LOS CABOS TOURISM OBSERVATORY

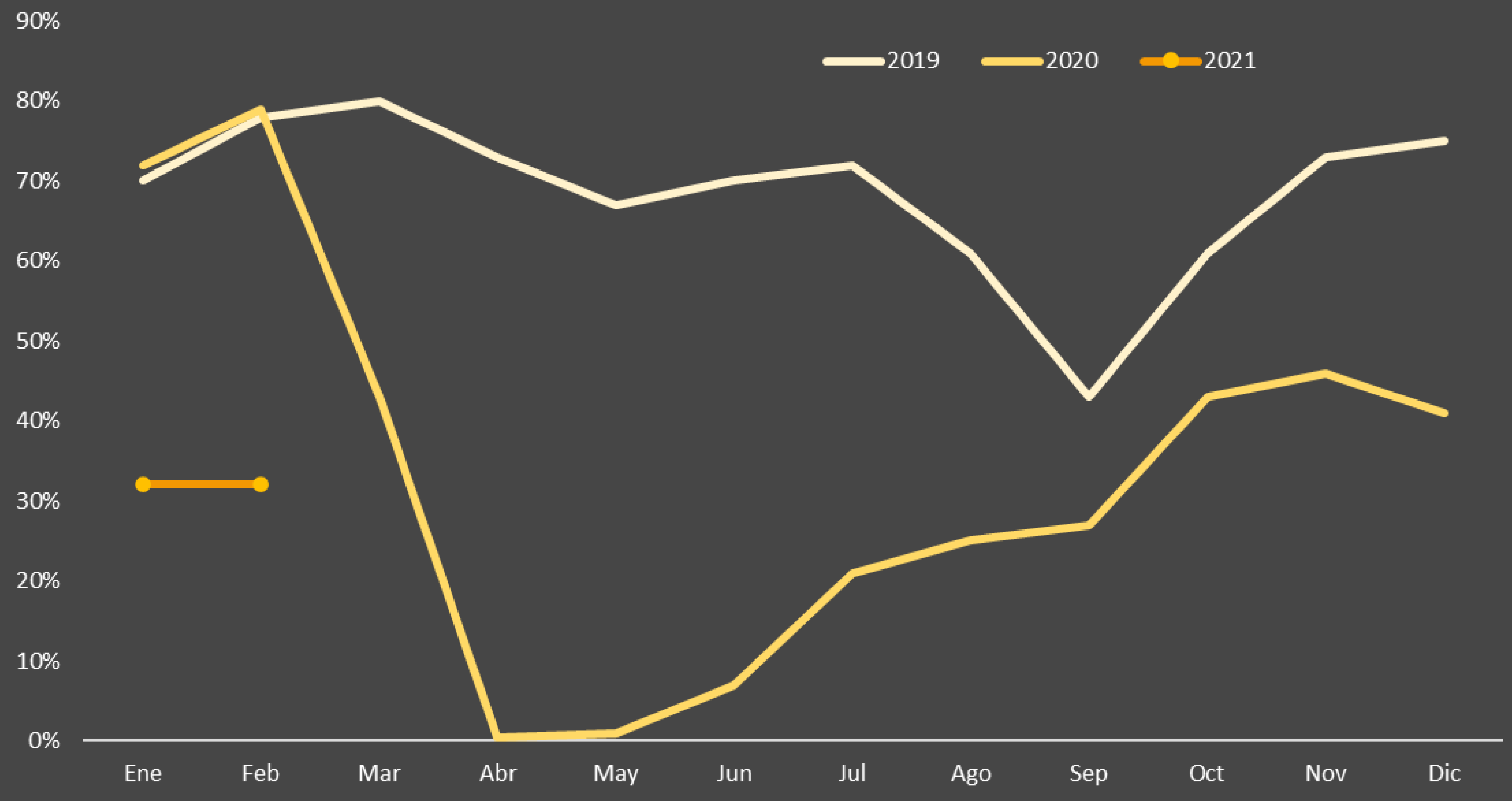
KEY PERFORMANCE INDICATORS

MARCH 2021

Main indicators – Summary

Hotel Activity

Hotel Occupancy:



Hotel Occupancy (Feb-2021):
32%
-47pp
(vs. Feb-2019)

SOURCE: AHLC

Rooms Available (Jan-2021):
22,337
+2.5%
(vs. Jan-2020)

SOURCE: DATATUR

Room nights (Jan-2021):
555,083
-51%
(vs. Jan-2020)

SOURCE: DATATUR

Air Passenger Arrivals

Total Passengers (Feb-2021, expressed in thousands):
116.65
-52.7%
(vs. Feb-2020)

National Passengers (Feb-2021, expressed in thousands):
51.45
-23.3%
(vs. Feb-2020)

International Passengers (Feb-2021, expressed in thousands):
65.2
-63.7%
(vs. Feb-2020)

SOURCE: GAP

Other indicators

Cruise ships (Jan-2021):
0
-26 vessels
(vs. Jan-2020)

SOURCE: DATATUR

Cruise passengers (Jan-2021):
0
-100%
(vs. Jan-2020)

SOURCE: DATATUR

Group Business Total RFPs (Feb-2021):
23
-7 RFPs
(vs. Feb-2020)

SOURCE: CVENT

Tourist Satisfaction: more than expected (Feb-2021):
50.5%
+16.1pp
(vs. Feb-2020)

SOURCE: TOURIST SURVEYS

Attendees to congresses and conventions (Feb-2021):
0%
-1.2pp
(vs. Feb-2020)

SOURCE: TOURIST SURVEYS

Tourists' Origin (Feb-2021):
73% foreigners
-0.3pp
(vs. Feb-2020)

SOURCE: TOURIST SURVEYS

Main indicators – Summary

PASSENGERS ARRIVAL

- In Feb-2021, Los Cabos International Airport registered a 52.7% (-130.15 thousand) decrease in the total number of passengers arriving at the destination compared to Feb-2020, adding up to a total of 116.65 thousand (when considering arrivals only).
  - Passengers on domestic flights (51.45 thousand) represent 44.1% of total arrivals. These decreased by 23.3% (-15.6 thousand vs. Feb-2020).
  - Passengers on international flights (65.2 thousand) represent 55.9% of total arrivals. These decreased by 63.7% (-114.55 thousand vs. Feb-2020).

FLIGHT SCHEDULES

- Compared to the same period last year, the domestic market has 5.7% more available seats scheduled for the period from Mar-2021 to Aug-2021 (compared to the pre-pandemic seating plan registered in Feb-2020). However, 0.6% fewer seats are expected for Mar-2021.
- Flight seats departing from MEX, MTY, and TIJ increased by 5.6%, 24.6%, and 42.6%, respectively (compared to the pre-pandemic programming, Feb-2020). However, GDL decreased by 6.4%.
- The United States market expects 22.2% more seats scheduled for the next 6 months (compared to the pre-pandemic programming).
- CHI (+50.1%), LAX (+22.3%), PHX (+50.9%), DEN (+67.5%), and SEA (+145.4%) had the most significant increase. However, San Diego shows a decrease of 45.4%.
- For Mar-2021, the United States expects 7.7% more available seats than those scheduled for the previous year (seating plan for Feb-2020).
- From Canada, 73% fewer seats are expected for the next 6 months. There was a 100% drop in Mar-2021.
- All airports have shown decreases. Calgary (-73.8%) and Vancouver (-59.2%) had the smallest drop. Toronto lost 91.1%, and Edmonton – and the rest of Canada – fell 100%.

HOTEL ACTIVITY

- Occupancy in Feb-2021 was 32%, compared to 79% in Feb-2020 (-47pp).
  - Cabo San Lucas' occupancy dropped 47pp when compared to Feb-2020 and now stands at 34%.
  - San Jose del Cabo registered 27% (53pp less than in Feb-2020).
  - Los Cabos Corridor registered 31% (42pp less than in Feb-2020).
- The number of rooms available in Los Cabos increased 2.5% between Jan-2020 and Jan-2021, registering 22,337 this month.
- Hotels in Los Cabos registered 110 thousand tourist arrivals, which decreased by 50.9% (-113.8 thousand) between Jan-2020 and Jan-2021.
  - Domestic tourism fell 46.1% (-17.7 thousand), and international tourism dropped 51.9% (-96 thousand).
  - There were 555 thousand occupied room nights in Jan-2021, 51% less compared to Jan-2020 (-578.7 thousand nights).

TOURIST SURVEYS

- In Feb-2021, 50.5% of tourists rated their experience in Los Cabos as better than they expected (16.1pp more than in Feb-2020 and 3.9pp more than in Jan-2021).
- The perception of security continues to improve compared to the same month a year ago (in Feb-2021, 6% perceived it as bad or regular, 8pp less than in Feb-2020).
- Satisfaction with the airport also improved 5pp compared to last year (5% of tourists perceived their experience as bad or regular).
- Repeat tourists increased by 8.1pp when compared to the previous year, registering 52.8% in Feb-2021.
- The number of tourists who traveled with a package tour kept decreasing and registered 25.1% in Feb-2021 (-20pp).

LOS CABOS TOURISM OBSERVATORY

THE IMPACTS OF COVID-19

Effects of COVID-19 on Mexico's tourism sector.

Traffic light monitoring system for epidemiological risk of COVID-19

Only essential economic activities are allowed.

In addition to essential economic activities, companies with non-essential economic activities may conduct operations with 30% of their staff. Outdoor public spaces can open with reduced capacity.

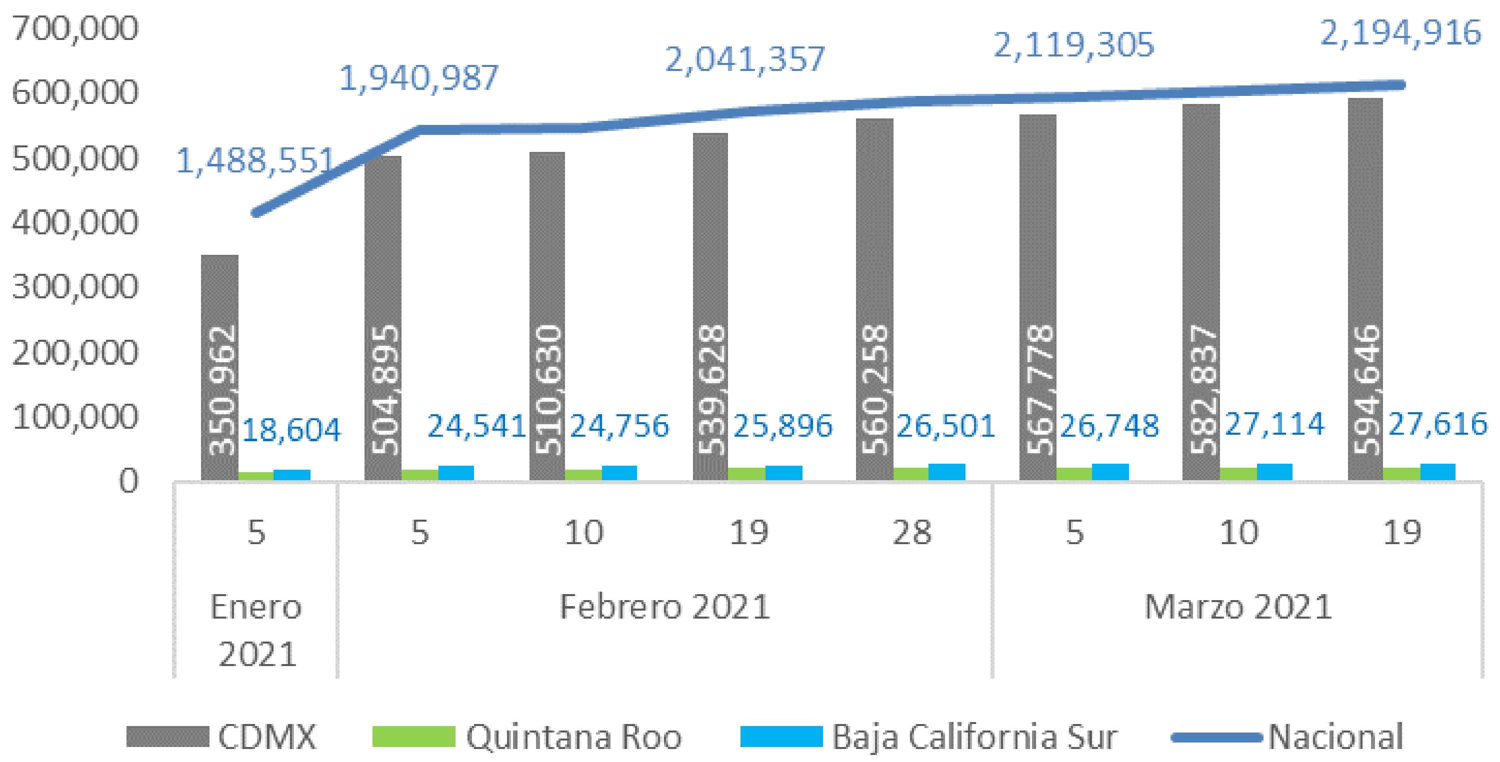
All work activities are allowed. Outdoor public spaces can open on a regular basis, and indoor public spaces can open with reduced capacity.

All activities, including school activities, are allowed.

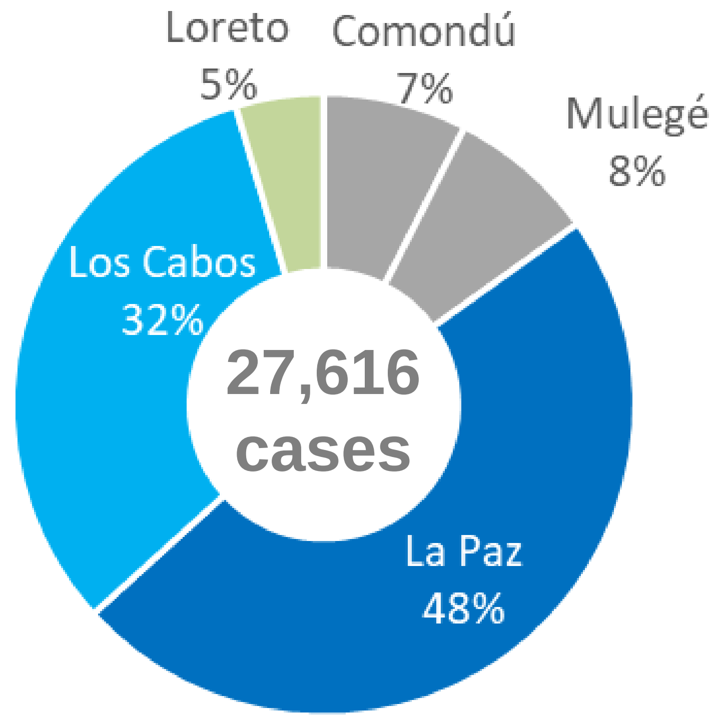
SOURCE: SECRETARIAT OF HEALTH, GENERAL DIRECTORATE OF EPIDEMIOLOGY (www.coronavirus.gob.mx).
TRAFFIC LIGHT MONITORING SYSTEM UPDATED AS OF MARCH 22nd, 2021.

Confirmed COVID-19 cases overview

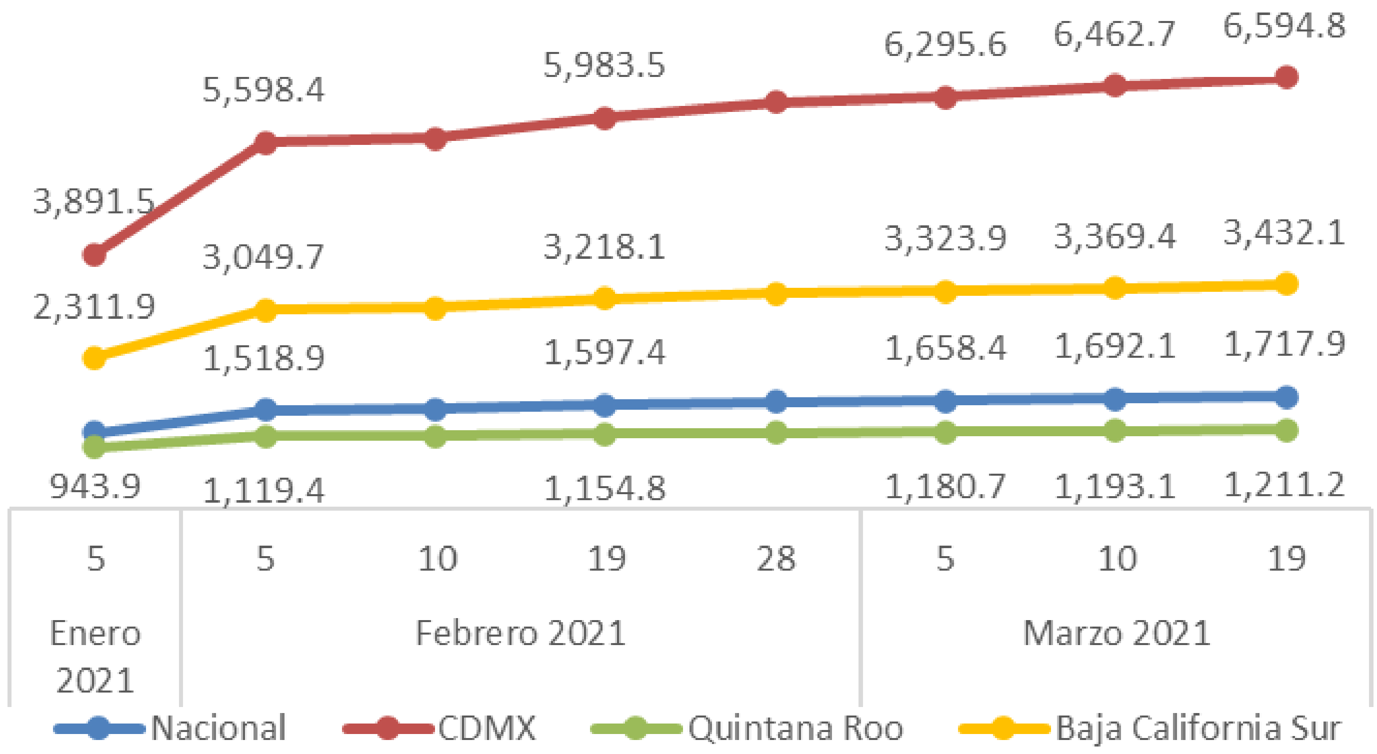
Confirmed cases (cumulative)



Confirmed cases by municipalities in B.C.S.



Incidence of infection



As of March 19th, 2021, there are **2.19 million confirmed cases** in Mexico, 154 thousand more than those registered as of February 19th.

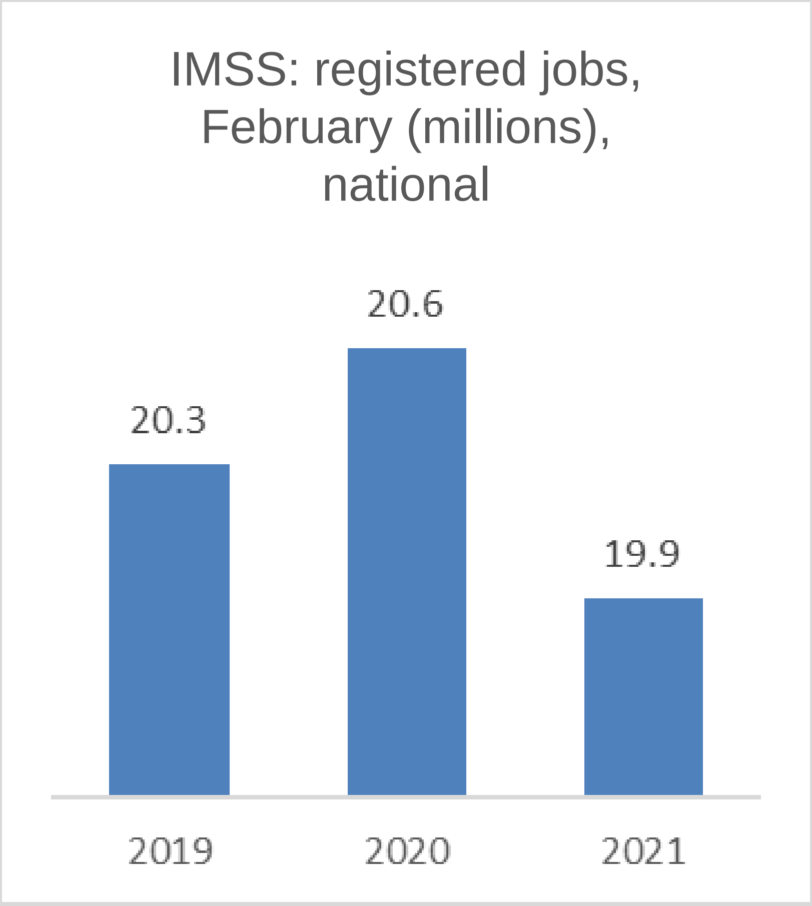
- Baja California Sur has 1,720 more cases than those registered as of February 19th, which results in a total cumulative of 27,616 confirmed cases in the state. Quintana Roo accumulates 20,868 cases, 968 more than those registered in the same period.

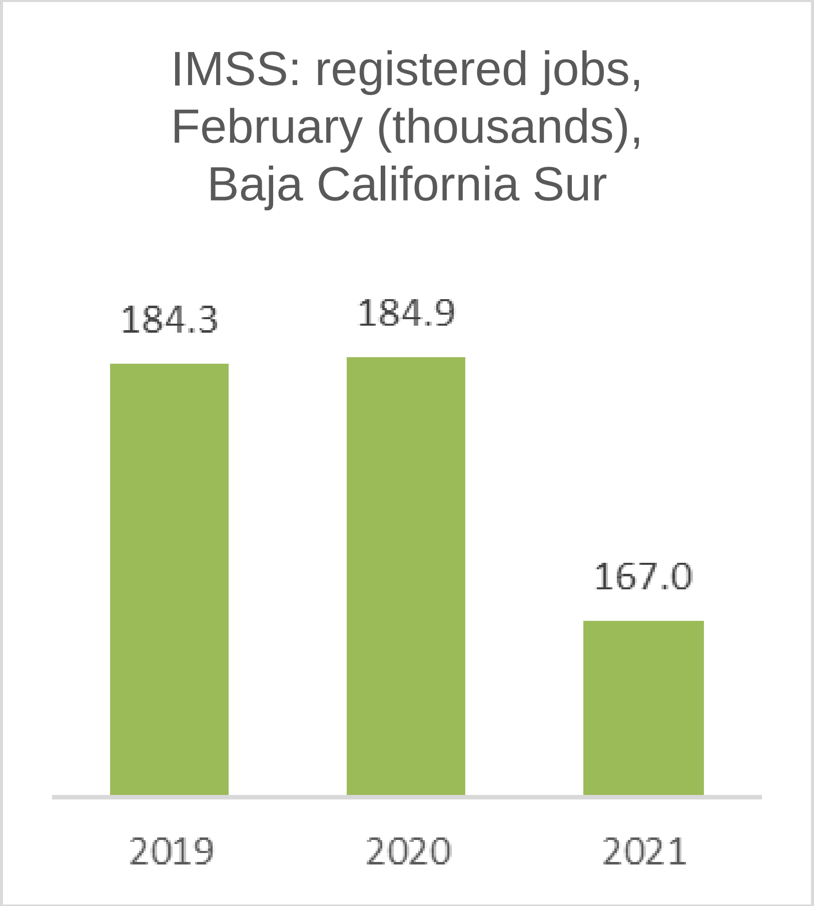
- 80% of the state's cumulative confirmed cases are concentrated between La Paz and Los Cabos.
- La Paz has 878 more cases than those registered as of February 19th, accumulating a total of 13,345 confirmed cases.
- Los Cabos has 570 more cases, adding up to a total of 8,918.
- Loreto accumulates 1,257 cases (74 more).

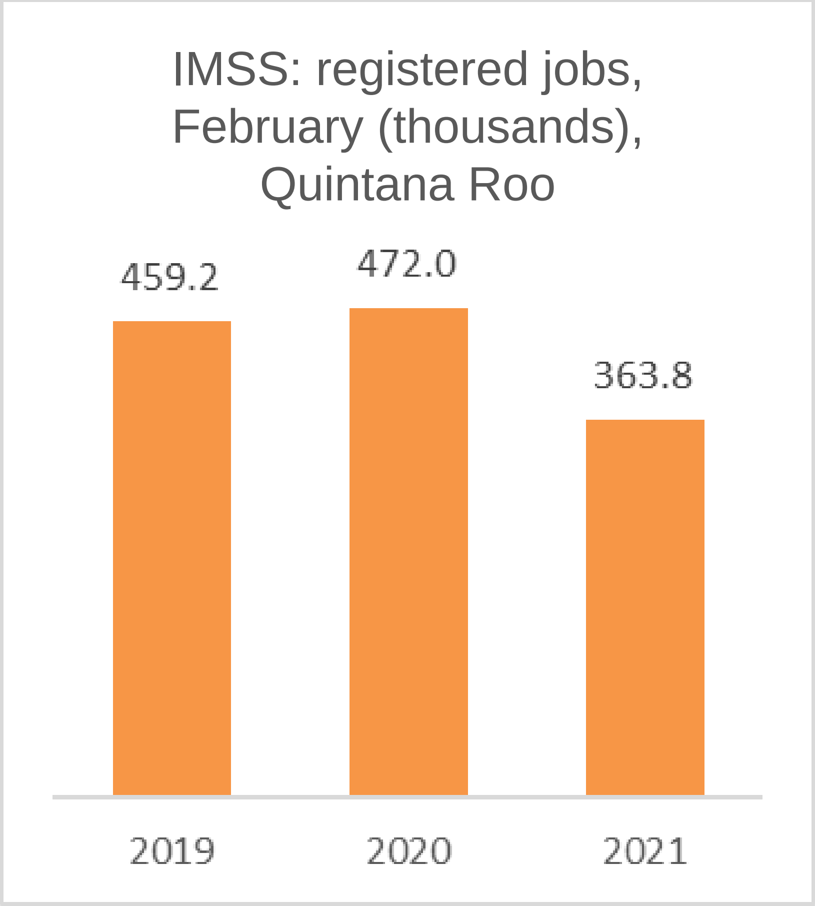
- The national average rate of infection is **1,717.9 cases** per 100 thousand inhabitants.
- Mexico City still has the highest rate of new COVID-19 cases, which is above the national average: 6,594.8.
- Quintana Roo: 1,211.2.
- Baja California Sur is the second state with the highest rate: 3,432.1.
  - Los Cabos has **2,699.9 cases** per 100 thousand inhabitants.

SOURCE: SECRETARIAT OF HEALTH, GENERAL DIRECTORATE OF EPIDEMIOLOGY (www.coronavirus.gob.mx).
FIGURES UPDATED AS OF MARCH 22nd, 2021.

Effects on employment in Mexico







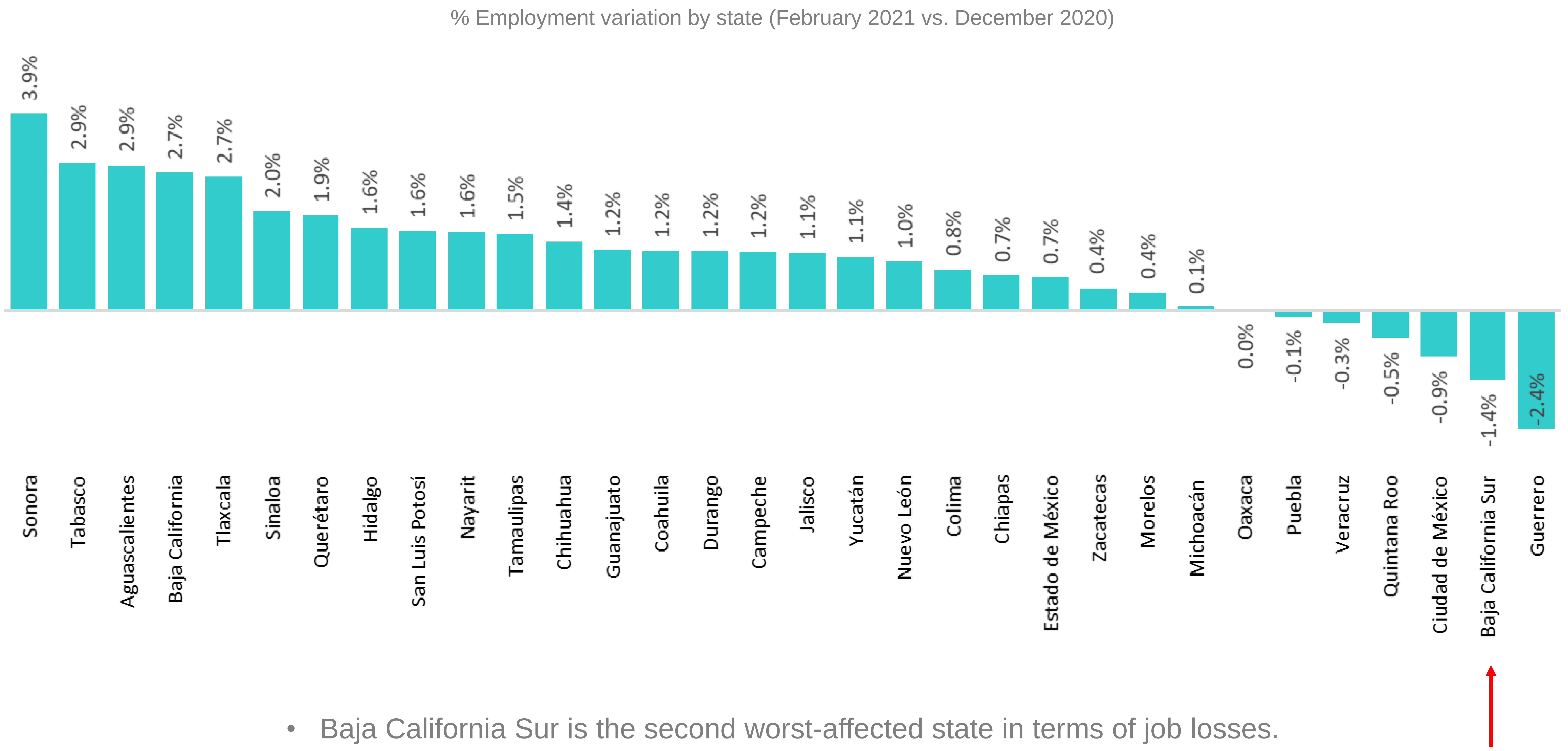
- As of February 28th, 2021, the country had **19,936,938 jobs** registered in IMSS, 3.3% less than those reported in Feb-2020 and 1.8% under those registered in Feb-2019.
- There were 163,206 more jobs registered compared to the closing of Dec-2020.

- Baja California Sur closes Feb-2021 with 167,046 jobs, which is 9.6% less vs. Feb-2020 and 9.4% less vs. Feb-2019.
- From Dec-2020 to Feb-2021, 2,325 job positions were terminated.

- Quintana Roo closes Feb-2021 with 363,772 jobs, which is 22.9% less vs. Feb-2020 and 20.8% less vs. Feb-2019.
- There were 2,011 jobs lost from Dec-2020 to Feb-2021.

SOURCE: IMSS

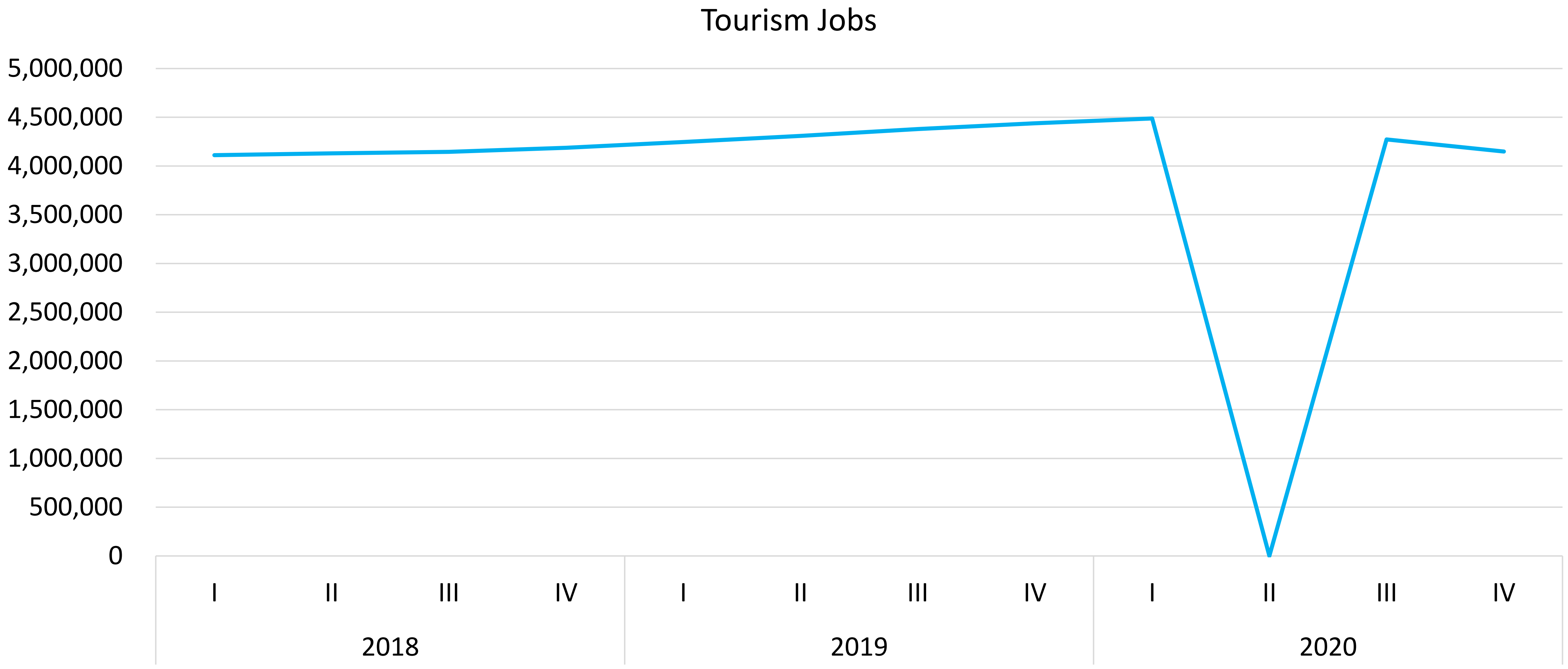
Effects on employment in Mexico

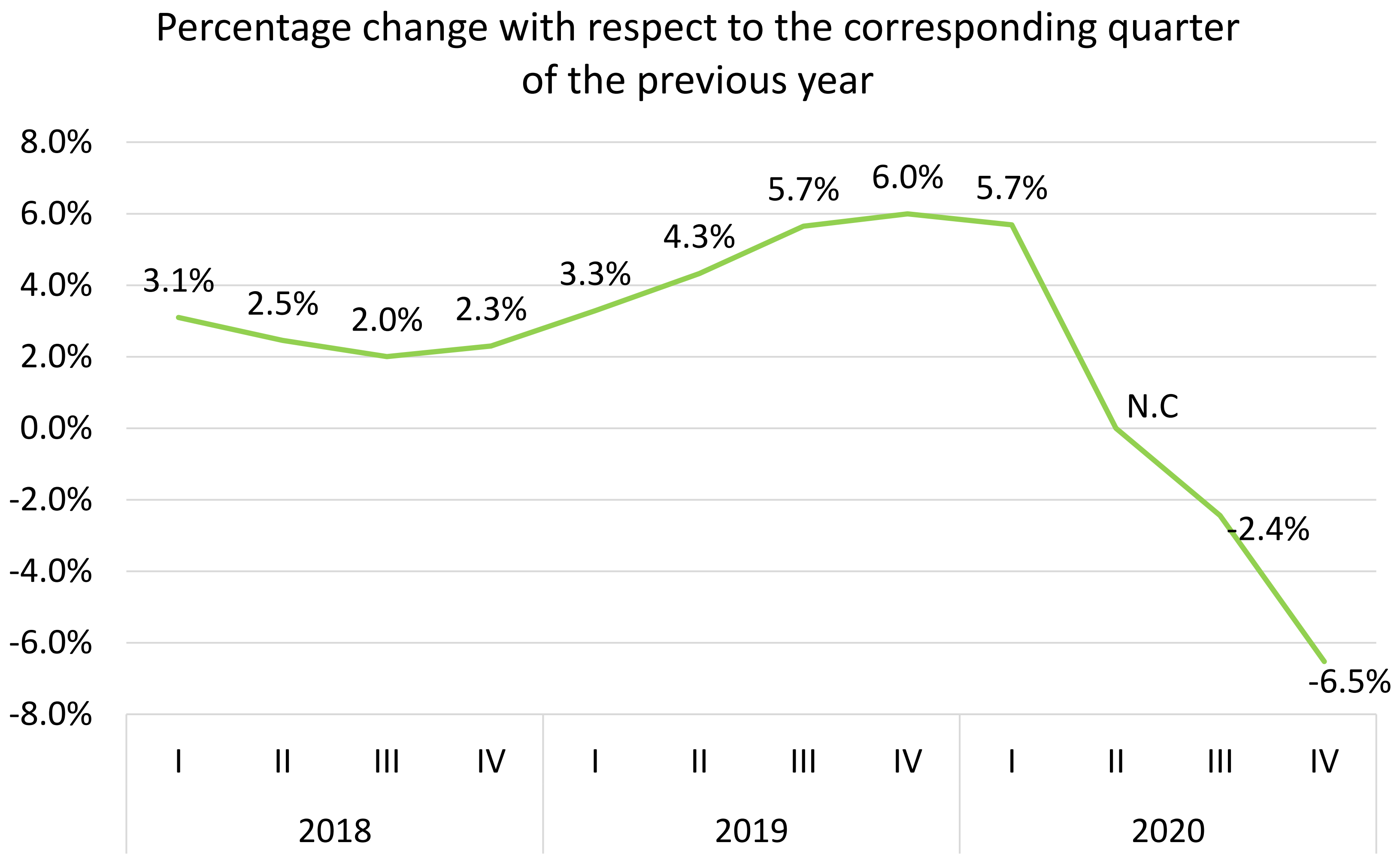


- Baja California Sur is the second worst-affected state in terms of job losses. From Dec-2020 to Feb-2021, 1.4% of jobs were lost. Quintana Roo had a 0.5% decrease in the same period.

SOURCE: IMSS

Effects on tourism employment in Mexico



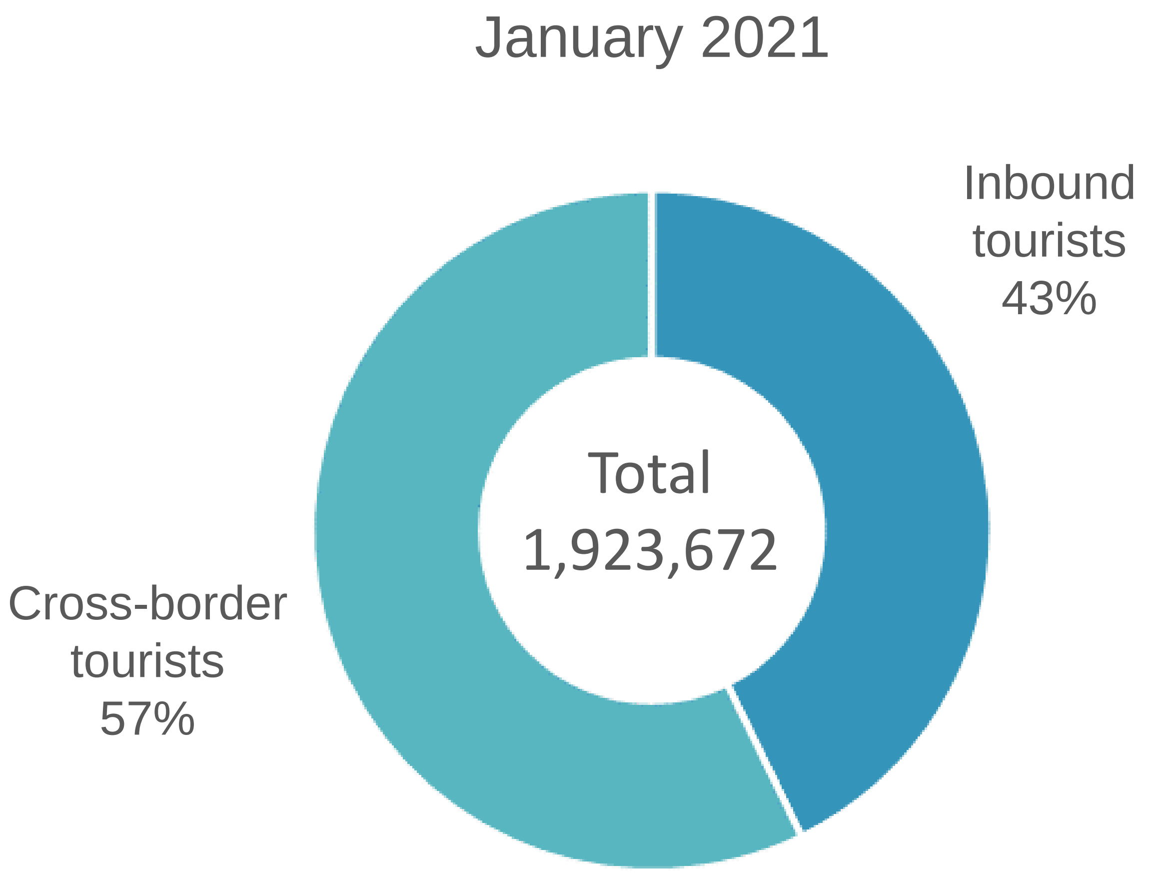


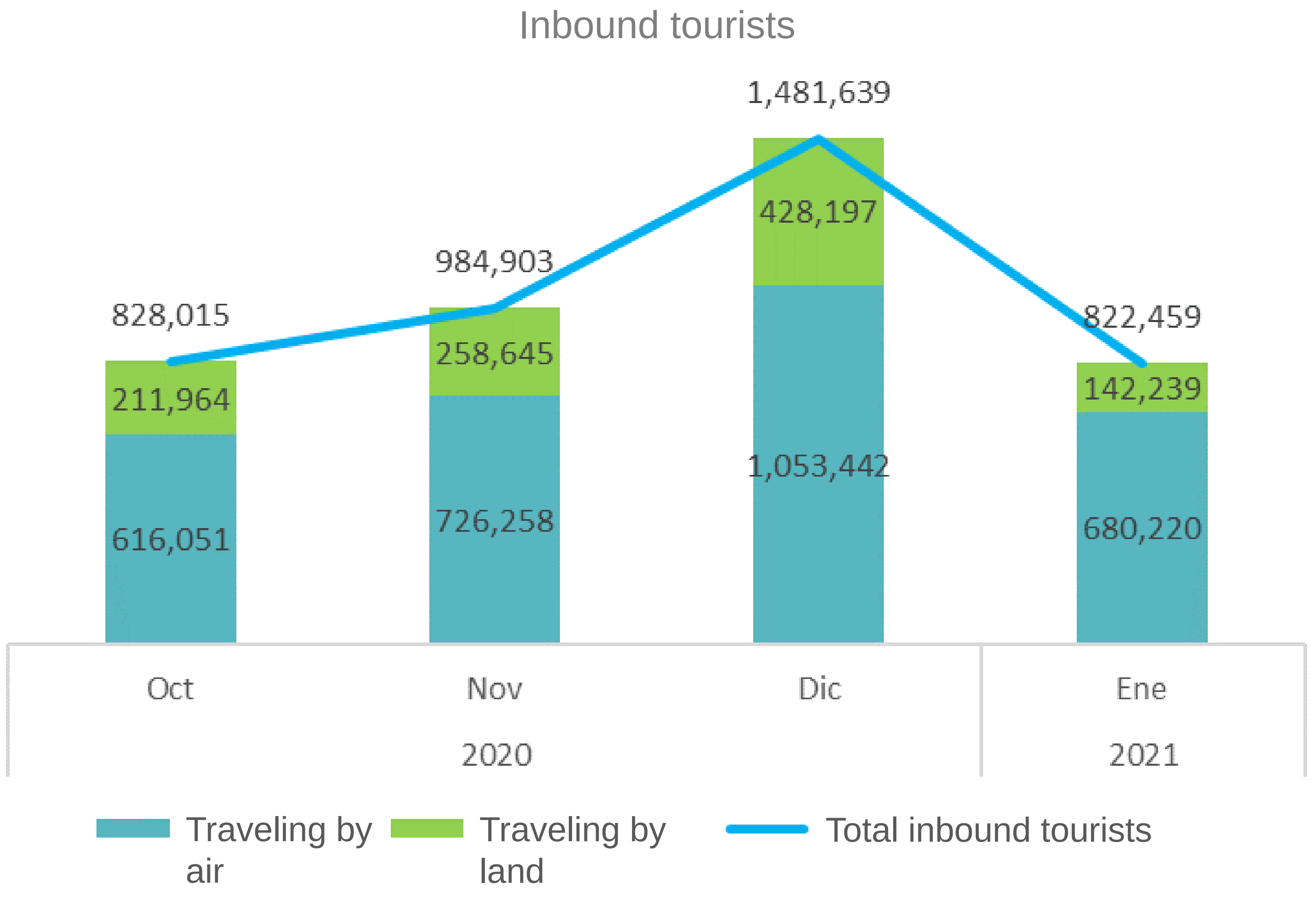
N.C. Not Comparable. The figures for the second quarter of 2020 correspond to those of ETOE-INEGI and are not comparable with the rest of the trimesters.

- In the last quarter of 2020, 4.15 million jobs were registered in the country's tourism sector; this represents 6.5% fewer jobs than in the same quarter of 2019.
- According to the 2019 Economic Census, 40% of Baja California Sur's jobs are related to the tourism sector; in Quintana Roo, these jobs accounted for 52%.

SOURCE: SECTUR, WITH DATA FROM THE NATIONAL SURVEY OF OCCUPATION AND EMPLOYMENT – NEW EDITION (ENOEN).

International tourist arrivals to Mexico



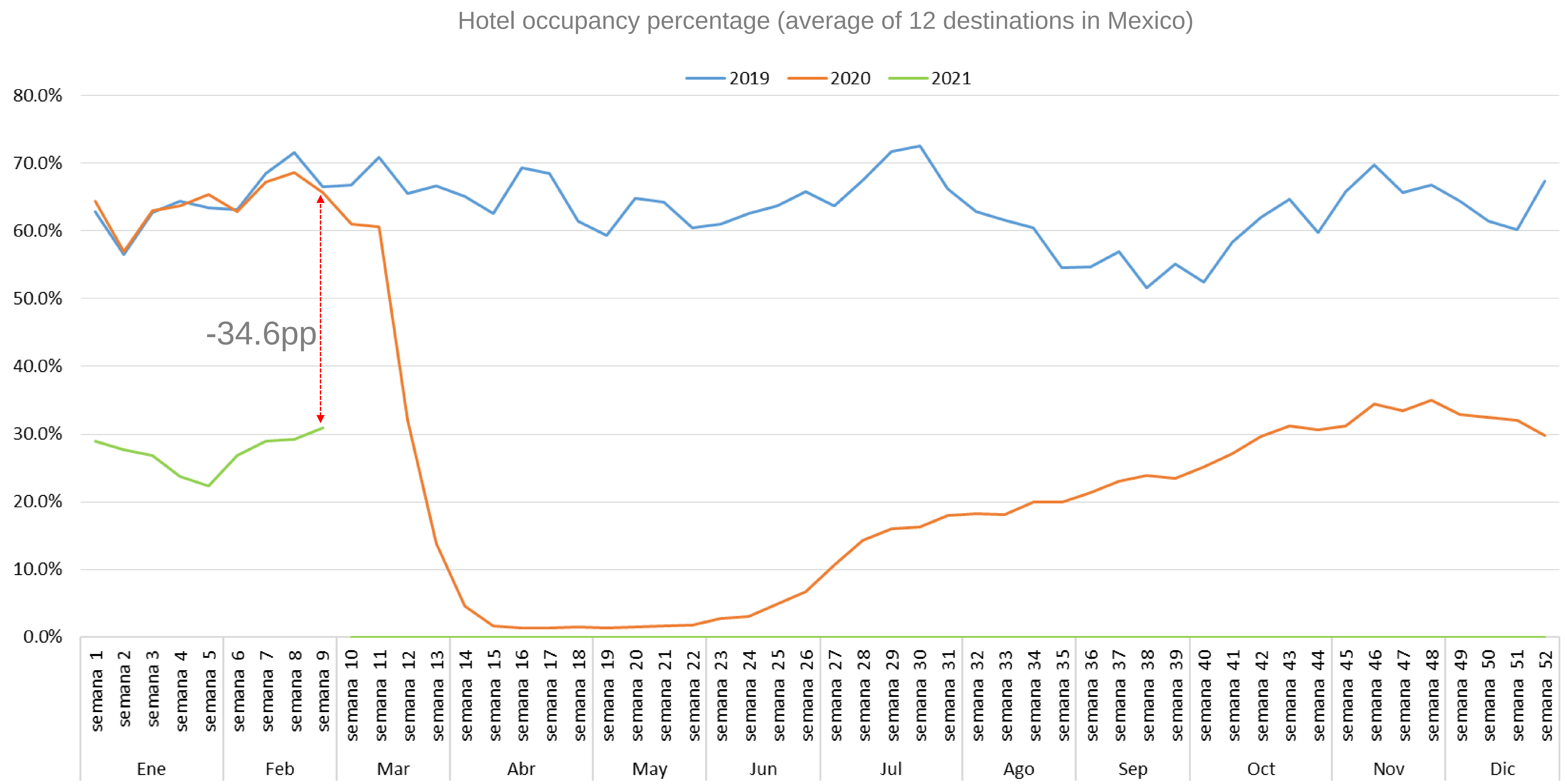


- In Jan-2021, 1.9 million international tourists arrived in the country (49% fewer than in Jan-2020).
- The average spending of international tourists traveling by air was $1,053.58 USD ($23 less vs. the average spending in Jan-2020).

- There is a 44% decrease in the total number of inbound tourists compared to those registered in December, of which 83% traveled by air and 17% did so by land.

SOURCE: INTERNATIONAL TOURIST SURVEYS, INEGI

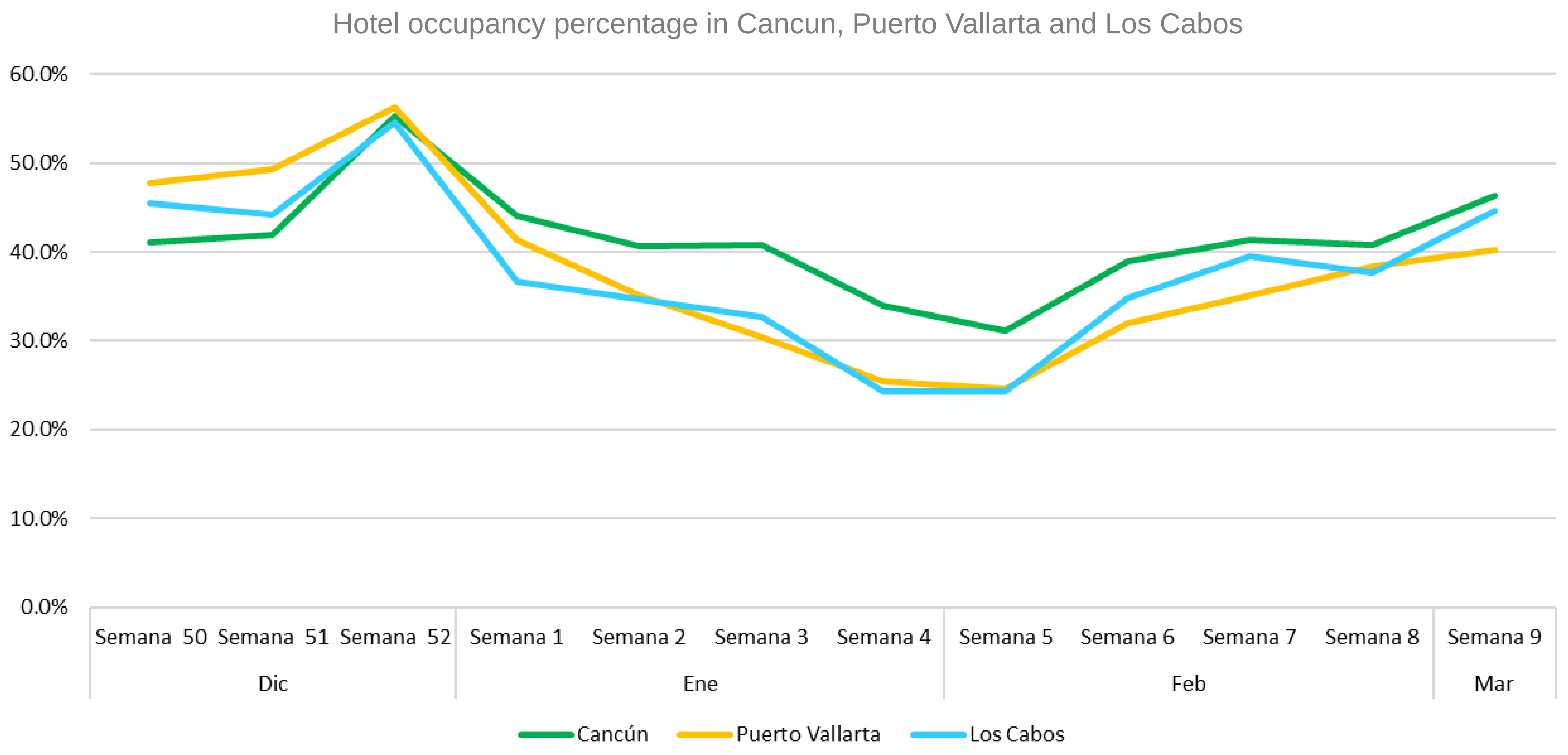
Hotel indicators in Mexico



- Occupancy reached 29% in the first week of 2021 (35.4pp less than that observed in the same week of 2020, and 35pp lower than the number reported in 2019).
- Occupancy rose to 31% by week 9. However, it's still below the levels observed in 2019 and 2020 (34.6pp lower than the number reported in the same week of 2020).

SOURCE: DATATUR. MONITORED DESTINATIONS: VILLA HERMOSA, AGUASCALIENTES, TUXTLA GUTIERREZ, QUERETARO, PUEBLA, PUERTO VALLARTA, SAN CRISTOBAL DE LAS CASAS, LOS CABOS, CANCUN, MEXICO CITY, ACAPULCO AND SAN MIGUEL DE ALLENDE.

Hotel indicators in Mexico



- Puerto Vallarta closed week 9 with 40.2% hotel occupancy, while Cancun recorded a higher occupancy rate (46.3%).
- Los Cabos closed week 9 with 44.7% occupancy.

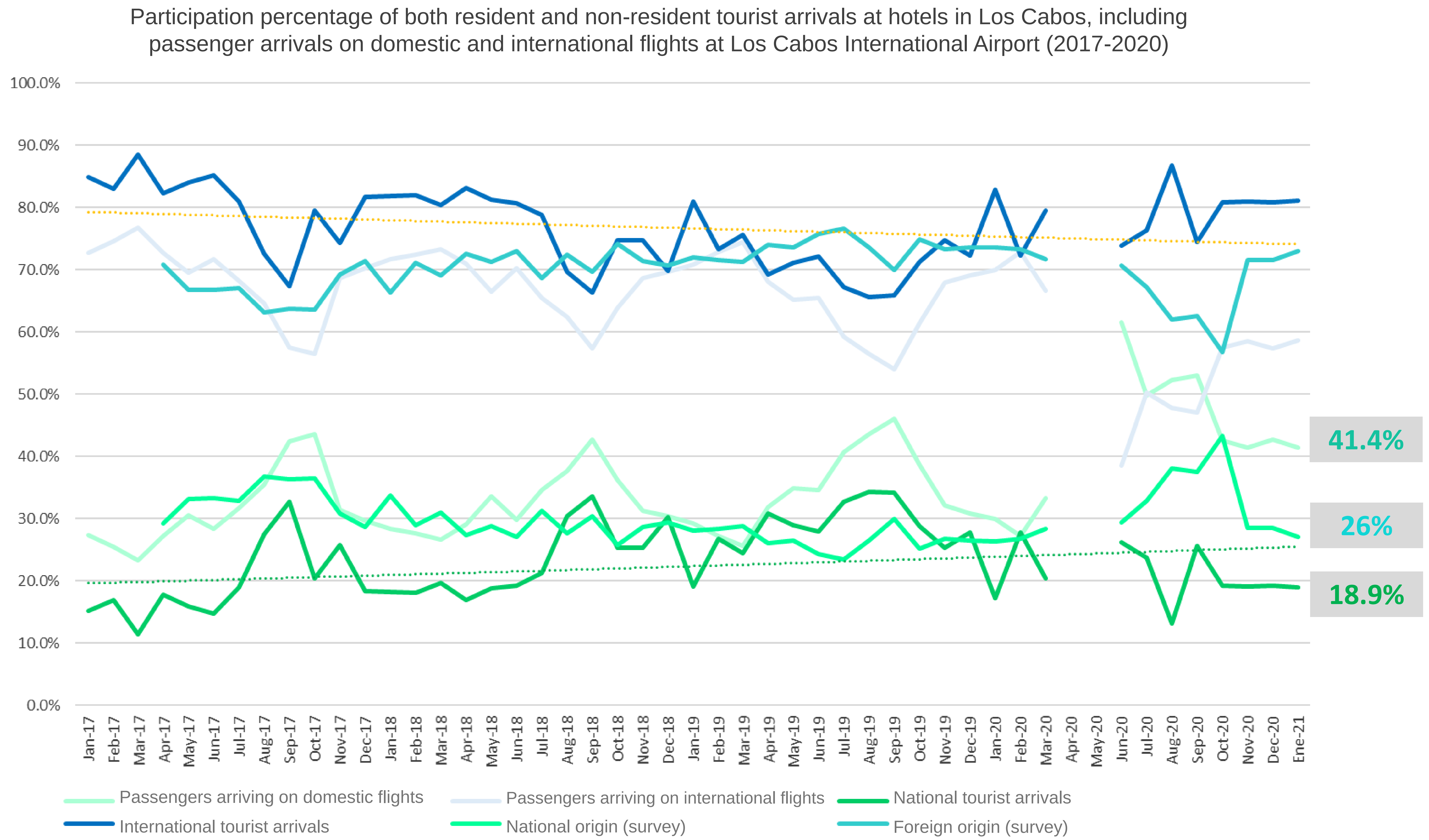
SOURCE: DATATUR

LOS CABOS TOURISM OBSERVATORY

DEMAND INDICATORS

PASSENGERS AND TOURISTS

Evolution of national and international tourism participation



- According to DataTur, the number of national residents arriving at hotels in Los Cabos reached **18.9%** in Jan-2021 (1.7pp more than the previous year).
- Moreover, the participation of national passengers in the total registered by Los Cabos International Airport was **41.4%** in Jan-2021. This represents an increase of 11.4pp vs. Jan-2020.
- In Jan-2021, Tourist Surveys indicated **26%** domestic tourism participation in the total received by Los Cabos (0.4pp less than the previous year).

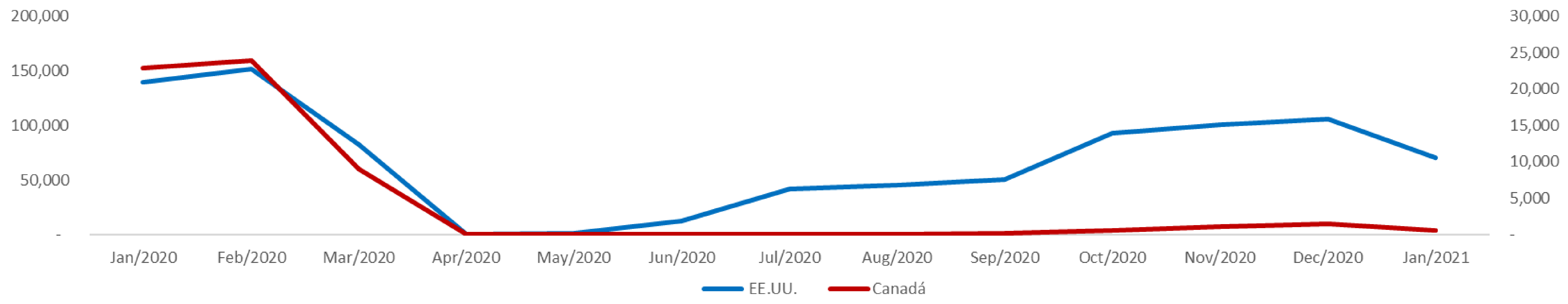
SOURCE: DATATUR, GAP, TOURIST SURVEYS

International tourist arrivals by air, by origin (residence), monthly 2020-2021

SOURCE: INM-SIOM

Regiones	Jan/2020	Feb/2020	Mar/2020	Apr/2020	May/2020	Jun/2020	Jul/2020	Aug/2020	Sep/2020	Oct/2020	Nov/2020	Dec/2020	Jan/2021	Δ Ene-21 / Ene-20
EE.UU.	139,238	151,410	82,042	508	1,084	12,433	41,696	45,112	50,077	93,069	100,320	105,991	70,454	-49.4%
Canadá	22,830	23,837	9,003	13	15	52	74	106	128	563	1,126	1,429	628	-97.2%
Europa	1,434	1,235	557	10	12	20	43	52	40	48	70	64	32	-97.8%
Caribe, Centro y Sudamérica	210	175	83	3	-	12	34	19	33	37	48	43	19	-91.0%
Resto del Mundo	940	622	242	-	7	34	52	64	71	106	127	67	12	-98.7%
Gran total	164,652	177,279	91,927	534	1,118	12,551	41,899	45,353	50,349	93,823	101,691	107,594	71,145	-56.8%

Mercados clave	Jan/2020	Feb/2020	Mar/2020	Apr/2020	May/2020	Jun/2020	Jul/2020	Aug/2020	Sep/2020	Oct/2020	Nov/2020	Dec/2020	Jan/2021	Δ Ene-21 / Ene-20
Reino Unido	942	692	357	2	5	9	8	19	10	9	21	18	5	-99.5%
Australia	415	181	114	-	5	10	13	9	18	18	42	19	3	-99.3%
Corea del Sur	98	93	23	-	-	1	2	3	6	5	8	3	-	-100.0%
Total mercados clave	1,455	966	494	2	10	20	23	31	34	32	71	40	8	-99.5%



International tourist arrivals by air, by origin (residence)

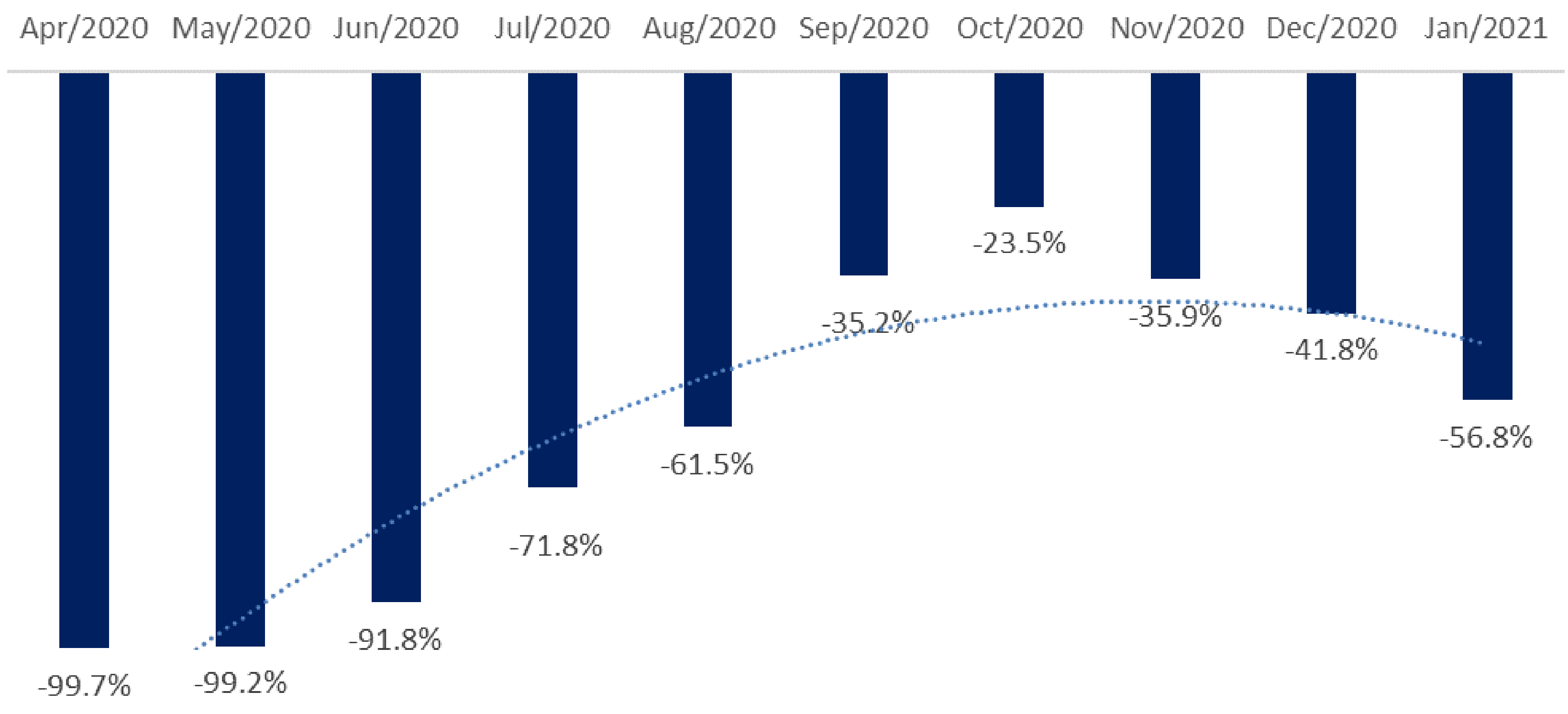
-56.8%

Jan-2021 vs. Jan-2020

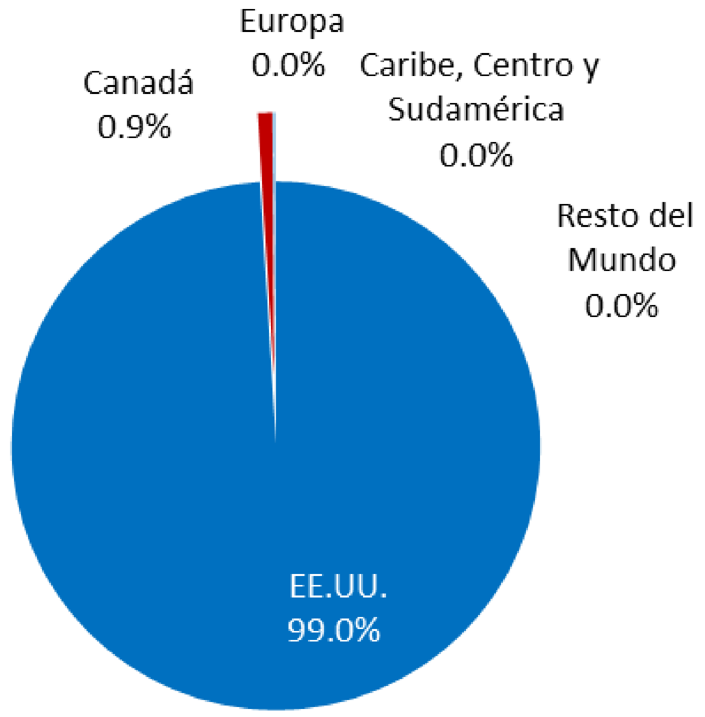
The entry of 71,145 international tourists that arrived by air at the Los Cabos International Airport was registered in Jan-2021. This signified a decrease of 56.8% compared to Jan-2020.

American tourists represent 99% of the total.

Annual variation of international tourist arrivals by air to Los Cabos International Airport (from Apr-2020 to Jan-2021)



Participation of international tourist arrivals by air to Los Cabos International Airport (Jan-2021)

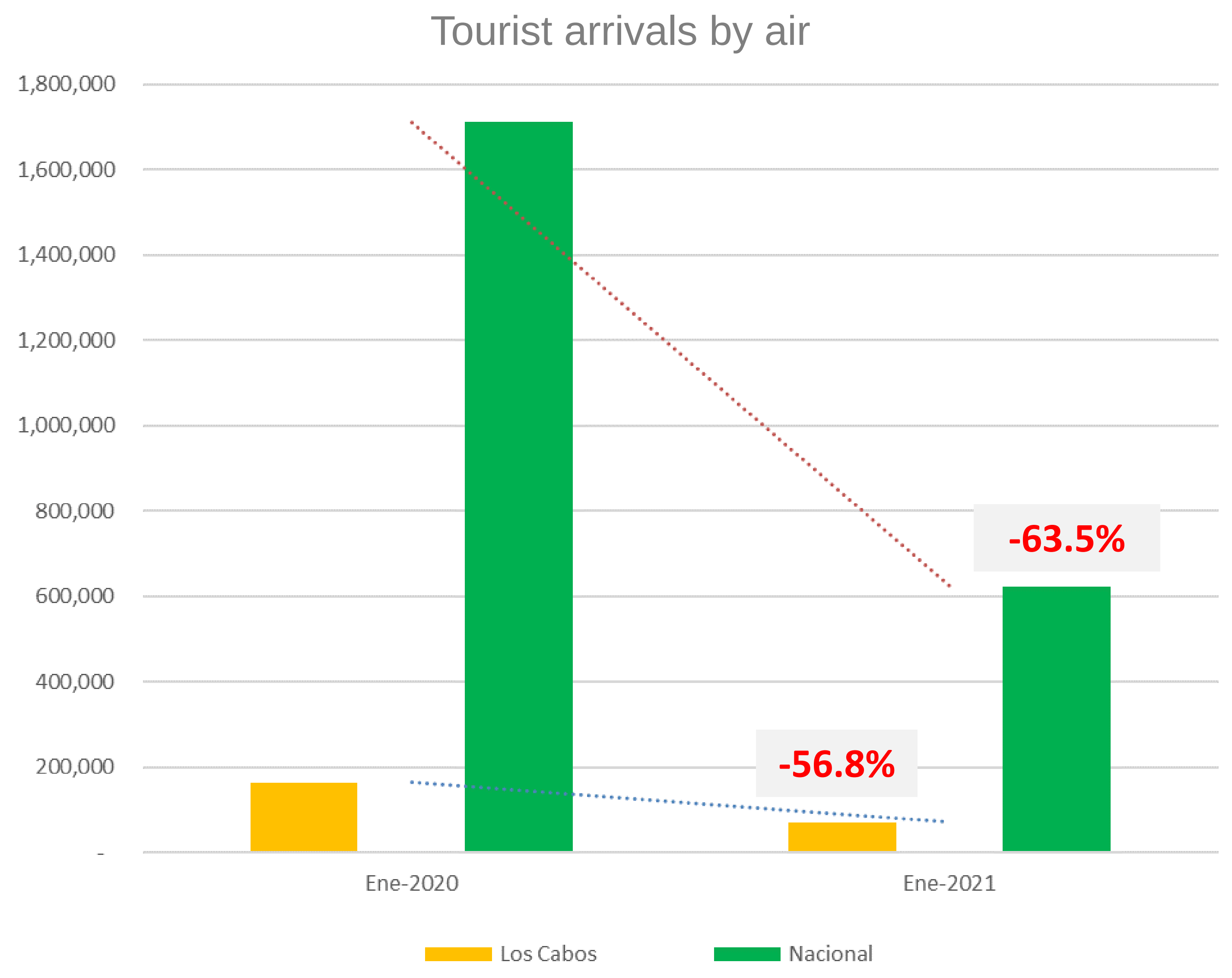


SOURCE: INM-SIOM

International tourist arrivals by air, by origin (residence), accumulated Jan-2020-2021

Regiones	Nacional			Los Cabos		
	Ene-2020	Ene-2021	Δ 2021/2020	Ene-2020	Ene-2021	Δ 2021/2020
Estados Unidos	906,130	472,537	-47.9%	139,238	70,454	-49.4%
Canadá	364,124	21,076	-94.2%	22,830	628	-97.2%
Europa	148,621	35,473	-76.1%	1,434	32	-97.8%
Caribe, Centro y Sudamérica	226,681	83,858	-63.0%	210	19	-91.0%
Resto del mundo	66,535	11,644	-82.5%	940	12	-98.7%
Gran Total	**1,712,091**	**624,588**	**-63.5%**	**164,652**	**71,145**	**-56.8%**

Mercados Clave	Nacional			Los Cabos		
	Ene-2020	Ene-2021	Δ 2021/2020	Ene-2020	Ene-2021	Δ 2021/2020
Reino Unido	29,363	3,900	-86.7%	942	5	-99.5%
Australia	6,595	267	-96.0%	415	3	-99.3%
Corea del Sur	8,748	735	-91.6%	98	-	-100.0%
Total mercados clave	**44,706**	**4,902**	**-89.0%**	**1,455**	**8**	**-99.5%**



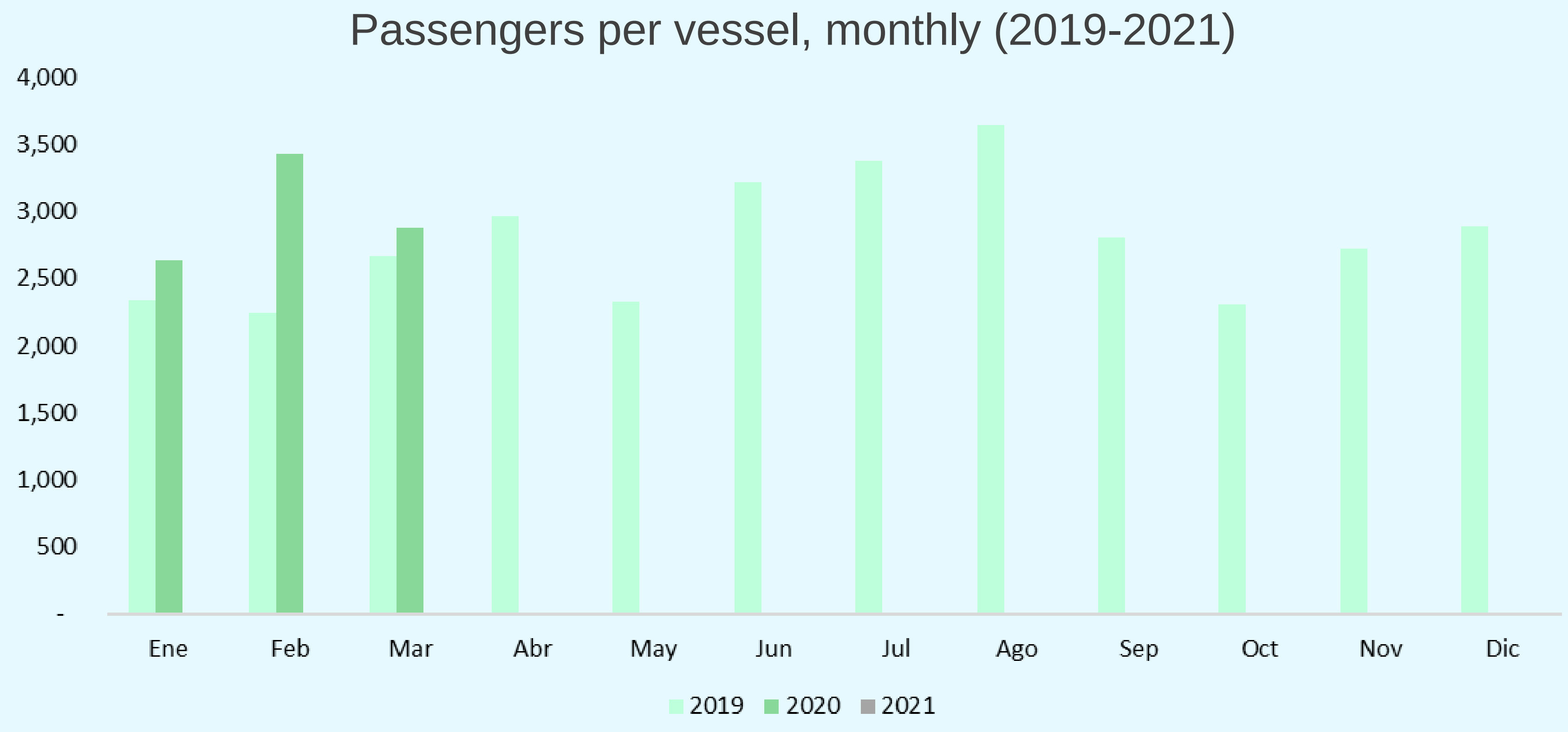
When comparing Jan-2021 vs. Jan-2020, tourist arrivals decreased 63.5% nationwide and 56.8% in Los Cabos.
The American market decreased 47.9% on a national level, whereas the Canadian market did so by 94.2%.
At the Los Cabos International Airport, the U.S. market decreased 49.4%, and the Canadian market did so by 97.2% when comparing both periods.

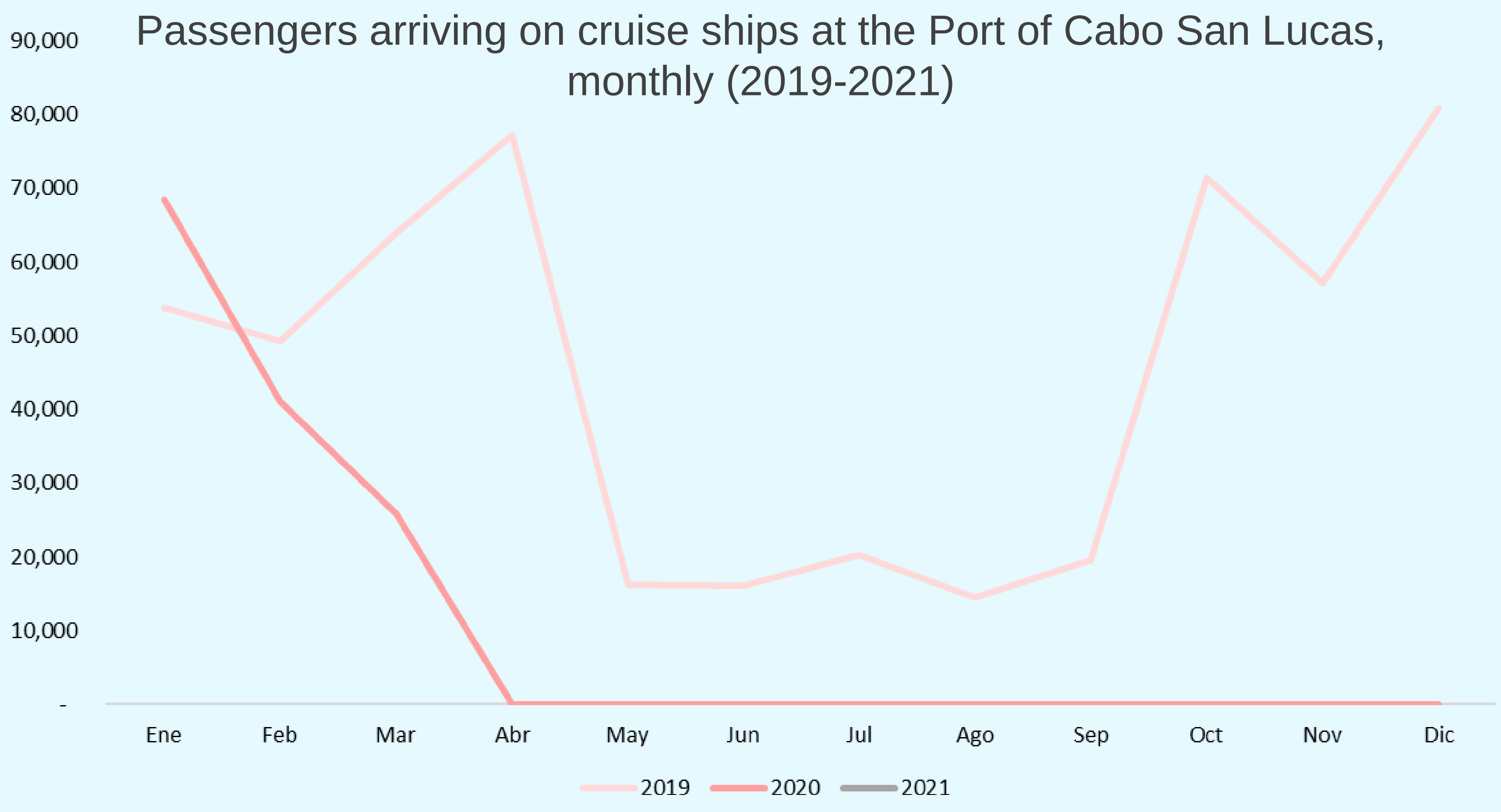
SOURCE: INM-SIOM

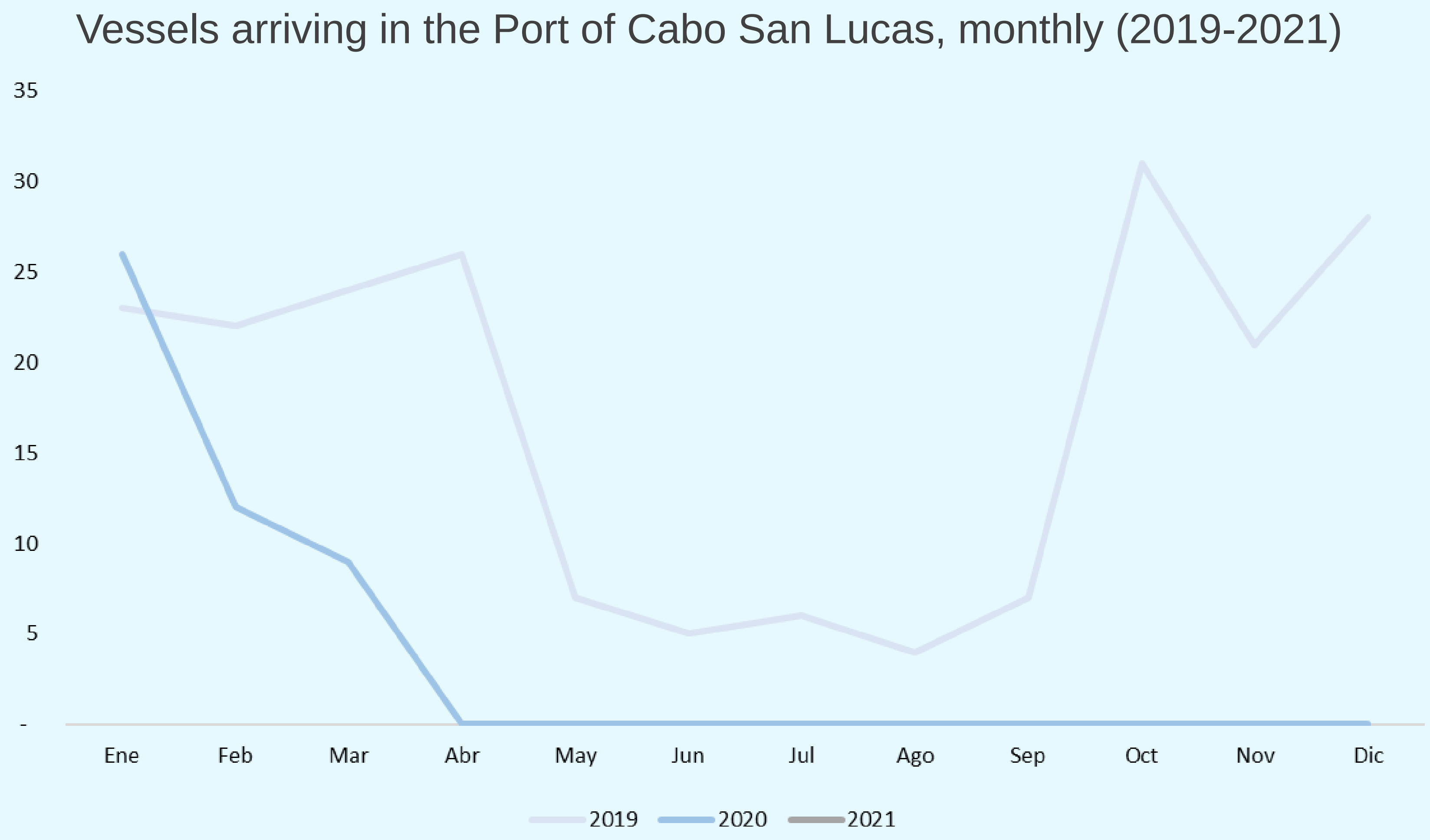
Cruise activity

There were no registered vessel or cruise ship arrivals at the Port of Cabo San Lucas in Jan-2021.

SOURCE: DATATUR - SCT





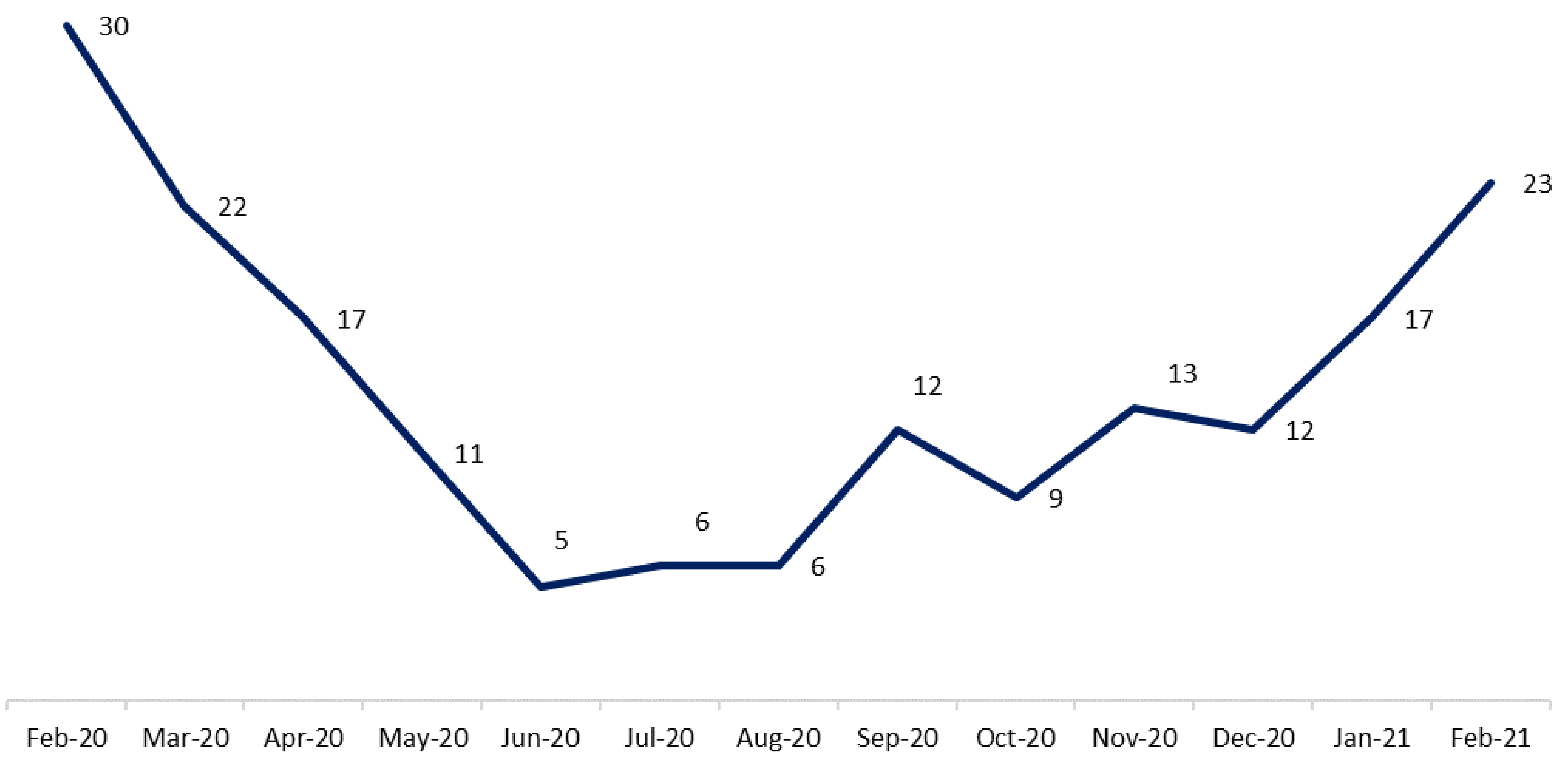


LOS CABOS TOURISM OBSERVATORY

TOURIST SURVEYS & GROUP BUSINESS

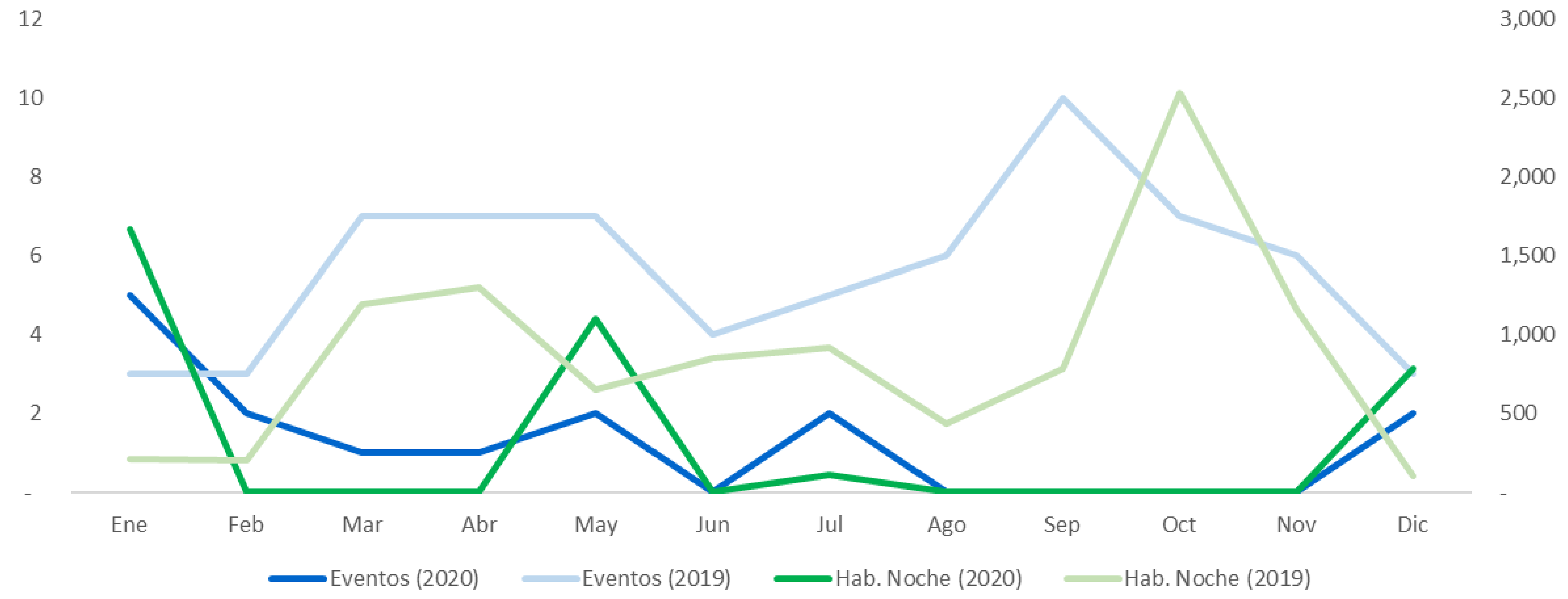
Demand indicators: Group Business

RFPs received from meeting and group events, last 12 months (CVENT)



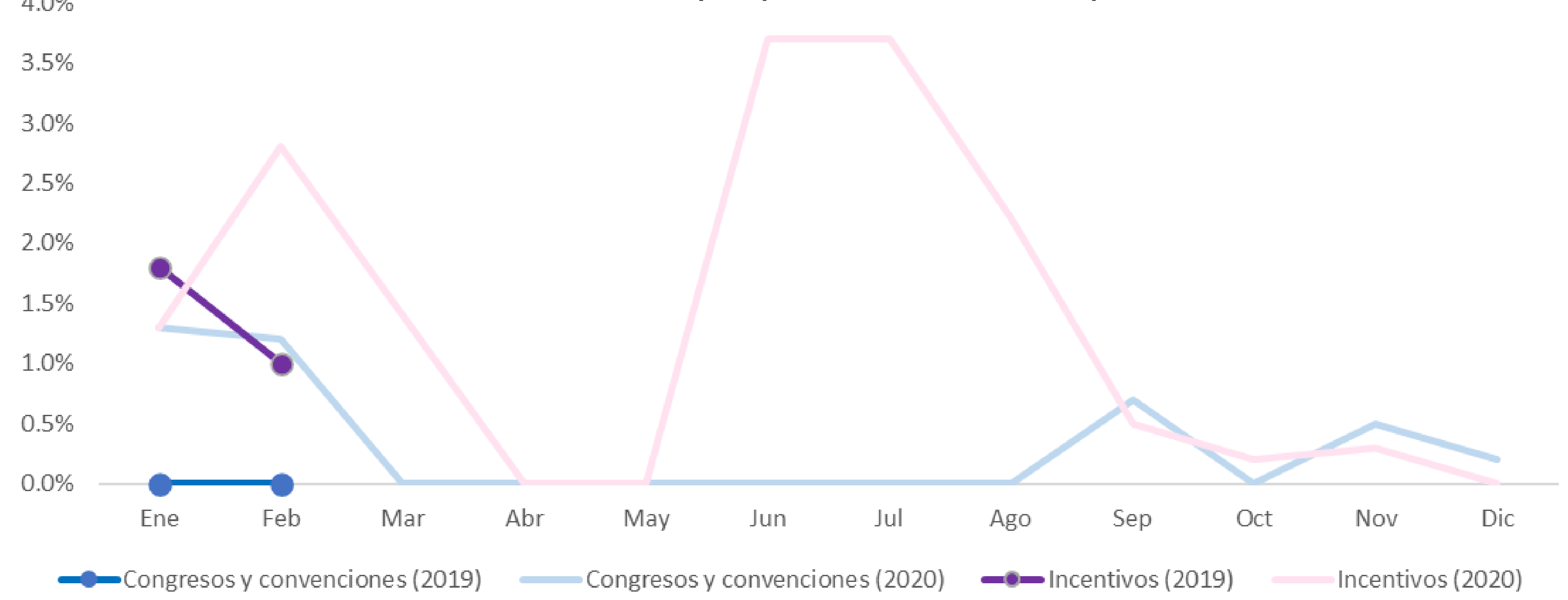
SOURCE: CVENT

Confirmed room nights and events, for meetings and groups



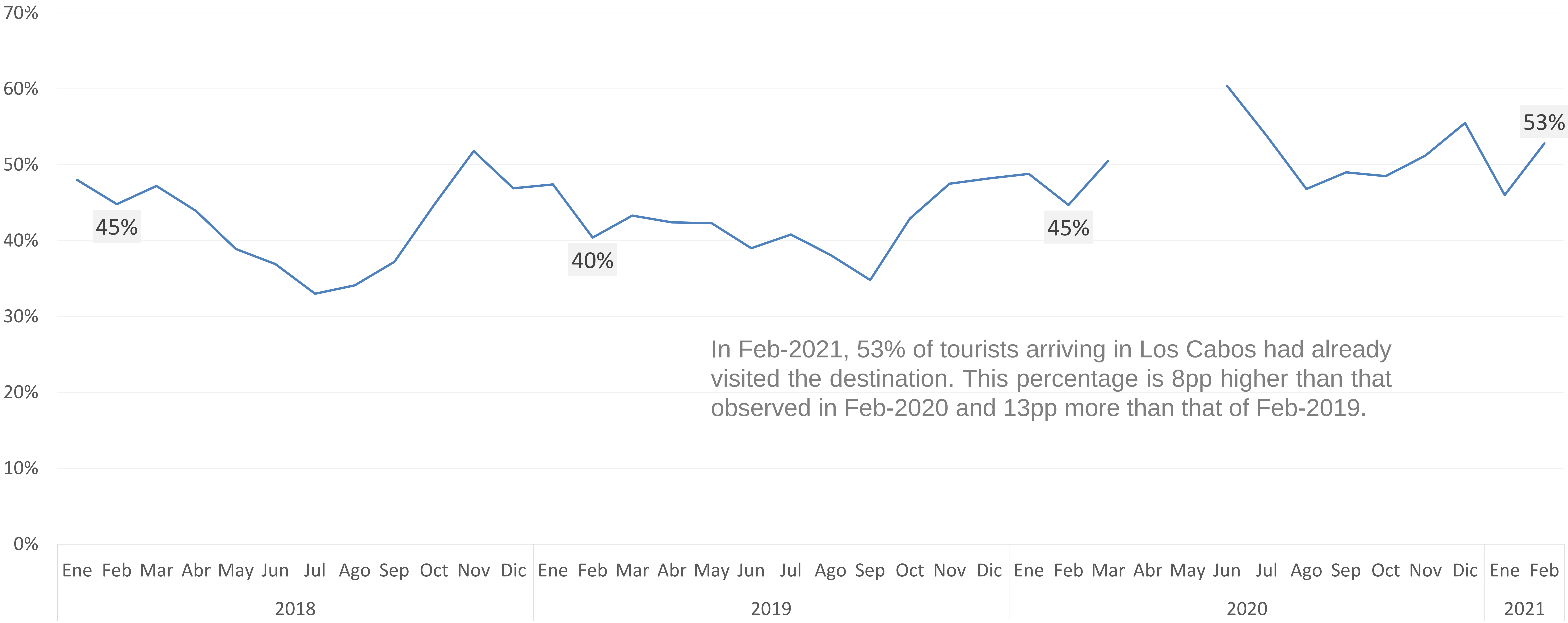
SOURCE: HELMS BRISCOE

Attendees to congresses, conventions and incentive trips (% of total tourists)



SOURCE: TOURIST SURVEYS

Return rate to the destination

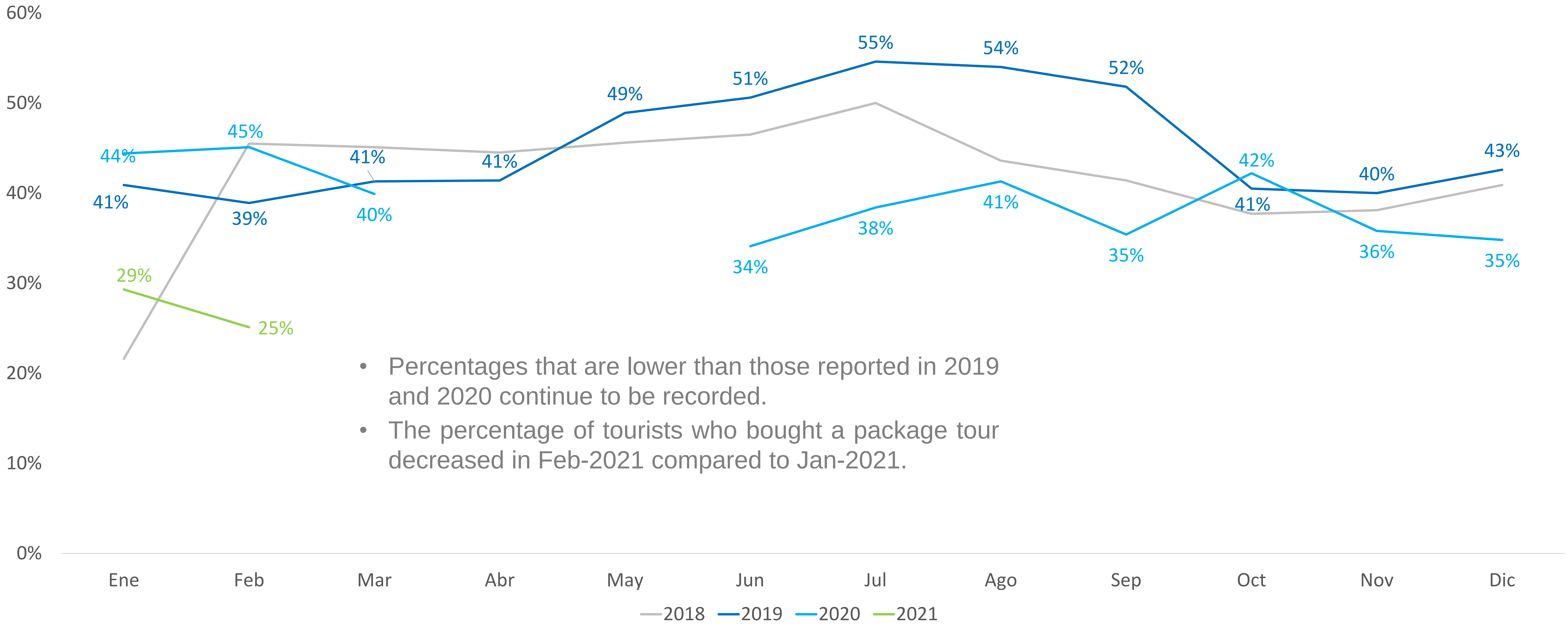


In Feb-2021, 53% of tourists arriving in Los Cabos had already visited the destination. This percentage is 8pp higher than that observed in Feb-2020 and 13pp more than that of Feb-2019.

SOURCE: TOURIST SURVEYS

NO INFORMATION WAS COLLECTED DURING APR-MAY-2020 DUE TO THE CONTINGENCY GENERATED BY COVID-19.

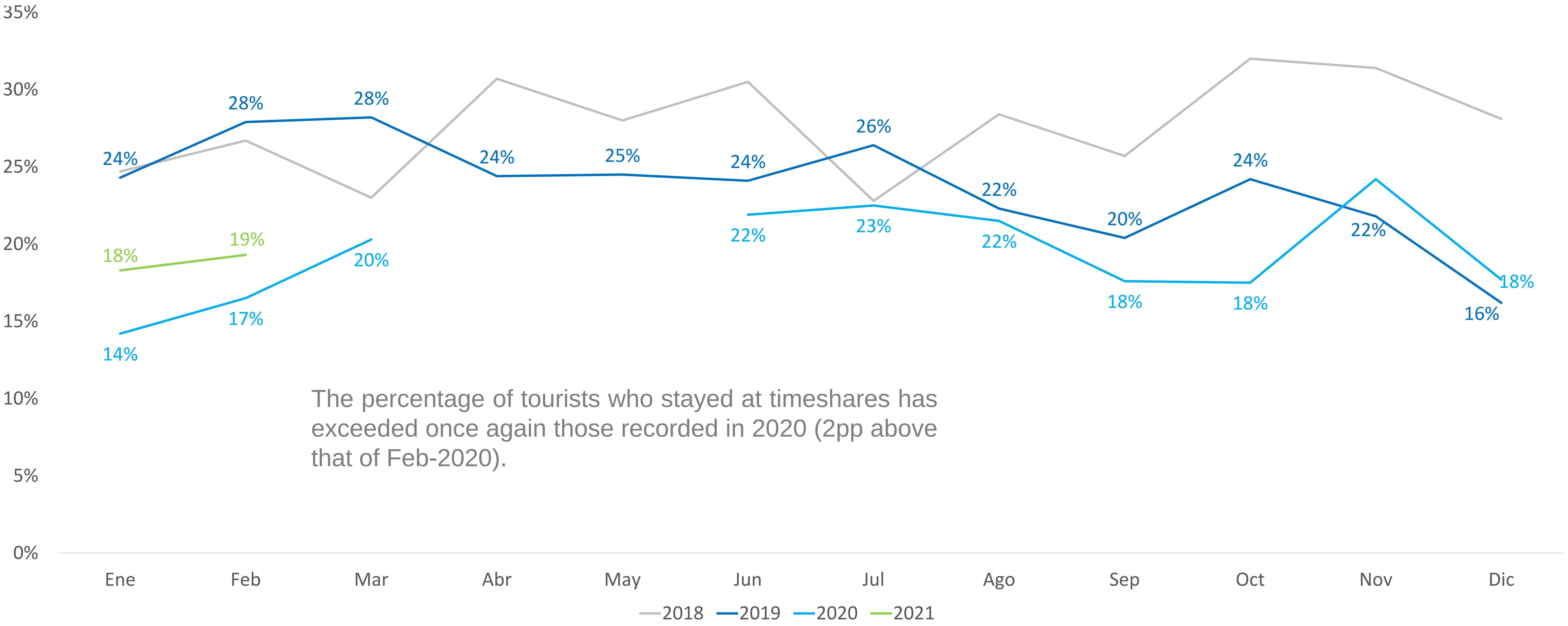
Package tour purchases



- Percentages that are lower than those reported in 2019 and 2020 continue to be recorded.
- The percentage of tourists who bought a package tour decreased in Feb-2021 compared to Jan-2021.

SOURCE: TOURIST SURVEYS
NO INFORMATION WAS COLLECTED DURING APR-MAY-2020 DUE TO THE CONTINGENCY GENERATED BY COVID-19.

Timeshares



The percentage of tourists who stayed at timeshares has exceeded once again those recorded in 2020 (2pp above that of Feb-2020).

SOURCE: TOURIST SURVEYS
NO INFORMATION WAS COLLECTED DURING APR-MAY-2020 DUE TO THE CONTINGENCY GENERATED BY COVID-19.

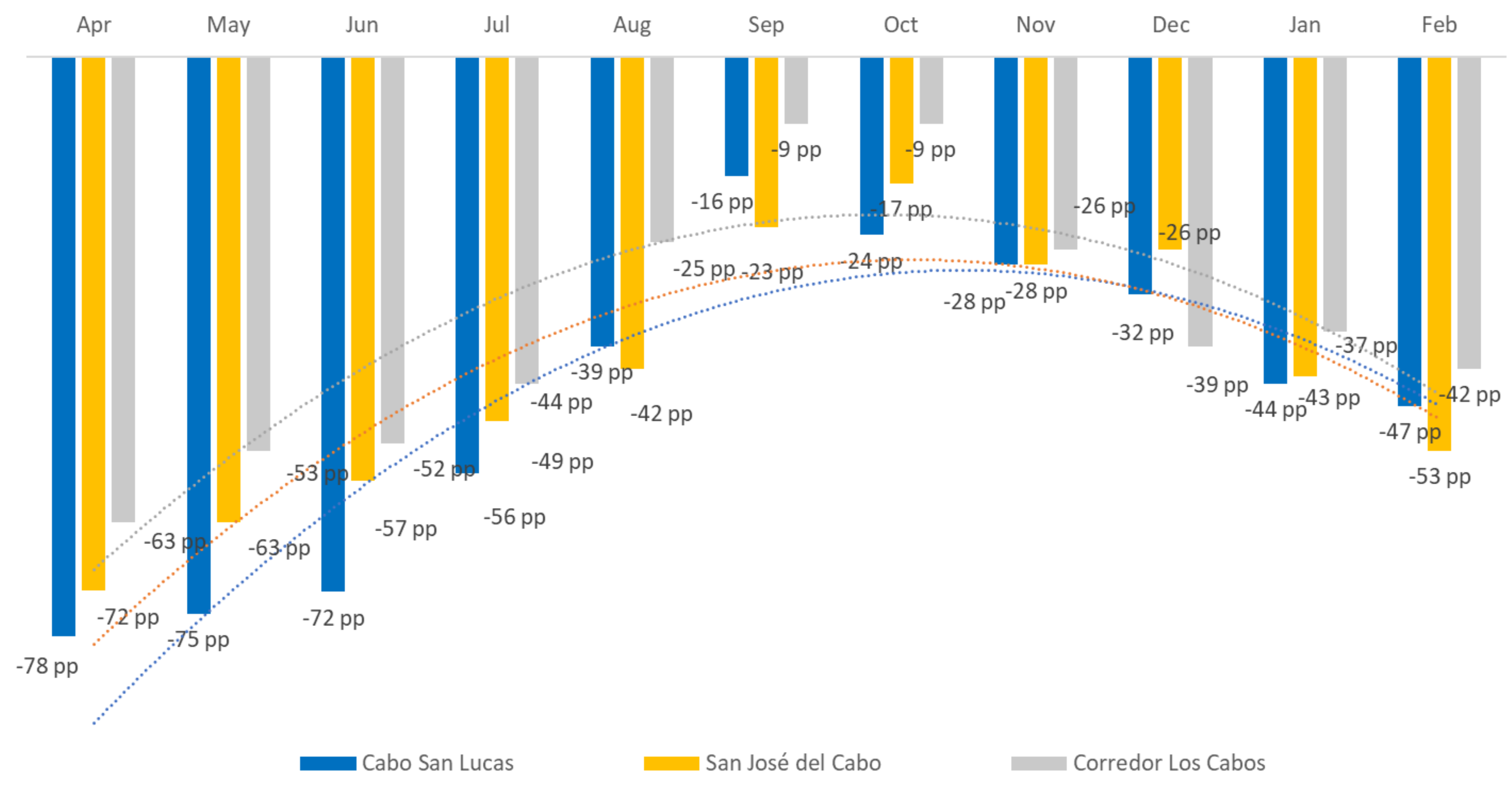
LOS CABOS TOURISM OBSERVATORY

SUPPLY INDICATORS

HOTEL OFFER

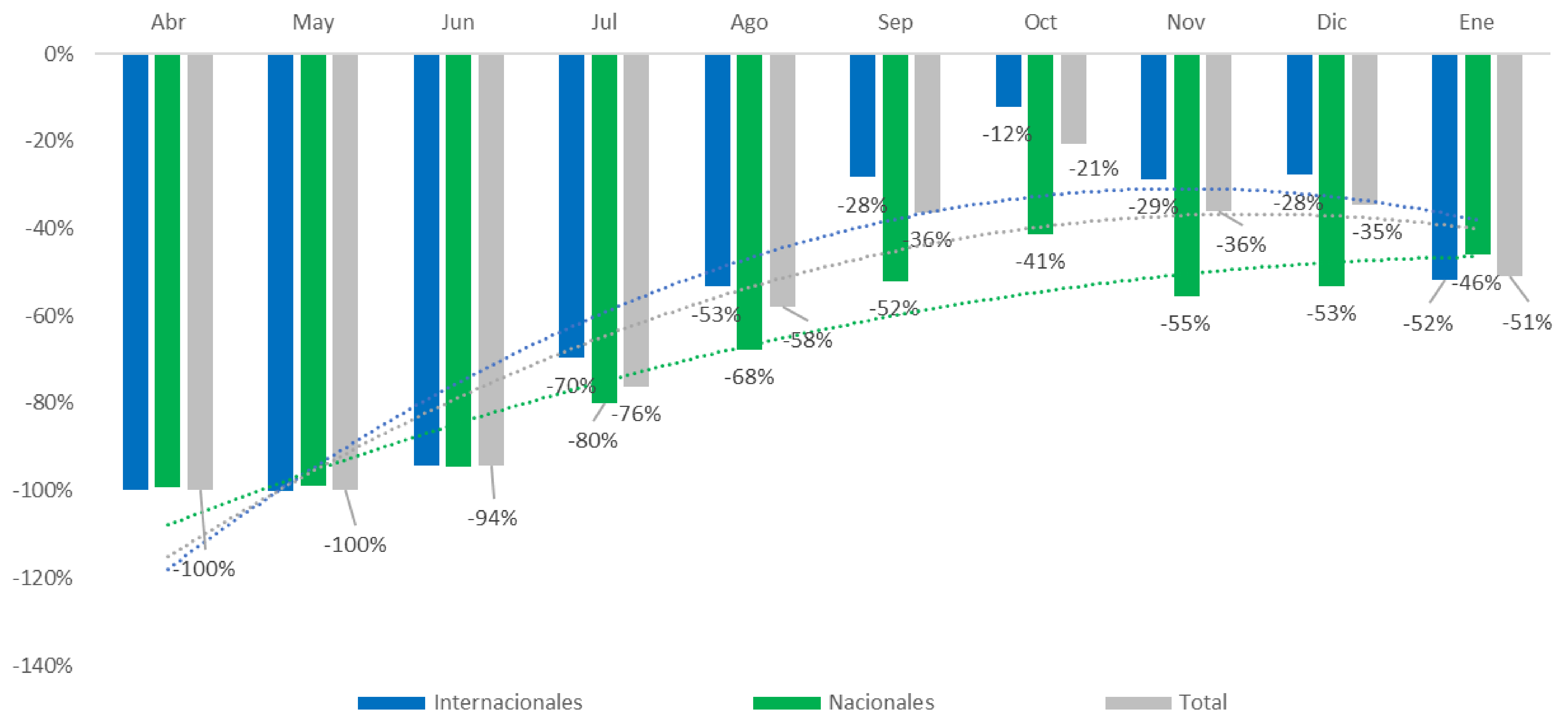
Evolution of the hotel offer in Los Cabos and sub-destinations

Annual variation in hotel occupancy, by destination
(from Apr-2019 to Feb-2021 vs. the previous year)



SOURCE: AHLC

Annual variation of tourist arrivals to hotels, by origin
(from Apr-2019 to Jan-2021 vs. the previous year)



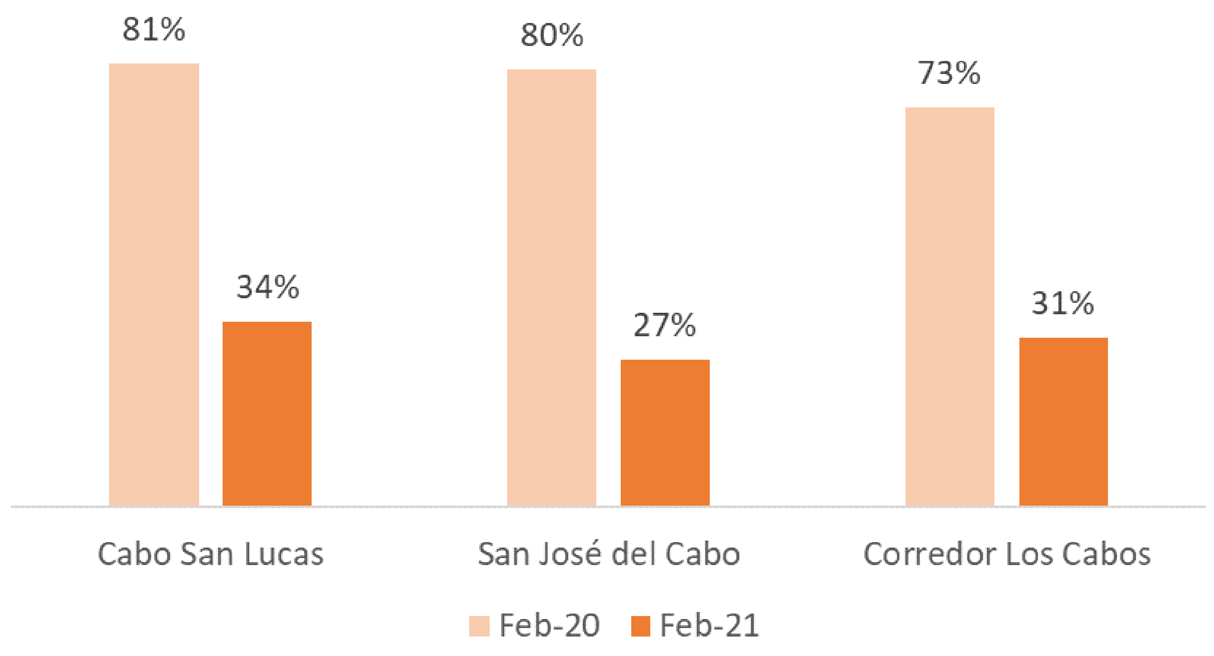
SOURCE: DATATUR

- The drop in hotel occupancy has been decreasing as the destination's recovery has progressed. In Cabo San Lucas, the decrease went from 78pp in Apr-2020 to 24pp in Oct-2020. However, it has widened again as of Nov-2020, and a 47pp decrease was registered in Feb-2021.

HOTEL OFFER

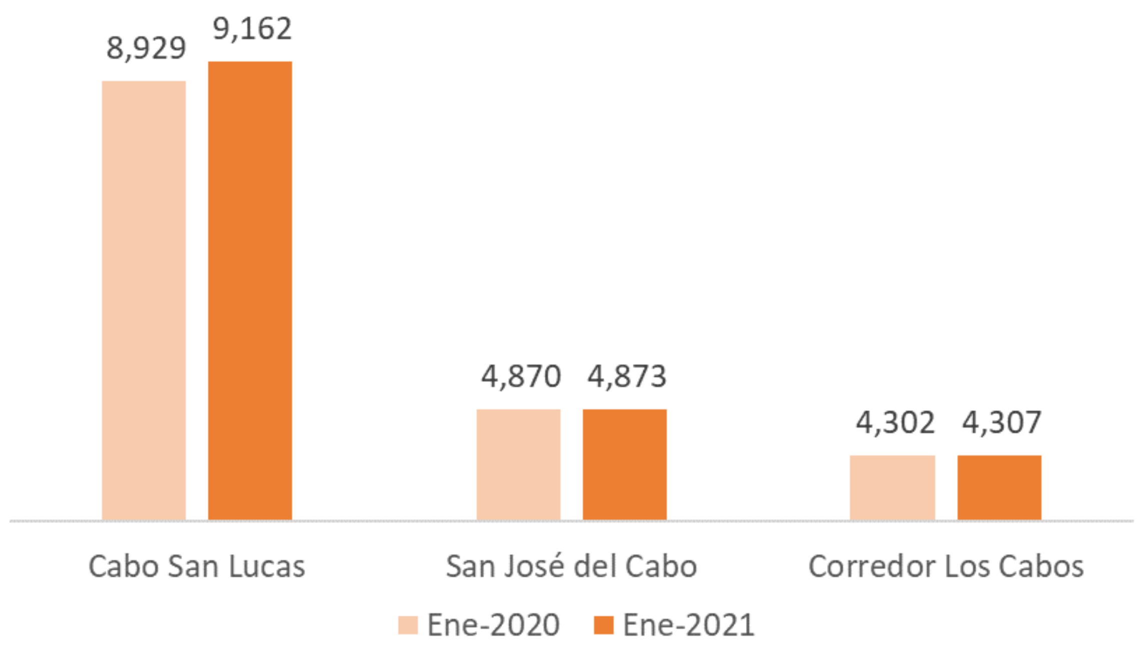
Evolution of the hotel offer in Los Cabos and sub-destinations

Hotel occupancy (February 2020-2021)



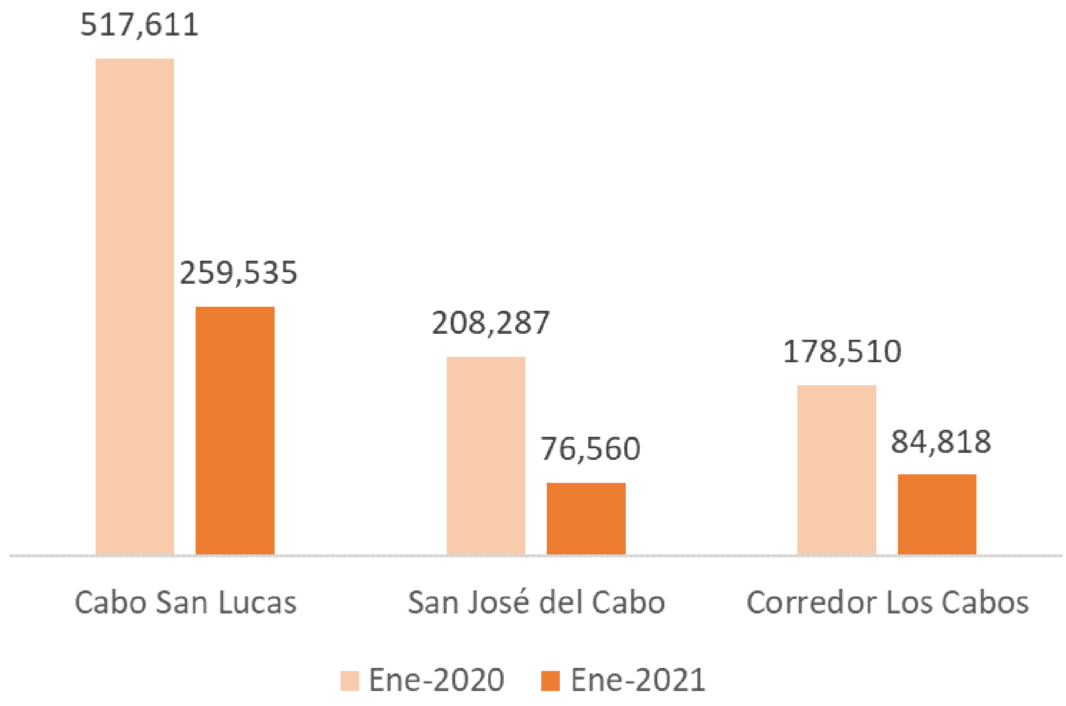
SOURCE: AHLC

Rooms available (January 2020-2021)



SOURCE: DATATUR

Room nights (January 2020-2021)



SOURCE: DATATUR

CABO SAN LUCAS

- The hotel occupancy registers 34%, which implies a decrease of 47pp (Feb-2020 vs. Feb-2021, AHLC).
- Its hotel offer increased 2.6% between Jan-2020 and Jan-2021, registering 9,162 (DataTur).
- Occupied room nights dropped 49.9% between Jan-2020 and Jan-2021 (DataTur).

SAN JOSE DEL CABO

- Occupancy dropped 53pp when comparing Feb-2020 to Feb-2021 (AHLC): 27%.
- Its hotel offer did not change between Jan-2020 and Jan-2021, registering 4.87 thousand rooms (DataTur).
- Occupied room nights dropped 63.2% between Jan-2020 and Jan-2021 (DataTur).

LOS CABOS CORRIDOR

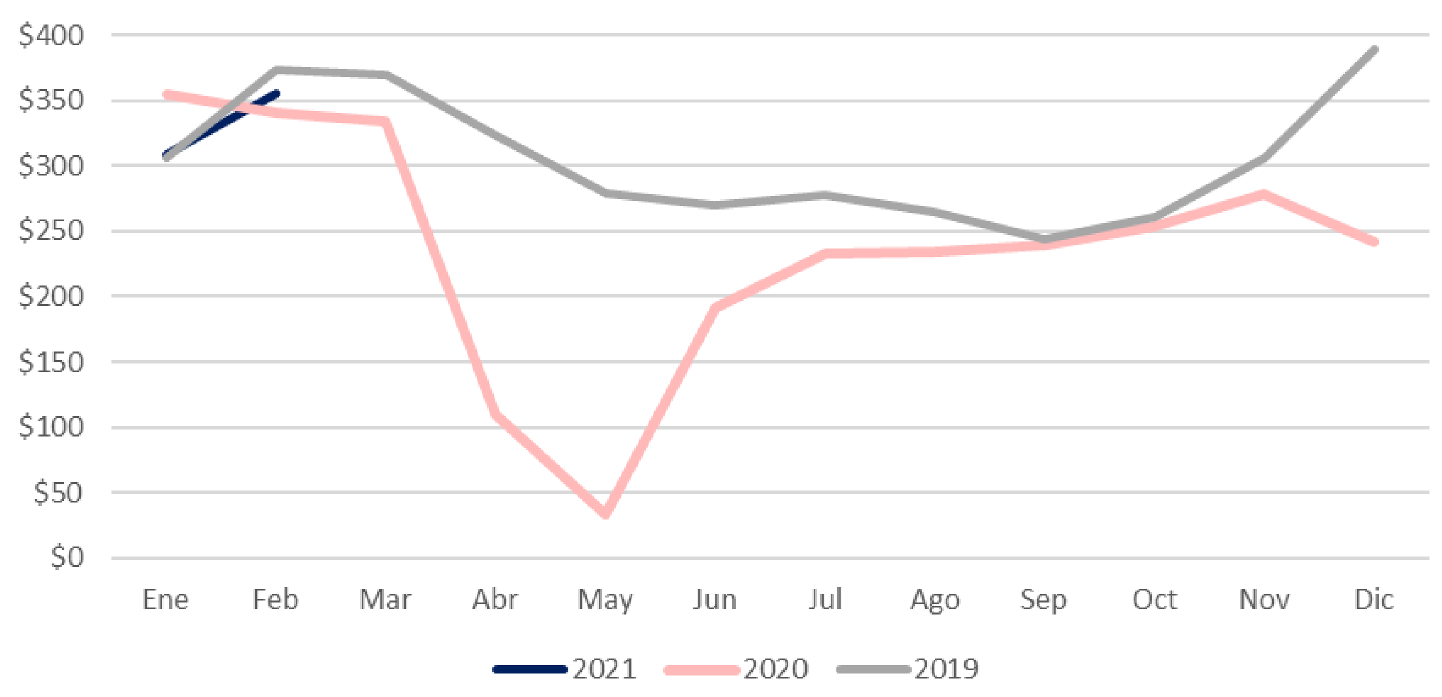
- Occupancy registers 31% in Feb-2021, which implies a decrease of 42pp (AHLC).
- Its hotel offer did not change between Jan-2020 and Jan-2021, registering 4.3 thousand rooms (DataTur).
- Occupied room nights decreased 52.5% between Jan-2020 and Jan-2021 (DataTur).

HOTEL OFFER

Evolution of the RevPAR and the average hotel rate in Los Cabos & sub-destinations

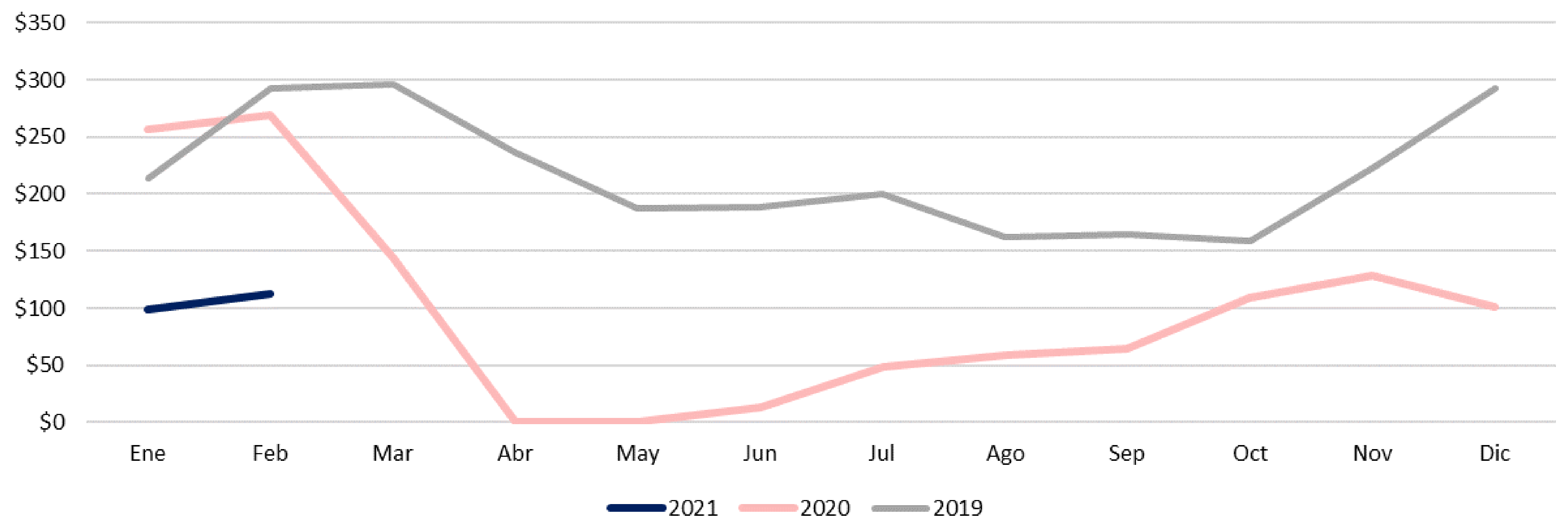
- The average hotel rate in Los Cabos for Feb-2021 was 355 USD, $120 above the last 12-month average, and $14 above that in Feb-2020.
- Los Cabos Corridor increased its average rate compared to the previous year (60 USD, 10.8%), **registering $612, its highest average rate recorded** since the tourism observatory began tracking this data in 2017.
- Cabo San Lucas showed a smaller increase: 19 USD (7%), registering $287.
  - San Jose del Cabo, on the contrary, decreased its rate by 40 USD (15.4%) and settled at $219.
- The RevPAR for Feb-2021 was 113 USD.
  - 156 USD (57.9%) below the one registered in Feb-2020.

Average Hotel Rate, Los Cabos (USD, 2019-2021)

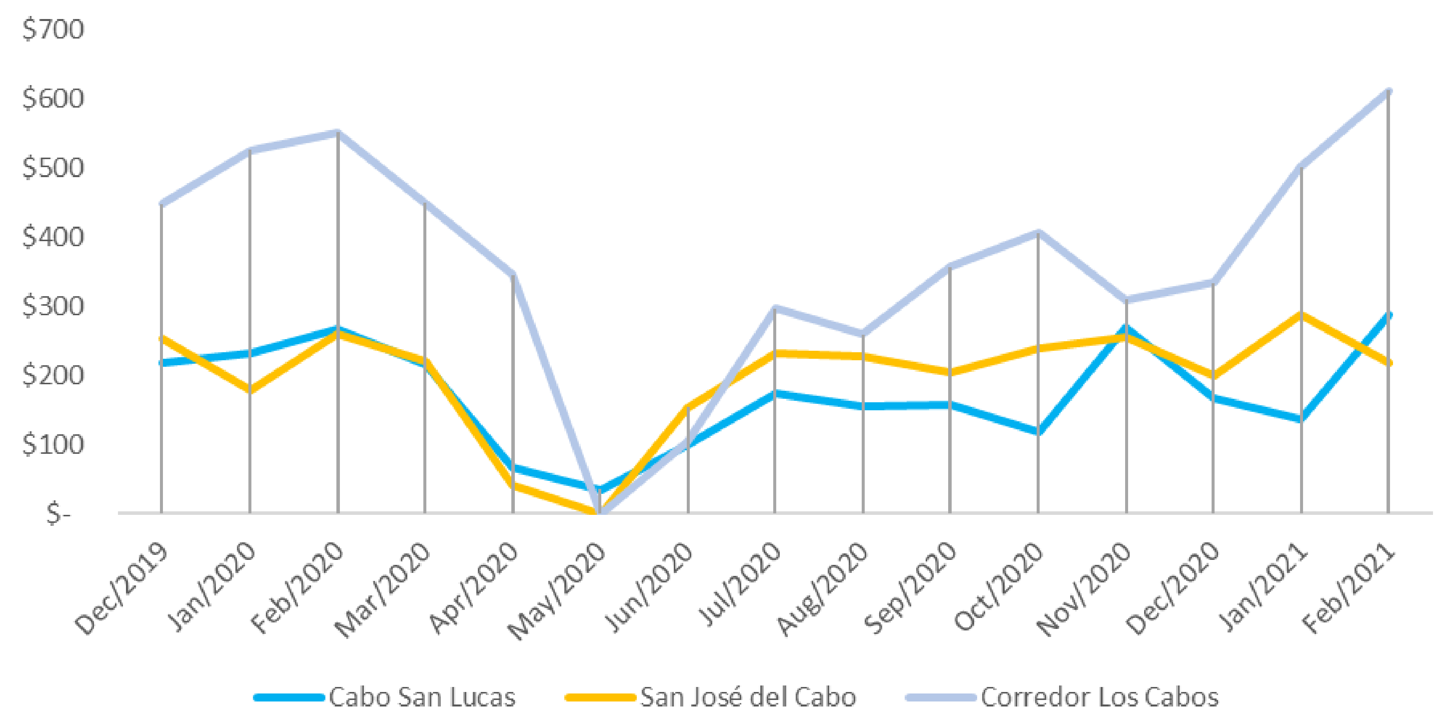


RevPAR Los Cabos (USD, 2019-2021)

SOURCE: AHLC



Average Hotel Rate, Sub-destinations (USD, monthly, last 12 months)

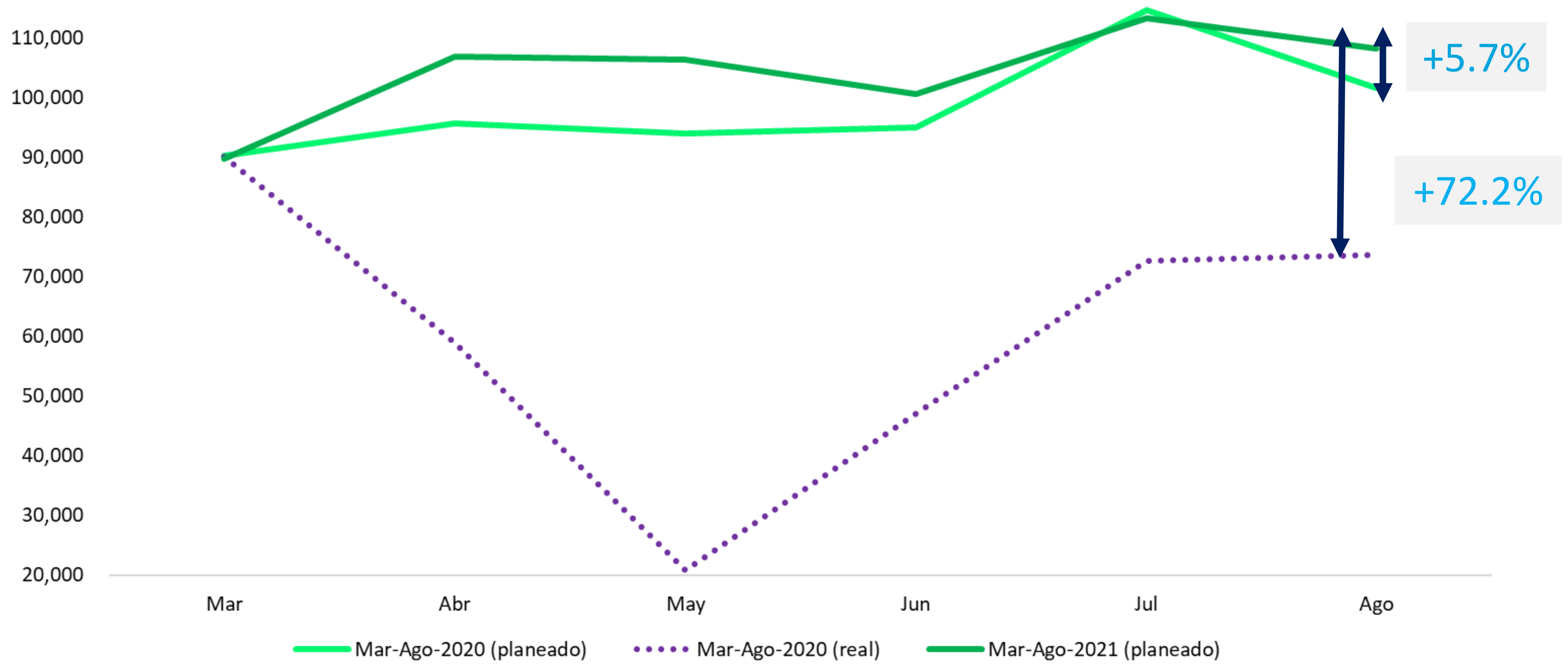


SOURCE: OAG

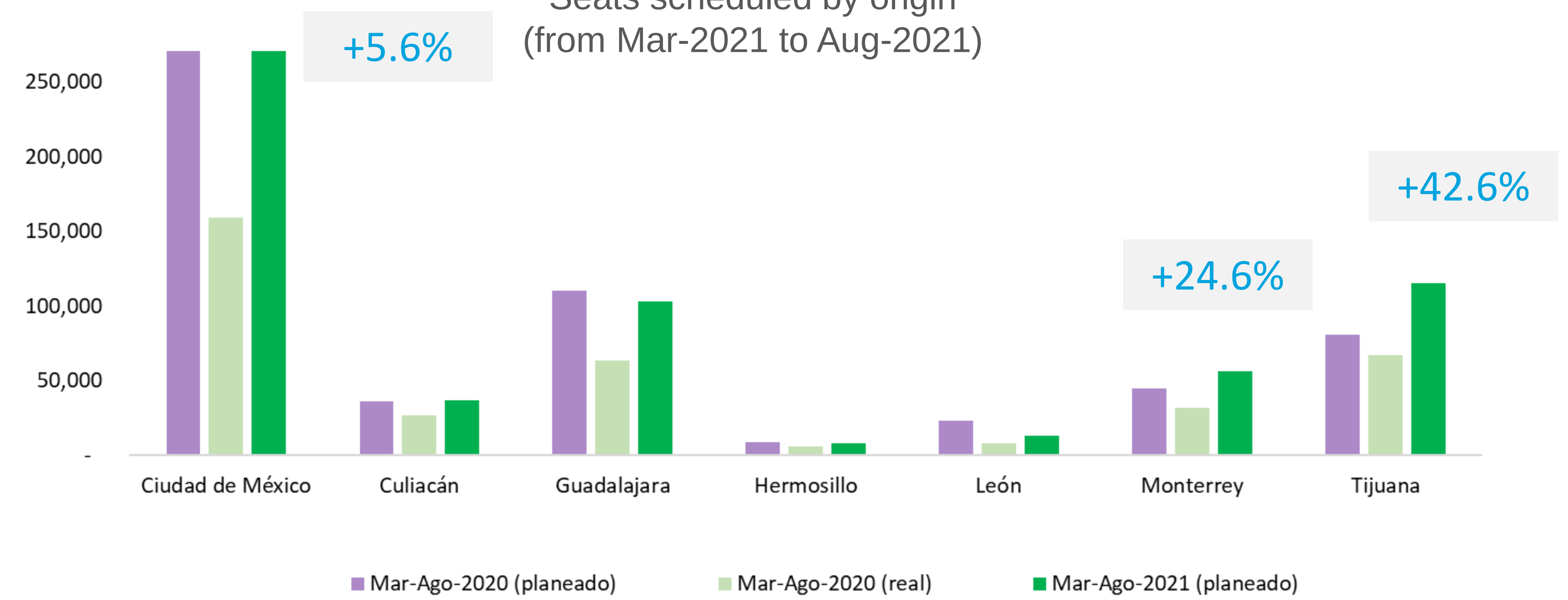
SEATS SCHEDULED FROM MAR-2021 TO AUG-2021
Seat offer report for the month in question and the 6 following months, as the case may be

- For the next 6 months (from Mar-2021 to Aug-2021), there are 625 thousand seats scheduled, **5.7% more** than the same period last year **(pre-pandemic seating plan, Feb-2020).**
  - However, when comparing the seats scheduled for the next 6 months against this year's actual schedule, the volume of programmed seats is **72.2% higher**. This is due to the 96% decrease that occurred since Apr-2020 as a result of the pandemic. However, there are **0.6% fewer** available seats expected for Mar-2021 than those scheduled for Mar-2020 (Jan-2020 scheduling).
- Mexico City and Tijuana are the most relevant issuing markets, having 47% and 18% of the total available seats (from Mar-2021 to Aug-2021), both followed by GDL (17%), Monterrey (9%), Culiacan (6%), Leon (2%), and Hermosillo (1%).
  - Seats from CDMX, MTY, and TIJ increased 6.6%, 24.6%, and 42.7%, respectively (compared to the pre-pandemic seating plan for Feb-2020). However, GDL decreased by 6.4%. Consequently, TIJ's market participation grew 4pp during these 6 months, and GDL dropped 2pp.
- Between Mar-2021 and Aug-2021, 48% of the available seats will be provided by Volaris, followed by Viva Aerobus with 33% and Aeromexico with 19%. Interjet has dropped to 0%.
- It's worth noting that this corresponds to the information provided on the OAG portal, and, given the flight suspensions announced by the airline and the sales restrictions implemented by IATA, this number would likely change.
- The national airlines' occupancy factors for Dec-2020 were: Aeromexico (82%), Viva Aerobus (73%), Interjet (59%), and Volaris (77%).

Seat scheduling for flying to San Jose del Cabo (from Mar-2021 to Aug-2021)



Seats scheduled by origin
(from Mar-2021 to Aug-2021)



INTERNATIONAL AIR CONNECTIVITY

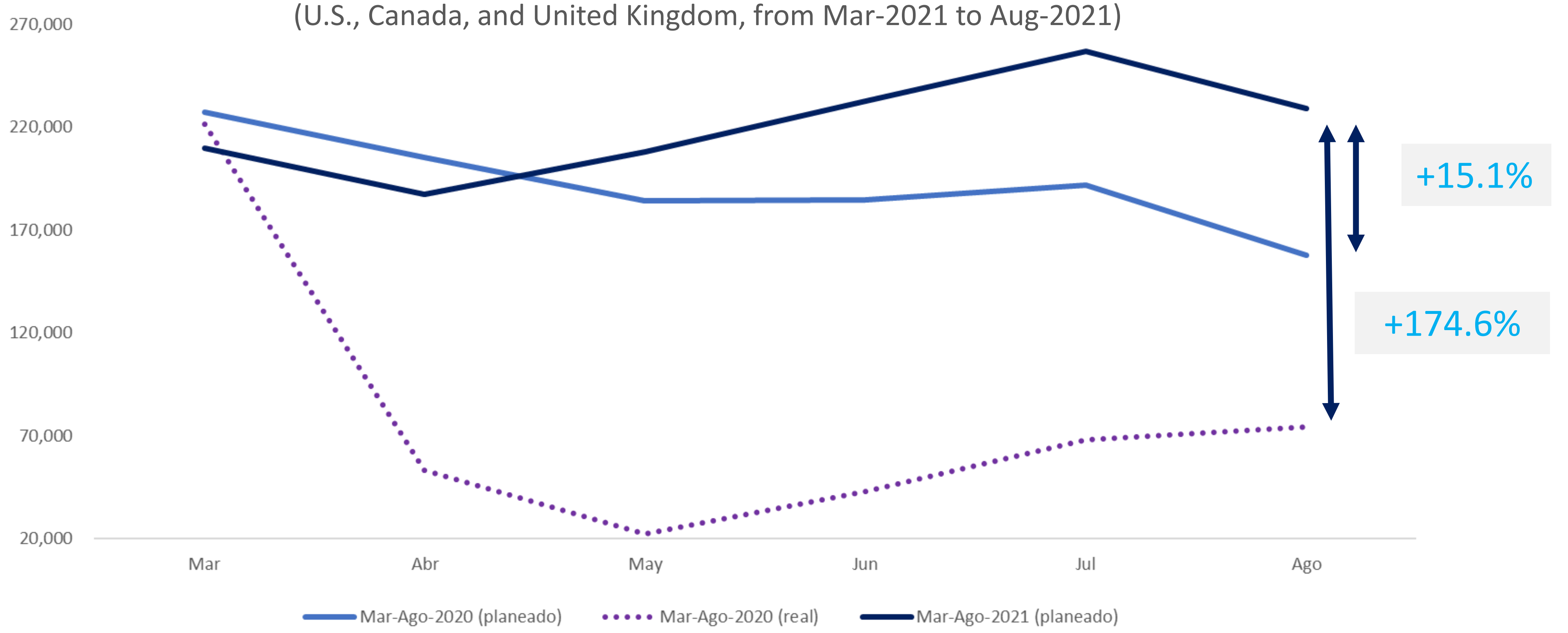
SOURCE: OAG

SEATS SCHEDULED FROM MAR-2021 TO AUG-2021

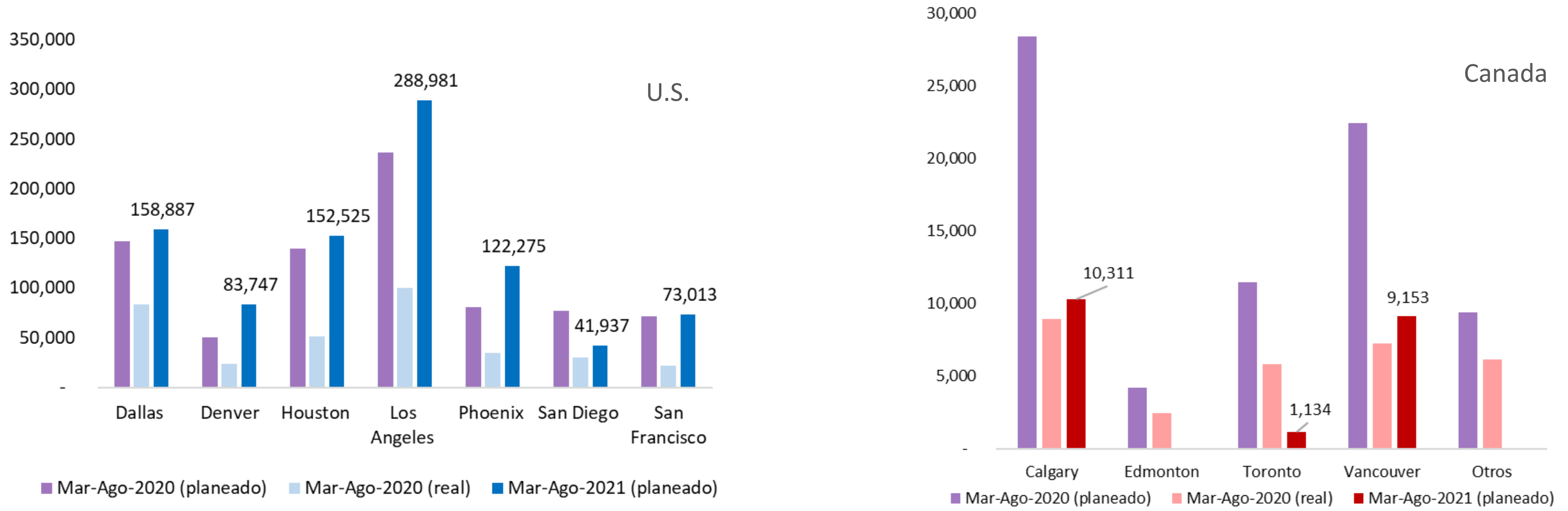
Seat offer report for the month in question and the 6 following months, as the case may be

- For the U.S., there are 1.3 million seats scheduled for the next 6 months, which is **22.2% more** compared to the same period last year (pre-pandemic seating plan, Feb-2020).
  - However, when comparing the seats scheduled for the next 6 months against this year's actual schedule, the volume of programmed seats is **190% higher**. This is due to the 72% decrease that occurred since Apr-2020 as a result of the pandemic. Almost all airports have increased service, the most notable being **CHI (+50.1%), LAX (+22.4%), PHX (+50.9%), DEN (+67.5%), and SEA (+145.4%)**. However, when compared to the pre-pandemic seating plan (Feb-2020), **a decrease of 45.3% is observed in San Diego**.
  - Los Angeles is the main issuing market in the U.S. (22% of the market), followed by DFW (12%), Houston (12%), and Phoenix (9%).
  - American, Alaska, Delta, and United Airlines are the most relevant (80% as a whole).
  - For Mar-2021, the United States expects 7.7% more available seats than those scheduled for the previous year (seating plan for Feb-2020).
- For Canada, there are 20.6 thousand seats scheduled for the next 6 months, which is **73% less** compared to the same period last year (pre-pandemic seating plan, Feb-2020).
  - When comparing the seats scheduled for the next 6 months against this year's actual schedule, the volume of programmed seats is **32.7% lower**. There are 100% fewer available seats expected for Mar-2021 than those scheduled for Mar-2020. All airports show a decrease in service within the next 6 months, with Calgary (-73.8%) and Vancouver (-59.2%) being the least affected. Toronto dropped 91.1%, and Edmonton – and the rest of Canada – did so by 100%.
  - During this period, Swoop and Air Canada will reduce the number of seats by 100%. Sunwing and WestJet will do so by 79.6% and 60.1%, respectively, compared to the Feb-2020 scheduling.
- The international airlines' occupancy factors for Dec-2020 were: American 59%, Alaska 60%, Delta 46%, United 63%, and Southwest 68%.

Seat scheduling for flying to San Jose del Cabo, international total (U.S., Canada, and United Kingdom, from Mar-2021 to Aug-2021)



Seats scheduled by origin (from Mar-2021 to Aug-2021)



LOS CABOS TOURISM OBSERVATORY

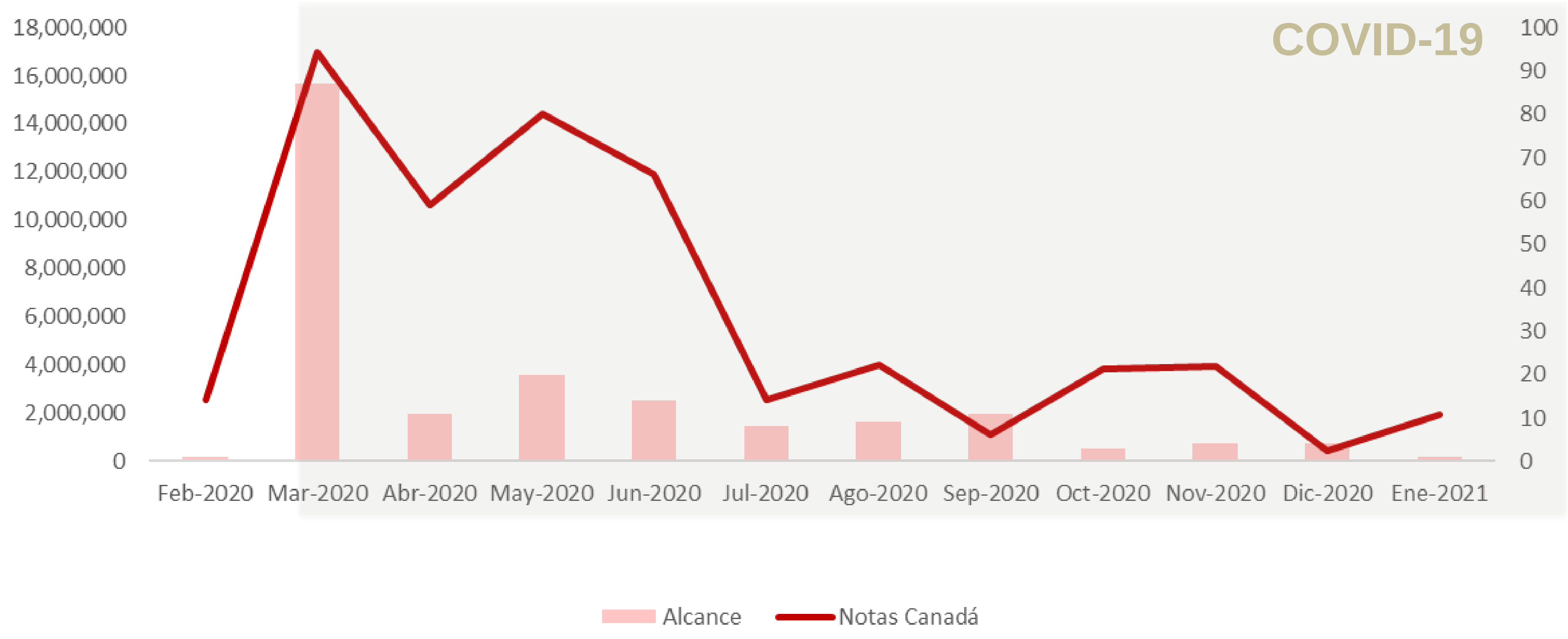
PUBLIC RELATIONS

Public relations: notes and scope

- **In the domestic market:**
  - During Jan-2021, 39 press insertions were introduced, thus achieving 4.3 million impacts. An average of 47 inserts has been published monthly since the pandemic started in April 2020, with **a reach of 4.1 million**.

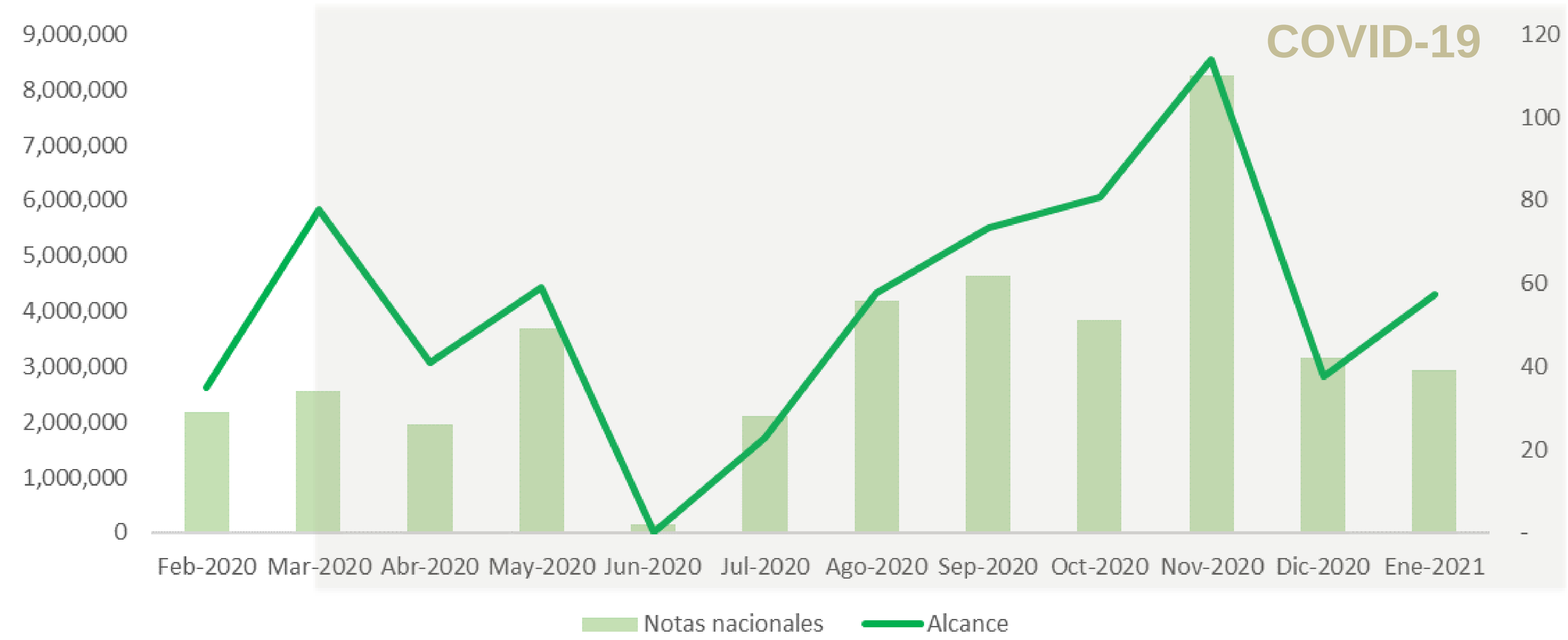
- **In the international market:**
  - In Jan-2021, 26 placements and 429 million impacts were achieved in the United States. An average of 32 inserts has been published monthly since the pandemic started, with **a reach of 1,157 million**.
  - For Canada, 4 press insertions were delivered throughout Jan-2021, representing a reach of 1.9 million. An average of 9 inserts has been published monthly since April, with **a reach of 5.5 million**.

CANADIAN MARKET NOTES: TOTAL & SCOPE



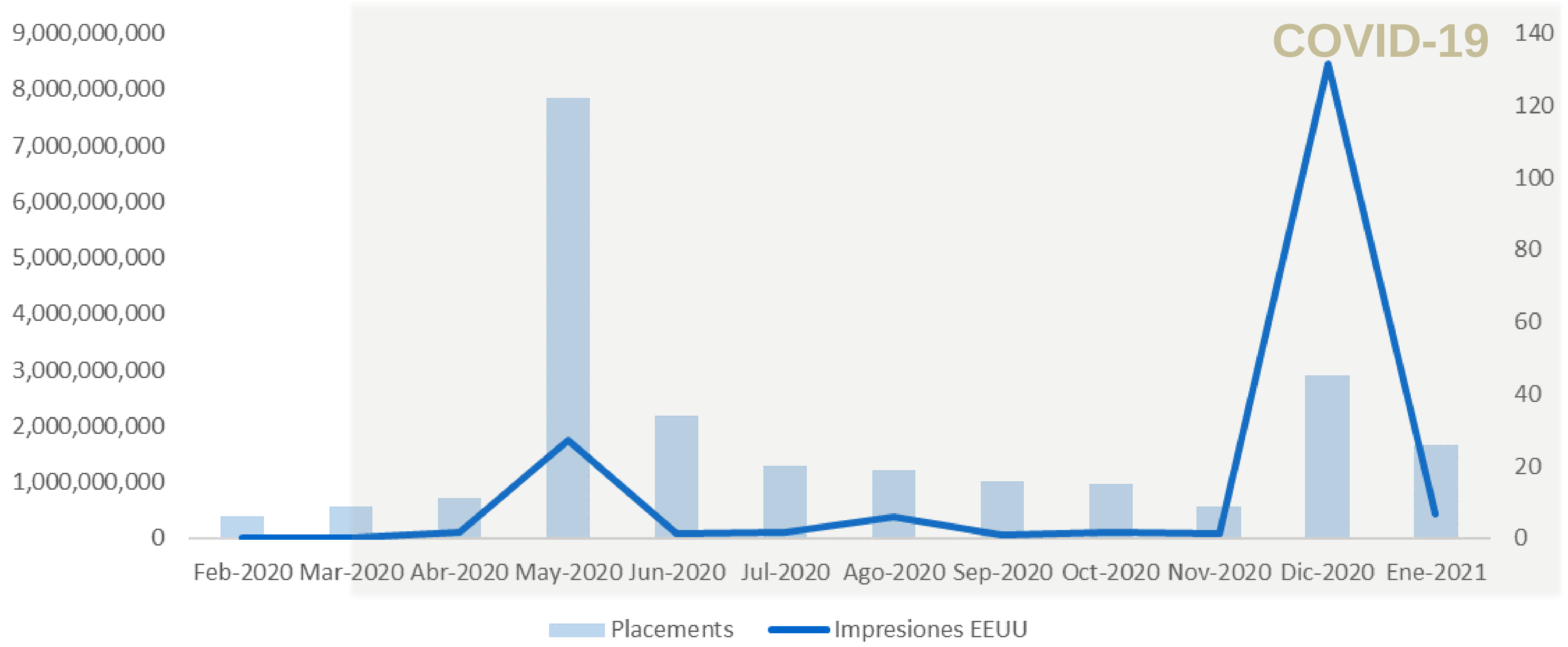
SOURCE: JESSON+CO

NATIONAL NOTES: TOTAL & SCOPE



SOURCE: GAUDELLI (Feb-2018 to Jan-2019), LLORENTE & CUENCA (Feb-2019 to Nov-2020)

U.S. MARKET NOTES: TOTAL & SCOPE



SOURCE: NJF (Feb-2018 to Jan-2019), OGILVY (Feb-2019 to Nov-2020)

LOS CABOS TOURISM OBSERVATORY

METHODOLOGICAL NOTES & REFERENCES

DEFINITIONS

- **Congress.** Non-business-oriented meetings in which people gather in large groups, generally to discuss and exchange points of view on a topic of interest (including professional, cultural, sports, theological, social, governmental, academic, and more). These meetings often last several days and have simultaneous sessions, as well as a predefined multiannual or annual periodicity.
- **Convention.** Trade or business meetings usually sponsored by a corporation, where participants represent the company, corporate group, or customer-supplier relationships. Their participation could be mandatory, so travel expenses are borne by the corporation. This category includes general and formal legislative, social or economic meetings, to provide information, deliberate, establish consensus or deal with participants' policies, as well as address a market's, product's or brand's commercial issues. It may include a secondary presentation element.
- **Available rooms.** The number of rooms in service. It doesn't account for out of service rooms due to repair or some other cause.
- **Tourist destination.** The main target of a tourist's trip. The visiting place is fundamental for the decision-making process to plan a trip. The main reason for the trip.
- **Seasonality.** It means that tourist flows tend to be distinct across different seasons (around certain times of the year), repeating this process annually.
- **Length of stay.** It results from dividing the total number of room nights by the number of bookings per month. The obtained result expresses the number of days a tourist stays.
- **Events or incentive trips.** Incentive travel is a new strategy that recognizes people who have reached or exceeded goals generally related to sales or productivity. It is addressed to participants who have better job performance, gifting them with a remarkable travel experience.
- **Room nights.** Obtained from the daily number of rooms occupied by tourists, times their length of stay (number of nights that they spend in the establishment). Classified according to the place of origin, and residency or non-residency status.
- **Inflation.** General and continuous rise in the prices of goods and services marketed in an economy. It is the average growth rate of the goods and services' prices between one period and the next.
- **Underlying inflation.** The prices' increase in a subset of the INPC (National Consumer Price Index), which includes generics with less volatile prices. It measures the inflation trend in the medium term. The 283 generic concepts that make up the goods and services basket of the INPC are classified into subsets that respond to particular needs of analysis. Among the most well-known classification, there is the object of expenditure, which refers to the origin of goods and services' sector; and the durability of goods and the underlying inflation.
- **Passenger arrivals.** Passengers carried on scheduled services by airlines.
- **Tourist arrivals.** Corresponds to the number of tourists that visited the establishment throughout the month.

DEFINITIONS

- **Visitor's nationality.** Granted by the country that issues the passport or other identity documents, even when residing in another country.
- **Non-resident.** The person whose habitual environment is outside the Mexican territory and visits the latter for less than 12 months for any reason (including business, vacation, and more), excluding those who get paid for working in activities at the visiting place.
- **Hotel occupancy.** The accommodation occupancy rate is a supply-based concept. It is an important indicator that provides information on the use of different accommodation types and, if the data is obtained monthly, it also indicates the seasonal pattern use of tourist accommodations.
- **RevPAR.** RevPAR is the most important metric used in the hotel industry to assess the financial performance of an establishment or a chain (it assesses a property's ability to fill its available rooms at an average rate). RevPAR is short for Revenue Per Available Room (income per available room). It refers to a specific period (weekly, monthly, annual, etc.). One way to calculate RevPAR is through the formula: RevPAR = $It/\Sigma Ht$, where It equals the total room revenue and ΣHt equals the number of rooms available during a period (the multiplication of total establishment's rooms by the room nights in that period, minus the number of rooms that are not available).
- **Resident.** Individual who lives permanently or on a long-term basis in the territory of the United Mexican States.
- **Residence.** The place/country where the traveler has stayed most of the past year (12 months), or has stayed for a shorter period and plans to return within 12 months to live in that country.
- **Average daily rate.** Commonly known as ADR. It is a statistical unit that represents the average rental income per paid occupied room in a given period. Along with the occupation of the property, both are the basis of the property's financial performance. ADR is calculated dividing room revenue by the number of rooms sold. Houseguest rooms (also known as "house use") and free rooms (known as "complementary rooms") should be excluded from the denominator.
- **Tourist.** Any individual who travels outside their usual environment for less than 12 months for any reason, except those who engage in activities that will generate income at the travel destination: refugees or migrant workers, diplomats, seasonal workers, or travel employees.
- **Visitor.** Any individual who travels outside their usual environment for less than 12 months for leisure, business, religious, medical, or other reasons. Exceptions include people who engage in activities that will generate income at the travel destination: refugees or migrant workers, diplomats, seasonal workers, tourism employees, or people looking for a new residence or job.

LOS CABOS TOURISM OBSERVATORY

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