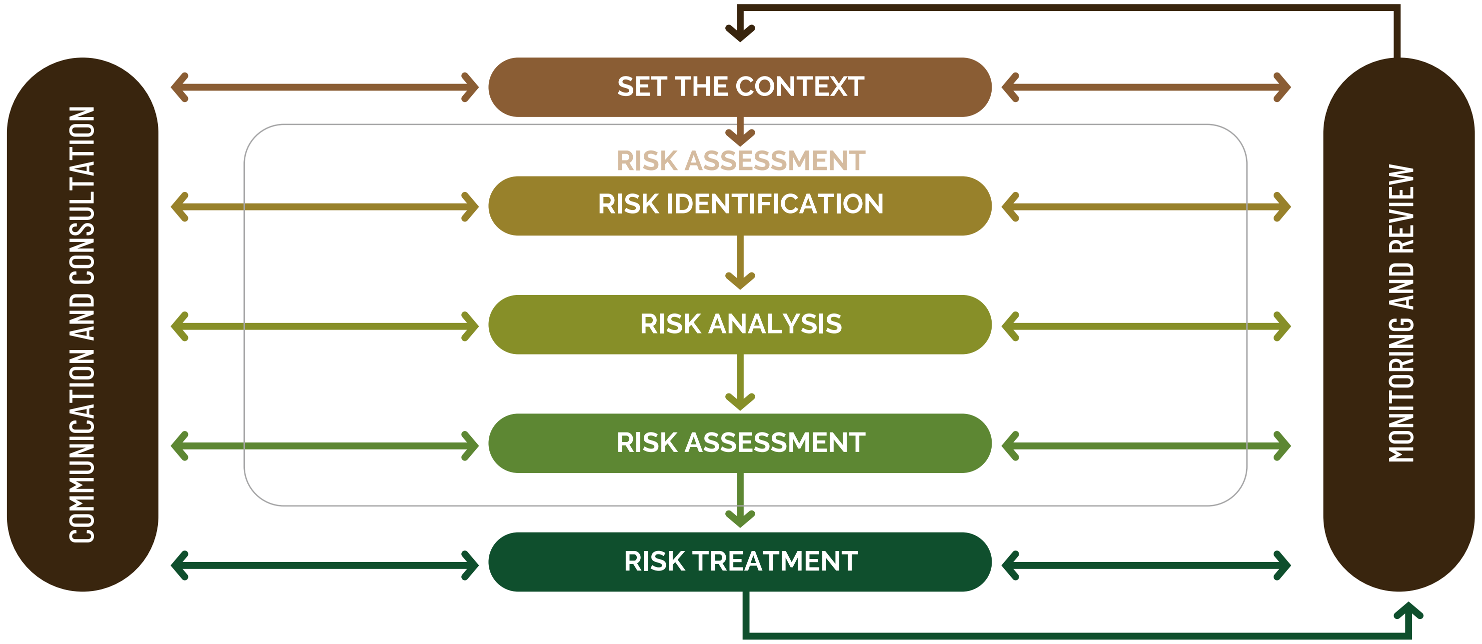
RISK MANAGEMENT

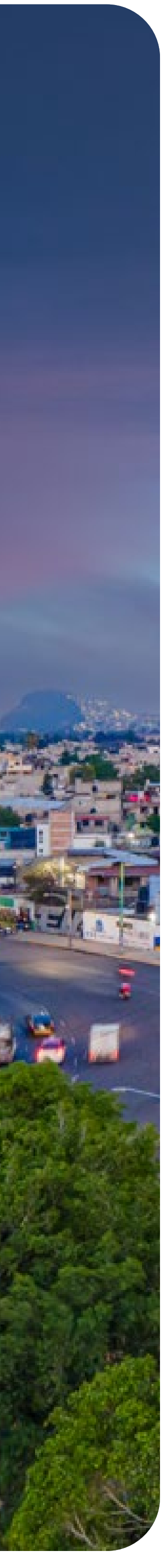
GHSF implemented a structured risk-management focus based on ISO standard 31000:2009, allowing the Company to identify, analyze, and proactively mitigate the risks associated with operations.

This methodology provides clear decision-making directives, and improves the Group's capacity to handle strategic, reputational, operating, financial, compliance, technological, and corruption risks, among others.

Implementing these controls improves the ability to anticipate risks, protecting operating integrity and guaranteeing compliance with strategic objectives. By reducing the probability of economic losses and disruptions, GHSF actively contributes to the sustainability and resilience of the business, assuring its long-term operation.

RISK MANAGEMENT PROCESS





HUMAN RESOURCES INSPECTION PLAN

As part of the Group's commitment to comply with legislation and continually improve talent management, In 2023, the Internal Audit area implemented the Human Resources Inspection Plan. Its objective is to verify that the Human Resources and Training Departments at each hotel fulfill the minimum indispensable requirements established by the Secretary of Labor and Social Security (STPS).

The plan was implemented in 26 of the Group's hotels in 2024; the evaluations identified relevant areas of opportunity in compliance matters, as the overall average was 80% in compliance with legislation.

To ensure that the observations were addressed in a timely manner, a period of 30 days following each inspection was established for issues to be resolved, thus improving internal processes and regulatory compliance.

GENERAL	SAFETY AND HYGIENE	TRAINING	OCCUPATIONAL RISKS	SPECIALIZED SERVICES
I. Collective bargaining agreement and work regulations are not registered with the Federal Center for Conciliation and Labor Registration. **II.** Lack of seniority record. **III.** Lack of hotel affiliation with FONACOT.	**I.** Lack of a Health and Safety Commission (HSC). **II.** Lack of HSC inspection records.	**I.** Lack of SIRCE registration with the STPS. **II.** Lack of an annual training calendar. **III.** Lack of reporting to the STPS on training courses conducted.	**I.** Lack of reporting occupational hazards to the STPS: **II.** Weak documentation of the facts surrounding the accident. **III.** Lack of internal dissemination of occupational hazards within the hotel.	**I.** Failure to obtain monthly information from the contracting company. a) Issuance of payroll CFDIs. b) Payment of employer - employee contributions. c) Payment of federal taxes.

KRYSTAL URBAN AEROPUERTO
Mexico City

ETHICAL COMMITMENTS AND GOVERNANCE 2025

CLIENT SERVICE AND AUDITING

• Create a Reservation Fraud Detection and Prevention Committee, monitoring its effectiveness and establishing agile mechanisms to resolve incidents.

• Implement a follow-up system for vulnerable activities, evaluating risks and ensuring immediate solutions to protect clients.

SUPPLY CHAIN

• Increase the number of suppliers who have signed the Code of Ethics letter through the Purchasing Committee at each hotel, and update those who have already signed it.

• Continue encouraging strategic suppliers to answer the Group's Sustainability Questionnaire.

SUSTAINABILITY MANAGEMENT

• Strengthen the sustainable culture within Grupo Hotelero Santa Fe, guaranteeing transparency in actions.

• Update the Materiality Study in a process that allows creation of Double Materiality, complying with IFRS Standards S1 and S2 on risk management and ESG opportunities, as well as the financial impacts from climate change.

• Deepen collaboration between hotel managers and the Human Resources Department, encouraging concrete activities that support the Sustainability program.

• Continue improving internal processes to achieve best practices and further strengthen the culture of integrity among employees and commercial partners.

• Continue fortifying the processes that support the best conduct and behavior of everyone or works or does business with GHSF.

KRYSTAL GRAND SUITES INSURGENTES
Mexico City

(GRI 2-7, 2-8, 2-19, 2-30, 3-3, 201-3, 202-1, 401-1, 401-2, 401-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10, 404-1, 404-2, 404-3, 405-1, 405-2 406-1, 410-1)

OUR PEOPLE

at Grupo Hotelero Santa Fe

Grupo Hotelero Santa Fe recognizes that the team is the key to success, so a workspace where everyone can find inspiration and support the Company's goals is provided.

WORK ENVIRONMENT

Grupo Hotelero Santa Fe believes that the true value of an organization is in its people. Every year the Company renews its commitment to build a work environment where people can develop professionally and personally, in conditions that guarantee their well-being, safety, and future achievements.

The Human Resources area provides strategies and programs focused on improving skills, encouraging a culture of commitment, excellence, and shared goals. The objective is clear: to have employees who are proud to be part of the Group, enjoy providing quality service, and who create pleasant and memorable experiences.

KRYSTAL URBAN CANCÚN & BEACH CLUB
Cancún, Quintana Roo

THE TEAM

Growth of the workforce reflects GHSF's operating success, and in 2024 the staff increased 5.9% to 4,616 people, with 1,972 women and 2,644 men.

This increase not only indicates the Group's growth; it also reflects its internal capacity to provide unique service, backed by diverse, committed, and constantly developing teams.

NO. OF EMPLOYEES BY YEAR

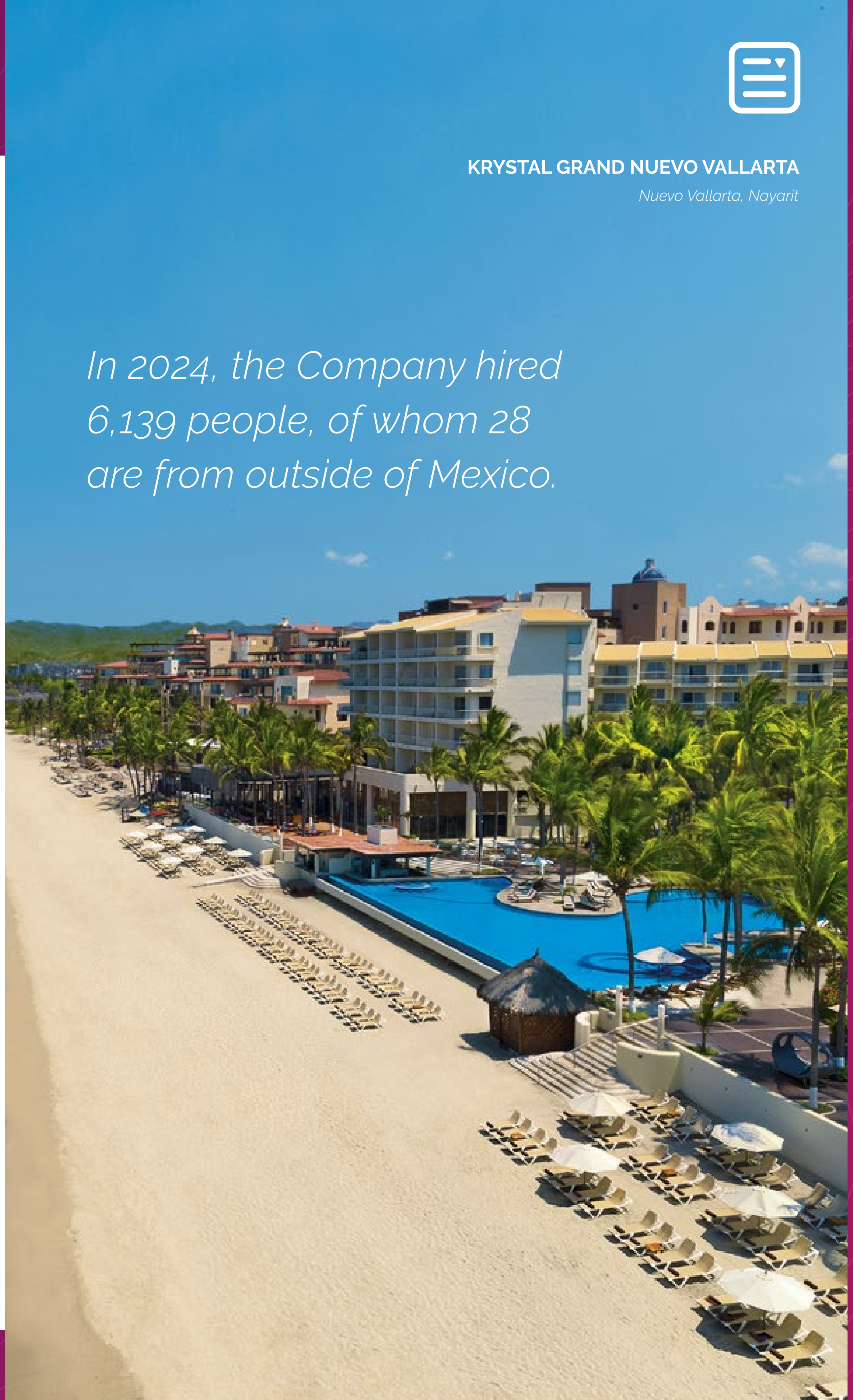
YEAR	TOTAL EMPLOYEES
2021	3,252
2022	3,470
2023	4,359
2024	4,616

EMPLOYEES BY AGE RANGE AND GENDER

WOMEN	2021	2022	2023	2024	MEN	2021	2022	2023	2024
18 to 30 years old	456	553	659	749	18 to 30 years old	636	689	869	984
31 to 50 years old	608	601	897	875	31 to 50 years old	716	763	1,181	1,118
Older than 50	297	326	290	348	Older than 50	539	537	463	542
TOTAL	**1,361**	**1,481**	**1,846**	**1,972**	**TOTAL**	**1,891**	**1,989**	**2,513**	**2,644**

EMPLOYEES BY GENDER

GENDER	2021	2022	2023	2024
Women	1,361	1,481	1,846	1,972
Men	1,891	1,989	2,513	2,644
TOTAL	**3,252**	**3,470**	**4,359**	**4,616**



KRYSTAL GRAND NUEVO VALLARTA
Nuevo Vallarta, Nayarit

In 2024, the Company hired 6,139 people, of whom 28 are from outside of Mexico.

GHSF JOBS RECRUITMENT PLATFORM

With the commitment to encourage inclusion and professional development, the "GHSF Jobs" initiative on the vacantes.gsf-hotels.com web page has become a strategic program for attracting talent in the hospitality sector.

KRYSTAL GRAND CANCÚN
Cancún, Quintana Roo

In light of the challenges presented by the number of hires required due to the Group's growth and the dynamic hotel sector, this digital public tool was designed to facilitate access to job opportunities at all GHSF hotels throughout Mexico, and to contribute to more efficient recruitment management, strengthening the Company's presence and position as an excellent employer in the industry.

RECRUITMENT FOR SPECIFIC NICHES

In a changing and more inclusive world, the Human Resources area, in coordination with the Marketing department, has a program to attract talent for specific niches such as: people older than 60, active students, employees' family members, and mothers with children in daycare.

Opportunities are provided through this program to people with varying backgrounds and needs, while simultaneously handling seasonal personnel requirements and workforce growth.

KRYSTAL GRAND CANCÚN
Cancún, Quintana Roo

TRAINING AND EDUCATION

Grupo Hotelero Santa Fe is firmly committed to the ongoing development of its people, making sure their skills remain up-to-date and able to meet the sector's standards of excellence.

The Company's training strategy includes workshops, courses, and informative sessions designed to improve skills, expand knowledge, and encourage professional development in every strategic and operating function.

A fundamental tool of this strategy is online training, which is provided on the GHSF University digital platform. This tool has become a key instrument for the Group in expanding coverage, accessibility, and flexibility of training options. In 2024, through this platform and the programs included in the Annual Training Plans at hotels, an average of 33.82 hours of training per person was provided. A total of 4,896 courses were taken, totaling 22,541 man/hours.

GHSF University has been developing continuously since 2015, providing training activities for teams in Human Development, Comptroller, Sales, personnel who come into contact with guests, and the Executive Committee.

In addition to institutional programs, courses on general subjects for overall development are available to employees on the platform, such as PowerPoint, Word, Excel, Writing, Controlling and Managing Stress, and English classes, among others.

THREE STRATEGIC LINES FOR TRAINING HAVE BEEN DEFINED:

HEALTH AND SAFETY

- Handling chemical products
- Water rescue course
- Search and rescue brigades
- First aid courses
- Fire prevention course
- Civil protection brigades
- Hygenic management of food and beverages
- Healthy food

A CULTURE OF SERVICE AND STANDARDS

- Quality service
- The power of service
- Standardization and return on drinks and cocktails
- Assertive communication
- Workshop on service skills
- Sale of high-end wines
- Operating practices
- Brand standards
- Preventing bullying and sexual harassment
- Social responsibility
- Ethics and honesty
- Golden rules of service

LEADERSHIP

- Problem-solving
- Coaching high-performance teams
- Training in equality and inclusion
- Female empowerment to exercise rights
- Leadership
- Assertive communication

KRYSTAL URBAN CANCÚN & BEACH CLUB
Management of laundry chemicals


KRYSTAL SATÉLITE MARÍA BÁRBARA
Training our employees

SALES SCHOOL

An exclusive section was created on the same platform called Sales School – SMART SELLING, where people in the commercial areas of hotels can access mandatory courses designed to improve their commercial skills. This initiative seeks to enrich skills and ensure ongoing training that supports the goals of the business.

PROGRAMS FOR MANAGERS

In 2024, high-impact training programs were provided, such as Profitability Analysis and Profit Planning, with the objective of keeping GHSF's leaders at the forefront of financial management and internal control tools. Specialized training programs were also provided to Corporate Directors, Hotel Directors, and Controllers. These sessions, developed in conjunction with an international speaker, focused on areas such as: Cost-Volume-Profit Model (CVP), Profit-Creation Strategies, and Point of Equilibrium, among others, supporting results-focused management.

TALENT DEVELOPMENT PROGRAM

Launched in 2023, the Talent Development Program has generated positive and sustained results. Of the 60 participating employees, at the end of 2024, 56% were promoted to positions with greater responsibilities; notably, 62% of those promotions were women. This advance reflects the Company's commitment to professional growth, equity, and internal mobility as part of a merit-based organizational culture and continuous training.

LEADER GUIDE PROGRAM

Leaders at Grupo Hotelero Santa Fe who are selected as guides are tasked with following up on the training process of newly hired employees, making sure they understand all the functions of their positions, and certifying their knowledge. This program supports departmental and operating training.

The Talent Development Department oversees the program. The positions that can be certified are:

- Housekeeping
- Stewards
- Waitstaff
- Bellboys
- Maintenance workers
- Receptionists
- Accounting support
- Cooks
- Laundry assistants
- Public areas
- Security
- Telephone operators

TRAIN THE TRAINERS PROGRAM

This program trains "Departmental Leader Guides" who must have participated in the Train the Trainers course. Participants receive a letter of recognition from Senior Management.

These leader guides are trained in the following:

- Identifying departmental training needs
- Planning training activities to meet those needs
- Skills training
- Departmental orientation for new employees
- Maintaining departmental training records
- Monitoring standards and corrective training whenever necessary

ECOLAB PARTNERSHIP

Through a partnership with Ecolab, training is provided in managing hygiene in service areas where food for guests is stored, prepared, and cooked.

VISIÓN JOVEN PROGRAM. TRAINING WITH PURPOSE

Within the framework of the cooperation agreement signed at the end of 2023 with the international organization World Vision Mexico, Grupo Hotelero Santa Fe reaffirmed its commitment to social development through the Visión Joven (Youth Vision) Program, which provides comprehensive training for employment and development of at-risk youth.

In 2024, 18 young people enrolled in the program, 14 concluded their training, and three were hired. The following five hotels participated in this program: Krystal Satélite María Bárbara, Krystal Grand Suites Insurgentes, Krystal Urban Aeropuerto, Hyatt Regency Mexico City Insurgentes & Residences, and Hyatt Centric León. This effort reflects the positive impact of the initiative, and underpins GHSF's objective to continue expanding its reach with more youth every year.

KRYSTAL URBAN MONTERREY

Training aimed at leaders

KRYSTAL URBAN CANCÚN & BEACH CLUB

Training for chambermaids

MAHEKAL

Induction course for new entrants

CORPORATIVO

Leadership Skills Training

A 2024 success story

In 2024, ***Norman Yair Salazar Guerra joined the hotel Hyatt Regency México City Insurgentes as part of the Visión Joven program of World Vision.*** *He trained in the kitchen, learning how to prepare Mexican dishes and advanced culinary techniques in the Muralis restaurant.*

From the moment he arrived, Norman was excited to learn from the hotel's experienced chefs and how to manage and operate top tier restaurants. ***Norman Yair was recognized with the 15th generation World Vision Star award.***

TRAINING HOURS BY JOB CATEGORY 2024

JOB CATEGORY	NUMBER OF PARTICIPANTS	TOTAL HOURS
Executive Committee	1,477	6,609
Department Heads	6,963	22,783
Operating Personnel	39,498	64,107
Tipped Personnel	15,724	23,414
Non-Tipped Personnel	13,625	38,577
Technical Personnel	338	624

TOTAL TRAINING HOURS PER YEAR

PERIOD	2021	2022	2023	2024
Number of employees	3,252	3,470	4,359	4,616
Training hours	61,160	100,610	131,319	156,114

PER CAPITA TRAINING HOURS

CONCEPT	2021	2022	2023	2024
Average per employee	19.32	24.12	30.12	33.82

TOTAL TRAINING HOURS BY GENDER

GENDER	NUMBER OF EMPLOYEES 2023	TRAINING HOURS 2023	NUMBER OF EMPLOYEES 2024	TRAINING HOURS 2023
Women	30,318	58,838	34,010	74,144
Men	36,073	72,481	43,840	81,970

TOTAL TRAINING HOURS PER CAPITA BY GENDER

GENDER	2021	2022	2023	2024
Women	8.79	10.93	31.87	15.87
Men	10.53	13.19	28.84	17.75

HYATT REGENCY INSURGENTES MEXICO CITY
Hyatt Regency Institutional Philosophy Orientation Workshop

KRYSTAL SATÉLITE MARÍA BÁRBARA
World Vision Program Graduation Event

ACTIVITIES PROGRAM THAT REFLECTS GHSF'S CULTURAL IDENTITY

In 2024, GHSF continued its activities program, strengthening the Group's identity. Throughout this period events were scheduled at all hotels to strengthen the Company's culture and values, and to support traditions and customs.

JANUARY
- *Chef's Day*
- *Three Kings' Day Tradition*

FEBRUARY
- *Let's celebrate friendship*

MARCH
- *Women's Day*

APRIL
- *Celebrating our childhood*

MAY
- *Working Mothers*

JUNE

JULY
- *Working Parents*

AUGUST
- *Hotelier's Day*

SEPTEMBER
- *National Holidays*

OCTOBER
- *Chambermaid's Day*
- *Healthy Living and Prevention Month*

NOVEMBER
- *Steward's Day*
- *Celebrating Life: Day of the Dead*

DECEMBER
- *Waiter's Day*
- *Traditions: Feast of Guadalupe and Christmas*

KRYSTAL BEACH ACAPULCO
Women's Day

KRYSTAL GRAND NUEVO VALLARTA
Tradition of Rosca de Reyes

HYATT REGENCY INSURGENTES MEXICO CITY
Costume contest celebrating Mexico's rich folklore traditions

KRYSTAL IXTAPA
Valentine's Day

PERFORMANCE EVALUATION

The Group has annual development plans and performance evaluations. During this reporting period, 100% of employees received an evaluation and feedback from their supervisors, identifying areas of opportunity and training needs.

Potential ↑ / Performance →	LOW	MODERATE	HIGH
HIGH	**ENIGMA** *Diamond in the rough*	**RISING STAR** *Prodigy*	**SUPER STAR**
MODERATE	**PROBLEMS** *Advance or out*	**KEY PLAYER** *Center*	**RISING STAR** Professional
LOW	**ICEBERGS**	**LUKEWARM** *Advance or out*	**ENIGMA** *Backbone*

KRYSTAL GRAND RESIDENCES & VILLAS SAN MIGUEL DE ALLENDE A
San Miguel de Allende, Guanajuato

WORK CLIMATE IMPROVEMENT PLAN

KRYSTAL PUERTO VALLARTA
Puerto Vallarta, Jalisco

In accordance with its commitment to continuous improvement in employees' work environment, Grupo Hotelero Santa Fe keeps the Organization Climate and Culture measurement tool designed by Top Companies active.

In 2024, employees from 22 functional areas at 24 of the Group's hotels received 3,489 surveys. The evaluation showed an approval rating of 76.78%, reflecting a mainly positive perception of the work environment.

The survey asked about key areas such as leadership, organizational dynamics, motivation, honesty, resilience, and diversity and inclusion, among other matters relevant to personnel well-being and development.

The Group's hotels with the highest ratings were:

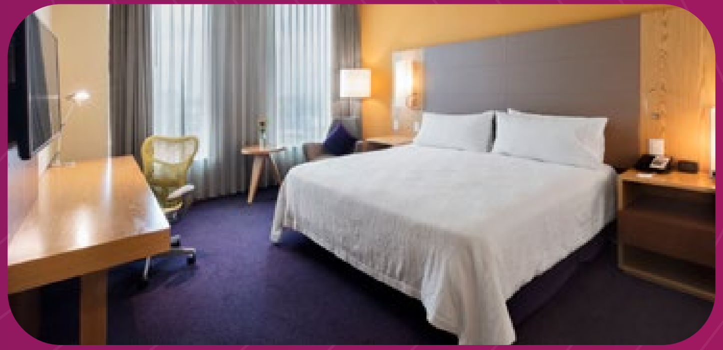
1st place - KRYSTAL URBAN MONTERREY
2nd place - KRYSTAL VALLARTA
3rd place – IBIS IRAPUATO
4th place – HILTON MONTERREY AEROPUERTO
5TH PLACE – KRYSTAL URBAN CANCÚN & BEACH CLUB

In 2024 the Group's ranking improved with respect to 2023 in the Ranking Super Empresas. In the survey, employees ranked GHSF higher than other companies in the sector.

KRYSTAL URBAN CANCÚN & BEACH CLUB
Cancún, Quintana Roo

KRYSTAL URBAN MONTERREY
Monterrey, Nuevo León

IBIS IRAPUATO
Irapuato, Guanajuato



HILTON MONTERREY AEROPUERTO
Monterrey, Nuevo León

INTERNAL COMMUNICATION

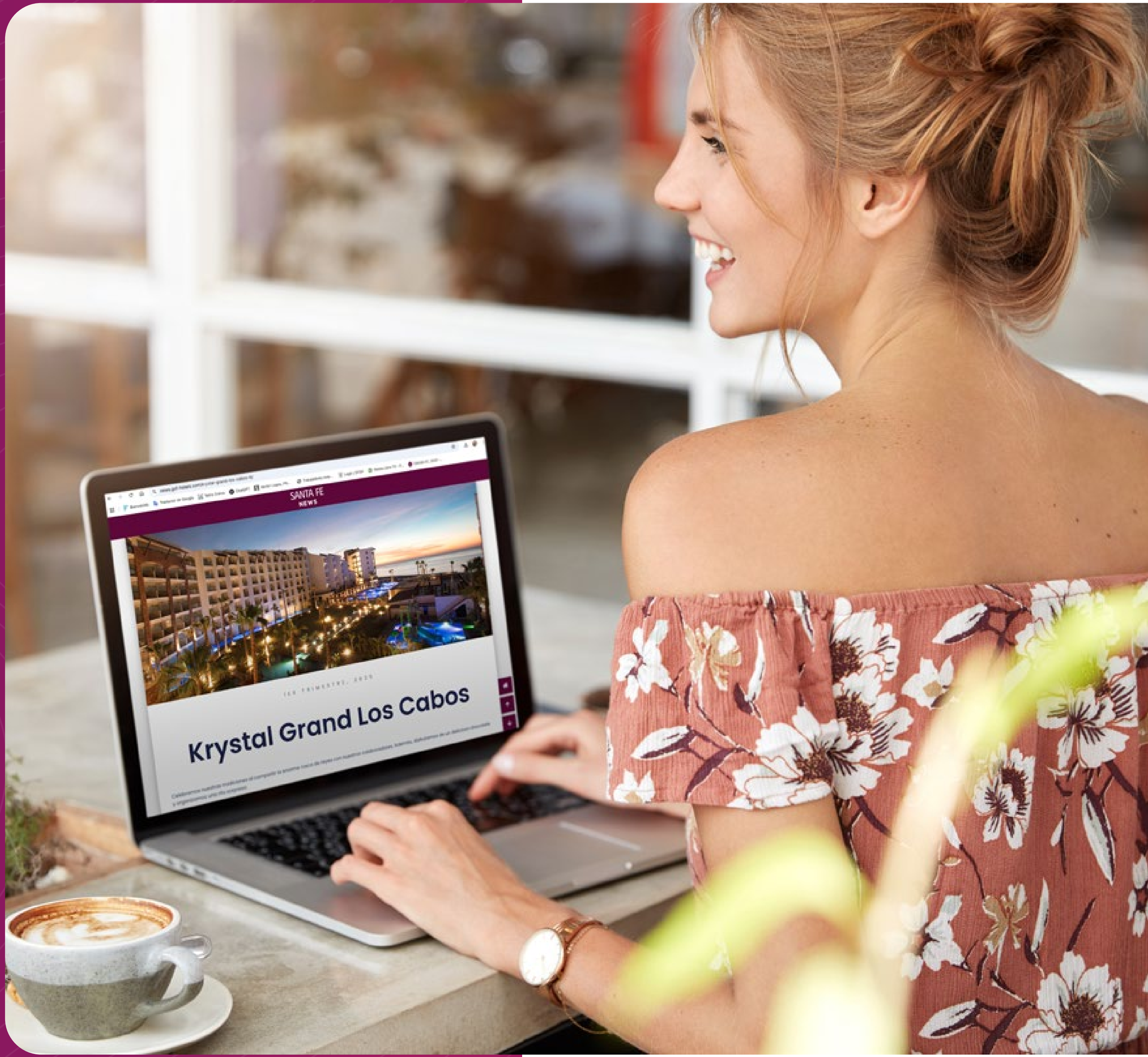
The objective of the internal corporate communication strategy is to ensure that information flows clearly and in a timely manner within the Organization, aligning employees with the Company's mission and objectives, strengthening the organizational culture, and supporting commitment and teamwork. Grupo Hotelero Santa Fe is a dynamic company with traditional and digital communication channels that contribute to 100% of employees having access to information, as shown below:

DIGITAL CHANNELS

- Santa Fe News
- E-mail
- Internal communications
- WhatsApp Groups
  - Executive Committee
  - Operating Committee
  - Regional Hotel Directors
  - Groups by Area

TRADITIONAL CHANNELS

- Employee Cafeteria Bulletin Board
- Security Bulletin Board (risk statistics)
- Screens in employee cafeterias, hallways, or break rooms
- Suggestion Box
- At the Director's table



SANTA FE NEWS

GENDER EQUITY AND INCLUSION

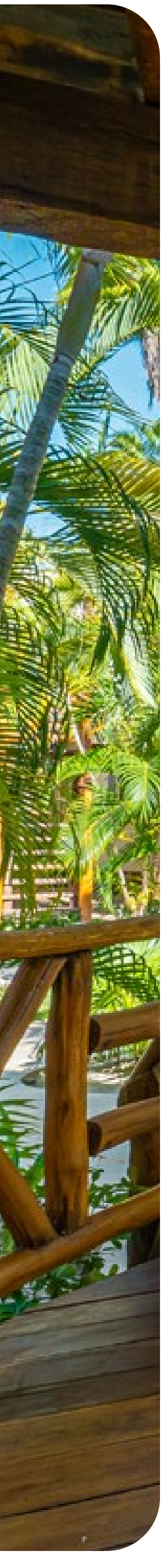
Grupo Hotelero Santa Fe is committed to improving processes that contribute to equity and inclusion. These matters are clearly established in the Company's Code of Ethics and Gender Equity Policy. The activities conducted to support a culture of respect and eradication of gender violence included conferences, courses, and talks to raise awareness. Health days are also celebrated, such as International Women's Day, which is held every year at all of the Group's hotels.

TOTAL NUMBER OF WOMEN IN LEADERSHIP POSITIONS AT GHSF HOTELS

OCCUPATIONAL LEVEL	2021	2022	2023	2024
Hotel directors	3	6	5	8
Area managers	32	49	83	86
Department heads	72	86	81	108
Supervisors	87	74	106	171
Total number of women in leadership positions	194	215	275	373
Total number of women per year	1,361	1,481	1,846	1,972
Percentage of women in leadership positions	14.25%	14.52%	14.90%	18.9%

RATIO OF BASE SALARY AND REMUNERATION OF WOMEN COMPARED TO MEN

OCCUPATIONAL LEVEL	2022	2023	2024
Executive Committee	-15.10%	-14.30%	14.90%
Department heads	0.90%	-0.60%	+1.68%
Managers	-4.90%	-5.60%	-6.04%
Unionized	-7.60%	-5.80%	-5.47%



LABOR PRACTICES

Grupo Hotelero Santa Fe recognizes the value of every employee, and is committed to providing a safe and healthy working environment that encourages overall development. Working conditions and compensation are defined based on internal tabulators, which are reviewed periodically and compared to salary studies in the sector.

This focus allows the Company to make competitive job offers, attracting and motivating talent, in line with the human capital strategy.

FREEDOM OF ASSOCIATION

GHSF recognizes and fully respects employees' right to collective bargaining and open dialogue with union representatives. All collective bargaining agreements are managed in compliance with current legislation, and are revised annually to agree to working conditions as stipulated by law.

In 2024, 55% of GHSF's workforce was affiliated with a union, a reflection of the Company's commitment to transparent and fair labor management, based on respect for workers' rights.

WELL-BEING AT WORK AND QUALITY OF LIFE

Grupo Hotelero Santa Fe supports a culture of overall well-being that focuses on taking care of the mental, emotional, and physical health of employees. The Company works hard to provide a work environment that has a healthy balance between personal and professional life, as well as conditions that support happiness and human development.

There is a robust and consistent well-being at work program that supports adopting healthy habits and an active lifestyle. Among the main activities are periodic medical checkups, taking vital signs (weight, height, blood pressure, heart rate), early detection of diabetes, measuring cholesterol and triglyceride levels, and vision exams. GHSF also encourages sports and culture, among other activities.

Within the framework of the WE CARE program, and under three strategic lines of action, in 2024, several activities were organized inside the Group's hotels, strengthening the connection among people, mutual care, and the feeling of community.

MAHEKAL
Playa del Carmen, Quintana Roo

HYATT REGENCY MEXICO CITY INSURGENTES & RESIDENCES

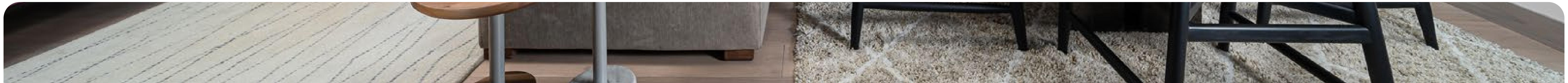
Mexico City

WE CARE PROGRAM

HEALTHY LIFE	BABY ON BOARD	SOLIDARITY AMONG COLLEAGUES
• Healthcare conferences • Vaccination days • Early detection of diabetes • Prevention campaigns • Vision health days • Healthy food • Self-esteem workshop • Dental health day	• Collections for new mothers and their babies, with the participation of hotel colleagues	• Support in crisis situations • Collections in the event of the death of a loved one

PARENTAL LEAVE BY GENDER AND RETENTION

YEAR	GENDER	NUMBER OF EMPLOYEES WITH THE RIGHT TO PARENTAL LEAVE	NUMBER OF EMPLOYEES WHO HAVE RETURNED AFTER PARENTAL LEAVE	TOTAL NUMBER OF EMPLOYEES WHO HAVE REMAINED AFTER 12 MONTHS	RATE OF EMPLOYEES WHO REMAINED WITH THE COMPANY AFTER PARENTAL LEAVE
2021	Women	71	68	65	92.00%
	Men	28	26	25	89.00%
2022	Women	98	94	90	91.80%
	Men	32	32	30	93.80%
2023	Women	58	54	31	53.40%
	Men	2	2	1	50.00%
2024	**Women**	**69**	**67**	**38**	**55.07%**
	Men	**9**	**9**	**7**	**77.80%**



OCCUPATIONAL HEALTH AND SAFETY

Workers' health and safety is a strategic priority for the Company, and every hotel operates in strict compliance with the law and applicable legislation. The measures implemented are intended to prevent occupational risks and to reduce the incidence of work-related accidents. This focus is part of GHSF's commitment to the overall well-being of its people.

RULES AND REGULATIONS

In accordance with applicable legislation at all levels of government, Grupo Hotelero Santa Fe has implemented a systematic practice of reviews focused on the Personnel Administration area's compliance with legislation. This effort is led by the Internal Audit area.

As a result of these internal audits, each hotel develops a corrective action plan that contributes to continuous improvement, and to strengthening a culture of prevention in compliance with labor laws.

The areas evaluated include:

- Personnel administration
- Compliance with NOM-035
- Occupational safety and hygiene
- Legal framework in training matters
- Employee Profit Sharing (PTU)
- Monitoring occupational risks
- Contracting specialized services
- Payroll management and control
- Review and protection of personnel files

SAFE WORK AREAS

The culture at Grupo Hotelero Santa Fe is one of vigilance and occupational risk prevention. Each property has a Mixed Safety and Hygiene Commission that is responsible for implementing action, prevention, and correction plans to guarantee a safe work environment.

This Commission makes periodic evaluations and operating visits in order to identify unsafe acts or conditions, to issue the corresponding reports, and to establish corrective measures. This entire process is followed up on every quarter to ensure effective mitigation of the risks detected, and compliance with applicable standards.

KRYSTAL GRAND PUERTO VALLARTA

Occupational Health and Safety Commissions

KRYSTAL URBAN MONTERREY

First aid brigade courses

INJURY RATE BY GENDER

GENDER	2021	2022	2023	2024
Women	0.35%	0.38%	0.5%	0.77%
Men	0.49%	0.52%	0.4%	0.53%

LOST DAY RATE BY GENDER

GENDER	2021	2022	2023	2024
Women	0.23%	0.23%	0.22%	0.27%
Men	0.24%	0.22%	0.18%	0.27%

ABSENTEE RATE

GENDER	2021	2022	2023	2024
Women	3.24%	3.6%	3.35%	2.03%
Men	3.52%	3.4%	2.52%	2.56%

In 2024, the Company bolstered its commitment to health, safety, and human rights through a program that includes specific training in prevention, such as evacuation simulations, firefighting, water rescue, and other courses for emergency brigades.

These activities back a culture of active prevention, and guarantee safe and ethical work environments that are conducive to the well-being of the Group's people and stakeholders.

HUMAN CAPITAL COMMITMENTS 2025

To reinforce and optimize health and safety conditions for all operating and administrative personnel.

To train 100% of employees in ethics, human rights, and preventing corruption, thus strengthening the Group's culture of integrity.

To ensure that 100% of personnel who provide direct attention to guests receive ongoing training in service quality, including implementation of the permanent campaign "Saludar y Sonreír" (Smile and Say Hello).

To expand World Vision's Visión Joven (Youth Vision) program, incorporating new hotels and creating opportunities for more at-risk youth.

To expand job opportunities to specific groups, such as people older than 60, students, employees' family members, and mothers with children in daycare.

To drive the professional growth of internal talent, guaranteeing publication of supervisor-level vacancies in advance at all of the Group's properties.

MAHEKAL

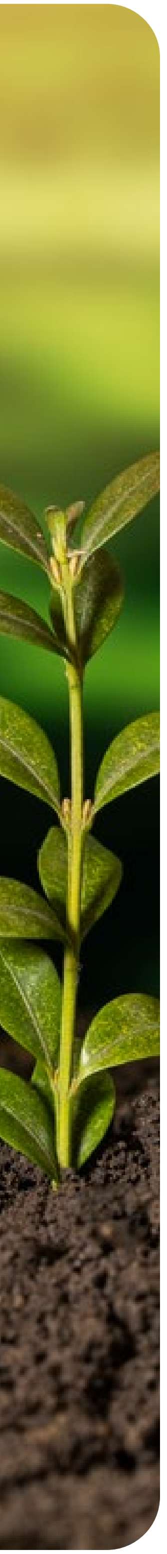
Playa del Carmen, Quintana Roo

(GRI 201-2, 3-3, 301-1, 301-2, 301-3, 302-1, 302-3, 302-4, 302-5, 303-1, 303-5, 304-2, 304-3, 304-4, 305-1, 305-2, 306-2, 306-3)

ENVIRONMENTAL MANAGEMENT

at Grupo Hotelero Santa Fe

Climate change, contamination, water scarcity, and depletion of natural resources are some of the most pressing environmental challenges facing humanity.



COMMITTED TO THE ENVIRONMENT

In a global environment in which the environmental impact of companies is increasingly evident, Grupo Hotelero Santa Fe assumes responsibility for the challenge of transforming its operation into a more conscientious and sustainable business.

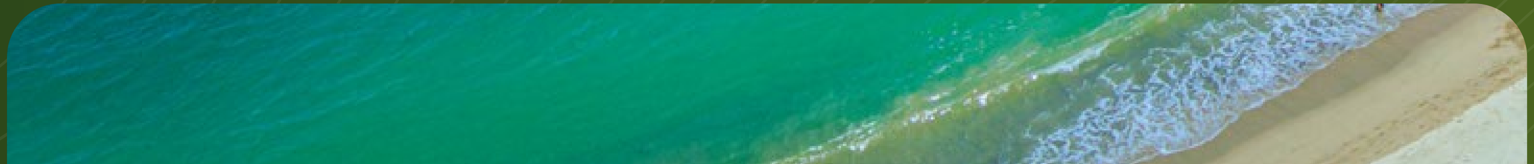
The Company works actively to identify the most relevant environmental issues and impacts so it can design and implement action plans that focus on using resources efficiently, reducing its environmental footprint, conserving water, and protecting biodiversity at the destinations where it has operations.

KRYSTAL PUERTO VALLARTA
Puerto Vallarta, Jalisco

ENVIRONMENTAL MANAGEMENT

In 2024, Grupo Hotelero Santa Fe heightened its commitment to operating sustainability by formally integrating the Maintenance Division as a key player in the environmental management of all hotels. This integration translated into a series of strategic objectives focused on improving energy efficiency, and the sustainable performance of each property:

- Implementing key performance indicators (KPIs) for energy control at each hotel, allowing more precise monitoring of consumption, and identifying areas for improvement.
- Reviewing and supporting investments to improve energy efficiency, including acquiring certified equipment, installing LED technology, frequency variators, reducing GHG emissions, and eliminating highly contaminating coolants.
- Supporting operating control activities, such as the separation and reuse of waste, proper containment according to type and classification, and ongoing training for operating personnel.
- Developing an Efficient Energy Use Plan that includes 100 mandatory base actions at properties, subject to self-evaluation processes and adaptation according to context (for example, specific maintenance for properties that use LP gas, compared to those that switched to natural gas).
- Designing Energy Change Challenge Plans with a vision to 2026, focusing on systematically reducing energy consumption based on actions that have already been implemented. Some examples include improvements to watering systems, installation of dispensers for chemicals, and replacing urinals with ecological models.
- Training in technologies and systems that optimize energy use, such as PTAR, BMS, and others, and creating work plans and implementing corrective actions when opportunities for improvement are detected.



ENERGY AND EMISSIONS

Grupo Hotelero Santa Fe is committed to reducing its environmental impact; one of its main focus areas is reducing energy consumption. The Group's strategy to address this highly relevant issue is to implement reduction plans through energy efficiency initiatives and new technologies.

ENERGY CONSUMPTION

To calculate CO2 equivalent emissions, GHSF includes energy consumption from fixed and mobile sources. During this reporting period the Group's electricity consumption was 64,784,747 kWh.

ELECTRICITY CONSUMPTION	
YEAR	**kWh**
2021	51,634,838
2022	57,094,247
2023	58,987,021[3]
2024	**64,874,747**

FUEL CONSUMPTION		
TYPE	**2023**	**2024**
LP Gas (liters)	4,529,175	4,771,090
Diesel (liters)	390,134	347,623
Gasoline (liters)	53,439	272,596
Natural Gas (m3)	351,260	582,037

3. The difference in electricity consumption between 2023 (58,987,021 kWh) and 2024 (64,874,747 kWh) is partially explained by the inclusion of two properties in the analysis: Hyatt Regency Insurgentes, which began operations in April 2023, and Secrets Tulum, in October of that same year. Furthermore, in both cases consumption of electricity generated during the construction period was included.

In 2023, Krystal Beach Acapulco remained closed for several months due to reconstruction work after Hurricane Otis. The repairs and the subsequent occupancy rate impacted energy demand.

SCOPE 1 AND 2 DIRECT GREENHOUSE GAS EMISSIONS (GHG)

In 2024, Scope 1 direct GHG emissions came from consumption of LP gas, diesel, gasoline, and natural gas.

Scope 2 indirect GHG emissions are generated by electricity consumption within hotel facilities by services such as lighting, heating, and air conditioning. In 2024, the Group generated a total of 38,355.89 tons of CO2 equivalent.

CLEAN TECHNOLOGIES

As part of the Company's energy efficiency strategy, in 2024, more than 400 solar panels were installed at the Krystal Ixtapa and Krystal Resort Cancún hotels.

With installed capacity of 305.90 kWh, the Krystal Ixtapa hotel reduced its emissions by 205.43 tons of CO_2, the equivalent of planting 4,476 trees every year. This generated annual estimated savings of more than 1.8 million pesos.

In turn, the Krystal Resort Cancún hotel ramped up to installed capacity of 291.94 kWp, avoiding emissions of 192.76 tons of CO2, which would be equivalent to planting 4,200 trees every year, with savings of more than 1.14 million pesos annually. These actions reflect not only an advance in energy efficiency; they show the Group's commitment to cleaner and more responsible tourism, in line with its long-term sustainability objectives.

SCOPE 1 GREENHOUSE GAS EMISSIONS (TON CO2eq.)

SOURCE	2023	2024
LP Gas	7,471.98	7,870.87
Gasoline	136.07	694.10
Diesel	1,106.46	985.89
Natural Gas	0.39	0.64
Total	**8,714.90**	**9,551.50**

SCOPE 2 GREENHOUSE GAS EMISSIONS (TON CO2eq.)

SOURCE	2023	2024
Electricity	25,836.32	28,804.39

TOTAL SCOPE 1 AND 2 GREENHOUSE GAS EMISSIONS (TON CO2eq.)

EMISSIONS BY SCOPE	2023	2024
Scope 1 Direct Emissions	8,714.90	9,551.50
Scope 2 Indirect Emissions	25,836.32	28,804.39
Total Scope 1 and 2 GHG Emissions	**34,551.21**	**38,355.89**[4]

4. The Emissions Factor (EF) published by the federal government to calculate emissions from the national electricity grid in 2024 was used. In regard to the emissions inventory in 2023, the numbers published for that year were used.

The calorific values were updated in the 2024 calculation, in accordance with federal government guidelines for natural gas and LP gas. The other calorific values, also in accordance with the values published by the Secretary of Energy, remained the same.

The Global Heating Potential to estimate tons of CO2 equivalents remained the same for 2023 and 2024.

The emissions calculation for 2023 and 2024 does not include the estimated fugitive emissions from refrigerant gases as there is no activity data. Other emissions that might be caused due to the nature of the sector are also not included, such as CO2 extinguishers and oil consumption, among other emissions-generating sources in the tourism sector.


MAHEKAL
Playa del Carmen, Quintana Roo

WATER MANAGEMENT

Aware of the critical value of water as an essential resource for life and for business operations, Grupo Hotelero Santa Fe has improved its actions to guarantee responsible and efficient water use. The approach complies with the Sustainable Development Goals of the United Nations, particularly SDG 6: Clean water and sanitation.

With the incorporation of technologies that allow consumption to be optimized and water to be treated in hotels using systems to maximize savings and support reuse, the Group is reducing consumption. The Company holds ongoing awareness campaigns for guests, encouraging responsible practices such as voluntary participation in the towel reuse program, which contributes significantly to minimizing the environmental impact associated with frequent laundering.

During 2024, although total water consumption in operations increased overall to 1,341,711 m^3, there was actually a reduction in consumption per person, as occupancy rates were higher.

Water, a vital resource for life and development, is under growing pressure by population and economic growth. In the tourism sector, its intensive use requires that companies move towards more efficient, responsible, and sustainable water management.

WATER CONSUMPTION IN M³	
YEAR	VOLUME OF M³
2021	1,125,989
2022	1,321,293
2023	1,314,596
2024	**1,341,711**

WASTE MANAGEMENT

Grupo Hotelero Santa Fe has a procedure for managing waste that allows it to adequately dispose of hazardous and non-hazardous waste generated at its hotels.

WASTE MANAGEMENT BEST PRACTICES

During 2024, several hotels were standouts due to their best practices and drive for environmental education, and awareness about protecting the environment. Krystal Ixtapa held educational talks in collaboration with the Secretary of Ecology, environmental exchange markets where recyclable waste is exchanged for basic necessities, and it collected plastic caps to support treatments for children with cancer.

Krystal Resort Cancún celebrated key environmental days, such as World Environment Day, and International Mother Earth Day through workshops, campaigns, and recreational activities for employees and the community. It also organized the First Cancún Sustainability Forum, which gathered experts in land-use planning, coastal conservation, and water management, creating a space for dialogue and construction of partnerships for a more sustainable future.

The hotel Ibis Irapuato, in turn, participated in Recyclethon 2024, supporting the collection and responsible recycling of electronic waste. This event not only prevented the release of contaminant substances, but also improved the circular economy and environmental awareness among employees and the local community.

With these and other actions implemented at hotels, the Company creates awareness about the importance of protecting the planet, and continuing environmental improvement processes.

GENERATION OF NON-HAZARDOUS WASTE

YEAR	KILOGRAMS
2021	1,547,606
2022	2,264,471
2023	3,256,091
2024	**756,909**

GENERATION OF HAZARDOUS WASTE

YEAR	KILOGRAMS
2023	70,239
2024	**652,639**

PROTECTING BIODIVERSITY

GHSF understands the importance of protecting the country's ecosystems; for example, seven of the eight species of sea turtles recognized worldwide nest on the beaches of Mexico.

GHSF's hotels are located in natural environments that need to be protected and preserved. The Company has developed programs to conserve the ecosystems where it operates, such as protecting sea turtles and beach clean-ups.

SEA TURTLE PROTECTION PROGRAM

In 2024, Krystal Resort Cancún stood out for its environmental best practices by continuing to participate actively in the sea turtle protection program, as well as supporting awareness activities for employees and guests.

As the closest hotel to turtle hatching grounds, for this nesting season 37 employees were trained in conservation and protection of sea turtles, strengthening the commitment to marine diversity.

At the close of the season in October, 1,239 eggs had been collected, with 788 of those eggs hatching. This contributed significantly to protecting this emblematic species and to the health of coastal ecosystems.

BEACH CLEAN-UP

Beach clean-up is a key part of Grupo Hotelero Santa Fe's environmental management strategy.

During 2024, Krystal Grand Nuevo Vallarta conducted a successful beach clean-up day, heightening community feeling and shared responsibility. At Krystal Ixtapa, a beach clean-up was held within the framework of Blue Flag Certification, receiving international recognition for meeting high standards of environmental management and coastal sustainability.

In partnership with Ocean Conservancy, Krystal Resort Cancún implemented monthly waste collection days, collecting 186 articles equivalent to 14.2 kilograms of waste, as part of its commitment to disposing of waste properly.

Krystal Beach Acapulco mobilized more than 80 people into cleaning brigades organized by its Environmental Committee. These brigades worked to protect beaches and the surrounding areas, encouraging employees to recognize the value of protecting the natural environment.

KRYSTAL GRAND CANCÚN
Cancún, Quintana Roo

KRYSTAL BEACH ACAPULCO
Acapulco, Guerrero

KRYSTAL GRAND CANCÚN
Cancún, Quintana Roo

ENVIRONMENTAL COMMITMENTS 2025

The Company is committed to reducing its environmental impact; one major focal point is to reduce energy consumption, which is extremely important in the hotel sector.

To evaluate the performance of all GHSF hotels in order to develop an environmental efficiency plan and program.

To improve communication mechanisms between the corporate area and hotels to measure environmental impacts.

To improve energy performance. To measure Scope 1 and 2 emissions at 100% of hotels, and to start measuring Scope 3.

To establish communication bridges to develop synergies with suppliers in order to reduce waste generation, and to encourage alternatives to lessen the amount of waste that must be disposed of.

MAHEKAL
Playa del Carmen, Quintana Roo

OUR COMMUNITY

and Grupo Hotelero Santa Fe

GHSF is aware of the positive impacts that result from supporting the most vulnerable groups and from driving social development in search of a world with fewer inequalities.

COMMUNITY TIES

Grupo Hotelero Santa Fe's hotels conduct activities that contribute actively to the sustainable development of the communities where it has operations, seeking to improve their quality of life through initiatives that have social impact. Among the most relevant social initiatives are the following:

DONATIONS AND COMMUNITY SUPPORT

Grupo Hotelero Santa Fe shows its social commitment through supportive initiatives that seek to create a positive impact on the communities where it operates. Donations, social campaigns, and altruistic activities strengthen ties with the surrounding areas, providing support to at-risk people.

In 2024, the Group's hotels participated in several important activities, including:

- Collecting plastic caps at several hotels, including the Krystal Grand Nuevo Vallarta, Krystal Beach Acapulco, and Krystal Grand Insurgentes, to benefit cancer patients, in cooperation with organizations such as Ángeles en Libertad.
- Donating rooms, clothing, sheets, and basic necessities to institutions such as Pasitos de Luz, DIF, and families impacted by emergencies.
- Activities for a purpose, such as auctioning off articles that have been left behind, bazaars, and grocery campaigns at Krystal Resort Cancún and Krystal Resort Puerto Vallarta. Money from these events was allocated to social purposes.
- Special campaigns, such as Krystal Resort Cancún delivering games to Mayan communities, and Krystal Beach Acapulco participating in the reinauguration of CRIT Guerrero.
- Health and well-being activities, such as blood donation campaigns, and support for children with disabilities.

YOUTH DEVELOPMENT

At Grupo Hotelero Santa Fe, employees volunteer in the Leader Guide Program, teaching and training participants from different schools, and giving talks on areas of interest. There were several notable activities in the 2024 program, such as:

Krystal Beach Acapulco participated actively in the Tourism Sector Job Fair, facilitating connections between companies and people in search of jobs. Every year Krystal Ixtapa participates actively in the DUAL CONALEP Program, providing practical training opportunities to young students.

KRYSTAL URBAN MONTERREY
Plastic Cap Collection

KRYSTAL CANCÚN
Donation of linens

Krystal Grand Nuevo Vallarta increased its activities by informative visits to Infonavit, ensuring that both employees and participants have important information on their rights and financing alternatives.

In hotels such as the Krystal Grand Insurgentes and Grand Cancún, training talent is supported through the participation of students in professional practices, in collaboration with universities such as UVM, UNIVDEP, Universidad Intercontinental, and Universidad UTC.

Krystal Grand Nuevo Vallarta holds meetings between parents and students of CBTIS 68, reinforcing parents' participation in their children's education, and consolidating close ties with the educational community.

SPORTS AND RECREATIONAL EVENTS

Grupo Hotelero Santa Fe believes that overall well-being goes beyond work and financial situations; it is also built on health, coexistence, and the feeling of community. The Company therefore supports sports and recreational activities that strengthen ties between employees, family, and the community, and that promote a positive and healthy environment.

Krystal Resort Cancún regularly organizes volleyball and indoor soccer tournaments, encouraging teamwork and active lifestyles.

Krystal Resort Puerto Vallarta stands out for its events such as the Zumbatrón, an activity that combines exercise and fun, creating joint activities between personnel and the local community.

Krystal Ixtapa shows its social commitment by appointing a representative in community affairs, promoting sports as a means of social cohesion. It also participates actively in the DUAL CONALEP Program, providing practical training opportunities for young students

COMMUNITY PARTICIPATION

As part of its commitment to social responsibility, Grupo Hotelero Santa Fe actively promotes awareness campaigns on the importance of community participation. These initiatives seek to strengthen a civic culture based on each individual exercising their rights and responsibilities, both inside and outside of work.

Within this framework, Krystal Grand Insurgentes has implemented activities to support informed and aware voting, reminding employees and communities that everyone has the ability to impact the direction of the country through their democratic participation.

NATIONAL CODE OF CONDUCT FOR PROTECTION OF CHILDREN AND ADOLESCENTS IN THE TRAVEL AND TOURISM SECTOR (CCN)

Grupo Hotelero Santa Fe is proud to celebrate 11 years of adhering to the National Code of Conduct for the Protection of Children and Adolescents in the Travel and Tourism Sector, an initiative of Mexico's Tourism Secretary.

This voluntary instrument reflects the commitment as an industry to prevent sexual exploitation and child labor, and to raise awareness among tourists about the importance of having a safe and responsible environment that is respectful of children's rights.

Through this commitment GHSF contributes to protecting an image of ethical and safe tourism in Mexico. The following Grupo Hotelero Santa Fe hotels currently adhere to the Code:

- Krystal Cancún
- Krystal Ixtapa
- Krystal Nuevo Vallarta
- Ibis Irapuato
- Krystal Urban Cancún & Beach Club
- Krystal Vallarta
- Krystal Urban Monterrey
- Mahekal Beach Resort (Playa del Carmen)

KRYSTAL GRAND CANCÚN

Professional internships

KRYSTAL BEACH ACAPULCO

Volleyball tournament

KRYSTAL GRAND CANCÚN

INFONAVIT information visits

KRYSTAL PUERTO VALLARTA

Sports activities

COMMITMENTS TO THE COMMUNITY 2025

To have 100% of GHSF hotels sign the National Code of Conduct for Protection of Children and Adolescents in the Travel and Tourism Sector (SECTUR).

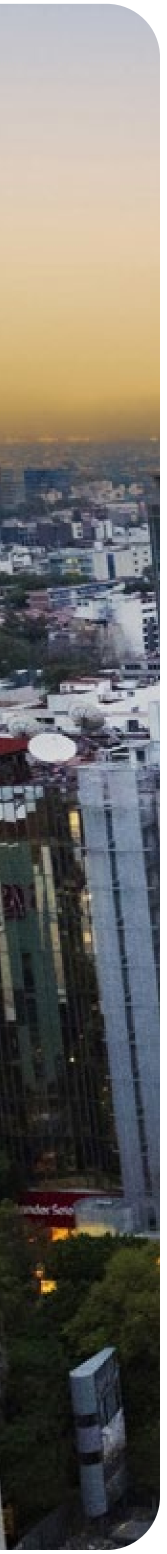
To continue implementing social and environmental programs in conjunction with the corporate office and the hotels in every state where the Company operates.

To raise awareness among participants in volunteering initiatives, emphasizing that their actions are not isolated, and that they are part of a corporate program that functions thanks to the committed participation of employees.

KRYSTAL URBAN GUADALAJARA

Guadalajara, Jalisco

(GRI 2-2, 2-3, 2-4, 2-5, 2-14)



ABOUT THIS REPORT

Grupo Hotelero Santa Fe is pleased to share its 2024 Annual Sustainability Report. This report covers the period from January 1 to December 31, 2024.

This document is an example of how important it is to GHSF not only to track social and environmental performance indicators, but also the importance of communicating these indicators with stakeholders.

This 2024 report has been prepared in conformance with GRI Standards, and in accordance with the 10 principles of the Global Compact and the Sustainable Development Goals, both of which are initiatives of the United Nations.

For any questions on its content, please contact:

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Director of Investor Relations and Sustainability

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HYATT REGENCY MEXICO CITY INSURGENTES
Mexico City

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MD&A 2024

Figures in thousands of Mexican pesos	12 months ended December 31			
	2024	2023	Var.	% Var.
INCOME				
Room Revenue	1,433,492	1,455,751	(22,259)	(1.5)
Food and Beverage Revenue	1,239,220	1,215,912	23,308	1.9
Other Revenue from Hotels	160,876	150,578	10,298	6.8
Vacation Club	49,279	46,806	2,473	5.3
Third-Party Hotels' Management Fees	101,914	90,160	11,754	13.0
TOTAL REVENUE	**2,984,782**	**2,959,207**	**25,574**	**0.9**
COST AND EXPENSES				
Operating Costs and Expenses	1,470,695	1,439,305	31,390	2.2
Sales and Administrative	624,726	611,482	13,245	2.2
Property Expenses	51,500	41,203	10,296	25.0
Vacation Club Cost	28,161	27,511	650	2.4
Depreciation and Amortization	330,002	307,314	22,688	7.4
TOTAL COSTS AND EXPENSES	**2,505,084**	**2,426,815**	**78,269**	**3.2**
Development and hotel opening expenses	11,685	29,042	(17,357)	(59.8)
Other non-recurring expenses	(61,371)	123,103	(184,473)	NA
TOTAL	**(49,685)**	**152,145**	**(201,830)**	**NA**
ADJUSTED EBITDA	**809,700**	**839,707**	**(30,007)**	**(3.6)**
Adjusted EBITDA Margin (%)	27.1%	28.4%	(1.2 pt)	(1.2 pt)
OPERATING INCOME	**529,383**	**380,248**	**149,135**	**39.2**
Operating Income Margin (%)	17.7%	12.8%	4.9 pt	4.9 pt
Profit from sale of subsidiaries	-	(310,331)	310,331	NA
Net interest expenses	(216,367)	(249,770)	33,403	(13.4)
Net foreign currency exchange	(416,862)	279,591	(696,453)	NA
Other financial costs	(12,932)	(9,567)	(3,365)	35.2
Net Financing Result	**(646,161)**	**20,254**	**(666,415)**	**NA**
Undistributed income from subsidiaries, net	4,780	5,970	(1,190)	(19.9)
Income before taxes	(111,998)	716,803	(828,800)	NA
Total income taxes	(8,480)	123,907	(132,387)	NA
Net Income	(103,517)	592,895	(696,413)	NA
Net Income Margin (%)	(3.5%)	20.0%	(23.5 pt)(	23.5 pt)
Income attributable to:				
Controlling Interest	80,839	521,780	(440,941)	(84.5)
Non-controlling Interest	(184,356)	71,117	(255,472)	NA

The Company's Total Revenues increased 0.9%, from Ps. 2,959.2 million in 2023, to Ps. 2,984.8 million in 2024.

Room Revenues in 2024 decreased by 1.5%. The number of own rooms decreased by 248 rooms and RevPAR increased 5.2%. RevPAR was comprised of occupancy that was 0.9% percentage points higher than in 2023, and 3.9% higher in ADR for the year.

Revenues from Food and Beverages increased 1.9%, rising from Ps. 1,215.9 million in 2023, to Ps. 1,239.2 million in 2024.

The line Other Hotel Revenues, which includes other revenues, room rental, parking revenues, laundry, telephone and commercial rental revenues, increased 6.8% from Ps. 150.6 million in 2023, to Ps. 160.9 million in 2024.

Vacation Club Income increased 5.3% from Ps. 46.8 million in 2023 to Ps. 49.3 million in 2024.

Fees for managing third party-owned hotels increased 13.0% over 2023. The portfolio of managed hotels decreased by 58 rooms and increased 20.9% in RevPAR.

The Company sees an opportunity to continue growing through third-party operating agreements, mainly with the Krystal® brand, without significantly impacting its operating structure.

COSTS AND EXPENSES

The Company's Total Costs and Expenses increased 3.2%, from Ps. 2,426.8 million in 2023, to Ps. 2,505.1 million in 2024. This increase was driven by growth in revenues. As a percentage of Total Income, Total Costs and Expenses represented 83.9% in 2024 compared to 82.0% in 2023.

OPERATING INCOME

The Company's Operating Income increased 39.2% from 380.2 million in 2023 to Ps. 529.4 million in 2024. Operating Income margin increased from 12.8% in 2023 to 17.7% in 2024

EBITDA

Adjusting Operating Income for Non-Recurring Expenses, Depreciation and Amortization, and the All-In Result of Financing, the Company's EBITDA was Ps. 809.7 million in 2024, compared to Ps. 839.7 million in 2023. This is a decrease of 3.6%. EBITDA margin decreased from 28.4% in 2023, to 27.1% in 2024.

NET FINANCIAL COST

The Net Financial Cost in 2024 posted a loss of Ps. 646.1 million, compared to a gain of Ps. 20.3 million in 2023, a Ps. 666.4 million decrease. That difference was driven by an FX loss generated by the impact from the mark-to-market valuation due to a lower USD/MXN exchange rate applied to our dollar-denominated debt.

NET INCOME

The Company's Net Income decreased from a 592.9 million gain in 2023, to a Ps. 103.5 million loss in 2024, or a Ps. 696.4 decrease in net income.

Cash Flow Summary

Figures in thousands of Mexican pesos	**12 months ended December 31**			
	2024	2023	Var.	% Var.
Cash flow from operating activities				
Net income	(103,517)	592,896	(696,413)	NA
Depreciation and amortization	330,002	307,314	22,688	7.4
Income taxes	(4,780)	123,907	(128,687)	NA
Unrealized loss (gain) in foreign currency exchange	(8,480)	(363,474)	354,993	(97.7)
Net interest expense	460,012	249,770	210,242	84.2
Other financial costs	216,367	9,567	206,800	NA
Insurance recovery	(111,436)	-	(111,436)	NA
Minority interest	12,932	(5,970)	18,902	NA
Income from dividens of subsidiary	(5,100)	-	(5,100)	NA
Profit from sale of subisidiaries	-	(310,331)	310,331	NA
Cash flow before working capital variations	**786,000**	**603,680**	**182,320**	**30.2**
Working capital	(47,847)	124,135	(171,983)	NA
Net operating cash flow	**738,153**	**727,815**	**10,337**	**1.4**
Non-recurring items	9,949	(135,781)	145,730	NA
Cash flow net from non-recurring items	**748,102**	**592,034**	**156,067**	**26.4**
Investment activities	(266,207)	655,485	(921,692)	NA
Financing activities	(404,222)	(1,419,907)	1,015,686	(71.5)
Net (decrease) increase in cash and cash equivalents	**77,673**	**(172,388)**	**250,061**	**NA**
Cash and cash equivalents at the beginning of the period	**201,743**	**444,223**	**(242,480)**	**(54.6)**
Cash and cash equivalents at the end of the period	**279,416**	**271,835**	**7,582**	**2.8**

By the end of 4Q24, operating cash flow increased 24.4% to Ps. 170.2 million, compared to Ps. 136.8 million reported in 4Q23. The difference is mainly attributed to higher financial interest and other financial costs in 4Q24.

CASH FLOW SUMMARY

Cash flow in 2024 was Ps. 738.2 million, compared to Ps. 727.8 million in 2023.

BALANCE SHEET SUMMARY

CASH AND CASH EQUIVALENTS

At the end of 2024, the Company's Cash and Banks position was Ps. 424.7 million, which is comprised of Ps. 279.4 million in Cash and Cash Equivalents, and Ps. 145.3 million in Restricted Cash related to Debt. 54.5% of Cash and Cash Equivalents were dollar denominated.

PROPERTY, FURNITURE AND EQUIPMENT

This line item was Ps. 8,569.8 million at the close of 2024, a 0.6% decrease from the Ps. 8,619.5 million at the end of 2023.

NET DEBT AND MATURING DEBT

At the end of 2024, the Company's Net Debt was Ps. 2,550.0 million. Of the Company's Total Debt, 100% is dollar denominated, with an average financial cost of 7.79%.

Dollar-denominated debt is hedged over the reference rate (SOFR), with a strike price at 4.5%.

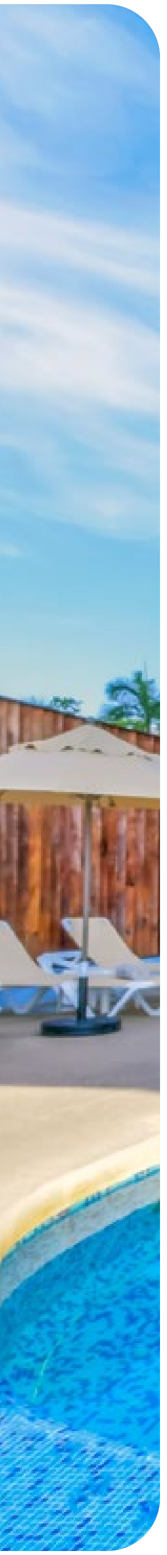
According to IFRS, the numbers in dollars were converted to pesos using the exchange rate published by the Official Gazette of Mexico on December 31, 2024, which was 20.5103 pesos per dollar.

Balance Sheet Summary

Figures in thousands of Mexican pesos	**2024**	2023	Var.	% Var.
Cash and cash equivalents	279,416	271,834	7,581	2.8%
Accounts receivable and other current assets	268,254	283,677	(15,423)	(5.4%)
Creditable taxes	350,990	245,739	105,251	42.8%
Accounts receivable and deferred cost Vacation Club ST	35,549	35,779	(231)	(0.6%)
Apartment inventory	490,836	713,588	(222,752)	(31.2%)
Total current assets	**1,425,043**	**1,550,617**	**(125,574)**	**(8.1%)**
Restricted cash	145,307	137,702	7,605	5.5%
Property, furniture and equipment	8,569,803	8,619,472	(49,669)	(0.6%)
Accounts receivable and deferred cost Vacation Club LT	351,905	264,517	87,387	33.0%
Other fixed assets	1,137,584	1,062,779	74,805	7.0%
Total non-current assets	**10,204,599**	**10,084,471**	**120,128**	**1.2%**
Total assets	**11,629,642**	**11,635,087**	**(5,446)**	**(0.0%)**
Current installments of long-term debt	338,730	357,785	(19,056)	(5.3%)
Deferred Income Vacation Club ST	35,366	47,410	(12,044)	(25.4%)
Other current liabilities	577,458	755,250	(177,792)	(23.5%)
Total current liabilities	**951,554**	**1,160,446**	**(208,892)**	**(18.0%)**
Long-term debt	2,635,969	2,542,323	93,646	3.7%
Other non-current liabilities	1,145,867	1,110,720	35,147	3.2%
Total non current liabilities	**3,781,835**	**3,653,042**	**128,793**	**3.5%**
Total Equity	**6,896,253**	**6,821,599**	**74,654**	**1.1%**
Total liabilities and equity	**11,629,642**	**11,635,087**	**(5,446)**	**(0.0%)**

CAPEX

Figures in thousands of Mexican pesos	**2024**	% Total
Total use conversion	190,106	73.2%
Ordinary CAPEX	69,610	26.8%
Total CAPEX	**259,716**	**100.0%**



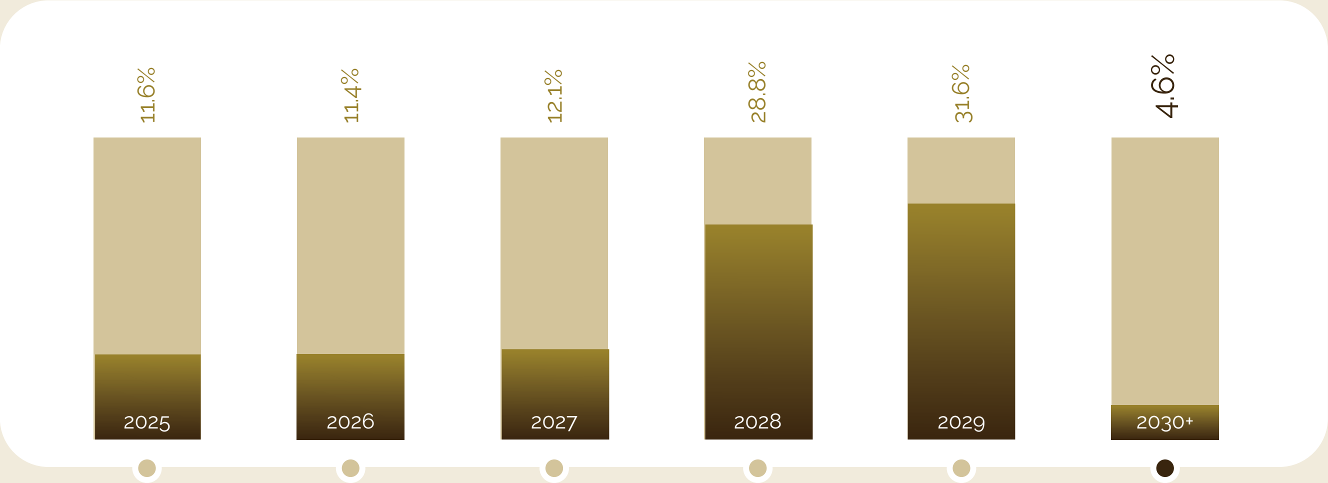
Debt

Figures in thousands of pesos	Pesos	Dollars	Total
Short Term	-	338,730	338,730
Long Term	-	2,635,969	2,635,969
Total	**-**	**2,974,698**	**2,974,698 %**
%Total	-	100.0%	100.0%
Average rate of financial liabilities	-	7.79%	7.79%
Cash and cash equivalents	166,529	112,887	279,416
Restricted cash	26,703	118,603	145,307
Cash and cash equivalents**	**193,232**	**231,490**	**424,722**
Net Debt	**(193,232)**	**2,743,208**	**2,549,976**
Net Debt / LTM EBITDA (as of December 31, 2023)			

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

Debt Maturity Profile

As of December 31, 2024



KRYSTAL BEACH ACAPULCO
Acapulco, Guerrero

CONSOLIDATED FINANCIAL STATEMENTS

Content

KRYSTAL GRAND SUITES INSURGENTES

Mexico City

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in thousands of Mexican pesos)

	AS AT DECEMBER 31, 2024		AS AT DECEMBER 31, 2023	
ASSETS				
Current assets				
Cash and cash equivalents (Note 8)	Ps.	279,415	Ps.	201,743
Accounts receivable, net (Note 9		175,976		198,508
Related party receivables (Note 10)		13,535		28,512
Other accounts receivable		5,937		1,740
Recoverable taxes (Note 11)		521,820		458,356
Inventories (Note 12)		38,588		32,697
Prepaid expenses		50,607		47,447
Deferred cost – Vacation Club (Note 16)		19,159		16,758
Apartment inventory (Note 13)		30,162		713,588
Total current assets	**Ps.**	**1,135,199**	**Ps.**	**1,699,349**
Non-current assets				
Restricted cash (Note 8)		145,307		137,702
Property, furniture and equipment (Note 13)		8,569,803		8,619,472
Apartment Inventory (Note 13)		460,674		-
Other assets (Note 14)		325,535		237,602
Equity investments in associates (Note 3i)		384,069		313,689
Deferred income tax (Note 19)		270,286		281,980
Goodwill (Note 6)		345,617		345,617
Deferred cost – Vacation Club (Note 16)		163,982		142,202
Total non-current assets		**10,665,273**		**10,078,264**
Total assets	**Ps.**	**11,800,472**	**Ps.**	**11,777,613**

	AS AT DECEMBER 31, 2024		AS AT DECEMBER 31, 2023	
LIABILITIES AND EQUITY				
Current liabilities:				
Current portion of long-term debt (Note 15)	Ps.	338,730	Ps.	356,188
Suppliers		223,124		234,175
Accrued liabilities (Note 17)		44,084		39,183
Taxes payable		233,864		281,149
Provisions		78,288		56,372
Related party payables (Note 10)		1,597		557
Short-term security deposits		44,073		212,449
Trade advances		123,257		143,983
Deferred revenue – Vacation Club (Note 16)		35,366		47,410
Total current liabilities		1,122,383		1,371,466
Non-current liabilities				
Long-term debt, excluding current portion (Note 15)		2,635,968		2,473,829
Employee benefits (Note 18)		17,711		22,726
Deferred income tax (Note 19)		785,712		850,370
Deferred revenue – Vacation Club (Note 16)		250,204		196,311
Other liabilities		92,241		41,313
Total non-current liabilities		**3,781,836**		**3,584,549**
Total liabilities		**4,904,219**		**4,956,015**
Equity (Note 20):				
Attributable to equity holders of the parent:				
Share capital		3,641,699		3,641,699
Repurchase of shares		(21,842)		(32,240)
Share premium		80,000		80,000
Legal reserve		190,493		190,493
Retained earnings		1,410,216		1,329,378
Total equity attributable to equity holders of the parent		5,300,566		5,209,330
Non-controlling interests		1,595,687		1,612,268
Total equity		**6,896,253**		**6,821,598**
Total liabilities and equity	**Ps.**	**11,800,472**	**Ps.**	**11,777,613**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in thousands of Mexican pesos, except for earnings per share which are expressed in Mexican pesos)

	FOR THE YEAR ENDED DECEMBER 31, 2024		FOR THE YEAR ENDED DECEMBER 31, 2023	
Operating revenue:				
Rooms	Ps.	1,433,492	Ps.	1,455,751
Food and beverages		1,239,220		1,215,912
Supplementary hospitality services		312,070		287,544
Other income (Note 26)		414,212		72,610
		3,398,994		3,031,817
Department costs and expenses:				
Rooms		395,803		388,676
Food and beverages		667,610		653,400
Other		74,889		69,848
Total department costs and expenses		**1,138,302**		**1,111,924**
Department profit		**2,260,692**		**1,919,893**
Operating expenses:				
Administrative		469,059		466,124
Advertising and sales		208,728		195,961
Maintenance and energy costs		360,554		354,891
Total operating expenses		**1,038,341**		**1,016,976**
Profit before finance charges and depreciation		**1,222,351**		**902,917**
Finance charges and depreciation::				
Property tax		25,272		18,476
Insurance		26,228		22,728
Depreciation (Note 13)		309,385		293,316
Amortization of other assets (Note 14)		20,617		13,999
Pre-operating expenses		3,386		17,144
Expansion expenses		8,299		11,897
Other expenses (Note 26)		299,781		145,109
Total finance charges and depreciation		**692,968**		**522,669**
Operating profit		529,383		380,248

	FOR THE YEAR ENDED DECEMBER 31, 2024		FOR THE YEAR ENDED DECEMBER 31, 2023	
Net financing (cost)/income:				
Interest income		37,763		27,469
Interest expense (Note 15)		(254,130)		(277,239)
Foreign exchange (loss)/gain, net (Note 27))		(416,862)		279,591
Other finance expenses		(12,932)		(9,566)
		(646,161)		20,255
Profit from sale of subsidiaries (Note 6)		-		310,331
Share of profit of associates		4,780		5,970
(Loss)/profit before income tax		**(111,998)**		**716,804**
Income tax (Note 19)		(8,480)		123,909
Consolidated net (loss)/profit	**Ps.**	**(103,518)**	**Ps.**	**592,895**
Consolidated net (loss)/profit attributable to:				
Equity holders of the parent	Ps.	80,838	Ps.	521,779
Non-controlling interests		(184,356)		71,116
	Ps.	(103,518)	Ps.	592,895
Basic earnings per share (Note 20h)	**Ps.**	**0.11**	**Ps.**	**0.73**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the Years Ended December 31, 2024 and 2023
(Amounts in thousands of Mexican pesos) (Note 20)

	SHARE CAPITAL	REPURCHASE OF SHARES	SHARE PREMIUM	LEGAL RESERVE	RETAINED EARNINGS	TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	NON-CONTROLLING INTERESTS	TOTAL EQUITY
Balance as at December 31, 2022	Ps. 4,354,707	Ps. (44,209)	Ps. 80,000	Ps. 190,493	Ps. 807,599	Ps. 5,388,590	Ps. 1,468,817	Ps. 6,857,407
Capital redemption	(713,008)	-	-	-	-	(713,008)	-	(713,008)
Repurchase of shares	-	11,969	-	-	-	11,969	-	11,969
Contribution to non-controlling interests, net	-	-	-	-	-	-	72,835	72,835
Cash dividends paid to non-controlling interests	-	-	-	-	-	-	(500)	(500)
Net profit for the year	-	-	-	-	521,779	521,779	71,116	592,895
Balance as at December 31, 2023	3,641,699	(32,240)	80,000	190,493	1,329,378	5,209,330	Ps. 1,612,268	6,821,598
Capital redemption								
Repurchase of shares		10,398				10,398		10,398
Contribution to non-controlling interests,net							248,906	248,906
Cash dividends paid to non-controlling interests							(81,131)	(81,131)
Net profit/(loss) for the year					80,838	80,838	(184,356)	(103,518)
Balance as at December 31, 2024	**Ps. 3,641,699**	**Ps. (21,842)**	**Ps. 80,000**	**Ps. 190,493**	**Ps. 1,410,216**	**Ps. 5,300,566**	**Ps. 1,595,687**	**Ps. 6,896,253**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in thousands of Mexican pesos, except for earnings per share which are expressed in Mexican pesos)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Operating activities		
(Loss)/profit before income tax	Ps. (111,998)	Ps. 716,804
Items not affecting cash flows:		
Depreciation	309,385	293,316
Amortization of other assets	20,617	13,999
Fixed assets from claims	1,093	51,550
Interest income	(37,763)	(27,469)
Equity investment in associate	(4,870)	(5,970)
Gain on sale of shares	-	(310,331)
Unrealized foreign exchange loss/(gain)	460,012	(363,473)
Interest expense	254,130	277,239
Net periodic benefit expense	(5,023)	6,079
Other finance expenses	12,932	9,567
	898,605	661,311
Changes in working capital:		
Accounts receivable	22,532	(9,762)
Related party receivables	16,017	(13,023)
Other accounts receivable and recoverable taxes	46,541	65,437
Inventories	(5,891)	(872)
Prepaid expenses	(3,160)	(15,597)
Suppliers	(11,051)	33,371
Accrued liabilities and taxes payable	8,552	56,610
Assets held for sale	-	(24,324)
Provisions	21,916	(49,482)
Trade advances and security deposits	(171,434)	81,558
Income tax paid	(44,484)	(167,677)
Net cash flows from operating activities	778,143	617,550

	For the year ended December 31, 2024	For the year ended December 31, 2023
Investing activities		
Purchase of property, furniture and equipment	(260,809)	(363,371)
Proceeds from sale of shares of subsidiaries	-	1,051,684
Equity investment in associate	(65,600)	(103,245)
Interest collected	37,763	27,469
Net cash flows (used in)/from financing activities	(288,646)	612,537
Financing activities		
Net decrease in cash	-	(713,008)
Contribution to non-controlling interests	248,906	72,834
Dividends paid to non-controlling interests	(81,131)	(500)
Repurchase of shares	10,398	11,969
Loans obtained	609,226	-
Payment of principal on bank loans	(916,748)	(561,752)
Interest expense	(274,871)	(300,169)
Net cash flows from/(used in) investing activities	404,220	(1,490,626)
Net increase/(decrease) in cash and cash equivalents and restricted cash	85,277	(260,539)
Cash, cash equivalents and restricted cash at beginning of year	339,445	599,984
Cash, cash equivalents and restricted cash at end of year	**Ps. 424,722**	**Ps. 339,445**

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024 and 2023
(Amounts in thousands of Mexican pesos)

1. Description of the Business and Relevant Events

I. Description of the business

Grupo Hotelero Santa Fe, S.A.B. de C.V. (the Group or GHSF) was incorporated in Mexico City and is primarily engaged in acquiring shares, interests, equity interests, among others, of any type of commercial entities, either national or foreign, and investing in their equity and assets, as well as taking part in their management, liquidation, spin-offs and mergers. The Group was incorporated on November 24, 2006 and started up operations on January 1, 2010.

The Group's headquarters are located at Juan Salvador Agraz No. 65, 20th floor, Santa Fe, Cuajimalpa, 05348, Mexico City.

The Group's operating period and fiscal year is from January 1, through December 31.

On March 13, 2025, the consolidated financial statements and these notes were authorized by the Group's General Director, Francisco Medina Elizalde; the Finance Director and Legal Representative, Enrique Gerardo Martínez Guerrero; and the Administrative Director, José Alberto Santana Cobián, for their issue and subsequent approval by the Group's Board of Directors and shareholders. Information on subsequent events covers the period from January 1, 2025 through the above-mentioned issue date of the financial statements.

II. Relevant events

On October 22, 2024, the insurer AXA Seguros, S.A. de C.V., issued the final report of the claim dated October 27, 2023. As a result of the report, the hotel Krystal Beach Acapulco received a net deductible and co-insurance total of Ps. 110,802. The insurer transferred Ps. 102,802 in 2024 and Ps. 8,000 in 2023.

On October 27, 2023, the Krystal Beach Acapulco hotel suffered damages caused by hurricane Otis. As at the date of issue of these consolidated financial statements, the Krystal Beach Acapulco hotel is settling the corresponding damage claim. The caption Property, furniture and equipment of the Krystal Beach Acapulco hotel includes damages in the amount of Ps. 51,550.

The Secrets Tulum Resort & Beach Club hotel, in which the Group holds a 25%-stake, opened to the public on October 20, 2023. The Secrets Tulum Resort & Beach Club hotel has 326 rooms, as well as a Beach Club in Tulum, Quintana Roo, and will be operated by Hotelera Santa Fe, a subsidiary of the Group.

On May 16, 2023, the Group acquired the Hilton Guadalajara hotel under the corresponding sales agreement entered into on December 15, 2022.

On April 27, 2023, the Group agreed to decrease the variable portion of its share capital, with no cancellation of shares, by an amount in Mexican pesos equivalent to up to USD $40,000,000, through a cash reimbursement to its shareholders which was realized on May 30, 2023 for a sum of Ps. 713, 008.

III. Description of the business of subsidiaries

The Group's consolidated subsidiaries are primarily engaged in the following activities :

- Hotelera SF, S. de R.L. de C.V. (Hotelera SF) is primarily engaged in providing hotel administrative and operating services, as well as any other hotel service; therefore, all of its revenue is earned from hotel management and operation agreements. Hotelera SF was incorporated on January 8, 2010 and started up operations on March 1, 2010.

- Servicios en Administración Hotelera SF, S. de R.L. de C.V. (SAH) is primarily engaged in providing hotel administrative and operating services, as well as any other hotel service, to its related parties. ASFP was incorporated on April 9, 2013, started up operations on April 25, 2013, and ceased operations as of July 1, 2021.

- Grupo Hotelero SF México, S. de R.L. de C.V. (GHSFMEX) is primarily engaged in owning a hotel property located in the city of Acapulco, Guerrero, Mexico, with 400 rooms operating under the "Krystal Beach Acapulco" brand name. The hotel is managed by Hotelera SF under hotel administrative and operating service agreements that establish the payment of income-based fee plus a percentage of operating profit. GHSFMEX was incorporated on December 1, 2011 and started up operations on April 24, 2014.

- Administración SF del Pacífico, S. de R.L. de C.V. (ASFP) is primarily engaged in providing hotel administrative and operating services, as well as any other hotel service, to its related parties. ASFP was incorporated on April 9, 2013, started up operations on April 25, 2013, and ceased operations as of July 1, 2021.

- Administración SF Occidente, S. de R.L. de C.V. (ASFO) is primarily engaged in providing hotel administrative and operating services, as well as any other hotel service, to its related parties. ASFO was incorporated on January 8, 2010, started up operations on March 1, 2010 and ceased operations as of July 1, 2021.

- Inmobiliaria en Hotelería León Santa Fe, S de R.L de C.V.(IHL) is primarily engaged in owning a hotel property known as "Krystal Grand San Miguel de Allende", located in the city of San Miguel de Allende, Guanajuato, Mexico, which is leased to its subsidiary Servicios Administrativos Urban Cancún, S. de R.L. de C.V. IHL was incorporated on September 18, 2015 and started up operations on March 1, 2015.

- Corporación de Servicios Los Ángeles Vallarta, S.A. de C.V. (CSA) is primarily engaged in providing hotel administrative and operating services, as well as any other hotel service, to its related parties. CSA was incorporated on November 24, 2016, started up operations on January 1, 2018 and ceased operations as of July 1, 2021.

- Inmobiliaria en Hotelería Ciudad Juárez Santa Fe, S. de R.L. de C.V. (IHJ) is primarily engaged in acquiring, through any legal means, shares and equity interests, among others, of any type of corporate entities, either national or foreign, and investing in their equity and assets, as well as participating in their management, liquidation, spin-offs and mergers. IHJ, the holding company of Chartwell Inmobiliaria de Juárez, S. de R.L. de C.V., was incorporated on January 8, 2010 and started up operations on March 1, 2010.

- Inmobiliaria en Hotelería Monterrey Santa Fe, S. de R.L. de C.V. (IHG) is primarily engaged in acquiring, through any legal means, shares and equity interests, among others, of any type of corporate entities, either national or foreign, and investing in their equity and assets, as well as participating in their management, liquidation, spin-offs and mergers. IHG started up operations on March 1, 2010.

- Chartwell Inmobiliaria de Juárez, S. de R.L. de C.V. (CIJ) is primarily engaged in owning a hotel property located in the city of Ciudad Juárez, Chihuahua, Mexico, with 120 rooms operating under the "Krystal Business Ciudad Juárez" brand name. The hotel is managed by Hotelera SF under hotel administrative and operating service agreements that establish the payment of income-based fee plus a percentage of operating profit. CIJ was acquired by the Group on March 1, 2010.

- Inmobiliaria en Hotelería Guadalajara Santa Fe, S. de R.L. de C.V. (IHM) is primarily engaged in acquiring, through any legal means, shares and equity interests, among others, of any type of corporate entities, either national or foreign, and investing in their equity and assets, as well as participating in their management, liquidation, spin-offs and mergers. IHM, the holding company of Chartwell Inmobiliaria de Monterrey, S. de R.L. de C.V., was incorporated on January 8, 2010 and started up operations on March 1, 2010.

- Chartwell Inmobiliaria de Monterrey, S. de R.L. de C.V. (CIM) is primarily engaged in owning a hotel property located in the city of Monterrey, Nuevo León, Mexico, with 150 rooms operating under the "Krystal Urban Monterrey" brand name. The hotel is managed by Hotelera SF under hotel administrative and operating service agreements that establish the payment of income-based fee plus a percentage of operating profit. CIM was acquired by the Group on March 1, 2010.

- Administración SF del Norte, S. de R.L. de C.V. (ASFN) is primarily engaged in providing hotel administrative and operating personnel services, as well as any other hotel service, to its related parties. ASFN was incorporated on January 8, 2010, started up operations on March 1, 2010 and ceased operations as of July 1, 2021.

- Inmobiliaria en Hotelería Vallarta Santa Fe, S. de R.L. de C.V. (IHV) is primarily engaged in owning a hotel property located in the city of Puerto Vallarta, Jalisco, Mexico, with 451 rooms operating under the "Krystal Grand Puerto Vallarta" (formerly Hilton) brand name. The hotel is managed by Hotelera SF under hotel administrative and operating service agreements that establish the payment of income-based fee plus a percentage of operating profit. This subsidiary was incorporated on May 23, 2011 and started up operations on October 1, 2012.

- Corporación Integral de Servicios Administrativos de Occidente, S. de R.L. de C.V. (CISAO) is primarily engaged in providing hotel administrative and operating services, as well as any other hotel service, to its related parties. CISAO was incorporated on February 7, 2012, started up operations on February 9, 2012 and ceased operations as of June 1, 2021.

- Inmobiliaria en Hotelería Cancún Santa Fe, S. de R.L. de C.V. (IHC) is primarily engaged in owning a hotel property located in the city of Cancun, Quintana Roo, Mexico, with 400 rooms operating under the"Krystal Grand Cancún" (formerly Krystal Altitude Cancún") brand name. The hotel is managed by Hotelera SF under hotel administrative service agreements that establish the payment of income-based fee plus a percentage of operating profit. IHC was incorporated on May 16, 2013 and started up operations on September 24, 2013.

- Administración SF de Quintana Roo, S. de R.L. de C.V. (ASFQ) is primarily engaged in providing hotel administrative and operating services, as well as any other hotel service, to its related parties. ASFQ was incorporated on June 20, 2013, started up operations on October 1, 2013 and ceased operations as of July 1, 2021.

- Inmobiliaria Hotelera Cancún Urban, S. de R.L. de C.V. (IHCU) is primarily engaged in owning a hotel property located in the city of Cancun, Quintana Roo, Mexico, with 246 rooms operating under the "Krystal Urban Cancún" brand name. The hotel is managed by Hotelera SF under hotel administrative and operating service agreements that establish the payment of income-based fee plus a percentage of operating profit. IHCU was incorporated on October 21, 2014 and started up operations on December 16, 2014.

- Servicios Administrativos Urban Cancún, S. de R.L. de C.V. (SAUC) is primarily engaged in operating a hotel property located in the city of San Miguel de Allende, Guanajuato, which manages 22 townhouses under the "Krystal Grand San Miguel de Allende" brand name. The hotel is managed by Hotelera SF, S. de R.L. de C.V., under administrative and operating service agreements.

- SF Partners II, S. de R.L. de C.V. (SFP) is primarily engaged in owning a hotel property located in the city of Guadalajara, Jalisco, Mexico, with 140 rooms operating under the "Krystal Urban Guadalajara" brand name. SFP was acquired by the Group on March 24, 2014.

- Moteles y Restaurantes María Bárbara, S.A. de C.V. (MRMB) is primarily engaged in owning a hotel property located in the municipality of Naucalpan, State of Mexico, Mexico, with 215 rooms operating under the "Krystal Satélite María Bárbara" brand name. MRMB was acquired by the Group on May 7, 2015.

- Servicios Administrativos Tlalnepantla, S.A. de C.V. (SATL) is primarily engaged in providing hotel administrative and operating services, as well as any other hotel service, to its related parties. SATL was incorporated on April 14, 2015 and started up operations on July 1, 2015.

- Inmobiliaria MB Santa Fe, S.A. de C.V. (IMB) is primarily engaged in acquiring, through any legal means, shares and equity interests, among others, of any type of corporate entities, either national or foreign, and investing in their equity and assets, as well as participating in their management, liquidation, spin-offs and mergers. IMB, the holding company of Moteles y Restoranes María Bárbara, S.A. de C.V., was incorporated on March 4, 2015 and started up operations on that same date.

- Inmobiliaria Hotelera Insurgentes 724, S.A.P.I. de C.V. (IHI) is primarily engaged in owning the Hyatt Regency Mexico City Insurgentes hotel in Mexico City, which is leased to its subsidiary Inmobiliaria en Hotelería Quéretaro SF, S. de R. L. de C. V. IHI was incorporated on May 15, 2015.

- ICD Sitra, S.A. de C.V. (ISI) is primarily engaged in owning a hotel property located in San José del Cabo, Baja California Sur, Mexico, which is leased to its subsidiary Promotora Los Ángeles Cabos, S.A. de C.V. The Group acquired control of ISI on February 21, 2017.

- Promotora Los Ángeles Cabos, S.A. de C.V. (PAC) is primarily engaged in operating a hotel property located in San José del Cabo, Baja California Sur, Mexico, with 454 rooms under the "Krystal Grand Los Cabos" brand name. The hotel is managed by Hotelera SF under hotel administrative and operating service agreements that establish the payment of income-based fee plus a percentage of operating profit. This subsidiary was incorporated on November 24, 2016 and started up operations on March 1, 2017.

- Servicios Ángeles SJC, S.A. de C.V. (SAS) is primarily engaged in providing hotel administrative and operating services, as well as any other hotel service, to its related parties. SAS was incorporated on November 24, 2016, started up operations on March 1, 2017, and ceased operations as of July 1, 2021.

- Sibra Vallarta, S.A. de C.V. (SAV) is primarily engaged in owning a hotel property located in Nuevo Vallarta, Nayarit, Mexico, under the "Krystal Grand Nuevo Vallarta" brand name, which is leased to its subsidiary Arrendadora Vallarta. The Group acquired control of SAV on February 21, 2017.

- Arrendadora los Ángeles Vallarta, S.A. de C.V. (AAV) is primarily engaged in operating a hotel property located in Nuevo Vallarta, Nayarit, Mexico, with 480 rooms under the "Krystal Grand Nuevo Vallarta" brand name, which is leased to its subsidiary Arrendadora Vallarta. The hotel is managed by Hotelera SF under hotel administrative and operating service agreements that establish the payment of income-based fee plus a percentage of operating profit. AAV was incorporated on November 24, 2016 and started up operations on May 1, 2017.

- CER Diecinueve 91, S. de R.L. de C.V. (CDN) is primarily engaged in providing food and beverage services to the guests of "Krystal Grand Suites Insurgentes 1991" and the general public. CDN was incorporated on July 4, 2017 and started up operations on September 13, 2017.

- Inmobiliaria K Suites 1991, S.A.P.I. de C.V. (IKS), through September 2018, was primarily engaged in owning a suite complex in Mexico City with 150 suites. The operation consisted of renting furnished suites under the "Krystal Grand Suites Insurgentes 1991" brand name. In September 2018, IKS operations were transferred to Grupo Inmobiliario 1991, S.A. de C.V., who acquired all the rights and assumed all the obligations of Inmobiliaria K Suites. The suites are managed by Hotelera SF under hotel administrative and operating service agreements that establish the payment of income-based fee plus a percentage of operating profit. IKS was incorporated on May 11, 2016 and started up operations on September 13, 2017.

- Servicios Administrativos Suites 1991, S. de R.L. de C.V. (SAS) is primarily engaged in providing hotel administrative and operating personnel services, as well as any other hotel service, to its related parties. SAS was incorporated on June 26, 2017, started up operations on October 1, 2017 and ceased operations as of July 1, 2021.

- Inmobiliaria Hotelera del Bajío S.F., S.A. de C.V. (IHB) is primarily engaged in owning a hotel property located in the city of Leon, Guanajuato, Mexico, with 140 rooms operating under the "Hyatt Centric Campestre León" brand name. The hotel is managed by Hotelera S.F. under hotel administrative and operating service agreements that establish the payment of income-based fee plus a percentage of operating profit. IHB was acquired by the Group on August 24, 2018.

- Servicios en Administración Hotelera M.P.S.F., S. de R.L. de C.V. (SMP) is primarily engaged in providing hotel administrative and operating services, as well as any other hotel service, to its related parties. SMP started up operations on August 9, 2018 and ceased operations as of July 1, 2021.

- Grupo Inmobiliario 1991, S.A. de C.V. (GIM1991), as of August 18, 2018, is primarily engaged in owning a suite complex in Mexico City through a merger agreement entered into by and between the shareholders of IKS (the disappearing company) and GIM1991 (the surviving company), whereby GIM1991 now runs 150 suites. The operation consists of renting furnished suites under the "Krystal Grand Suites Insurgentes 1991" brand name.

- MHK – Inmobiliaria, MHKL Hotel Venture México, S.A. de C.V. (MHKL) is primarily engaged in owning a hotel property located in Playa del Carmen, Quintana Roo, which is leased to its subsidiary HPC Santa FE, S.A. de C.V. MHKL started up operations on December 14, 2023.

- Inmobiliaria en Hotelería Quéretaro, S. de R.L. de C.V. (IHQ) is primarily engaged in operating a hotel property located in Mexico City, with 201 rooms under the "Hyatt Regency Mexico City Insurgentes" brand name. The hotel is managed by Hotelera SF, S. de R.L. de C.V. IHQ started up operations on April 19, 2023.

- HPC Santa FE, S.A. de C.V. (HPC) is primarily engaged in operating a hotel property located in Playa del Carmen, Quintana Roo, with 195 rooms under the "Secrets Tulum Resort & Beach Club " brand name. The hotel is managed by Hotelera SF under hotel administrative and operating service agreements that establish the payment of income-based fee plus a percentage of operating profit. HPC started up operations on December 14, 2023.

2. Basis of Preparation

a) Compliance statement

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) effective as at December 31, 2024, as issued by the International Accounting Standards Board (IASB).

IFRS include all standards and interpretations issued by the IASB as well as the IFRS Interpretations Committee (IFRIC).

The Group has concluded that there are no material uncertainties that may cast significant doubt on its ability to continue as a going concern.

In accordance with the Mexican Corporations Act and the bylaws of each individual group company, the shareholders have the authority to modify the consolidated financial statements.

Note 3 provides further information on the Group's accounting policies.

b) Basis for measurement

The consolidated financial statements have been prepared on a historical cost basis, except for certain items of property, furniture and equipment that were measured at assumed cost as at February 28, 2010 (date of transition to IFRS) and at the date of the business combinations described in Note 6. The assumed cost of this land, buildings and furniture has been determined based on appraisals performed by independent experts (fair value) at that date.

c) Functional and presentation currency

The Group's consolidated financial statements are presented in thousands of Mexican pesos, which is the Group's functional and presentation currency. Certain amounts are shown in U.S. dollars (USD). All financial information presented in Mexican pesos is rounded to the nearest thousand. The exchange rate used by the Group to translate amounts in Mexican pesos as at December 31, 2024 and 2023 was $ 20.5103 pesos and $ 16.8935 pesos, respectively, per U.S. dollar. As at March 13, 2025, the exchange rate was $ 20.3388 pesos per U.S. dollar.

d) Use of judgments and estimates

The preparation of consolidated financial statements in accordance with IFRS requires management to make judgments and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from these estimates.

The Group's judgments, estimates and assumptions are based on historical and forecast information, as well as regional economic conditions and the industry in which it operates. Any changes could adversely affect such estimates. Although the Group believes it has made reasonable assumptions about the eventual resolution of the estimation uncertainties, it cannot ensure that the ultimate outcome will reflect the information presented in the Group's assets, liabilities, income and expenses.

The Group's management reassesses its estimates and underlying assumptions on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future affected periods.

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is included in Note 3g related to goodwill impairment testing.

Information about assumptions and estimation uncertainties as at December 31, 2023 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following note:

- Nota 6 - Impairment testing in the value of goodwill and long-lived assets: key assumptions for the valuation of the recoverable amount.

Determination of control over certain equity investments

The Group has assessed critical control factors as set forth in IFRS 10 Consolidated Financial Statements and has concluded that it should consolidate the financial statements of certain entities in which it does not hold a majority or full equity interest, considering the substantive decision-making rights over the relevant activities set forth in the bylaws of such entities, together with the hotel operating agreements, to determine whether the Group is able to exercise its power to direct the relevant activities of the business to alter the corresponding variable returns.

In 2022, the Group, together with an external partner, incorporated MHKL Hotel Venture Mexico, S.A. de C.V. (MHKL) to acquire the assets of the "Mahekal Beach Resort" hotel. The Group owns a 50% equity interest in this entity, but it additionally entered into a hotel operating agreement through which it exercises power and control over this entity. As at December 31, 2023, the Group consolidates the balances and transactions of MHKL into its consolidated financial statements.

e) Fair value measurement

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer. The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Group's audit committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 21 - Financial Instruments and Risk Management

f) Scope of consolidation

The consolidated financial statements include all entities that are directly controlled by the Group.

All Group entities prepare their financial statements as at December 31, 2023 applying the same accounting and measurement criteria under IFRS. Intra-group balances and transactions are eliminated on consolidation.

The following table summarizes the changes in the number of entities included in the consolidated financial statements:

Entities consolidated in the financial statements:

	NUMBER OF ENTITIES
December 31, 2024 and 2023	39

g) Statement of comprehensive income presentation

Since the Group is a service company, ordinary costs and expenses are analyzed by their nature, since such classification allows for a more accurate evaluation of the Group's operating and gross profit margins. The Group also includes department profit, profit before finance charges and depreciation and operating profit, which are the difference between operating profit from department costs and expenses, indirect expenses and finance charges and depreciation, and they are an important indicator for evaluating the Group's financial and business performance, in accordance with the standards of the hotel industry.

h) Explanation for translation into English

The consolidated financial statements as of December 31, 2004 and 2023, have been prepared in English for use outside of Mexico, only for the convenence of readers. Certain accounting practices applied by the Entity that conform with IFRS may not conform with accounting principles generally accepted in the country of use.

3. Summary of Significant Accounting Policies

The Group, as well as all Group entities, have consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except where otherwise indicated.

a) Basis of consolidation

(i) Business combination

Business combinations are accounted for using the acquisition method as of the acquisition date (the date when the Group acquires control of an entity). Control is achieved when the Group (i) has power over the investee, (ii) is exposed, or has rights, to variable returns from its involvement with the investee, and (iii) has the ability to affect those returns through its power over the investee. The Group considers the potential voting rights that can be exercised or converted when assessing whether it has control over an investee.

The Group measures goodwill at the acquisition date as:

- The fair value of the consideration transferred, plus
- The amount recognized for any non-controlling interests in the investee, plus
- If the business combination is achieved in stages, the fair value of existing equity interests of the acquiree, less
- The net amount (normally, the fair value) of identifiable assets acquired and identifiable liabilities assumed

When there is an excess of the fair value of net assets acquired over the aggregate consideration transferred, any gain on a bargain purchase is recognized in profit or loss. Goodwill is recognized on acquisition and is considered to have an indefinite useful life. Therefore, it is subject to annual impairment testing.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.

Transaction costs, other than those associated with the issuance of debt or equity instruments, that are incurred by the Group in respect of a business combination are recognized in profit or loss as incurred.

Contingent consideration payable is recognized at fair value at the acquisition date. If contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

(ii) Acquisition of non-controlling interests

Acquisitions of non-controlling interests are accounted for as transactions with shareholders; therefore, no goodwill is recognized as a result of these transactions. Adjustments to non-controlling interests arising from transactions that do not involve loss of control are based on the proportional amount of the net assets of the subsidiary, and the effects are recognized in equity.

(iii) Subsidiaries

The subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

Specifically, the Group controls an investee if, and only if, the Group has:

Power over the investee
Exposure, or rights, to variable returns from its involvement with the investee
The ability to use its power over the investee to affect its returns

The Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including potential voting rights, and control over entities in which the Group owns less than 50% of voting rights but can direct its relevant activities. Consolidation of a subsidiary ceases when the Group loses control of the subsidiary.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

An analysis of the Group's equity investments in subsidiaries is as follows:

SUBSIDIARY	% EQUITY INTEREST	PRIMARY ACTIVITY
Inmobiliaria en Hotelería Guadalajara Santa Fe, S. de R.L. de C.V.	100%	Real estate management
Inmobiliaria en Hotelería Monterrey Santa Fe, S. de R.L. de C.V.	100%	Real estate management
Inmobiliaria en Hotelería Ciudad Juárez Santa Fe, S. de R.L. de C.V.	100%	Real estate management
Inmobiliaria MB Santa Fe, S.A. de C.V.	100%	Real estate management
Grupo Hotelero SF de México, S. de R.L. de C.V.	100%	Hotel management
Chartwell Inmobiliaria de Monterrey, S. de R.L de C.V.	100%	Hotel managementt
Chartwell Inmobiliaria de Juárez, S. de R.L. de C.V.	100%	Hotel management
Inmobiliaria en Hotelería Vallarta Santa Fe, S. de R.L. de C.V.	100%	Hotel management
Inmobiliaria en Hotelería Cancún Santa Fe, S. de R.L. de C.V.	100%	Hotel management
Inmobiliaria Hotelera Cancún Urban, S. de R.L. de C.V.	100%	Hotel managementt
SF Partners II, S. de R.L. de C.V.	100%	Hotel management
Moteles y Restaurantes María Barbara, S.A. de C.V.	100%	Hotel management
Hotelera SF, S. de R.L. de C.V.	100%	Hotel operation
Servicios en Administración Hotelera SF, S. de R.L. de C.V.	100%	Administrative services
Administración SF del Norte, S. de R.L. de C.V.	100%	Administrative services
Administración SF Occidente, S. de R.L. de C.V.	100%	Administrative services
Corporación Integral de Servicios Administrativos de Occidente, S. de R.L. de C.V.	100%	Administrative services
Administración SF del Pacífico, S. de R.L. de C.V.	100%	Administrative services
Administración SF de Quintana Roo, S. de R.L. de C.V.	100%	Administrative services
Servicios Administrativos Urban Cancún, S. de R.L. de C.V.	100%	Hotel management
Servicios Administrativos Tlalnepantla Santa Fe, S. de R.L. de C.V.	100%	Administrative services

SUBSIDIARY	% EQUITY INTEREST	PRIMARY ACTIVITY
Inmobiliaria en Hotelería León Santa Fe, S. de R.L. de C.V.	100%	Real estate management
Corporación de Servicios Los Angeles Vallarta, S. A de C.V.	100%	Administrative services
Inmobiliaria en Hotelería Insurgentes 724, S.A.P.I. de C.V.	50%	Real estate management
Inmobiliaria K Suites 1991, S.A.P.I. de C.V.	100%	Hotel management
Servicios Administrativos K Suites 1991, S. de R.L. de C.V.	100%	Administrative services
Sibra Vallarta, S.A. de C.V.	50%	Real estate management
ICD Sitra, S.A. de C.V.	50%	Real estate management
Promotora los Ángeles Cabos, S.A. de C.V.	50%	Hotel management
Servicios Ángeles SJC, S.A. de C.V.	50%	Administrative services
Arrendadora los Ángeles Vallarta, S.A. de C.V.	50%	Hotel management
CER diecinueve 91, S de R.L. de C.V.	100%	Consumer services
Servicios en Administración Hotelera M.P.S.F.S. de R.L. de C.V.	50%	Administrative services
Inmobiliaria en Hotelería Querétaro S.F., S.A. de C.V.	50%	Hotel management
Grupo inmobiliario 1991, S.A. de C.V.	50%	Hotel management
Inmobiliaria en Hotelera del Bajio S.F., S.A. de C.V.	50%	Hotel management
MHKL Hotel Venture Mexico S.A. de C.V.	50%	Real estate management
HPC Santa Fe, S.A. de C.V.	50%	Hotel management

(iv) Balances and transactions eliminated on consolidation

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated on consolidation.

Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

b) Foreign currency

Transactions in foreign currency are initially translated using the prevailing exchange rate on the day of the initial transactions. Foreign currency denominated assets and liabilities are translated using the exchange rate ruling at the reporting date. Exchange differences are recognized in profit or loss as part of finance costs.

Transactions in foreign currency are initially translated into the Group's functional currency using the prevailing exchange rate on the day of the initial transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. The exchange gain or loss on monetary items is the difference between the amortized cost in the functional currency at the beginning of the period, adjusted for payments and effective interest during the period, and the amortized cost in foreign currency translated at the exchange rate ruling at the reporting date. Exchange differences resulting from the re-translation are recognized in profit or loss.

Non-monetary items that are recognized at their historical cost in a foreign currency are translated using the exchange rate prevailing on the date of the transaction.

c) Financial instruments

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortized cost; fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as measured at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Group's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated (e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trade and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g., liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g.,non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract.

Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets - subsequent measurement and gains and losses

Financial assets at fair value through profit or loss	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the EIR method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the EIR method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the EIR method. Interest income and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

(iii) Derecognition

Financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(v) Derivative financial instruments

The Group holds derivative financial instruments to hedge its interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

The Group has not complied with the hedge accounting provisions. Therefore, changes are recognized directly in profit or loss in the period in which they are incurred.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in profit or loss.

d) Inventories

The Group's inventories consists mainly of the following items: food, beverages and other hotel operating supplies. Inventories are measured at the lower of cost or net realizable value. The cost of inventories is determined using the average cost method, which includes all expenses incurred to acquire inventories.

When required, the Group records provisions to recognize write downs in the value of its inventories due to impairment, obsolescence, low turnover and other circumstances that indicate that the recoverable amounts of inventories are less than their carrying amounts.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

e) Prepaid expenses

Prepaid expenses are primarily comprised of prepaid insurance with a term of less than one year that is amortized over its lifetime. Prepaid expenses are expensed in profit or loss when the good or service is received.

f) Property, furniture and equipment

(i) Recognition and measurement

Property, furniture and equipment is recognized at cost, net of accumulated depreciation and accumulated impairment losses, if any. Land is measured at cost. Assets acquired through business combinations are recognized at fair value (see Note 6).

Costs include all expenditures directly attributable to the acquisition of the asset. The cost of assets built for the Group's own use includes the costs of materials, direct labor costs and other costs required to get the asset ready for use, including the borrowing costs of qualifying assets. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

If significant parts of an item of property, furniture and equipment have different useful lives, then they are accounted for as separate items (major components) of property, furniture and equipment.

Gains and losses from the sale of an item of property, furniture and equipment are determined by comparing the proceeds of the sale against the net carrying amount of property, furniture and equipment, and are presented on a net basis as part of the "Other" caption under operating income and property expenses and depreciation in the consolidated statement of comprehensive income.

Operating equipment is mainly comprised of earthenware, glassware, bedding and cutlery expensed at the start of the hotel's operation. Equipment replacements are directly recognized in profit or loss in the period in which they are made. Operating equipment is not subject to depreciation since it roughly represents the Group's investment.

An item of property, furniture and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.

(ii) Subsequent costs

The cost to replace an item of property, furniture and equipment (except for replacements of operating equipment) is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and they can be reliably measured. The net carrying amounts of replaced parts are derecognized. Operating costs are expensed as incurred.

(iii) Depreciation

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, furniture and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Freehold land is not depreciated.

An analysis of the estimated useful lives of property, furniture and equipment is as follows:

	ESTIMATED USEFUL LIFE
General construction	70 years
Major refurbishments	20 years
Elevators	30 years
Major systems	23 years
Air conditioning	20 years
Furniture and equipment	10 years
Automotive equipment	4 years
Computer equipment	3 years

The residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate. Minor repair and maintenance costs are expensed as incurred.

The carrying amount of property, furniture and equipment is reviewed annually whenever there are indicators of impairment in the value of such assets. When the recoverable amount of an asset, which is the higher of the asset's expected net selling price and its value in use (the present value of future cash flows), is less than its net carrying amount, the difference is recognized as an impairment loss.

g) Goodwill

Goodwill represents future economic benefits arising from other assets acquired that are not individually identifiable or recognized separately. Goodwill is subject to impairment testing at the end of the reporting period and whenever there are indicators of impairment.

Impairment

The Group assesses at the end of each reporting period whether there is any indicator that its long-lived assets may be impaired, considering, as a minimum, the following indicators:

External sources of information

(a) There are observable indications that the asset's value has declined during the period significantly more than would be expected as a result of the passage of time or normal use.

(b) Significant changes with an adverse effect on the entity have taken place during the period, or will take place in the near future, in the technological, market, economic or legal environment in which the entity operates or in the market to which an asset is dedicated.

(c) Market interest rates or other market rates of return on investments have increased during the period, and those increases are likely to affect the discount rate used in calculating an asset's value in use and decrease the asset's recoverable amount materially.

(d) The carrying amount of the net assets of the entity is more than its market capitalization.

Internal sources of information

(e) Evidence is available of obsolescence or physical damage of an asset.

(f) Significant changes with an adverse effect on the entity have taken place during the period, or are expected to take place in the near future, in the extent to which, or manner in which, an asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operation to which an asset belongs, plans to dispose of an asset before the previously expected date, and reassessing the useful life of an asset as finite rather than indefinite.

(g) Evidence is available from internal reporting that indicates that the economic performance of an asset is, or will be, worse than expected.

(i) Non-derivative financial assets

Financial instruments

The Group recognizes loss allowances for expected credit losses (ECLs) on:

- financial assets measured at amortized cost;

The Group measures ECL allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and

- other debt securities and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, except for the cases in which the Group has information that the risk has not increased significantly.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or

- the financial asset is more than 90 days past due, or otherwise the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument, about past events, current conditions and forecasts of future economic conditions.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate (EIR) of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the issuer or obligor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognized in OCI.

Derecognition

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than investment property, inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

h) Other assets

Other assets primarily include exclusivity rights with finite useful lives and are recognized at cost. Amortization is determined on the assets' carrying amounts on a straight-line basis over 10 and 15 years. In addition, certain recoverable assets are included in the consolidated financial statements as at December 31, 2024 (see Note 14).

i) Equity investment in associates and other equity investments

The Group's interests in equity-accounted investees comprise interests in associates. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

Other investments

On June 12, 2013, the Group entered into an agreement with OMA Logística, S.A. de C.V. to develop, build and operate a "Hilton Garden Inn" hotel in the Monterrey airport, through the incorporation of a new entity, Consorcio Hotelero Aeropuerto Monterrey, S.A.P.I. de C.V., in which the Group holds an equity interest of 15%, without exercising control over the investee. This investment is recognized at cost.

j) Short-term employee benefits

Short-term employee benefits are measured on an undiscounted basis based on current salaries and charged to profit or loss as the services are rendered. The related liabilities are recognized at nominal value due to their short-term nature and include employee profit sharing payable, compensated absences, paid annual leave, vacation premium and incentives.

Employee profit sharing is presented as part of costs and expenses in the statement of comprehensive income.

Defined benefit plan

Statutory seniority premiums are calculated estimating the future benefit accrued by employees in exchange for their service in current and past periods; this benefit is discounted to determine its present value. The discount rate is determined by reference to market yields at the date of the statement of financial position on government bonds that have maturity dates approximating the maturity dates of the Group's obligations and that are denominated in the currency that the pension benefits are expected to be paid out in. The calculation is performed annually by a qualified actuary using the projected unit credit method.

Termination benefits

Termination benefits are expensed when the Group can no longer withdraw the offer of those benefits, there is a formal plan to terminate an employee's employment before the normal retirement date, or to provide termination benefits as part of an offer made to encourage voluntary retirement. Termination benefits for cases of early voluntary retirement are expensed only if the Group has made an offer to encourage voluntary retirement, it is probable that the offer will be accepted, and the number of employees who will accept the offer can be reliably estimated. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted to present value.

k) Share-based payments

The Group has established a share-based payment plan for certain employees, whereby it recognizes an operating expense in the statement of comprehensive income and an increase in equity during the vesting period, measured at the fair value of the equity instruments granted. Vesting periods range from one to three years. In accordance with the plan, shares net of tax withholdings are granted to executives who meet the requirement of working uninterruptedly for the Group during the vesting period (see Note 20).

l) Accounts payable, accrued liabilities and provisions

Provisions are recognized i) when the Group has a present obligation (legal or constructive) as a result of a past event, ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and iii) a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provision amounts are determined as the present value of the expected outflow of resources to settle the obligation. The provisions are discounted using a pre-tax rate that reflects the current market conditions at the date of the statement of financial position and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are recognized only when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Also, contingencies are recognized only when they generate a loss.

m) Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognizes revenue when it transfers control over a good or service to a customer.

TYPE OF PRODUCT/SERVICE	NATURE AND TIMING OF SATISFACTION OF PERFORMANCE OBLIGATIONS, INCLUDING SIGNIFICANT PAYMENT TERMS	REVENUE RECOGNITION POLICY
Hospitality services	Revenue from hospitality services is recognized as the service is rendered. The degree of completion used to determine the amount of revenue to be recognized is calculated based on a review of the work executed.	Revenue from hospitality services is recognized over time as the services are provided. The stage of completion for determining the amount of revenue to recognize is assessed as the performance obligation is satisfied. Trade advances presented as current liabilities correspond to amounts collected for future bookings, for which the hospitality service has not yet been rendered. Trade advances are recognized as revenue when the service is rendered.
Food and beverages	Revenue from food and beverages is recognized as such items are consumed at hotel restaurants.	Revenue from food and beverages is recognized as the products are sold.
Rental income under IFRS 16 (Group as lessor)	Rental income is recognized on a straight-line basis over the lease term and presented as part of other operating income.	Revenue is recognized over time on a straight-line basis. Advances received are included in contract liabilities.

TYPE OF PRODUCT/SERVICE	NATURE AND TIMING OF SATISFACTION OF PERFORMANCE OBLIGATIONS, INCLUDING SIGNIFICANT PAYMENT TERMS	REVENUE RECOGNITION POLICY
Revenue from hotel management	Revenue from hotel management is recognized as the services are rendered.	The degree of completion to used determine the amount of revenue to be recognized is calculated over time as the services are rendered.
Loyalty program	The Group offers a loyalty program entitled "Krystal Rewards", through which customers can earn points known as "Krystales", which are redeemable in exchange for services. The equivalent monetary value of these points is deducted from revenue obtained from hospitality services and recognized as a deferred liability. The fair value of loyalty points is determined based on Management's estimates. "Krystal" points expire after two years.	Revenue from this service is recognized as the service is rendered. The degree of completion used to determine the amount of revenue to be recognized is calculated based on a review of the work executed.
Vacation Club revenue	The Group sells memberships that allow customers to enjoy preferential rates and various discounts on hotel services during a certain period.	Revenue is recognized over the term of the agreement.

n) Department costs

Department costs represent costs directly related to revenue from hotel services, food and beverages and other operating income. Such costs primarily include personnel costs (wages and salaries and other employee-related costs), consumption of raw materials and food and beverages.

The cost of food and beverage inventories represents the replacement cost of such inventories at the time of the sale, plus any decrease in the replacement cost or net realizable value of the inventories during the year.

o) Advertising expenses

Advertising expenses are expensed as incurred.

p) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) The Group as a lessee

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) The Group as a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other revenue'.

q) Finance income and costs

Finance income includes interest income on invested funds. Interest income is recognized as it accrues in profit or loss, using the EIR method.

Finance costs include interest expenses on debt and bank fees. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the EIR method.

Foreign exchange gains and losses are recognized in the statement of comprehensive income on a net basis.

r) Income tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

Current tax comprises the expected tax payable or receivable on the taxable profit or loss for the year for each individual Group entity. Current income tax is determined in accordance with legal and tax requirements for entities in Mexico, applying the tax rates that are enacted or substantively enacted at the reporting date, and any adjustments to taxes from prior years.

Deferred income tax is calculated for each individual Group entity using the asset and liability method. Under this method, deferred taxes are recognized on temporary differences between financial reporting and tax values of assets and liabilities.

Deferred tax is not recognized for the following temporary differences: temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future. In addition, the Group does not recognize deferred taxes on taxable temporary differences arising on the initial recognition of goodwill.

Deferred taxes are calculated applying the enacted income tax rate as of the date of the statement of financial position, or the enacted rate at the date of the statement of financial position that will be in effect when the temporary differences giving rise to deferred tax assets and liabilities are expected to be recovered or settled. Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off the recognized amounts and they relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously.

Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the asset will be realized.

s) IFRIC Interpretation 23

The Group periodically evaluates positions taken in the tax returns with respect to situations where applicable tax regulations are subject to interpretation, and considers whether it is probable that the tax authorities will accept an uncertain tax treatment. Tax balances are determined based on the 'most likely amount method' or the 'expected value' method, depending on which approach best predicts the resolution of the uncertainty.

t) Employee profit sharing

Current employee profit sharing is determined based on current tax laws and regulations. Under Mexican law, entities are required to distribute 10% of their taxable profit to their employees. Employee profit sharing is presented as part of indirect costs under "Administrative expenses" in the statement of comprehensive income.

As a result of the labor outsourcing reform, as of September 1, 2021 the method used to calculate employee profit sharing was modified. New requirements are imposed, which establish that the amount of employee profit sharing allocated to each employee cannot exceed the higher of the equivalent of three months of the employee's current salary or the average employee profit sharing received by the employee in the three prior years.

If the amount of employee profit sharing determined by applying the 10% rate to taxable profit is higher than the sum of the employee profit sharing allocated to each employee, the latter must be considered as the amount of employee profit sharing payable for the period. In accordance with the Mexican Labor Law, the difference between these two amounts does not generate a payment obligation either in the current or future periods.

If the amount of employee profit sharing determined by applying the 10% rate to taxable profit is lower or equal than the sum of employee profit sharing allocated to each employee, the current employee profit sharing will be the amount determined by applying the 10% rate to taxable profit.

u) Contingencies

Contingent liabilities are recognized only when it is probable that they will be realized and the amount of the obligation can be reliably measured. When the amount of the obligation cannot be reliably measured, a qualitative disclosure is included in the notes to the consolidated financial statements. Contingent revenue, earnings or assets are recognized only when it is virtually certain that they will be realized.

v) Segment information

Segment results reported by the Group's Board of Directors (decision makers) include items directly attributable to a specific segment, as well as any items that can be reasonably identified and allocated to that segment. Expense items that cannot be directly attributed to hotels (Urban and Resort), such as salaries, office rentals and other administrative expenses, among others, are presented as part of the "Operadora" segment.

w) Basic earnings per share

The Group presents basic earnings per share (EPS) attributable to ordinary shareholders. Basic EPS is calculated by dividing the profit/(loss) attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year and adjusted based on the shares held by the Group.

4. *New Accounting Pronouncements*

New and amended standards and interpretations

The Group applied for the first-time certain standards and interpretations, which are effective for annual periods beginning on or after January 1, 2024 (except where otherwise indicated). The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Amendment to IFRS 16 - Lease liability arising in a sale and leaseback transaction

The amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

These amendments did not have any impact on the Group's financial statements.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

The amendments specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

These amendments had no impact on the classification of the liabilities of the Group.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

Mexican FRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and Mexican FRS S2 Disclosure of Core Indicators for Sustainability

The issuance of Mexican FRS S1 and Mexican FRS S2 responds to the growing demand of sustainability-related information from different users of the financial statements, including investors, consumers and other stakeholders. The purpose of these standards is to establish a clear and consistent framework for sustainability-related reporting.

Mexican FRS S1 General Requirements for Disclosure of Sustainability-related Financial Information

Mexican FRS S1 provides for impact reporting and financial reporting related to the interactions between an entity and its stakeholders, society, the economy and the environment along its value chain in order to meet the needs of the different users of the financial statements. The users of the financial statements may require a large amount and variety of information. Mexican FRS Sustainability Disclosure Standards aim to provide sustainability information that meets the common needs of each group of users.

Mexican FRS S2 Disclosure of Core Indicators for Sustainability

The purpose of Mexican FRS S2 is to help entities disclose the Core Indicators for Sustainability that allow users of the financial statements to understand the profile and context in which an entity operates as part of its sustainability impact reporting.

These new standards are effective for annual periods beginning on or after January 1, 2025, with early adoption permitted for annual periods beginning on or after January 1, 2024, provided that the entity elects to early apply both standards.

The Group will evaluate the impact of the adoption of this standard on its consolidated financial statements in 2025.

5. Financial Risk Management

The Group is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Currency risk
- Interest rate risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. Management is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's Board of Directors oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer fails to meet its contractual obligations, and arises primarily from the Group's accounts receivable.

Trade receivables, related party receivables and other accounts receivable

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Since the Group provides its services to a large number of customers, there is no significant concentration of business in any one customer.

Management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered for hospitality services. The Group's review includes external ratings, if they are available, and in some cases bank references. Credit limits are established for each customer, representing the maximum amount available. Customers who fail to meet the Group's creditworthiness requirements can only carry out transactions if such transactions are paid in advance or in cash to the Group.

The Group creates a provision for impairment losses representing its best estimate of expected losses in respect of trade receivables and other accounts receivable. The primary factors in this provision are a specific ECL component that corresponds to significant individual risks. The provision is recognized as part of operating expenses in the statement of comprehensive income.

Investments

The Group limits its exposure to credit risk by investing only in "over-the-counter" securities, which are highly liquid and low risk.

Guarantees

The Group's policy is to provide financial guarantees only for liabilities of subsidiaries in which it holds at least a 90% equity interest.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation (see Note 21).

Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations, over a period of 30 days. This excludes the possible impact of extreme circumstances that are not reasonably predictable, such as natural disasters, for which the Group has contracted insurance policies.

The measures implemented by the Group to respond to potential future liquidity constraints include the following:

- The Group has increased its flexibility in relation to booking, cancellation and modification policies to be more accommodative to its guests.

- The Group has negotiated with its workforce to obtain enough support to maintain its hotels without the need to suspend operations.

- The Group has established strict cost and expense controls primarily including: i) negotiation of adjustments to payment terms and price reductions with suppliers in order to guarantee liquidity during upcoming months; and ii) maintenance that supports operations and adaptation to new sanitary measures.

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- The Group has renegotiated its debt agreements and entered into debt amending agreements in April, May and June 2020 with BBVA Bancomer, S.A. to defer the payment of principal and interest for up to 6 months; with Banco Sabadell, S.A. for up to 12 months starting in June and September 2020; and with Banco Santander México and Banco Ve por Más, S.A. for six months, starting in June 2020.

- In October, November and December 2020, the Group entered into new debt amending agreements with BBVA Bancomer, S.A. to defer the payment of principal and interest for up to six months.

- In November 2022, Banorte, S.A. granted a revolving line of credit through a promissory note from which the principal and interest are paid.

- As at December 31, 2024 and 2023, the Group obtained waivers from banks in relation to the breach of affirmative and negative covenants, guaranteeing that the debt will not be due within the next 12 months (i.e., from January 1, to December 31, 2024 and 2023).

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Group is exposed to currency risk primarily from the rendering of services and loans denominated in a currency other than its functional currency (Mexican peso). The foreign currency in which these transactions are mainly denominated is the U.S. dollar (USD).

Interest on loans is denominated in the currency of the loan (U.S. dollar).

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is kept at an acceptable level by buying or selling foreign currencies in cash or at spot rates when necessary to address short-term imbalances.

Currency risk

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In respect of other monetary assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is kept at an acceptable level by buying or selling foreign currencies in cash or at spot rates when necessary to address short-term imbalances.

Interest rate risk

Interest rate fluctuations affect the fair value (fixed-rate instruments) or future cash flows (variable-rate instruments) of debt instruments. Management does not have formal policies in place to determine how much of its exposure should be at fixed or variable rates. However, when obtaining new loans, management applies judgment to determine whether a fixed or a variable rate would be more favorable for the Group over the life of loan.

The Group's policy is to hedge against benchmark rates of its bank loans based on market conditions. Currently, the Group holds a current position in interest rate options (LIBOR and TIIE) that serve to limit interest rates in variable rate loans.

Capital management

The Group aims to maintain a strong capital base to meet its operating and strategic needs and maintain confidence among market participants. This is achieved through optimal cash management, continuous monitoring of revenue and profits, and long-term investment plans that are used to finance the Group's operating cash flows. Through these measures, the Group seeks to achieve constant profitability.

6. Business Combinations, Goodwill and Assets Held for Sale

Identifiable assets acquired and liabilities assumed

Business combinations are accounted for using the acquisition method as of the acquisition date (the date when the Group acquires control of an entity). Management determined that the Group has achieved control as it: i) has power over the investee; ii) it has exposure, or rights, to variable returns from its involvement with the investee; and iii) has the ability to use its power over the investee to affect its returns.

An analysis of identifiable assets acquired and liabilities assumed in business combinations is as follows:

MHKL Hotel Venture Mexico , S.A. de C.V.

On December 14, 2022, the Group, in association with an external partner, acquired a hotel property located in Playa del Carmen, Quintana Roo, with 195 rooms operating under the "Mahekal Beach Resort" brand name for USD 56,000,000.

This acquisition was partially financed through a bank loan of USD 33,000,000.00, and the rest was paid by means of shareholder contributions.

As a result of the recognition of the acquisition in accordance with IFRS 3 Business Combinations, the Group did not recognize goodwill because the acquired goods were measured at fair value. The Group will use the measurement period of one year from the acquisition date, as established under IFRS 3, to complete the fair value documentation. However, the Group does not expect the recognition of this transaction to have any effect on its consolidated financial statements.

Grupo Inmobiliario 1991, S.A. de C.V.

On August 18, 2018, the Group, through a shareholder resolution of the subsidiary Inmobiliaria K Suites, S.A.P.I. de C.V., agreed to a capital contribution in Grupo Inmobiliario 1991, S.A. de C.V. of Ps. 132,000 through the capitalization of debt owed to Inmobiliaria K Suites 1991, S.A.P.I. de C.V., through which the Group acquired a 50%-stake in the company.

The property owned by Grupo Inmobiliario 1991 is the hotel "Krystal Grand Suites 1991", which currently has 150 rooms and is operated by a subsidiary of the Group.

The acquisition of the aforementioned hotel was financed through a bank loan obtained by a subsidiary of the Group.

As a result of the recognition of the acquisition in accordance with IFRS 3 Business Combinations, the Group recognized goodwill net of deferred tax of Ps. 22,762 using the acquisition method at the date of acquisition, which is the date on which control is transferred to the Group.

Inmobiliaria Hotelera del Bajío S.F., S.A. de C.V.

On August 24, 2018, the Group agreed to a variable capital increase in its 50%-owned subsidiary Inmobiliaria Hotelera del Bajío S.F., S.A.de C.V. ("IHB") of Ps. 128,250, through which the share capital of IHB was increased to 256,503,000 shares, with a proportional share being subscribed by the other partner.

With the funds obtained, on the same date the subsidiary acquired property, furniture and equipment in the city of León, Guanajuato, consisting of a hotel with 140 rooms that operates under the "Hotel Hyatt Centric Campestre León" brand name and is operated by the Group.

The capital contribution was financed through a bank loan obtained by a subsidiary of the Group.

As a result of the recognition of the acquisition in accordance with IFRS 3 Business Combinations, the Group did not recognize goodwill because the acquired goods were measured at fair value.

ICD Sitra, S.A. de C.V. y Sibra Vallarta, S.A. de C.V.

On February 21, 2017, the Group entered into an agreement whereby it agreed to subscribe a capital increase in the variable portion of the share capital of ICD Sitra, S.A. de C.V. (Sitra), thereby acquiring a 50%-stake in the entity.

Sitra's assets include a hotel with 454 Gran Turismo rooms, which will be operated by the Group under the "Krystal Grand" brand known as "Krystal Grand Los Cabos".

On February 28, 2017, the Group entered into an agreement whereby it agreed to subscribe a capital increase in the variable portion of the share capital of Sibra Vallarta, S.A. de C.V. (Sibra), thereby acquiring a 50%-stake in the entity.

Sibra's assets include a hotel with 480 Gran Turismo rooms, which will be operated by the Group under the "Krystal Grand" brand known as "Krystal Grand Nuevo Vallarta".

The acquisition of the aforementioned hotels was financed with funds from the Subsequent Public Offering of shares in Mexico and Chile that took place on July 7, 2016.

As a result of the recognition of the acquisition in accordance with IFRS 3 Business Combinations, the Group recognized goodwill net of deferred tax of Ps. 224,059 using the acquisition method at the date of acquisition, which is the date on which control is transferred to the Group.

As at December 31, 2020, the Group recognized impairment of Ps. 9,198 in the value of goodwill corresponding to Sitra. Accordingly, as at December 31, 2020, the goodwill of both entities in the amount of Ps. 224,059 decreased by the impairment amount. The current balance of goodwill arising from this acquisition is Ps. 214,861 which corresponds to Sibra.

Moteles y Restoranes María Bárbara, S.A. de C.V.

On May 7, 2015, the Group acquired a hotel located in the State of Mexico, in the Municipality of Naucalpan, with 215 rooms operating under the "Krystal Satélite María Bárbara" brand name in the amount of Ps. 205,265. The identifiable assets acquired and liabilities assumed in the acquisition of this entity gave rise to goodwill of Ps. 62,130, which was recognized in the financial statements on the date on which the transaction occurred.

Inmobiliaria en Hoteleria Cancún Santa Fe, S.A. de C.V.

On September 24, 2013, the Group acquired a hotel located in the city of Cancun, Quintana Roo, Mexico. The identifiable assets acquired and liabilities assumed in the acquisition of this entity gave rise to goodwill of Ps. 45,864, which was recognized in the financial statements on the date on which the transaction occurred.

7. Business Segment Information

a) Basis for segmentation

The Group has three operating segments, which are classified by type of service due to the similarity of their economic characteristics:

- Urban Services
- Resort Facilities
- Operator and Holding

The Urban segment comprises City hotels, the Resort segment comprises beachfront hotels, and the Operator and Holding segment comprises third-party hotels and administrative services.

Operating segment performance is measured based on the total revenue and operating profit of each operating segment, since Management believes that such information is the most appropriate to evaluate performance. An analysis of the financial information of each operating segment is as follows:

2024

	URBAN	RESORT FACILITIES	OPERATOR AND HOLDING	CONSOLIDATED
Total operating profit	**Ps. 783,957**	**Ps. 2,125,740**	**Ps. 75,085**	**Ps. 2,984,782**
Depreciation and amortization	**127,258**	**176,212**	**26,532**	**330,002**
Operating profit/(loss)	**110,434**	**505,976**	**(87,027)**	**529,383**
Consolidated net profit	**Ps. (175,842)**	**Ps. 110,731**	**Ps. (38,406)**	**Ps. (103,517)**

2023

	URBAN	RESORT FACILITIES	OPERATOR AND HOLDING	CONSOLIDATED
Total operating profit	Ps. 677,868	Ps. 2,173,303	Ps. 108,036	Ps. 2,959,207
Depreciation and amortization	111,284	171,284	24,747	307,315
Operating profit/(loss)	102,122	551,356	(273,230)	380,248
Consolidated net profit/(loss)	Ps. 479,331	Ps. 512,696	Ps. (399,132)	Ps. 592,895

An analysis of the Group's consolidated financial position for 2024 and 2023 is as follows:

2024

	URBAN	RESORT FACILITIES	OPERATOR AND HOLDING	CONSOLIDATED
Total assets	**Ps. 4,298,757**	**Ps. 7,121,815**	**Ps. 379,900**	**Ps. 11,800,472**
Total liabilities	**1,508,144**	**3,361,477**	**34,598**	**4,904,219**

2023

	URBAN	RESORT FACILITIES	OPERATOR AND HOLDING	CONSOLIDATED
Total assets	Ps. 4,058,423	Ps. 6,869,355	Ps. 849,835	Ps. 11,777,613
Total liabilities	1,525,447	3,354,806	75,762	4,956,015

8. Cash, Cash Equivalents and Restricted Cash

An analysis of cash, cash equivalents and restricted cash as at December 31, 2024 and 2023 is as follows:

		2024		2023
Cash	Ps.	137,858	Ps.	100,431
Short-term investments		141,557		101,312
Total current cash and cash equivalents		279,415		201,743
Long-term restricted cash (1)		145,307		137,702
Total cash, cash equivalents and restricted cash	**Ps.**	**424,722**	**Ps.**	**339,445**

(1) Restricted cash comprises certain deposits to guarantee payment of bank loans.

9. Accounts Receivable

An analysis of accounts receivable as at December 31, 2024 and 2023 is as follows:

		2024		2023
Guests and travel agencies	Ps.	80,026	Ps.	82,158
Vacation Club		16,389		19,021
Airlines		81,356		99,263
		177,771		200,442
Less: allowance for doubtful accounts		1,795		1,934
Total accounts receivable	**Ps.**	**175,976**	**Ps.**	**198,508**

The Group's exposure to credit and foreign currency risks and impairment losses related to accounts receivable is disclosed in Note 21.

10. Related Party Balances and Transactions

a) Control relationships

On June 8, 2023, control trust F/154, created by the founders in Casa de Bolsa Ve por Más, S.A. de C.V., Grupo Financiero Ve Por Más, Fiduciary división, was extinguished and as of that date the shares held by each shareholder are individually traded in the stock market and among the investing public.

The Board of Directors exercises control over Grupo Hotelero Santa Fe, S.A.B. de C.V.

b) Key management personnel compensation

Key management personnel received the following salary compensation, which is recognized as part of personnel costs as shown below:

		2024		2023
Short-term employee benefits	**Ps.**	**67,179**	**Ps.**	**76,152**

c) Other related party transactions

An analysis of other related party transactions for the years ended December 31, 2024 and 2023 is as follows:

(i) Revenue

	TRANSACTION VALUE			
		2024		2023
Base management fees:				
Hotelera Chicome, S.A. de C.V.	Ps.	15,737	Ps.	14,066
Promotora Turística Mexicana, S.A. de C.V.		9,771		9,432
Hotelera Caracol, S.A. de C.V.		7,131		7,701
Consorcio Hotelero Aeroportuario Monterrey, S.A.P.I. de C.V.		4,069		3,457
Inmobiliaria en Hotelería SFGH, S. de R.L. de C.V.		5,500		774

	TRANSACTION VALUE 2024		TRANSACTION VALUE 2023	
Incentive fees:				
Hotelera Chicome, S.A. de C.V.	Ps.	13,949	Ps.	13,119
Promotora Turística Mexicana, S.A. de C.V.		10,962		11,022
Hotelera Caracol, S.A. de C.V.		7,236		7,548
Consorcio Hotelero Aeropuerto Monterrey, S.A.P.I. de C.V.		6,484		5,455
Inmobiliaria en Hotelería SFGH, S. de R.L. de C.V.		2,474		758
Interest income:				
Roseg, S.A. de C.V.		1,596		-
Corporate and international advertising revenue:				
Hotelera Chicome, S.A. de C.V.	Ps.	8,361	Ps.	6,131
Promotora Turística Mexicana, S.A. de C.V.		5,150		3,687
Hotelera Caracol, S.A. de C.V.		5,674		4,156
Other income:				
Hotelera Chicome, S.A. de C.V.	Ps.	568	Ps.	242
Promotora Turística Mexicana, S.A. de C.V.		149		47
Hotelera Caracol, S.A. de C.V.		121		34
Consorcio Hotelero Aeropuerto Monterrey, S.A.P.I. de C.V.		102		5
Inmobiliaria en Hotelería SFGH, S. de R.L. de C.V.		126		4,228

(ii) Expenses

	TRANSACTION VALUE 2024		TRANSACTION VALUE 2023	
Recoverable expenses:				
Promotora Turística Mexicana, S.A. de C.V.	Ps.	9,805	Ps.	10,486
Servicios Corporativos Krystal Vallarta, S.A. de C. V		11,302		7,427
Hotelera Chicome, S.A. de C.V.		77		288
Hotelera Caracol, S.A. de C. V		11		55
Consorcio Hotelero Aeropuerto Monterrey, S.A.P.I. de C.V.		51		36

	TRANSACTION VALUE 2024		TRANSACTION VALUE 2023	
Administrative service expenses:				
Servicios Administrativos Chartwell, S.A. de C.V.	Ps.	3,809	Ps.	3,575
Rent:				
Inmobiliaria de la Parra, S. de R.L. de C.V.	Ps.	7,167	Ps.	6,669
Extraordinary fees (Note 14):				
Hotelera Chicome, S.A. de C.V.	Ps.	20,560	Ps.	18,824
Promotora Turística Mexicana, S.A. de C.V.		12,869		13,094
Hotelera Caracol, S.A. de C.V.		9,430		9,365

(iii) Pricing policies

In the determination of the prices charged in transactions with related parties, such prices are similar to the prices that would have been used with or between independent parties in comparable transactions.

An analysis of balances due from and to related parties as at December 31, 2024 and 2023 is as follows:

	2024		2023	
Accounts Receivable				
Promotora Turística Mexicana, S.A. de C.V.	Ps.	7,991	Ps.	610
Hotelera Caracol, S.A. de C.V.		3,219		2,194
Consorcio Hotelero Aeroportuario Monterrey, S. de R.L. de C.V.		961		635
Inmobiliaria en Hotelería SFGH, S. de R.L. de C.V.		642		5,778
Servicios Integrales Parimba, S.A. de C.V.		502		502
Administración S.F. Reforma, S. de R.L. de C.V.		218		218
Comercializadora MP, S.A. de C.V.		2		2
Roseg, S.A. de C.V.		-		10,029
Hotelera Chicome, S.A. de C.V.		-		2,336
Nexxus Capital Private Equity Fund III, L. P.		-		2
Sunset Tulum S.A. de C.V.		-		6,206
Total receivables	**Ps.**	**13,535**	**Ps.**	**28,512**

		2024		2023
Accounts payable				
Servicios Corporativos Krystal Vallarta, S.A. de C.V.	Ps.	813	Ps.	487
Hotelera Chicome, S. A. de C. V.		722		-
Operadora Inca, S.A. de C.V.		49		23
Roseg, S.A. de C.V.		11		37
Inmobiliaria Hotelera de la Peninsula, S.A. de C.V.		2		2
Promotora Turística Mexicana, S.A. de C.V.		-		-
Servicios Corporativos Krystal Cancun, S.A. de C.V.		-		8
Total payables	**Ps.**	**1,597**	**Ps.**	**557**

As at December 31, 2024 and 2023, balances receivable due from and payable due to related parties correspond to hotel management and operation agreements, and current account balances that bear no interest and have no specific maturities.

The Group's exposure to credit and liquidity risks related to related party payables is disclosed in Note 21.

11. Recoverable Taxes

An analysis of recoverable taxes as at December 31, 2024 and 2023 is as follows:

		2024		2023
Recoverable value added tax	Ps.	404,875	Ps.	371,419
Recoverable income tax		114,620		85,205
Other		2,325		1,732
	Ps.	**521,820**	**Ps.**	**458,356**

12. Inventories

An analysis of inventories as at December 31, 2024 and 2023 is as follows:

		2024		2023
Food	Ps.	15,524	Ps.	13,130
Beverages		7,742		6,265
Other operating supplies		15,322		13,302
	Ps.	**38,588**	**Ps.**	**32,697**

Inventories recognized in profit or loss as part of cost of sales for the years ended December 31, 2024 and 2023 totaled Ps. 667,610 and Ps. 653,400, respectively.

13. Property, Furniture and Equipment

An analysis of property, furniture and equipment is as follows:

INVESTMENT	LAND	OPERATING EQUIPMENT	BUILDINGS	FURNITURE AND EQUIPMENT	CONSTRUCTION IN PROGRESS [2]	TOTAL
Balance as at December 31, 2023	Ps. 2,523,526	Ps. 90,732	Ps. 6,706,236	1,201,249	Ps. -	Ps. 10,521,743
Acquisitions (1)	-	2,355	55,458	25,629	178,487	261,929
Disposals	-	-	-	(1,093)	-	(1,093)
Transfers	-	11,946	91,904	70,684	(177,526)	(2,992)
Balance as at December 31, 2024	**Ps. 2,523,526**	**Ps. 105,033**	**Ps. 6,853,598**	**Ps. 1,296,469**	**Ps. 961**	**Ps. 10,779,587**

INVESTMENT	LAND	OPERATING EQUIPMENT	BUILDINGS	FURNITURE AND EQUIPMENT	CONSTRUCTION IN PROGRESS [2]	TOTAL
Balance as at December 31, 2022	Ps. 2,544,054	Ps. 90,732	Ps. 5,798,976	1,081,742	Ps. 1,398,617	Ps. 10,914,121
Acquisitions (1)	2,744	-	184,504	139,018	10,346	336,612
Disposals	(23,272)	-	(44,540)	(19,511)	-	(87,323)

INVESTMENT	LAND	OPERATING EQUIPMENT	BUILDINGS	FURNITURE AND EQUIPMENT	CONSTRUCTION IN PROGRESS (2)	TOTAL
Transfers	-	-	767,296	-	(1,408,963)	(641,667)
Balance as at December 31, 2023	**Ps. 2,523,526**	**Ps. 90,732**	**Ps. 6,706,236**	**Ps. 1,201,249**	**Ps. -**	**Ps. 10,521,743**

ACCUMULATED DEPRECIATION	LAND	OPERATING EQUIPMENT	BUILDINGS	FURNITURE AND EQUIPMENT	CONSTRUCTION IN PROGRESS (2)	TOTAL
Balance as at December 31, 2023	-	-	Ps. 1,061,170	Ps. 754,299	-	Ps. 1,815,469
Depreciation for the year	-	-	162,249	145,853	-	308,102
Disposals	-	-	-	(589)	-	(589)
Transfers	-	-	-	-	-	-
Balance as at December 31, 2024	**Ps. -**	**Ps. -**	**Ps. 1,223,419**	**Ps. 899,563**	**Ps. -**	**Ps. 2,122,982**

ACCUMULATED DEPRECIATION	LAND	OPERATING EQUIPMENT	BUILDINGS	FURNITURE AND EQUIPMENT	CONSTRUCTION IN PROGRESS (2)	TOTAL
Balance as at December 31, 2022	-	-	Ps. 880,569	Ps. 664,879	-	Ps. 1,545,448
Depreciation for the year	-	-	155,309	117,750	-	273,059
Disposals	-	-	25,291	(28,331)	-	(3,040)
Transfers	-	-	1	1	-	2
Balance as at December 31, 2023	**Ps. -**	**Ps. -**	**Ps. 1,061,170**	**Ps. 754,299**	**Ps. -**	**Ps. 1,815,469**

IMPAIRMENT	LAND	OPERATING EQUIPMENT	BUILDINGS	FURNITURE AND EQUIPMENT	CONSTRUCTION IN PROGRESS (2)	TOTAL
Balance as at December 31, 2023	Ps. -	Ps. -	Ps. 86,802	Ps. -	Ps. -	Ps. 86,802
Increases	-	-	-	-	-	-
Reversals	-	-	-	-	-	-
Balance as at December 31, 2024	**Ps. -**	**Ps. -**	**Ps. 86,802**	**Ps. -**	**Ps. -**	**Ps. 86,802**

IMPAIRMENT	LAND	OPERATING EQUIPMENT	BUILDINGS	FURNITURE AND EQUIPMENT	CONSTRUCTION IN PROGRESS (2)	TOTAL
Balance as at December 31, 2022	Ps. -	Ps. -	Ps. 86,802	Ps. -	Ps. -	Ps. 86,802
Increases	-	-	-	-	-	-
Reversals	-	-	-	-	-	-
Balance as at December 31, 2023	**Ps. -**	**Ps. -**	**Ps. 86,802**	**Ps. -**	**Ps. -**	**Ps. 86,802**

CARRYING AMOUNT:						
Balance as at December 31, 2024	**Ps. 2,523,526**	**Ps.105,033**	**Ps. 5,543,377**	**Ps. 396,906**	**Ps. 961**	**Ps. 8,569,803**
Balance as at December 31, 2023	Ps. 2,523,526	Ps. 90,732	Ps. 5,558,264	Ps. 446,950	Ps. -	Ps. 8,619,472

For the years ended December 31, 2024 and 2023, there were no indicators of impairment in the value of the Group's long-lived assets.

Depreciation expense for the years ended December 31, 2024 and 2023 was Ps. 309,385 and Ps. 293,316, respectively.

Apartment inventory

The Group built 87 apartments for sale in the upper floors of the Hyatt Regency Insurgentes 724 hotel. As at December 31, 2024, 48 apartments have been sold, 43 of which have been delivered and transferred by deed, 38 in 2024 and 5 in 2023. Revenue as at December 31, 2024 and 2023 totaled Ps. 277,466 and Ps. 45,001, respectively. The cost of sales amounted to Ps. 252,862 and $49,552, respectively. They are presented in the statement of comprehensive income as part of Other income and expenses.

The 5 apartments sold but not yet transferred by deed represent revenue of Ps. 44,073, which is presented in the statement of financial position under Short-term security deposits.

As at December 31, 2024 and 2023, Inventory of Apartments in the consolidated statement of financial position amounts to Ps. 490,836 and Ps. 713,588, respectively, representing the cost of the 39 apartments that are still available for sale.

Impact of hurricane Otis to Krystal Beach Acapulco hotel

On October 27, 2023, the Krystal Beach Acapulco hotel was struck by hurricane Otis, resulting in damages to 200 rooms and furniture within. The hotel has an insurance policy. The Group recovered Ps. 110,802, net of deductible and coinsurance.

During 2023, the Group derecognized damaged fixed assets of Ps. 51,550. These amounts are presented in the statement of comprehensive income as part of Other income and expenses.

On July 12, 2024, the hotel resumed operations with 149 rooms. As at December 31, 2024, the whole 347 rooms of the hotel were readily available.

14. *Other Assets*

An analysis of other assets is as follows:

	2024		2023	
Security deposits	Ps.	6,773	Ps.	6,351
Accounts receivable - Vacation Club (6)		187,923		122,315
Exclusivity rights (1) (2) (3) (4) (5)		182,330		139,270
Other		2,475		3,015
		379,501		270,951
Less:				
Accumulated amortization		53,966		33,349
	Ps.	**325,535**	**Ps.**	**237,602**

(1) On February 23, 2020, Hotelera SF, S. de R.L. de C.V. (the Operator) entered into hotel management and operation agreements with Hotelera Chicome, S.A. de C.V., Hotelera Caracol, S.A. de C.V. and Promotora Turística Mexicana, S.A. de C.V. (the Owners), whereby the Owners entrust the Operator with, and the Operator agrees and undertakes to carry out, the management and operation of the hotels, which will be sold under the "Krystal" brand name.

These agreements are for a term of ten years commencing on February 23, 2020 (date of startup of operations). The agreements establish an extraordinary fee payable to the Owners for having chosen the Operator. The Operator will pay the Owners on a monthly basis within 60 months after the startup of operations advances on a predetermined monthly extraordinary fee consisting of 4% of gross income plus VAT. The extraordinary fee will be paid by the Operator within a 120-month period beginning on February 23, 2020.

For the years ended December 31, 2024 and 2023, the amount of this fee carried to the statement of comprehensive income was Ps. 18,590 and Ps. 11,972, respectively.

(2) On November 1, 2017, Hotelera SF, S. de R.L. de C.V. entered into a hotel management and operation agreement with Parimba, S.A.P.I. de C.V., for the management and operation of a 144-room hotel, which will be sold under the "Hyatt Place Aguascalientes" brand and trade name. The agreement establishes the payment of an extraordinary fee of Ps. 12,000 as consideration for having been chosen by the owner to operate the hotel for an initial period of 20 years. The extraordinary fee will be paid over the same period. For the years ended December 31, 2024 and 2023, the amount of this fee carried to the statement of comprehensive income was Ps. 600 and Ps. 600, respectively.

(3) On March 13, 2017, Hotelera SF, S. de R.L. de C.V. entered into a hotel management and operation agreement with Servicios Integrales PIN, S.A.P.I. de C.V., to operate a 140-room hotel in the City of Irapuato, Guanajuato. The hotel operates as a franchise of an international brand. The agreement establishes the payment of a hotel fee to operate the hotel for a period of 15 years. The extraordinary fee is paid on a monthly basis over the same period in the amount of Ps. 7,000 as consideration for having been chosen by the owner to operate the hotel. For the years ended December 31, 2024 and 2023, the amount of this fee carried to the statement of comprehensive income was Ps. 467 and Ps. 467, respectively.

(4) On March 17, 2016, Hotelera SF, S. de R.L. de C.V. entered into a hotel management and operation agreement with Inca Inmobiliaria Monterrey, S.A. de C.V., which is the owner of the "Krystal Monterrey" hotel. The agreement establishes the payment of an extraordinary fee of Ps. 6,000, as consideration for having been chosen by the owner to operate the hotel for an initial period of 10 years. The extraordinary fee will be paid over the same period. For the years ended December 31, 2024 and 2023, the amount of this fee carried to the statement of comprehensive income was Ps. 600 and Ps. 600, respectively.

(5) On December 22, 2015, Hotelera SF, S. de R.L. de C.V. entered into a hotel management and operation agreement with Servicios Hoteleros Metropolitanos S.A. de C.V., which is the owner of the "Krystal Urban Aeropuerto Ciudad de México" hotel. The agreement establishes the payment of an extraordinary fee of Ps. 3,600 as consideration for having been chosen by the owner to operate the hotel for an initial period of 10 years. The extraordinary fee will be paid on a monthly basis over the same period. For the years ended December 31, 2024 and 2023, the amount of this fee carried to the statement of comprehensive income was Ps. 360 and Ps. 360, respectively.

(6) As of March 2021, the Group sells Vacation Club memberships for the Krystal Grand Cancun, Krystal Grand Los Cabos and Krystal Grand Nuevo Vallarta hotels. This loyalty program offers customers an exclusive club membership, as well as discounts and benefits on booking and food and beverage rates during periods of between five and 20 years, depending on the duration and type of membership purchased.

Amortization expense for other assets recognized in profit or loss as part of the caption costs and expenses was Ps. 20,617 and Ps. 13,999, respectively.

15. *Short- and long-term debt*

An analysis of the Group's long-term bank loans as at December 31, 2024 and 2023 is as follows:

	2024		2023	
Term loan extended by BBVA México, Institución de Banca Múltiple, Grupo Financiero BBVA México to Inmobiliaria en Hotelería Vallarta Santa Fe, S. de R. L. de C. V. for financing of USD 3,146,670. This loan bears interest at the SOFR rate plus 3.10 percentage points, payable in 28 installments, commencing on May 31, 2024. This loan matures in a term of 7 years. The last payment of USD 1,502,534.83 represents 48% of the total debt.	Ps.	64,055	Ps.	-

	2024	2023
Term loan extended by BBVA Bancomer, S.A. to Inmobiliaria en Hotelería Vallarta Santa Fe, S. de R.L. de C.V. for financing of up to USD 22,000,000. The loan bears interest at the 90-day LIBOR, plus 3.10 percentage points, payable in 40 quarterly installments commencing on October 31, 2014 and due in 10 years. The last payment of USD 6,600,000 represents 30% of the total debt.		
On April 30, and October 30, 2020, the Group entered into two amending agreements to the original loan agreement to change the payment schedule, in order to allow the Group to defer payment of four quarterly installments corresponding to the period from April 30, 2020 to February 2, 2021 by adding them to the last payment of the loan, which amounts to USD 8,007,375 and is payable on July 14, 2023.	Ps. 125,130	Ps. 128,831
Term loan extended by BBVA Bancomer, S.A. to Grupo Hotelero SF de México, S. de R.L. de C.V. for financing of Ps. 120,000. The loan bears annual interest at the TIIE, plus 2.95% (two point ninety-five percentage points). If no rate is established in the agreement, the loan shall bear annual interest at the CETES rate, plus 2.95% (two point ninety-five percentage points), payable in 40 quarterly installments commencing on February 29, 2016 and due in 10 years. The last payment of Ps. 36,000 corresponds to 30% of the total debt. This loan was restructured in 2019 to change its denomination from Mexican pesos to U.S. dollars.		
Mortgage-backed term loan extended by BBVA Bancomer, S.A. to Grupo Hotelero SF de México, S. de R.L. de C.V. for financing of USD 4,736,223. This loan bears interest at the 90-day LIBOR, plus 3.10 percentage points payable in 25 quarterly installments commencing on August 31, 2019 and due on November 21, 2025.		
On May 20, and November 26, 2020, the Group entered into an amending agreement to the original loan agreement to change the payment schedule, in order to allow the Group to defer payment of four quarterly installments corresponding to the period from May 31, 2020 to February 28, 2021 by adding them to the last payment of the loan, which amounts to USD 2,351,892 and is payable on November 12, 2025.		
On February 20, 2024, the Group's management made an early repayment of the loan, paying Ps. 53,683 in principal and Ps. 1,070 in interest.	Ps. -	Ps. 53,158

	2024	2023
On September 25, 2024, BBVA México, Institución de Banca Múltiple, Grupo Financiero BBVA México extended a term loan to Grupo SF de México, S. de R. L. de C. V. for financing of USD 6,500,000. This loan bears interest at the SOFR rate plus 2.25 percentage points, payable in 28 quarterly installments, commencing on January 31, 2025 and due on October 31, 2031. The final payment will amount to USD 308,750.	Ps. 133,317	Ps. -
Term loan extended by BBVA Bancomer, S.A. to Inmobiliaria en Hotelería Cancún Santa Fe, S. de R.L. de C.V. for financing of USD 18,300,000. The loan bears interest at the 90-day LIBOR, plus 3.10 percentage points, payable in 39 quarterly installments commencing on June 28, 2014 and due in 10 years. The last payment of USD 5,490,000 represents 30% of the total debt.		
On June 5, and December 16, 2020, the Group entered into two amending agreements to the original loan agreement to change the payment schedule, in order to allow the Group to defer payment of four quarterly installments corresponding to the period from June 30, 2020 to March 31, 2021 by adding them to the last payment of the loan, which amounts to USD 6,830,830 and is payable on March 27, 2024.	Ps. 112,524	Ps. 120,489
Term loan extended by Banco Ve por Más, S.A. to Inmobiliaria Hotelera Cancún Urban, S. de R.L. de C.V. for financing of up to USD 3,852,101. The loan bears interest at the 90-day LIBOR, plus 3.10 percentage points, payable in 15 quarterly installments commencing on August 19, 2019 and due in 4 years.		
On April 22, 2020, the Group entered into an amending agreement to the original loan agreement to change the payment schedule, in order to allow the Group to defer payment of two quarterly installments corresponding to the period from May 19, 2020 to August 19, 2021 by adding them to the last payment of the loan, which amounts to USD 927,116 and is payable on April 30, 2025.	Ps. 22,713	Ps. 30,889
Mortgage-backed term loan extended by Banco Mercantil del Norte, S.A. to Moteles y Restoranes María Bárbara, S.A. de C.V. for financing of Ps. 110,000. The loan bears interest at the 28-day TIIE, plus 3.0 percentage points, payable in 15 annual installments due on May 30, 2031.		

	2024	2023
On May 31, 2024, the Group's management made an early repayment of the loan, paying Ps. 74,1143 in principal and Ps. 909 in interest.	Ps. -	Ps. 74,143
On July 8, 2024, Banco Ve por Más, S.A., Institución de Banca Múltiple, Grupo Financiero Ve por Más extended a loan to Moteles y Restoranes María Bárbara, S.A. de C.V. for financing of USD 4,400,000. This loan bears interest at the SOFR rate plus 2.986 percentage points, repayable in 28 quarterly installments. This loan matures on July 16, 2031. The final payment of the debt will amount to USD 1,320,000 on August 16, 2031.	Ps. 88,680	Ps. -
Mortgage-backed and collateralized term loan extended by SABCAPITAL, S.A. de C.V., SOFOM, E.R. to ICD Sitra, S.A. de C.V. for financing of USD 31,500,000, granting a 12-month grace period for the payment of principal. The loan bears interest at the 90-day LIBOR, plus 2.95 percentage points, payable in 45 quarterly installments due on November 15, 2029.		
On June 5, 2020, the Group entered into an amending agreement to the original loan agreement to change the payment schedule, in order to allow the Group to defer payment of four quarterly installments corresponding to the period from June 5, 2020 to March 5, 2021 by adding them to the last payment of the loan, which amounts to USD 8,590,909 and is payable on November 15, 2029.	Ps. 448,659	Ps. 408,244
Mortgage-backed and collateralized term loan extended by SABCAPITAL, S.A. de C.V., SOFOM, E.R. to Sibra Vallarta, S.A. de C.V. for financing of USD 28,800,000. The loan bears interest at the 90-day LIBOR, plus 2.95 percentage points, payable in 46 quarterly installments due on December 5, 2029.		
On June 5, 2020, the Group entered into an amending agreement to the original loan agreement to change the payment schedule, in order to allow the Group to defer payment of four quarterly installments corresponding to the period from June 5, 2020 to March 5, 2021 by adding them to the last payment of the loan, which amounts to USD 7,808,000 and is payable on December 5, 2029.	Ps. 413,604	Ps. 375,267
Term loan extended by BBVA Bancomer, S.A. to Inmobiliaria en Hotelería Cancún Santa Fe, S. de R.L. de C.V. for financing of USD 8,000,000. The loan bears interest at the 90-day LIBOR, plus 3.10 percentage points, payable in 40 quarterly installments commencing on October 30, 2018 and due in 10 years. The last payment of USD 2,540,000 represents 30% of the total debt.		

	2024	2023
On April 30, and October 30, 2020, the Group entered into an amending agreement to the original loan agreement to change the payment schedule, in order to allow the Group to defer payment of four quarterly installments corresponding to the period from April 30, 2020 to February 2, 2021 by adding them to the last payment of the loan, which amounts to USD 3,100,000 and is payable on July 6, 2028.	Ps. 103,782	Ps. 94,942
Mortgage-backed and collateralized term loan extended by SABCAPITAL, S.A. de C.V. to Grupo Inmobiliario 1991, S.A. de C.V. for financing of USD 13,000,000. This loan bears interest at the LIBOR, plus 2.95 percentage points, payable in 40 quarterly installments due on November 30, 2028. The last payment of USD 2,600,000 represents 20% of the total debt.		
On June 8, 2022, the Group entered into an amending agreement to the original loan agreement to change the payment schedule, in order to allow the Group to defer payment of four quarterly installments corresponding to the period from June 6, 2020 to March 6, 2021 by adding them to the last payment of the loan, which amounts to USD 3,324,916 and is payable on November 30, 2028.	Ps. 197,381	Ps. 180,311
Term loan extended by BBVA Bancomer, S.A. to Inmobiliaria en Hotelería Vallarta Santa Fe, S. de R.L. de C.V. for financing of up to USD 14,000,000. The loan bears interest at the 90-day LIBOR, plus 3.10 percentage points, payable in 40 quarterly installments commencing on November 9, 2018 and due in 10 years. The last payment of USD 5,134,920 represents 36% of the total debt.		
On April 30, and October 30, 2020, the Group entered into an amending agreement to the original loan agreement to change the payment schedule, in order to allow the Group to defer payment of four quarterly installments corresponding to the period from April 30, 2020 to February 2, 2021 by adding them to the last payment of the loan, which amounts to USD 5,134,920 and is payable on October 31, 2028.	Ps. 208,553	Ps. 191,958
Term loan extended by BBVA Bancomer, S.A. to Hotelera del Bajío S.F., S.A. de C.V. for financing of USD 6,512,649. The loan bears interest at the LIBOR, plus 3.10 percentage points, payable in 40 quarterly installments commencing on September 3, 2019 and due on May 29, 2029.		
On May 27, and November 26, 2020, the Group entered into an amending agreement to the original loan agreement to change the payment schedule, in order to allow the Group to defer payment of four quarterly installments corresponding to the period from June 1, 2020 to March 1, 2021 by adding them		

	2024	2023
to the last payment of the loan, which amounts to USD 2,379,071 and is payable on May 31, 2029.	Ps. 96,749	Ps. 88,050
On May 7, 2021, Inmobiliaria Hotelera Insurgentes 724, S.A.P.I. de C.V. entered into a term loan agreement with Banco Mercantil del Norte, Institución de Banca Múltiple, Grupo Banorte S.A. and Banco Sabadell, Institución de Banca Múltiple, for financing of Ps. 255,558. The loan bears annual interest at the TIIE, plus 3 percentage points, payable in 28 quarterly installments due on May 7, 2028.		
On December 18, 2024, the Group repaid this credit in full.	Ps. -	Ps. 185,586
On October 26, 2021, the Group signed a "drawdown request" for a term loan in the amount of Ps. 127,910 that was extended by Banco Mercantil del Norte, Institución de Banca Múltiple, Grupo Banorte, S.A. and Banco Sabadell, Institución de Banca Múltiple on May 7, 2023 to Inmobiliaria Hotelera Insurgentes 724, S.A.P.I. de C.V. This request is for a drawdown against the loan referred to in the preceding paragraph.		
On December 18, 2024, the Group repaid this credit in full.	Ps. -	Ps. 127,171
On March 3, 2022, the Group signed a third "drawdown request" for a term loan in the amount of Ps. 106,532. that was extended by Banco Mercantil del Norte, Institución de Banca Múltiple, Grupo Banorte, S.A. and Banco Sabadell, Institución de Banca Múltiple on May 7, 2021 to Inmobiliaria Hotelera Insurgentes 724, S.A.P.I. de C.V. This request is for a drawdown against the loan referred to above.		
On December 18, 2024, the Group repaid this credit in full.	Ps. -	Ps. 105,915
On August 22, 2022, the Group signed a fourth "drawdown request" for a term loan in the amount of Ps. 100'069 that was extended by Banco Mercantil del Norte, Institución de Banca Múltiple, Grupo Banorte, S.A. and Banco Sabadell, Institución de Banca Múltiple on May 7, 2021 to Inmobiliaria Hotelera Insurgentes 724, S.A.P.I. de C.V. This request is for a drawdown against the loan referred to above.		
On December 18, 2024, the Group repaid this credit in full.	Ps. -	Ps.100,069
On November 15, 2022, the Group signed a fifth "drawdown request" for a term loan in the amount of Ps. 94,149. that was extended by Banco Mercantil del Norte, Institución de Banca Múltiple, Grupo Banorte, S.A. and Banco Sabadell,		

	2024	2023
Institución de Banca Múltiple on May 7, 2021 to Inmobiliaria Hotelera Insurgentes 724, S.A.P.I. de C.V. This request is for a drawdown against the loan referred to above.		
On December 18, 2024, the Group repaid this credit in full.	Ps. -	Ps. 19,576
Loan amendment and adhesion agreement entered into on December 17, 2024 by Inmobiliaria Hotelera Insurgentes 724, S. A. P. I. de C. V. and, jointly, Banco Mercantil del Norte, S. A. Institución de Banca Múltiple Grupo Financiero Banorte and Banco SABADELL, S. A. Institución de Banca Múltiple for financing of USD 16,897,781. This loan bears interest at the SOFR rate or a substitute reference rate,payable in 14 quarterly installments. This loan matures on May 7, 2028, and has a final payment of USD 12,955,528 equal to 76.67% of the loan.	Ps. 346,579	Ps. -
On December 14, 2022, MHKL Hotel Venture México, S.A. de C.V. entered into a term loan agreement with BBVA México for financing of USD 33,000,000. The loan bears interest at the 90-day SOFR rate, plus 3.00 percentage points, payable in 28 quarterly installments due on November 30, 2029.	Ps. 610,365	Ps. 535,584
Current account agreement entered into by BBVA Mexico and Grupo Hotelero Santa Fe, S. A. B. de C. V. on January 25, 2024 and amended on May 23, 2024, for financing of USD 500,000, available on October 21, 2024. This loan bears interest at the SOFR rate plus 2.50 percentage points or a substitute rate.	Ps. 10,255	Ps. -
Accrued interest payable	Ps. 19,091	38,235
Less debt issuance costs	(26,739)	(28,401)
	Ps. 2,974,698	2,830,017
Less current portion	(338,730)	(356,188)
Long-term debt, excluding current portion	**Ps. 2,635,968**	**Ps. 2,473,829**

A reconciliation of changes in the Group's bank loans to its cash flows from financing activities is as follows:

2024	**BEGINNING BALANCE**	**BANK LOANS RECEIVED IN 2024**	**PAYMENTS OF PRINCIPAL**	**INTEREST EXPENSE**	**TOTAL CASH-SETTLED TRANSACTIONS**	**OTHER FINANCE EXPENSES**	**UNREALIZED FOREIGN EXCHANGE LOSS**	**ACCRUED INTEREST**	**ENDING BALANCE**
Long-term debt	**Ps. 2,830,017**	**Ps. 609,226**	**Ps. (916,748)**	**Ps. (274,871)**	**Ps. 2,247,624**	**Ps. 12,932**	**Ps. 460,012**	**Ps. 254,130**	**Ps. 2,974,698**

2023	BEGINNING BALANCE	BANK LOANS RECEIVED IN 2024	PAYMENTS OF PRINCIPAL	INTEREST EXPENSE	TOTAL CASH-SETTLED TRANSACTIONS	OTHER FINANCE EXPENSES	UNREALIZED FOREIGN EXCHANGE LOSS	ACCRUED INTEREST	ENDING BALANCE
Long-term debt	Ps. 3,735,921	Ps. -	Ps. (561,752)	Ps. (300,169)	Ps. 2,874,000	Ps. 9,567	Ps. (363,473)	Ps. 309,923	Ps. 2,830,017

Interest expense on bank loans for the years ended December 31, 2024 and 2023 is Ps. 254,130 and Ps. 277,239, respectively. Additionally, the group recorded Ps. 0 and Ps. 32,684 under fixed assets, respectively.

As at May 16, 2023, the Group repaid the full balance of the loan in the amount of USD 10,843,290 that it obtained from BBVA Bancomer, S.A., of which Servicios e Inmuebles Turísticos, S. de R.L. de C.V. and Chartwell Inmobiliaria de Monterrey, S. de R.L. de C.V. acted as co-signers. As at December 31, 2022, the distribution between the issuing entities of the term loan of up to USD 29,000,000 granted by BBVA Bancomer, S.A. is as follows:

The above bank loans establish affirmative and negative covenants, which include the following relevant matters:

- Submit audited annual financial statements within 210 days after the end of fiscal year.
- Submit internal financial statements within 60 calendar days after the end of each semester.
- Report within ten business days any event that could affect the Group's current financial situation or cause the Group to incur in any of the causes for early termination set forth in the agreement, as well as communicate the corrective actions and measures that will be taken.
- Comply with certain financial ratios.
- Refrain from transferring equity interests (whether due to merger, acquisition, spin-off, assignment) or properties, with certain exceptions.
- Refrain from acquiring interest-bearing liabilities, whose amounts could affect the Group's established payment obligations.
- Refrain from granting loans or guarantees to third parties that could affect the Group's established payment obligations.

As at December 31, 2024 and 2023, the Group breached affirmative and negative covenants. However it obtained waivers from banks in relation to said breaches. Accordingly, the loan was not payable on demand as at December 31, 2024 and 2023.

The Group's exposure to liquidity and foreign currency risks related to its short- and long-term debt is disclosed in Note 21.

16. *Vacation Club*

As of March 2022, the Group began selling Vacation Club memberships in 3 of its hotels. Vacation Club entitles members to unlimited room reservations at a 25% discount rate, as well as discounts on hotel services, including food and beverages, over the term of the agreements, which range from 3 to 25 years. Cost of sales accounts for 59% of revenue, represented primarily by sales commissions. Sales and costs are recognized in profit or loss over the term of the agreement. Deferred costs are recognized in assets and deferred revenue is recognized in liabilities.

An analysis of sales recognized in the statement of comprehensive income is as follows:

	FOR THE YEAR ENDED DECEMBER 31, 2024	FOR THE YEAR ENDED DECEMBER 31, 2023
Revenue	Ps. 49,279	Ps. 46,806
Costs and expenses	28,181	27,561
Profit	**Ps. 21,098**	**Ps. 19,245**

Revenue, costs and expenses are included as part of the "Other" caption under Department costs and expenses.

An analysis of balances recognized in the statement of financial position is as follows:

	BALANCE AS AT DECEMBER 31, 2024		BALANCE AS AT DECEMBER 31, 2023	
Assets				
Deferred cost – Vacation Club – short term	Ps.	19,159	Ps.	16,758
Deferred cost – Vacation Club – long term		163,982		142,202
Liabilities				
Deferred revenue – Vacation Club – short term	Ps.	35,366	Ps.	47,410
Deferred revenue – Vacation Club – long term		250,204		196,311

17. Accrued Liabilities

An analysis of the Group's accrued liabilities is as follows:

	2024		2023	
Amounts owed to shareholders from capital redemptions	Ps.	29,647	Ps.	29,647
Unidentified deposits		10,970		5,189
Other		3,467		4,347
Total	**Ps.**	**44,084**	**Ps.**	**39,183**

18. Employee Benefits

The cost of defined benefit plans and other amounts related to seniority premiums were determined based on independent actuarial calculations performed as at December 31, 2024 and 2023.

An analysis of the present value of the defined benefit obligation as at December 31, 2024 and 2023 is as follows:

	2024		2023	
Seniority premiums	**Ps.**	**17,711**	Ps.	22,726

a) Changes in present value of defined benefit obligation

	SENIORITY PREMIUMS 2024		SENIORITY PREMIUMS 2023	
Defined benefit obligation as at January 1	Ps.	22,726	Ps.	16,815
Benefits paid		(1,124)		(162)
Current-year service cost		4,613		5,742
Past service cost		176		(3)
Interest cost		1,865		1,221
Actuarial losses		(10,545)		(887)
Defined benefit obligation as at December 31	**Ps.**	**17,711**	**Ps.**	**22,726**

b) Amounts recognized in profit or loss

	SENIORITY PREMIUMS 2024		SENIORITY PREMIUMS 2023	
Current-year service cost	Ps.	4,428	Ps.	5,580
Past service cost		(762)		(3)
Interest cost		1,866		1,221
Actuarial losses		(10,555)		(887)
	Ps.	**(5,023)**	**Ps.**	**5,911**

The Group's net periodic benefit expense for the years ended December 31, 2024 and 2023 was recognized as part of indirect administrative costs in the consolidated statement of comprehensive income.

c) Actuarial assumptions

The main actuarial assumptions used at the reporting date (expressed as weighted average) were as follows:

	2024	2023
Discount rate	**10%**	9.30%
Future salary increase rate	**5%**	5.00%

d) Share-based payments

The Group has a trust for the purpose of purchasing its own shares for share-based payments offered to certain Group executives. The plan is for a three-year period and became effective on April 1, 2016, and 33%, 33% and 34% of the shares will vest on the first, second and third anniversary, respectively. To participate in the share-based payment plan, the executive must have at least one year of seniority within the Group, be recommended by the executive committee and be working for the Group on the date of each anniversary. The plan allows for additions within its effective term, provided that such additions are subject to the same conditions. The Group's Board of Directors authorizes and grants the shares in the plan at least once a year to certain executives who are eligible under Group policies. The fair value for each share allocated in the plan is equal to the average market price of the share at the grant date.

The trust shares for the share-based payment plan as at December 31, 2024 and 2023 have a market value of $ 3.90 pesos each.

The movements made in this account are as follows:

ITEM	2023 BEGINNING BALANCE	CHARGES	NEW GRANTS	2024 ENDING BALANCE
No. of shares	3,303,743	3,192,845	-	110,898
Price per share in Mexican pesos	Ps. 3.90	Ps. 3.90	Ps. 3.90	Ps. 3.90
Total share-based plan	Ps. 12,885	Ps. 12,452	Ps. -	Ps. 433

19. Income Tax

a) Income tax

a) The Mexican Income Tax Law (MITL) establishes a corporate income tax rate of 30% for fiscal years 2024 and 2023.

Income tax for the year is calculated by applying the statutory income tax rate to the Group's taxable profit for the year.

The MITL establishes requirements and limits regarding certain deductions, including restrictions on the deductibility of payroll-related expenses that are considered tax-exempt for employees, contributions to create or increase pension fund reserves, and Mexican Social Security Institute dues that are paid by the Group but that should be paid by the employees. The MITL also establishes that certain payments made to related parties shall not be deductible if they do not meet certain requirements.

b) Employee profit sharing

The Mexican Income Tax Law (MITL) establishes that entities are to calculate their employee profit sharing on the basis of their taxable earnings for the year determined for income tax purposes, plus or minus the effects of certain adjustments specified in the MITL.

As a result of the reform to the Federal Labor Law published in the Official Gazette on April 23, 2021, Article 127, Section VIII of the law establishes that employee profit sharing payable to each employee will be capped at three times the current monthly wage or the average employee profit sharing received by the employee in the three prior years, whichever is higher.

c) An analysis of income tax recognized in profit or loss for the years ended December 31, 2024 and 2023 is as follows:

	2024	2023
Current income tax	Ps. 44,484	Ps. 167,678
Deferred income tax	(52,964)	(43,769)
Total income tax	**Ps. (8,480)**	**Ps. 123,909**

d) Reconciliation of the effective income tax rate

The tax (benefit)/expense attributable to the profit/(loss) before income tax was different from the taxable profit determined by applying the 30% income tax rate to the profit/(loss) before income tax, as a result of the following items:

	INCOME TAX					
	2024			2023		
Expected expense	Ps.	(33,599)	30%	Ps.	215,041	30%
Plus/(less):						
Taxable effects of inflation, net		26,575	(24)%		(46,933)	(7)%
Non-deductible expenses		9,179	(8)%		10,649	2%
Unrecognized deferred tax assets from tax losses		(10,634)	9%		(54,848)	(8)%
Income tax (expense)/benefit	Ps.	(8,480)	8%	Ps.	123,909	17%

e) Deferred income tax assets and liabilities

An analysis of deferred income tax assets and liabilities is as follows:

	INCOME TAX			
	2024		2023	
Deferred tax assets				
Available tax loss carryforwards	Ps.	70,931	Ps.	43,020
Provisions		34,733		32,895
Trade advances		27,826		27,523
Deductible employee profit sharing		2,819		3,568
Allowance for doubtful accounts		539		539
Employee Benefits		2,450		3,145
Other Assets		28,141		18,815
Total deferred tax assets		167,439		129,505

	INCOME TAX	
	2024	2023
Deferred tax liabilities:		
Property, furniture and equipment	(657,923)	(671,677)
Prepaid expenses	(24,942)	(26,218)
Total deferred tax liabilities	(682,865)	(697,895)
Deferred tax liability, net	(515,426)	(568,390)
Deferred tax assets recognized in the consolidated statement of financial position	270,286	281,980
Deferred tax liabilities recognized in the consolidated statement of financial position	(785,712)	(850,370)
	Ps. (515,426)	**Ps. (568,390)**

Deferred income tax assets and liabilities are presented in the consolidated statement of financial position based on the grouping of each consolidated legal entity given that the tax effects cannot be netted or offset between the different entities, since there is no legal mechanism that allows it.

As at December 31, 2023, deferred tax liability balances in the amount of Ps. 40,382 of the subsidiary SIT were reclassified to "Liabilities held for sale" (see Note 6).

f) Changes in temporary differences

	JANUARY 1, 2024		RECOGNIZED PROFIT OR LOSS		DECEMBER 31, 2024	
Property, furniture and equipment	Ps.	(671,677)	Ps.	13,754	Ps.	(657,923)
Available tax loss carryforwards		43,020		27,911		70,931
Liability provisions		32,895		1,838		34,733
Trade advances		27,523		303		27,826
Allowance for doubtful accounts		539		-		539
Employee Benefits		3,145		(695)		2,450
Deductible employee profit sharing		3,568		(749)		2,819
Prepaid expenses		(26,218)		1,276		(24,942)
Other assets		18,815		9,326		28,141
	Ps.	**(568,390)**	**Ps.**	**52,964**	**Ps.**	**515,426**

	JANUARY 1, 2023	RECOGNIZED PROFIT OR LOSS	DECEMBER 31, 2023
Property, furniture and equipment	Ps. (735,180)	Ps. 63,503	Ps. (671,677)
Available tax loss carryforwards	68,681	(25,661)	43,020
Liability provisions	27,459	5,436	32,895
Trade advances	21,709	5,814	27,523
Allowance for doubtful accounts	1,642	(1,103)	539
Employee benefits	1,093	2,052	3,145
Deductible employee profit sharing	3,105	463	3,568
Prepaid expenses	(15,396)	(10,822)	(26,218)
Other assets	14,728	(4,087)	18,815
	Ps. (612,159)	**Ps. 43,769**	**Ps. (568,390)**

To assess the future recovery of deferred tax assets, Group management considers the probability of either a portion or the entire deferred tax asset not being realized in future years. The eventual realization of the Group's deferred tax assets will depend on whether the Group has taxable profit in the periods in which the temporary differences become deductible. Management's evaluation is based on the expected turnaround time of the Group's deferred liabilities, its projected future taxable profit, and its general tax planning strategies.

20. Equity and Reserves

An analysis of the Group's equity as at December 31, 2024 and 2023 is as follows:

a) Initial public offering

At an ordinary and extraordinary shareholders' meeting held on September 3, 2014, the shareholders agreed to change the type of entity of the Group to a publicly traded variable capital corporation (Sociedad Anónima Bursátil de Capital Variable), as well as to make a mixed public offering of shares in Mexico of up to 75,000,000 shares of Ps. 750,000 (Ps. 681,809, net of placement expenses and taxes), which took place on September 11, 2014.

After the initial public offering, the share capital was represented by 275,500,000 common registered Series "II" shares with no par value, 207,500,000 of which corresponded to the Group's founders and 68,000,000 to the investing public.

b) Subsequent public offering

At an extraordinary shareholders' meeting held on June 15, 2016, the shareholders agreed to make a public offering of shares in Mexico and Chile of up to 215,625,000 shares, 215,584,530 of which were offered for Ps. 1,832,469 (Ps. 1,787,961, net of placement expenses and taxes). Such public offering took place on June 17, 2016.

After the subsequent public offering, the share capital consisted of 491,084,530 common, registered shares with no par value, 264,612,635 of which correspond to the Group's founders and 226,471,895 to the investing public.

c) Share capital increase and redemption

At an ordinary shareholders' meeting held on June 14, 2022, the shareholders agreed to increase the variable portion of the Group's share capital by 100,000,000 common registered Class II shares with no par value, issued at a subscription price of $ 4 per share, for a total amount of Ps. 400,000.

As a result of the capital increase, share capital is represented by 716,084,530 common registered shares with no par value. Fixed share capital is 0.0040 % and variable share capital is 99.9960%, of which all shares are listed for trading among the general investing public through the Mexican Stock Exchange.

On April 27, 2023, the Group agreed to decrease the variable portion of its share capital, with no cancellation of shares, by an amount in Mexican pesos equivalent to up to USD $40,000,000, through a cash reimbursement to its shareholders which was realized on May 30, 2023 for a sum of Ps. 713, 008.

d) Repurchase of shares

At ordinary and extraordinary shareholders' meetings held on September 3, 2014, the shareholders agreed to repurchase the Group's own shares up to an amount equal to the total balance of the Group's net profit, including retained earnings. The National Banking and Securities Commission allows companies to acquire their own shares on the market, provided that they are paid from their own retained earnings account.

The total net repurchased shares as at December 31, 2024 were 354,198 shares, equal to 0.049% of the Group's total share capital.

31% of the repurchased shares, that is 110,898,73 shares corresponds to the fund for the share-based payment plan for the Group's executives implemented in 2016. The market value of the shares as at December 31, 2024 and 2023 is $ 3.90 pesos and $ 3.90 pesos, respectively, per share. The repurchased shares available for sale have been recognized as a decrease in share capital.

e) Share-based payments

The Group has a trust for the purpose of purchasing its own shares for share-based payments offered to certain Group executives. The plan is for a three-year period and became effective on April 1, 2016, and 33%, 33% and 34% of the shares will vest on the first, second and third anniversary, respectively. To participate in the share-based payment plan, the executive must have at least one year of seniority within the Group, be recommended by the executive committee and be working for the Group on the date of each anniversary. The plan allows for additions within its effective term, provided that such additions are subject to the same conditions. The Group's Board of Directors authorizes and grants the shares in the plan at least once a year to certain executives who are eligible under Group policies. The fair value for each share allocated in the plan is equal to the average market price of the share at the grant date.

The trust shares for the share-based payment plan as at December 31, 2024 and 2023 have a market value of $ 3.90 pesos each.

f) Share premium

The share premium represents the difference between the payment of the registered shares and their par value resulting from the share capital increase executed on February 26, 2010.

g) Legal reserve

In accordance with the Mexican Corporations Act, the Group is required to appropriate at least 5% of the net profit of each year to increase the legal reserve. This practice must be continued each year until the legal reserve reaches 20% of the value of the Group's share capital. As at December 31, 2024 and 2023, the legal reserve is Ps. 190,493, and has not reached the required minimum.

Capital contributions (restated for inflation) may be returned to the Group's shareholders tax-free for up to the value of the Group's equity.

Dividends paid from earnings on which the Group has not yet paid income tax and other components of equity will be subject to income tax withholdings at the corporate income tax rate of 30%, therefore, the shareholders will only be able to dispose of the remaining 70%.

Non-controlling interests

During 2024, by means of resolutions adopted at a shareholders' meeting, the shareholders made various capital contributions to subsidiaries A summary of the most significant changes to the Group's non-controlling interests is as follows:

	2024	
NON-CONTROLLING INTEREST:	CAPITAL (REDEMPTIONS)/CONTRIBUTIONS	PROFIT/(LOSS)
Mahekal Beach Resort, S.A. de C.V.	Ps. 18,015	Ps. (44,943)
Inmobiliaria Hotelera del Bajio SF SA de CV	4,050	(18,594)
ICD SITRA SA de CV	141,091	(33,837)
SIBRA Vallarta SA de CV	-	10,986
Inmobiliaria Hotelera Insurgentes 724, SAPI de CV	85,750	(79,199)
Grupo Inmobiliario 1991 , SA de CV	-	(18,766)
Servicios Bajio, SA de CV	-	(3)
Total	**Ps. 248,906**	**Ps. (184,356)**

On December 6 2024, by means of resolutions adopted at a shareholders' meeting, the shareholders of ICD SITRA, S.A. de C.V. declared a total cash dividend of Ps. 162,264, of which Ps. 81,131 correspond to shares not controlled by the Group. The payment was made on December 27, 2024.

On July 14, 2023, by means of resolutions adopted at a shareholders' meeting, the shareholders of ICD SITRA, S.A. de C.V. declared and paid a total cash dividend of Ps. 1,000, of which Ps. 500 correspond to shares not controlled by the Group.

h) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the year by the weighted average number of ordinary shares outstanding during the year. An analysis of the weighted average number of ordinary shares as at December 31, 2024 and 2023 is as follows:

	NUMBER OF SHARES 2024	2023
January 1	712,780,787	710,570,722
Repurchase of shares	2,949,545	2,210,065
Ending balance of shares	715,730,332	712,780,787
Weighted average	715,006,378	712,377,373
Earnings per share	0.11	0.73

21. *Financial Instruments and Risk Management*

a) Credit or counterparty risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's accounts receivable and investments in financial instruments. To mitigate this risk, the Group estimates its exposure to credit risk from its financial instruments.

b) Exposure to credit risk

The carrying amount of the associated financial assets represents the Group's maximum exposure. An analysis of the Group's maximum exposure to credit risk at the reporting date is as follows:

	CARRYING AMOUNT 2024	2023
Accounts receivable	Ps. 175,976	Ps. 198,508
Related parties	13,535	28,512
Other accounts receivable	5,937	1,739
Recoverable taxes	521,820	530,277
	Ps. 717,268	**Ps. 759,036**

As at December 31, 2024 and 2023, the Group's maximum exposure to credit risk related to trade receivables at the reporting date, by geographic region, is as follows:

	CARRYING AMOUNT 2024	2023
Domestic	Ps. 121,349	Ps. 141,795
Other regions	54,627	56,713
	Ps. 175,976	**Ps. 198,508**

As at December 31, 2024 and 2023, the Group's maximum exposure to credit risk related to trade receivables at the reporting date, by type of counterparty, is as follows:

	CARRYING AMOUNT 2024	2023
End-user customers	Ps. 107,343	Ps. 129,072
Wholesale customers	68,633	69,436
	Ps. 175,976	**Ps. 198,508**

Impairment losses

An analysis of aging of trade receivables as at December 31, 2024 and 2023 is as follows:

	GROSS 2024	IMPAIRMENT 2024	GROSS 2023	IMPAIRMENT 2023
Current (not past due)	Ps. 146,882	Ps. -	Ps. 144,370	Ps. -
1 to 30 days	28,931	-	49,852	-
31 to 120 days	1,852	1,689	6,114	1,828
More than 120 days	106	106	106	106
	Ps. 177,771	**Ps. 1,795**	**Ps. 200,442**	**Ps. 1,934**

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2024	2023
Beginning balance	Ps. 1,934	Ps. 2,977
Increases during the year	-	-
Decrease	(139)	(1,043)
Effect of available-for-sale assets	-	-
Ending balance	**Ps. 1,795**	**Ps. 1,934**

Derivative financial instruments

The fair value of derivative financial instruments represents the maximum credit exposure. An analysis is as follows:

	FAIR VALUE	
	2024	2023
Amounts in thousands of Mexican pesos		
Interest rate options (3M LIBOR)	Ps. 319	Ps. 13,700
BBVA Bancomer	**Ps. 319**	**Ps. 13,700**

c) Liquidity risk

Liquidity risk is the risk that the Group will not have sufficient funds available to meet its obligations related to financial liabilities. The Group aims, to the extent possible, to monitor these obligations, both under normal and adverse conditions, in order to avoid incurring in unacceptable losses or jeopardize the Group's reputation.

The following are the remaining contractual maturities of financial liabilities at the reporting date, including short- and long-term debt, suppliers and related party payables. The cash flows shown below are not expected to occur significantly before or differ significantly. An analysis is as follows:

2024	CARRYING AMOUNT	CONTRACTUAL CASH FLOWS	1 YEAR	2 YEARS	3 YEARS	MORE THAN 3 YEARS
Non-derivative financial liabilities:						
Short- and long-term debt	Ps. 2,974,698	Ps. 3,867,927	Ps. 584,713	Ps. 570,323	Ps. 544,067	Ps. 2,168,824
Suppliers	223,124	223,124	223,124	-	-	-
Related parties	1,597	1,597	1,597	-	-	-
	Ps. 3,199,419	**Ps. 4,092,648**	**Ps. 809,434**	**Ps. 570,323**	**Ps. 544,067**	**Ps. 2,168,824**

2023	CARRYING AMOUNT	CONTRACTUAL CASH FLOWS	1 YEAR	2 YEARS	3 YEARS	MORE THAN 3 YEARS
Non-derivative financial liabilities:						
Short- and long-term debt	Ps. 2,830,017	Ps. 3,964,274	Ps. 631,499	Ps. 542,827	Ps. 468,069	Ps. 2,321,879
Suppliers	234,175	234,175	234,175	-	-	-
Related parties	557	557	557	-	-	-
	Ps. 3,064,749	**Ps. 4,199,007**	**Ps. 866,231**	**Ps. 542,827**	**Ps. 468,069**	**Ps. 2,321,879**

Market risk

Market risk is the risk that changes in market prices – e.g., foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. To mitigate its market risks, the Group contracts derivative financial instruments. Since such derivatives do not qualify for hedge accounting, they are classified as held-for-trading.

Exposure to currency risk

An analysis of the Group's exposure to currency risk is as follows:

AMOUNTS IN THOUSANDS OF U.S. DOLLARS	2024	2023
Trade receivables	Ps. 26,464	Ps. 12,083
Secured bank loans	(145,407)	(130,685)
Suppliers	(5,670)	(4,511)
Net exposure	**Ps. (124,613)**	**Ps. (123,113)**

The exchange rate used to translate the above-mentioned amounts to Mexican pesos as at December 31, 2024 and 2023 was Ps. 20.5103 and Ps. 16.8935, respectively, per U.S. dollar. The exchange rate as at March 13, 2025 was $ 20.3388 pesos per U.S. dollar.

Foreign currency risk in derivatives

The Group is exposed to foreign currency risk in its derivative financial instruments, which are denominated in U.S. dollars while the Group's functional currency is the Mexican peso. The Group's derivative financial instruments acquired from credit institutions are used solely for hedging purposes and not for trading purposes.

The Group does not have financial instruments to hedge against exchange rate fluctuations.

Exposure to foreign currency risk

An analysis of the Group's exposure to foreign currency risk arising from its derivative financial instruments denominated in U.S. dollars is as follows:

AMOUNTS IN THOUSANDS OF U.S. DOLLARS	2024	2023
Interest rate options (3M LIBOR): BBVA Bancomer	**Ps. 811**	**Ps. 811**

The exchange rate used to translate the above amounts to Mexican pesos as at December 31, 2024 and 2023 was $ 20.5103 pesos and $ 16.8935, pesos, respectively, per U.S. dollar.

Sensitivity analysis

A reasonably possible strengthening of the Mexican peso against the U.S. dollar as at December 31, 2024 and 2023 would have affected net profit or loss by the amounts shown below.

This analysis is based on variances in the U.S. dollar-Mexican peso exchange rate that the Group considers to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remain constant. An analysis is as follows:

2024	PROFIT OR LOSS
USD (2.20% strengthening)	**Ps. 4,889**
2023	
USD (0.09% strengthening)	Ps. 1,057

Assuming all other variables remain constant, the effect of a weakening of the Mexican peso against the U.S. dollar as at December 31, 2024 and 2023 would have given rise to an increase in the above amounts.

As at December 31, 2023, the Group has no foreign currency hedging instruments.

Interest rate risk

Interest rate fluctuations affect the fair value (fixed-rate instruments) or future cash flows (variable-rate instruments) of debt instruments. Management does not have formal policies in place to determine how much of its exposure should be at fixed or variable rates. However, when obtaining new loans, Management applies judgment to determine whether a fixed or a variable rate would be more favorable for the Group over the loan term.

Profile

An analysis of the interest rate profile of the Group's financial instruments at the date of authorization of these consolidated financial statements is as follows:

	CARRYING AMOUNT	
	2024	2023
Variable-rate instruments		
Financial liabilities in U.S. dollars	Ps. 2,974,698	Ps. 2,209,377
Financial liabilities in Mexican pesos	-	620,640
	Ps. 2,974,698	**Ps. 2,830,017**

Interest rate risk of derivative financial instruments

The Group is exposed to interest rate risk in derivative financial instruments due to potential interest rate fluctuations in the short and long term.

Exposure to interest rate risk

An analysis of the Group's exposure to interest rate risk arising from its derivative financial instruments is as follows:

	CARRYING AMOUNT	
	2024	2023
Interest rate options (LIBOR 3M) BBVA Bancomer	Ps. 319	Ps. 13,700
	Ps. 319	**Ps. 13,700**

Fair value sensitivity analysis for fixed-rate instruments

A change of 100 basis points in interest rates would have increased or decreased profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

PROFIT OR LOSS: **2024**	100 BP INCREASE	100 BP DECREASE
Variable-rate debt	**55,087**	**<55,087>**

Book classification and fair value of derivative financial instruments

Fair value and amortized cost

An analysis of the fair value of financial assets and financial liabilities and amortized cost is as follows:

	CARRYING AMOUNT	FAIR VALUE
Balance as at December 31, 2024		
Interest rate options (3M LIBOR)		
BBVA Bancomer	Ps. 319	Ps. 319
Total derivative financial instruments	**Ps. 319**	**Ps. 319**

	CARRYING AMOUNT	FAIR VALUE
Balance as at December 31, 2023		
Interest rate options (3M LIBOR)		
BBVA Bancomer	Ps. 13,700	Ps. 13,700
Total derivative financial instruments	**Ps. 13,700**	**Ps. 13,700**

Fair value hierarchy

The Group determines fair value using the following fair value hierarchy, which reflects the importance of the variables used when making the respective measurements:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: fair value measurements are those derived from inputs that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes financial instruments measured using quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and other valuation techniques where all significant inputs for the asset or liability are observable, either directly or indirectly, based on market data.

- Level 3: valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). This category includes all instruments for which the valuation technique considers factors that are not based on observable data and non-observable factors can have a significant effect on the measurement of the instrument. This category includes financial instruments that are measured based on quoted prices for similar financial instruments with significant unobservable adjustments or that require inputs to reflect the differences between the instruments.

An analysis of the fair values of financial instruments as at December 31, 2024 and 2023 based on the fair value hierarchy is as follows:.

DECEMBER 31, 2024	LEVEL 1		LEVEL 2		LEVEL 3	
Interest rate options (3M LIBOR)	Ps.	-	Ps.	319	Ps.	-
Total derivative financial instruments	**Ps.**	**-**	**Ps.**	**319**	**Ps.**	**-**

	LEVEL 1		LEVEL 2		LEVEL 3	
Bank loans in U.S. dollars	Ps.	-	Ps.	3,082,281	Ps.	-
Bank loans in Mexican pesos		-		-		-
Total bank loans	**Ps.**	**-**	**Ps.**	**3,082,281**	**Ps.**	**-**

DECEMBER 31, 2023	LEVEL 1		LEVEL 2		LEVEL 3	
Interest rate options (3M LIBOR)	Ps.	-	Ps.	13,700	Ps.	-
Total derivative financial instruments	**Ps.**	**-**	**Ps.**	**13,700**	**Ps.**	**-**

	LEVEL 1		LEVEL 2		LEVEL 3	
Bank loans in U.S. dollars	Ps.	-	Ps	2,350,335	Ps	-
Bank loans in Mexican pesos		-		719,876		-
Total bank loans	**Ps.**	**-**	**Ps.**	**3,070,211**	**Ps.**	**-**

22. Personnel Expenses

An analysis of personnel expenses for the years ended December 31, 2024 and 2023 is as follows:

	2024		2023	
Salaries and wages	Ps.	713,574	Ps.	662,814
Year-end bonus		29,236		28,258
Compensations		13,012		13,469
Bonuses		2,870		5,649
	Ps.	**758,692**	**Ps.**	**710,190**

23. Operating Leases

a) Leases as lessee

The Group leases the property where its offices are located under an operating lease agreement. These leases are generally for an initial period of five years, with an option to renew the lease for additional three-year periods. The lease agreement expires in November 2027. Rent payable under these leases usually increases annually to reflect market prices.

An analysis of future rental payments under operating leases is as follows:

	2024		2023	
Less than one year	Ps.	7,166	Ps.	6,427
One to three years		14,332		12,854
	Ps.	**21,498**	**Ps.**	**19,281**

For the years ended December 31, 2024 and 2023, the Group recognized expenses of Ps. 7,166 and Ps. 7,697, respectively, relating to lease agreements in profit or loss.

b) Leases as lessor

The Group leases out a portion of its property under operating lease agreements. An analysis of minimum future lease payments under non-cancellable operating leases is as follows:

	2024		2023	
Less than one year	Ps.	10,089	Ps.	16,127
One to five years		24,030		66,927
	Ps.	**34,119**	**Ps.**	**83,054**

For the years ended December 31, 2024 and 2023, the Group recognized rental income under operating leases of Ps. 14,207 and Ps. 18,726, respectively, in profit or loss.

24. Contingencies

Litigations

Some of the Group's subsidiaries are party to various labor lawsuits and claims arising in the normal course of operations. Group management does not believe that the outcome of these lawsuits will have a material effect on its financial position or future operating results.

Tax environment

In accordance with current Mexican tax laws, the Group's income tax returns are open to review by the tax authorities for a period of five years from the date they are filed.

In accordance with the MITL, companies that carry out transactions with related parties are subject to tax restrictions and obligations with respect to the determination of the prices charged, since such prices should be similar to the prices that would have been used with or between independent parties in comparable transactions.

Should the tax authorities review and reject the Group's intercompany pricing, they may demand payment of the omitted taxes, plus restatements and surcharges, as well as fines for amounts of up to 100% of the restated omitted taxes.

25. Commitments

a) On April 15, 2021, Hotelera SF, S. de R.L. de C.V. entered into an amending agreement to the original hotel management and operation agreement executed on November 7, 2018 with Sunset Tulum, S.A. de C.V. to operate in Tulum, Quintana Roo, a hotel with 301 rooms under the "Secrets Tulum" brand name. The hotel started up operations on October 19, 2023.

b) On October 12, 2020, Hotelera SF, S. de R.L. de C.V. entered into a hotel management and operation agreement with SBE Hotel Management LLC, for the operation of a hotel with 45 rooms, which will be sold under the "SLS Hotel and Residences" brand name. The hotel started up operations on February 9, 2022.

c) On February 23, 2020, Hotelera SF, S. de R.L. de C.V. (the Operator) entered into hotel management and operation agreements with Hotelera Chicome, S.A. de C.V., Hotelera Caracol, S.A. de C.V. and Promotora Turística Mexicana, S.A. de C.V. (the Owners), whereby the Owners entrust the Operator with, and the Operator agrees and undertakes to carry out, the management and operation of the hotels, which will be sold under the "Krystal" brand name. These agreements are for a ten-year term beginning on February 23, 2020.

d) As indicated in Note 13, as at December 31, 2023 the Group has certain commitments related to construction and improvements in some of its hotels.

e) On March 13, 2017, Hotelera SF, S. de R.L de C.V. entered into a hotel management and operation agreement with Servicios Integrales PIN, S.A.P.I. de C.V., to operate a hotel in the city of Irapuato, Guanajuato, under the "Ibis" brand name.

f) On March 17, 2016, Hotelera SF, S. de R.Lde C.V. entered into a hotel management and operation agreement with Operadora Inca, S.A. de C.V., to operate a hotel in the city of Monterrey, Nuevo Leon, under the "Krystal" brand name.

g) On December 22, 2015, Hotelera SF, S. de R.L. de C.V. entered into a hotel management and operation agreement with Servicios Hoteleros Metropolitanos, S.A. de C.V., for the management and operation of the hotel, which will be sold under the "Krystal Urban Aeropuerto Ciudad de México" brand name.

h) On January 15, 2014, Hotelera SF, S. de R.L. de C.V. entered into a hotel management and operation agreement with Consorcio Hotelero Aeropuerto Monterrey, S.A.P.I de C.V. to operate a hotel in the city of Monterrey, Nuevo Leon, under the "Hilton Garden" brand name.

i) On June 17, 2013, Hotelera SF, S. de R.L. de C.V. entered into a hotel management and operation agreement with the owner of a property in the state of Tabasco, for the management and operation of the hotel, which will be sold under the "Hampton Inn & Suites" brand name.

26. Other Income and Expenses

An analysis of the Group's other income and expenses caption for the years ended December 31, 2024 and 2023 is as follows:

	FOR THE YEAR ENDED DECEMBER 31,	
	2024	2023
Revenue:		
Department profit	Ps. 277,466	Ps. 45,001
Income from insurance recovery	111,436	8,000
Cancellation of provisions	11,585	-
Dividends received	5,100	-
Unidentified deposits	1,764	6,443
Sundry revenue	6,861	13,166
	Ps. 414,212	Ps. 72,610
Expenses:		
Disposal of fixed assets	Ps. 1,093	Ps. 51,550
Department cost	252,862	49,552
Cancellation of contracts	16,314	11,604
Other expenses	29,512	32,403
	Ps. 299,781	Ps. 145,109

27. Foreign Exchange Gain/(Loss), Net

An analysis of the Group's foreign exchange gain/(loss), net, for the years ended December 31, 2024 and 2023 is as follows:

	FOR THE YEAR ENDED DECEMBER 31,	
	2024	2023
Foreign exchange gain	Ps. 193,671	Ps. 600,406
Foreign exchange loss	(610,533)	(320,815)
	Ps. (416,862)	**Ps. 279,591**

28. Relevant Financial Information (Unaudited) – Calculation of Adjusted EBITDA*

Adjusted EBITDA represents the result of recurring transactions before taxes, net financing cost, depreciation, amortization and non-recurring items in order to present the Group's consolidated net profit or loss. An analysis is as follows:

	2024	2023
Operating profit/(loss)	Ps. 529,383	Ps. 380,248
Depreciation and amortization	330,002	307,314
Hotel acquisition and opening expenses	11,685	29,042
Major maintenance and other non-recurring expenses	41,433	71,553
Decrease in fixed assets from accidents	(102,803)	51,550
Adjusted EBITDA	**Ps. 809,700**	**Ps. 839,707**

This information is presented for further analysis purposes only and is not a required disclosure under IFRS for the appropriate presentation of the Group's financial position, operating results or cash flows.

*EBITDA: Earnings before interest, taxes, depreciation and amortization.

29. Subsequent Events

On January 31, 2025, the Company drew down USD 1,100,000 from the bank loan granted by Grupo Hotelero SF de México, S. de R.L. de C.V.

INFORMATION FOR INVESTORS

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

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