



## ***FibraHotel informs on the measures taken by the company regarding the COVID-19 pandemic in order to reduce the potential impact on its business.***

**Mexico City March 23<sup>rd</sup>, 2020.** --- FibraHotel (BMV: FIHO12), informs on the measures taken by the company regarding the COVID-19 pandemic (as declared by the World Health Organization) in order to reduce the spread of the virus. Additionally, FibraHotel informs on the measures determined by its Covid19 Crisis Committee to reduce the potential impact on its business from the decrease in hotel room demand related to the COVID-19 pandemic and expected economic slowdown. Going forward, in FibraHotel's statements, presentation and reports, investors should consider the potential risks that COVID-19 could represent to its financial condition and business results in general.

FibraHotel is closely monitoring the development of the COVID-19 virus in Mexico as well as safety and health best practices provided by the World Health Organization, the Center for Disease Control and the recommendations from governments at the federal, state and local level where our hotels operate.

The safety and health of FibraHotel's employees are a priority, and as such, FibraHotel has implemented certain preventive health and safety measures including restricting corporate travel, mandatory home office and reinforcing information campaigns with recommended actions including limiting social interactions and encouraging social distancing, among others.

As of this date, FibraHotel believes that the measures taken to contain the spread of the COVID-19 virus have severely impacted hotel room demand of our hotels. Among other things, we have seen a slowdown of business and leisure travel, the cancellation of events and conferences, travel restrictions imposed by certain countries and a slowdown in local and regional economic activity. The situation has rapidly evolved and in the last few days we have seen a meaningful rise in cancellations and a reduced pace of new reservations for the months of April and May. FibraHotel is working closely with our operating partners in evaluating our portfolio on a hotel by hotel basis to determine the cases where the temporary closing of a hotel makes sense from a financial and/or health perspective. Based on this analysis, the expected hotel room demand and recommended health and safety measures, FibraHotel will temporarily close 30 hotels with 3,957 rooms. We are also evaluating additional temporary closure of approximately 20 more hotels with ~3,000 rooms. Most of the hotels we are closing are in the same city, region or cluster as other hotels in our portfolio, as such we can consolidate reservations and hotel operations to be more efficient. We will evaluate our portfolio on an ongoing basis and expect to be able to re-open hotels a few days after we see improved conditions and a recovery in hotel room demand.



At the corporate level we are also executing cost saving initiatives looking to improve efficiency. Among other things we are postponing all non-essential capital improvement projects in 2020.

We believe that FibraHotel has a solid financial structure and a sound liquidity position to face the potential economic impact from this crisis in the short term.

- As of March 20<sup>th</sup>, 2020 FibraHotel has a cash position of over Ps. 650 million
- As a precautionary measure to increase the amount of cash on hand, in the next few days FibraHotel expects to disburse Ps. 200 million from an existing revolving credit facility
- FibraHotel has lines of credit authorized for an additional Ps. 170 million and are in negotiations to further increase available credit lines
- As of 12/31/2019 FibraHotel had a Loan to Value (“LTV”) of 25.8%
- FibraHotel’s debt is long term and covered for changes in interest rates. Over 80% of capital amortizations are after 2023
- For the remainder of 2020 FibraHotel only has capital amortizations of Ps. 130 million and US \$1.9 million. In 2021 FibraHotel only has capital amortizations of Ps. 132 million and US \$1.0 million (both excluding undrawn credit lines)
- Only 7% of FibraHotel’s liabilities (US \$13 million) are denominated in dollars. FibraHotel has more dollar denominated revenue than dollar denominated obligations. As an example, as of March 20<sup>th</sup> 2020, its dollar cash position is enough to cover all dollar denominated debt service and other dollar obligations expected for all of 2020
- FibraHotel’s Technical Committee could decide to reduce or suspend the quarterly distributions, prudently monitoring the cash flow of the business

These extraordinary and preventive measures seek to reduce the potential impact from the decrease in hotel room demand expected in the short term. While we do not yet know how long the current situation will last, we will work to reinstate normal operations at our hotels as the COVID-19 pandemic is controlled and hotel room demand recovers.

FibraHotel has a solid financial position and its Advisor and management team have weathered many crises and demand shocks in the past and as such have the experience to execute the proper measures to weather this new crisis.

We continue to closely monitor the situation and reiterate our commitment to maintain the investing public as well as all stakeholders and interested parties informed as the situation evolves.



## About FibraHotel

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FibraHotel is a Mexican trust created primarily to acquire, develop and operate hotels in Mexico. Our objective is to provide attractive returns to our CBFH holders through stable cash distributions and the appreciation of our real estate assets. Also, we will aim to have a high quality hotel portfolio, through the affiliation to different hotel brands and renowned operators, as well as geographic and segment diversification.

## Investor Relations

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