LOS CABOS TOURISM OBSERVATORY

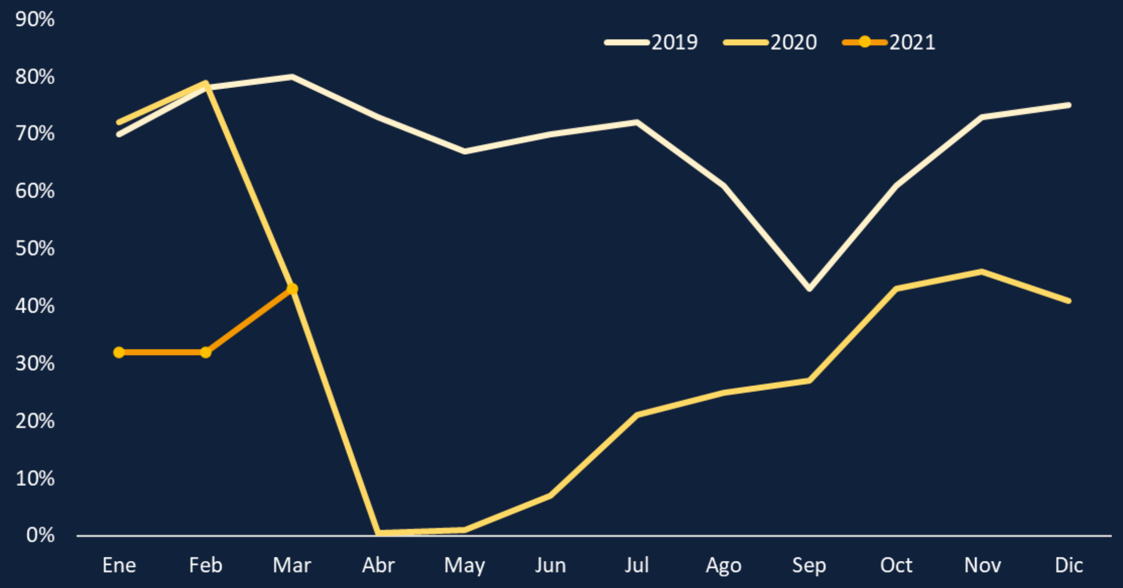
KEY PERFORMANCE INDICATORS

APRIL 2021

Main indicators – Summary

Hotel Activity

Hotel Occupancy:



Hotel Occupancy (Mar-2021):
43%
-37pp
(vs. Mar-2019)

SOURCE: AHLC

Rooms Available (Feb-2021):
22,336
+2.7%
(vs. Feb-2020)

SOURCE: DATATUR

Room nights (Feb-2021):
476,052
-60.1%
(vs. Feb-2020)

SOURCE: DATATUR

Air Passenger Arrivals

Total Passengers (Mar-2021, expressed in thousands):
187.15
-32.2%
(vs. Mar-2019)

National Passengers (Mar-2021, expressed in thousands):
71.2
+1.1%
(vs. Mar-2019)

International Passengers (Mar-2021, expressed in thousands):
115.95
-43.5%
(vs. Mar-2019)

SOURCE: GAP

Other indicators

Cruise ships (Feb-2021):
0
-12 vessels
(vs. Feb-2020)

SOURCE: DATATUR

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

SOURCE: DATATUR

Group Business Total RFPs (Mar-2021):
25
+22 RFPs
(vs. Mar-2020)

SOURCE: CVENT

Tourist Satisfaction: more than expected (Mar-2021):
46.2%
+13.2pp
(vs. Mar-2020)

SOURCE: TOURIST SURVEYS

Attendees to congresses and conventions (Mar-2021):
0.5%
+0.5pp
(vs. Mar-2020)

SOURCE: TOURIST SURVEYS

Tourists' Origin (Mar-2021):
73.6% foreigners
+1.9pp
(vs. Mar-2020)

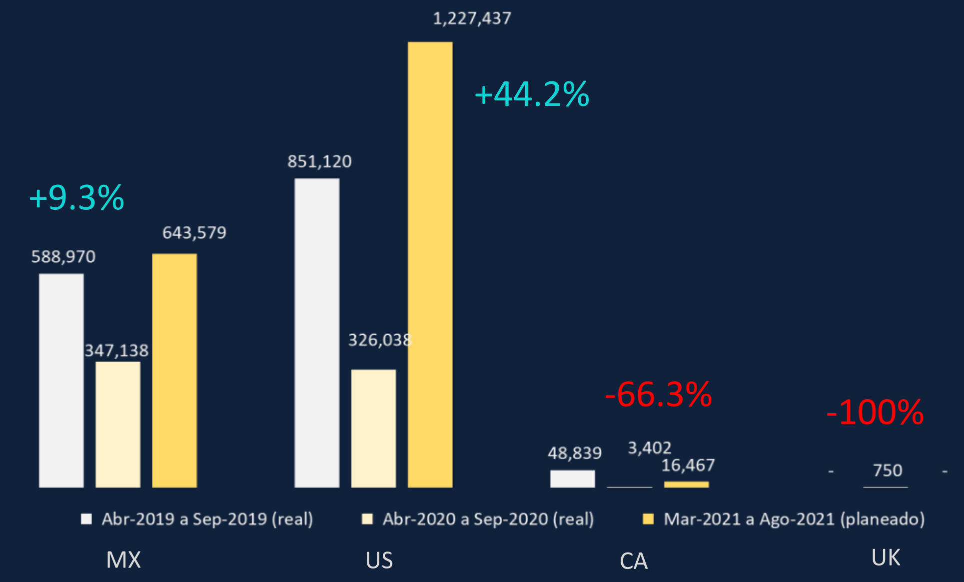
SOURCE: TOURIST SURVEYS

STA CONSULTORES

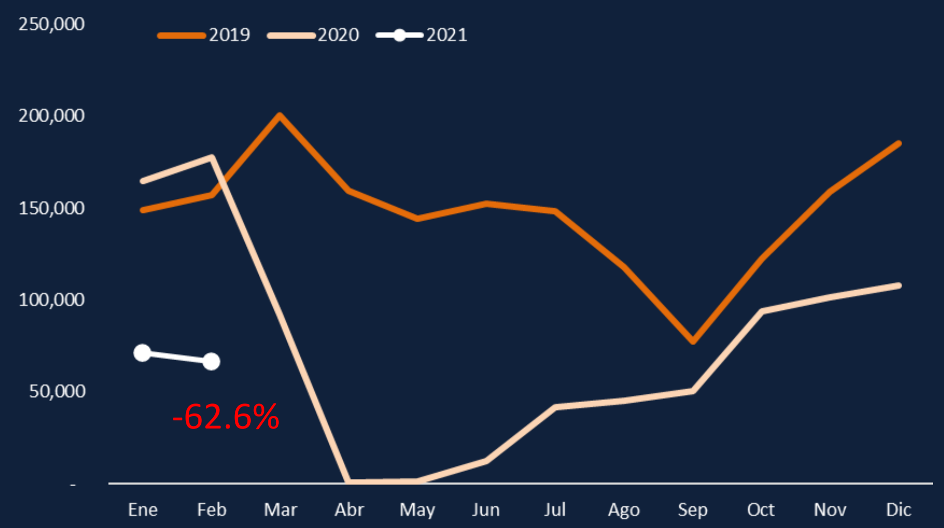
LOS CABOS

Main indicators – Summary

Seats scheduled for the next 6 months



Arrival of international tourists by air (Los Cabos International Airport, SJD)



Arrival of international tourists by air:
(Feb-2021):
66,380
-62.6%
(vs. Feb-2020)

Number of seats scheduled, current month

Domestic
(Apr-2021):
107,467
16.4%
(vs. Apr-2019)

SOURCE: OAG

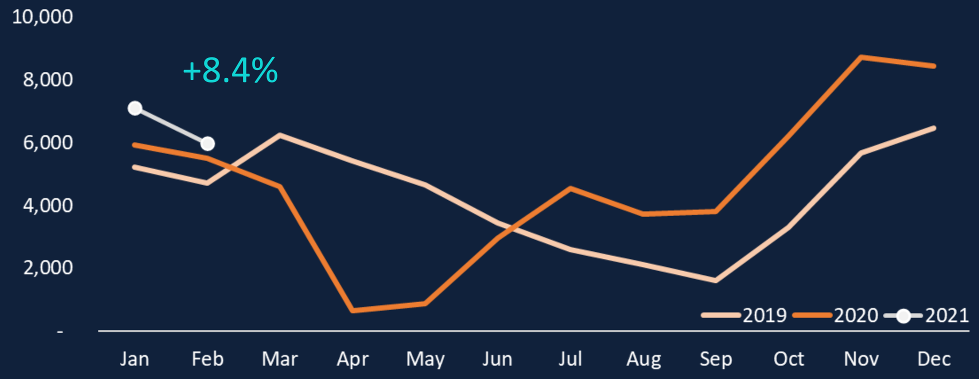
United States
(Apr-2021):
187,629
+14.4%
(vs. Apr-2019)

SOURCE: OAG

Canada
(Apr-2021):
0
-100%
(vs. Apr-2019)

SOURCE: OAG

Private aviation (SJD & CSL)



Tourists arriving on private flights
(Feb-2021):
5,961
+8.4%
(vs. Feb-2020)

SOURCE: GAP, SIOM

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LOS CABOS

Main indicators – Summary

PASSENGERS ARRIVAL

- In Mar-2021, Los Cabos International Airport registered a 32.2% (-88.7 thousand) decrease in the total number of passengers arriving at the destination compared to Mar-2019, adding up to a total of 187.15 thousand (when considering arrivals only).
  - Passengers on domestic flights (71.2 thousand) represent 38% of total arrivals. These increased by 1.1% (0.75 thousand vs. Mar-2019).
  - Passengers on international flights (115.95 thousand) represent 62% of total arrivals. These decreased by 43.5% (-89.45 thousand vs. Mar-2019).

FLIGHT SCHEDULES

- The domestic market has 9.3% more available seats scheduled for the period from Apr-2021 to Sep-2021 (compared to the seating plan registered for the same period in 2019). 16.4% more seats are expected for Apr-2021.
- Flight seats departing from CDMX, MTY, and TIJ increased by 5%, 45%, and 91.5%, respectively (compared to 2019). However, GDL decreased by 19.1%.
- For the U.S., there are 1.23 million seats scheduled for the next 6 months, which is 44.2% more compared to the same period in 2019.
- CHI (+118%), LAX (+50%), PHX (+24.7%), HOU (+33.7%), DFW (21.4%), DEN (+163.4%), and SEA (+544%) had the most significant increase vs. 2019. However, San Diego shows a decrease of 39.6%.
- For Apr-2021, the United States expects 14.4% more available seats than those scheduled for 2019.
- From Canada, 66.3% fewer seats are expected for the next 6 months. There was a 100% drop in Apr-2021.
- All Canadian airports have shown decreases: Calgary (-56.3%), Vancouver (-56.1%), Toronto (-93.7%), and Edmonton (-100%).

HOTEL ACTIVITY

- Occupancy in Mar-2021 was 43%, compared to 80% in Mar-2019 (-37pp).
  - Cabo San Lucas' occupancy dropped 40pp when compared to Mar-2019 and now stands at 43%.
  - San Jose del Cabo registered 37% (41pp less than in Mar-2019).
  - Los Cabos Corridor registered 36% (33pp less than in Mar-2019).
- The number of rooms available in Los Cabos increased 2.7% between Feb-2020 and Feb-2021, registering 22,336 this month.
- Hotels in Los Cabos registered 100.9 thousand tourist arrivals, which decreased by 56.4% (-130.5 thousand) between Feb-2020 and Feb-2021.
- Domestic tourism fell 60.6% (-31.6 thousand), and international tourism dropped 55.2% (-98.9 thousand).
- There were 476 thousand occupied room nights in Feb-2021, 60.1% less compared to Feb-2020 (-718 thousand nights).

TOURIST SURVEYS

- In Mar-2021, 46.2% of tourists rated their experience in Los Cabos as better than they expected (13.2pp more than in Mar-2020, but 4.3pp less than in Feb-2021).
- The perception of security continues to improve compared to the same month a year ago (in Mar-2021, 8% perceived it as bad or regular, 5pp less than in Mar-2020).
- Satisfaction with the airport also improved 2pp compared to last year (7% of tourists perceived their experience as bad or regular).
- Repeat tourists decreased by 1.1pp when compared to the previous year, although they remained at high levels, registering 49.4% in Mar-2021.
- The number of tourists who traveled with a package tour kept decreasing and registered 20.6% in Mar-2021 (-19.3pp).

LOS CABOS

LOS CABOS TOURISM OBSERVATORY

THE IMPACTS OF COVID-19

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

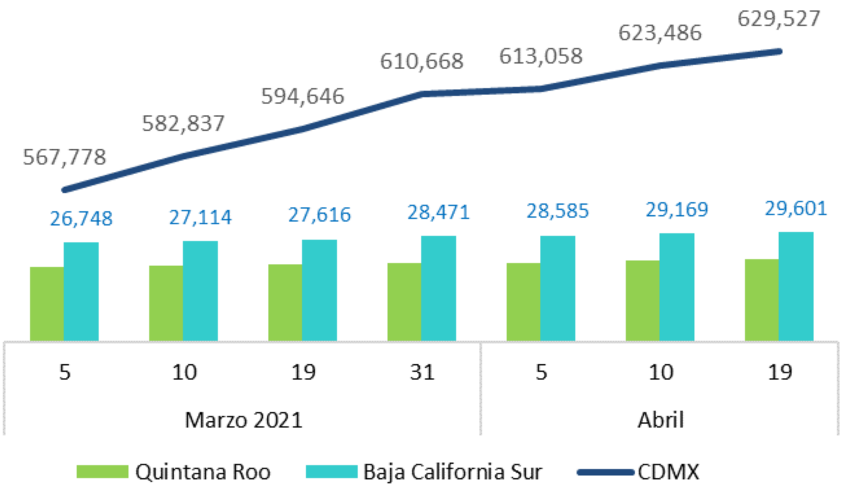
Traffic light monitoring system for epidemiological risk of COVID-19

- 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.

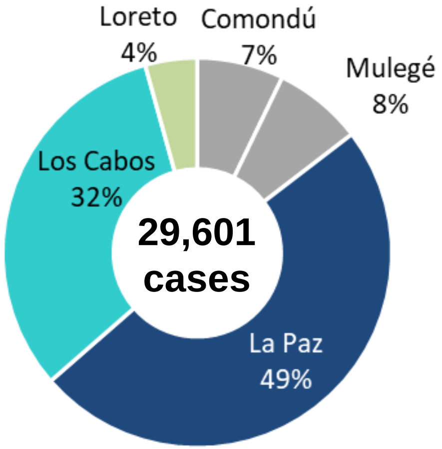
SOURCE: SECRETARIAT OF HEALTH, GENERAL DIRECTORATE OF EPIDEMIOLOGY (www.coronavirus.gob.mx). TRAFFIC LIGHT MONITORING SYSTEM UPDATED AS OF APRIL 21st, 2021.

Confirmed COVID-19 cases overview

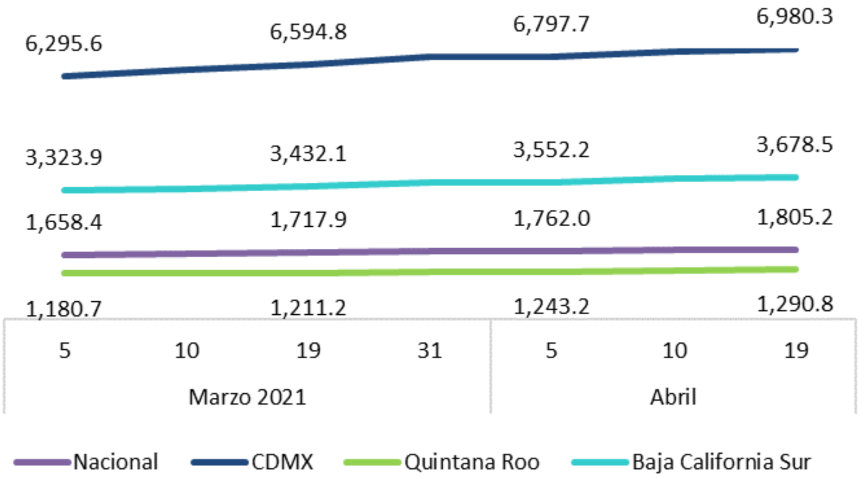
Confirmed cases (cumulative)



Confirmed cases by municipalities in B.C.S.



Incidence of infection



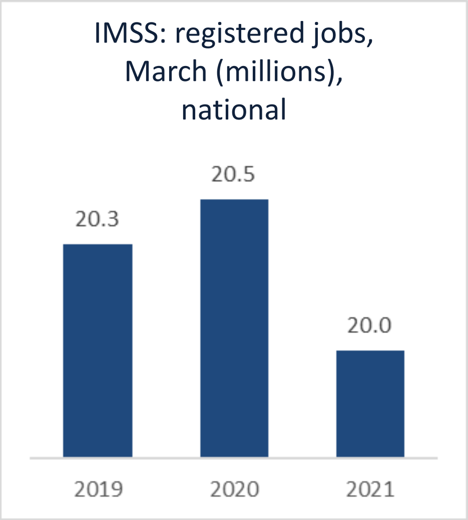
- As of April 19th, 2021, there are 2.31 million confirmed cases in Mexico, 112 thousand more than those registered as of March 19th.
- Baja California Sur has 1,985 more cases than those registered as of March 19th, which results in a total cumulative of 29,601 confirmed cases in the state. Quintana Roo accumulates 22,244 cases, 1,376 more than those registered in the same period.

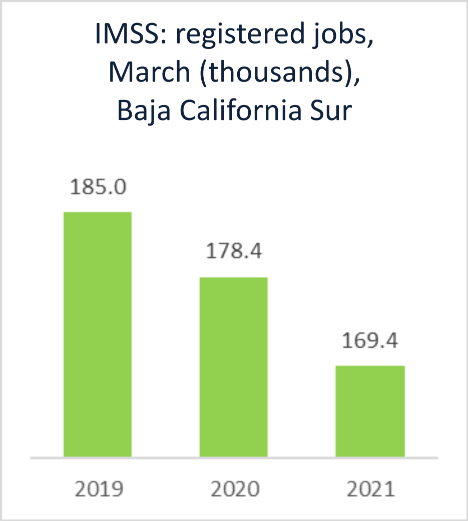
- 81% of the state's cumulative confirmed cases are concentrated between La Paz and Los Cabos.
- La Paz has 1,142 more cases than those registered as of March 19th, accumulating a total of 14,501 confirmed cases.
- Los Cabos has 558 more cases, adding up to a total of 9,502.
- Loreto accumulates 1,277 cases (20 more).

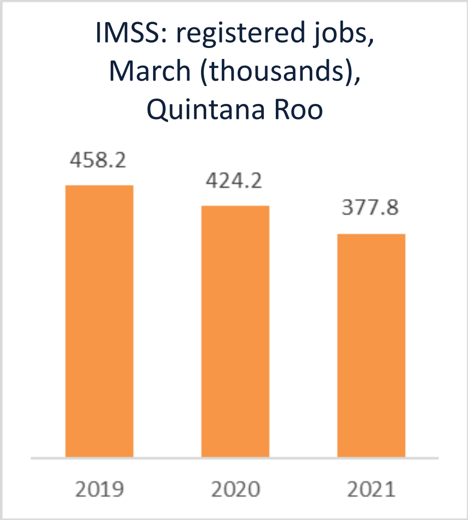
- The national average rate of infection is 1,805.2 cases per 100 thousand inhabitants.
- Mexico City still has the highest rate of new COVID-19 cases, which is above the national average: 6,980.3
- Quintana Roo: 1,290.8
- Baja California Sur is the second state with the highest rate: 3,678.5
  - Los Cabos has 2,876.7 cases per 100 thousand inhabitants.

SOURCE: SECRETARIAT OF HEALTH, GENERAL DIRECTORATE OF EPIDEMIOLOGY (www.coronavirus.gob.mx). FIGURES UPDATED AS OF APRIL 20th, 2021.

Effects on employment in Mexico







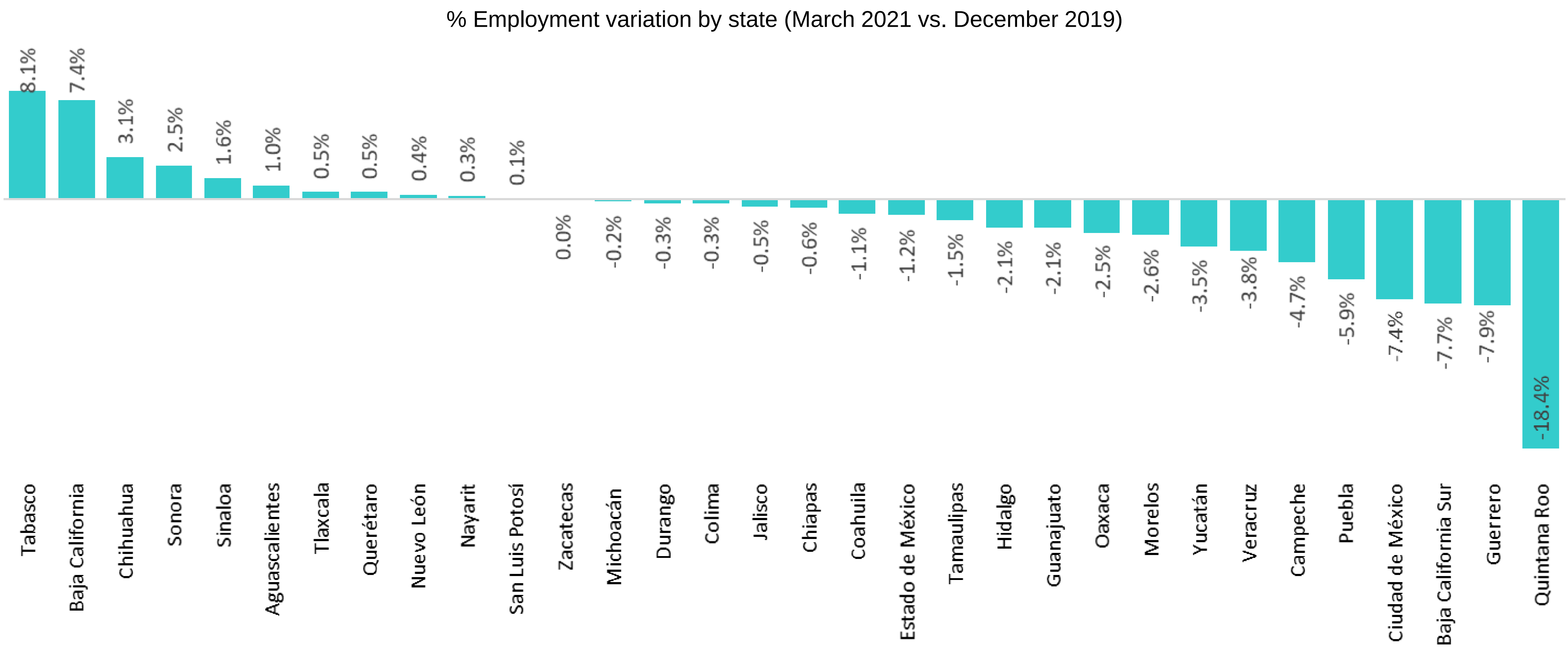
- As of March 31st, 2021, IMSS had registered 20,025,709 jobs in the country, 1.6% fewer than those reported in Mar-2019.
- 251,977 more jobs were registered compared to the end of Dec-2020.

- Baja California Sur closes Mar-2021 with 169,372 jobs, 8.4% fewer than in Mar-2019.
- It recorded the same number of jobs compared to Dec-2020.

- Quintana Roo closes Mar-2021 with 377,825 jobs, 17.5% fewer than in Mar-2019.
- It recorded 12 thousand more jobs from Dec-2020 to Mar-2021.

SOURCE: IMSS

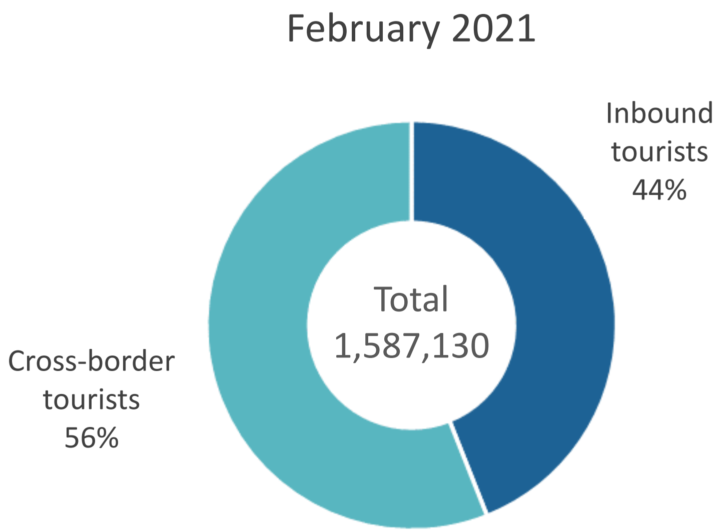
Effects on employment in Mexico

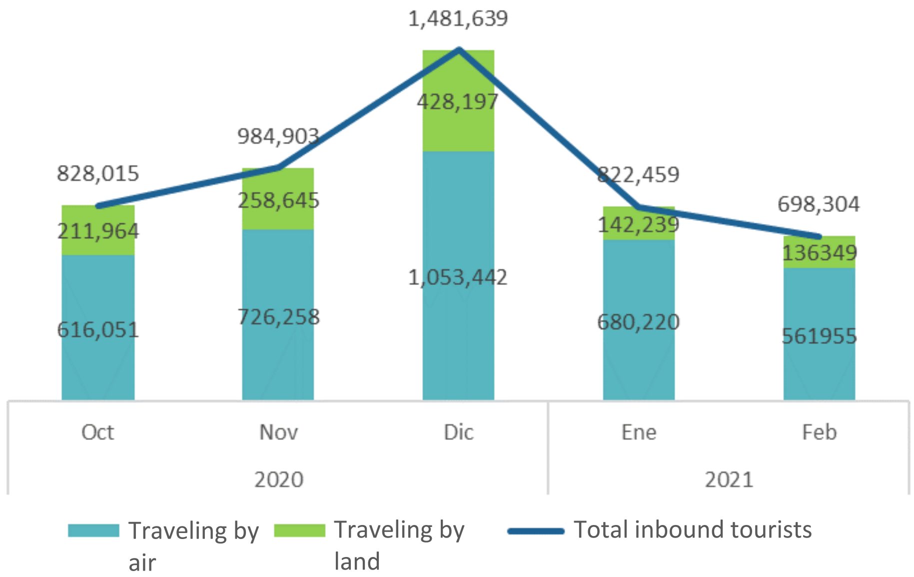


- Baja California Sur is the third worst-affected state in terms of job losses, compared to the 2019 year-end. Quintana Roo is the most affected state.

SOURCE: IMSS

International tourist arrivals to Mexico

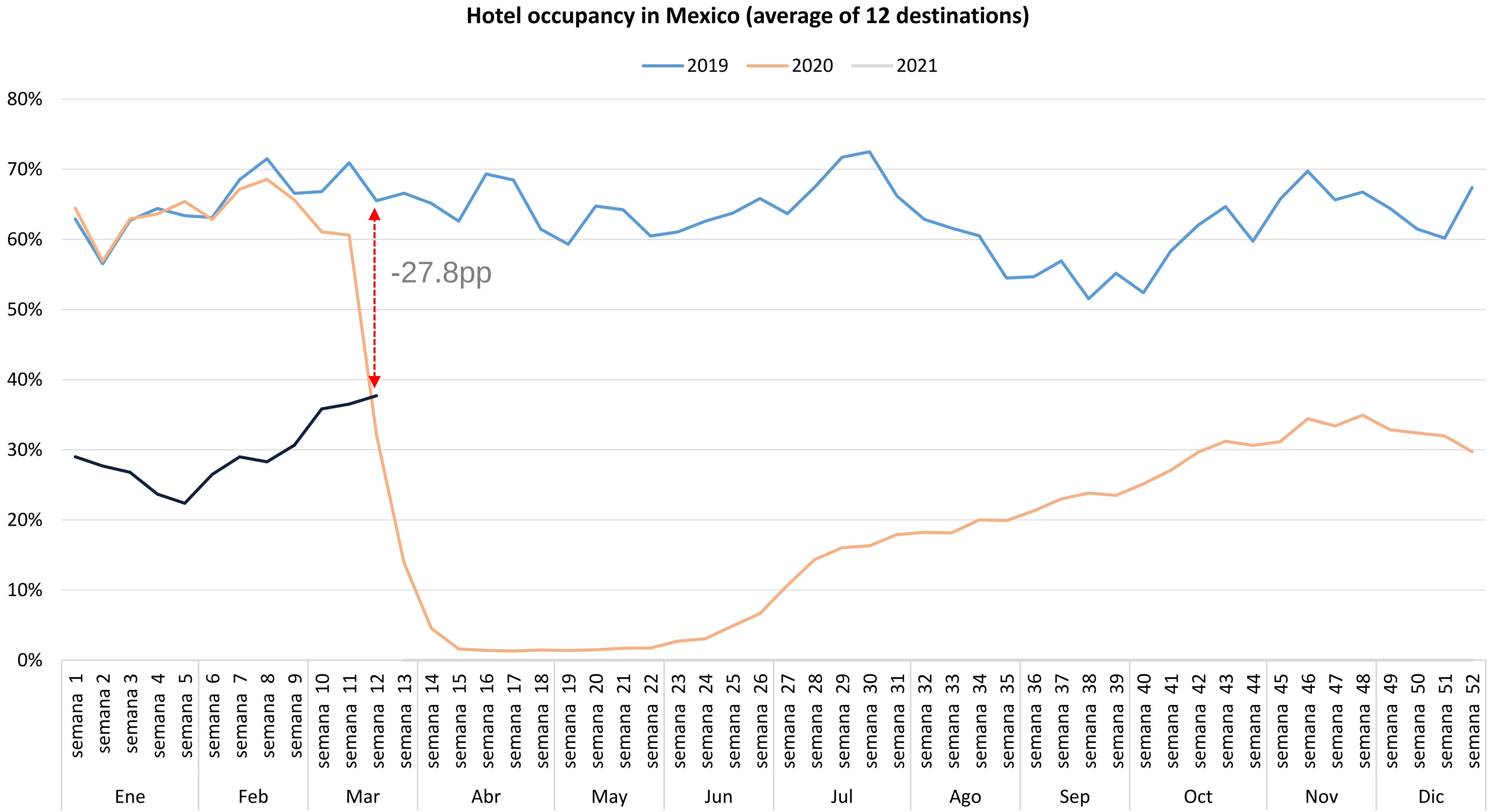




- In Feb-2021, 1.58 million international tourists arrived in the country (53% fewer than in Feb-2019). 44% were inbound tourists.
- The average spending of international tourists traveling by air was $1,073.76 USD ($7.87 more vs. the average spending in Feb-2019).
- There is a decrease of 124 thousand inbound tourists compared to those registered in Jan-2021.
- There is a 64% decrease in the total number of inbound tourists compared to those registered in Feb-2019, of which 80% traveled by air and 20% did so by land.

SOURCE: INTERNATIONAL TOURIST SURVEYS, INEGI

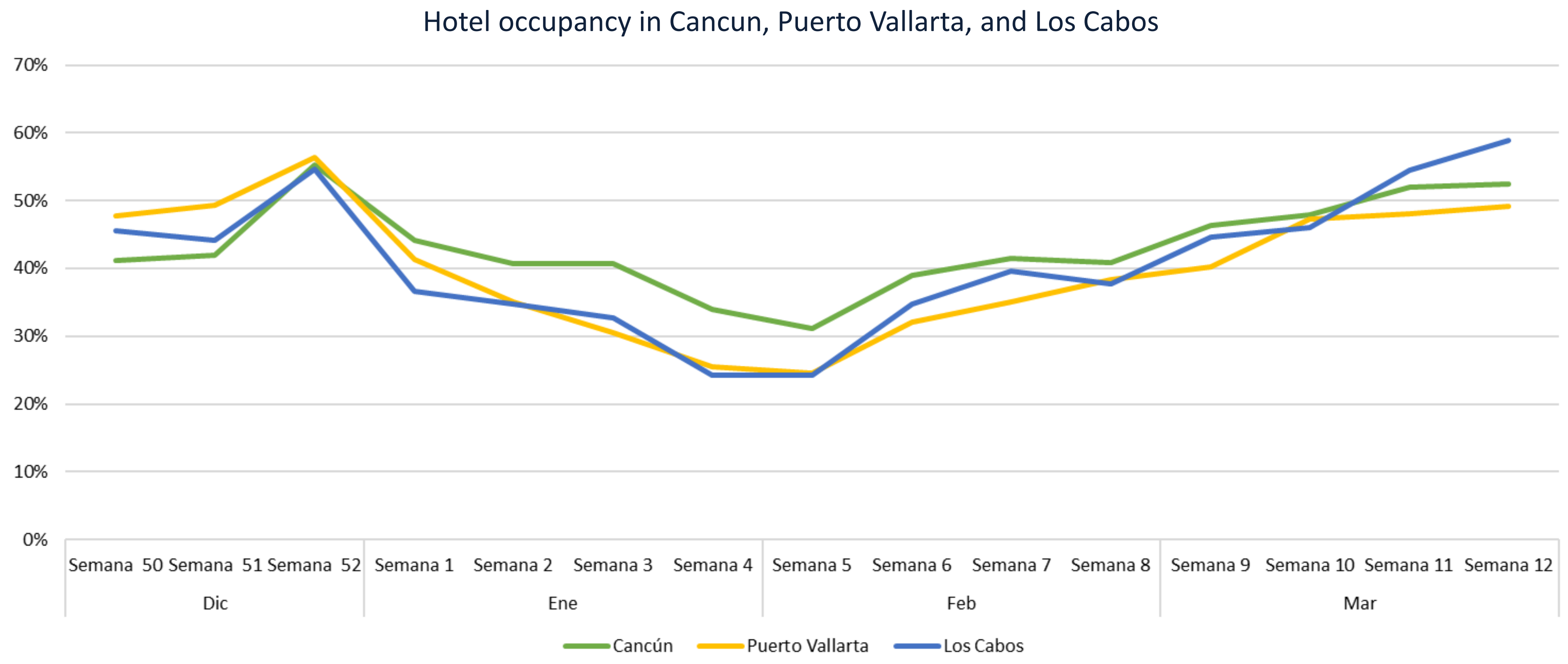
Hotel indicators in Mexico



- As of week 9, hotel occupancy is above 30%.
- By week 10, the average hotel occupancy was 35.8%, and by the end of week 12, it increased to 37.7%.

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



- By the end of week 12, Los Cabos recorded an occupancy rate of 58.9% (6.4pp above Cancun's and 9.8pp over Puerto Vallarta's).
- Cancun (52.5%)
- Puerto Vallarta (49.1%)

SOURCE: DATATUR

LOS CABOS

LOS CABOS TOURISM OBSERVATORY

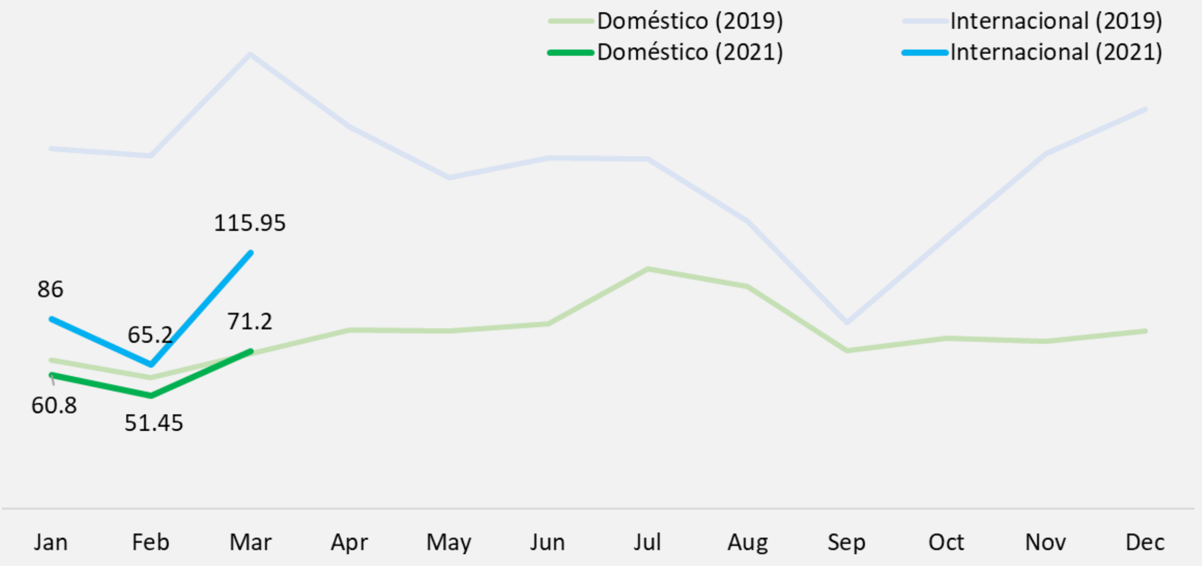
DEMAND INDICATORS AND TOURIST PASSENGERS

Passenger arrivals at Los Cabos International Airport, 2019-2020

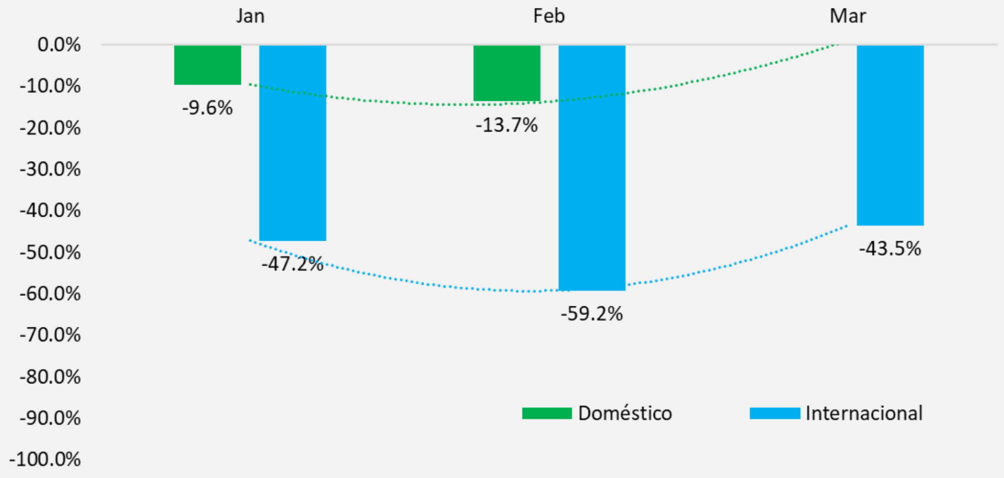
- In Mar-2021, 187.15 thousand passengers arrived at Los Cabos International Airport, which is a 32.2% decrease compared to the same period in 2019.
    - It is, however, a 60.4% increase with respect to Feb-2021 and an average growth rate of 28.1% from Apr-2020 to Mar-2021.
    - Passengers on domestic flights (**71.2 thousand**) represented 38% of total arrivals and had a 1.1% increase with respect to Mar-2019.
        - TMAC: 18.5% (from early in the pandemic, between Apr-2020 and Mar-2021).
    - Passengers on international flights (**115.95 thousand**) represented 62% of total arrivals and had a 43.5% decrease.
        - TMAC: 51.5% (from Apr-2020 to Mar-2021).

SOURCE: GAP

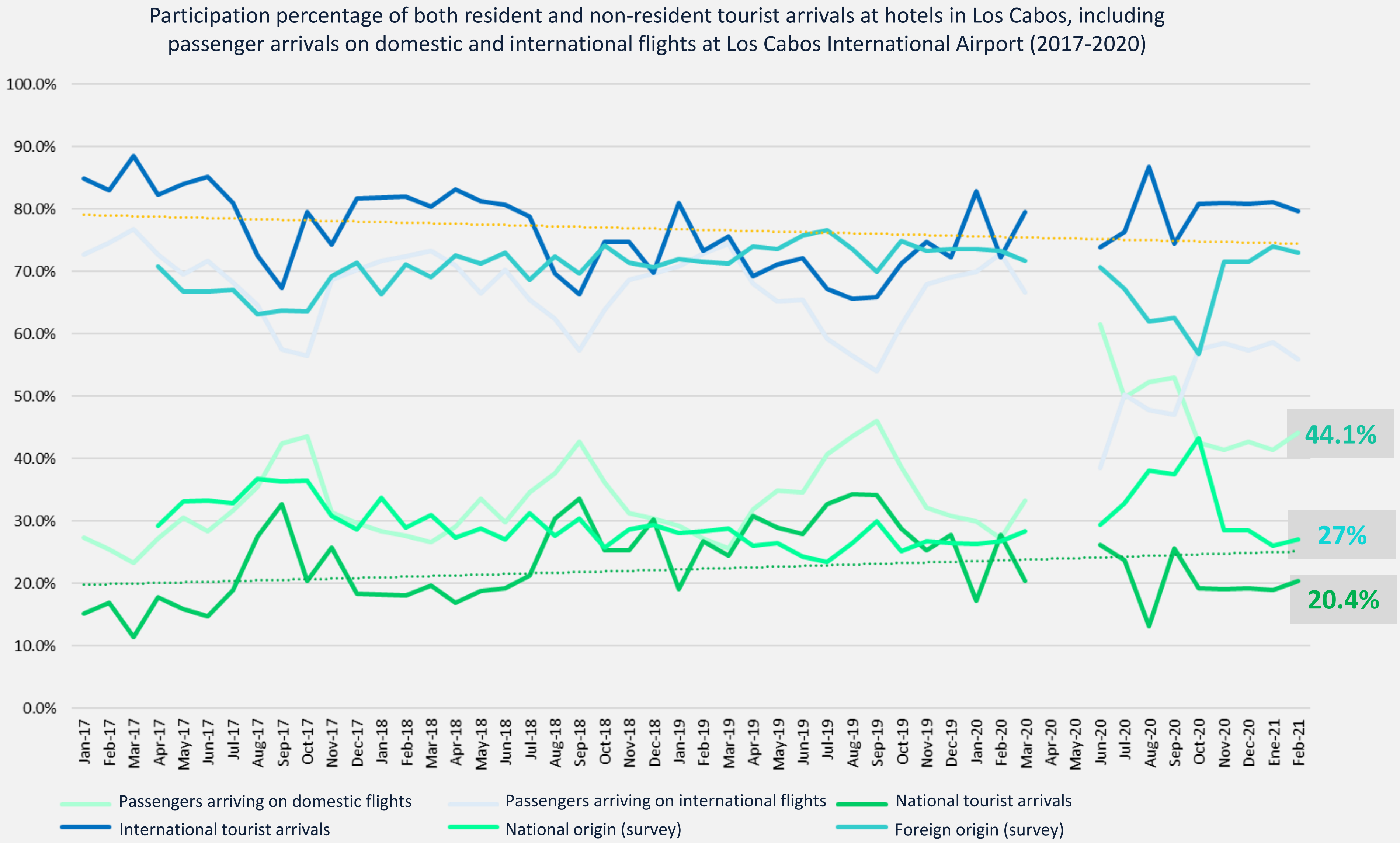
Monthly arrivals (expressed in thousands)



Percentage decrease vs. 2019



Evolution of national and international tourism participation



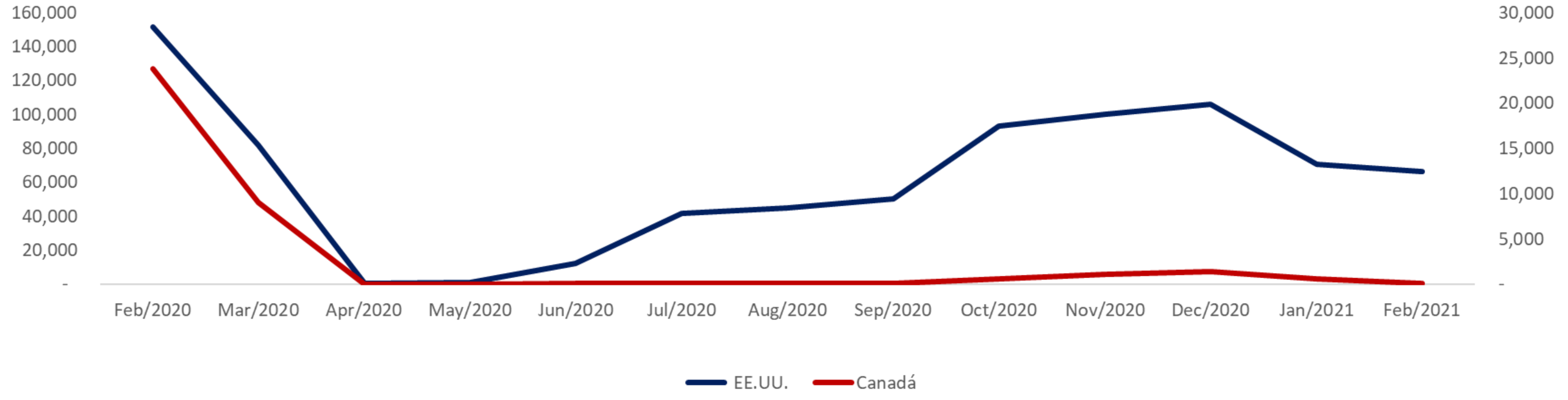
- According to DataTur, the number of national residents arriving at hotels in Los Cabos reached **20.4%** in Feb-2021 (6.4pp more than the previous year).
- Moreover, the participation of national passengers in the total registered by the Los Cabos International Airport was **44.1%** in Feb-2021. This represents an increase of 16.9pp vs. Feb-2020.
- In Feb-2020, Tourist Surveys indicated **27%** domestic tourism participation in the total received by Los Cabos (0.3pp more than the previous year).

SOURCE: DATATUR, GAP, TOURIST SURVEYS

International tourist arrivals by air, by origin (residence), monthly

Regiones	Feb/2020	Mar/2020	Apr/2020	May/2020	Jun/2020	Jul/2020	Aug/2020	Sep/2020	Oct/2020	Nov/2020	Dec/2020	Jan/2021	Feb/2021	Δ Feb 21 / Feb 20	Δ Ene-Feb 21 / Ene-Feb 20
EE.UU.	151,410	82,042	508	1,084	12,433	41,696	45,112	50,077	93,069	100,320	105,991	70,454	66,275	-56.2%	-53.0%
Canadá	23,837	9,003	13	15	52	74	106	128	563	1,126	1,429	628	44	-99.8%	-98.6%
Europa	1,235	557	10	12	20	43	52	40	48	70	64	32	32	-97.4%	-97.6%
Caribe, Centro y Sudamérica	175	83	3	-	12	34	19	33	37	48	43	19	18	-89.7%	-90.4%
Resto del Mundo	622	242	-	7	34	52	64	71	106	127	67	12	11	-98.2%	-98.5%
Gran total	177,279	91,927	534	1,118	12,551	41,899	45,353	50,349	93,823	101,691	107,594	71,145	66,380	-62.6%	-59.8%

Mercados clave	Feb/2020	Mar/2020	Apr/2020	May/2020	Jun/2020	Jul/2020	Aug/2020	Sep/2020	Oct/2020	Nov/2020	Dec/2020	Jan/2021	Feb/2021	Δ Feb 21 / Feb 20	Δ Ene-Feb 21 / Ene-Feb 20
Reino Unido	692	357	2	5	9	8	19	10	9	21	18	5	16	-97.7%	-98.7%
Australia	181	114	-	5	10	13	9	18	18	42	19	3	1	-99.4%	-99.3%
Corea del Sur	93	23	-	-	1	2	3	6	5	8	3	-	-	-100.0%	-100.0%
Total mercados clave	966	494	2	10	20	23	31	34	32	71	40	8	17	-98.2%	-99.0%



SOURCE: INM-SIOM

International tourist arrivals by air, by origin (residence)

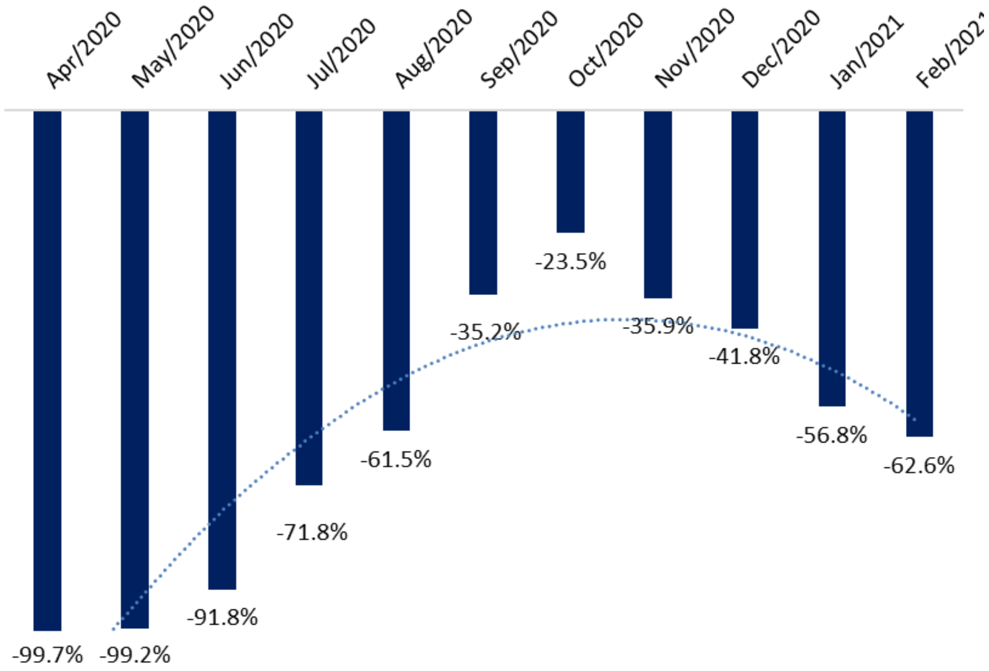
-62.6%

Feb-2021 vs. Feb-2020

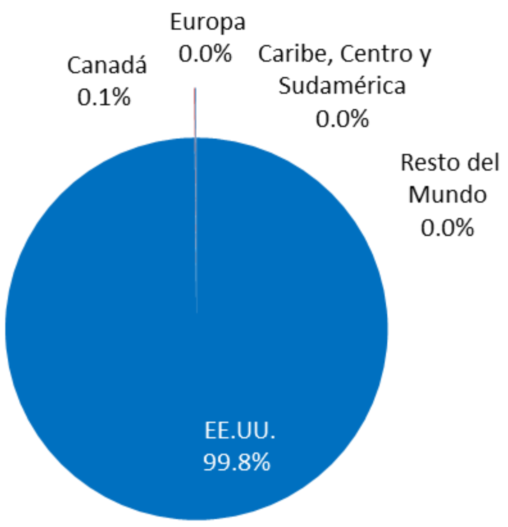
In Feb-2021, Los Cabos International Airport recorded the arrival 66,380 international tourists, which implies a decrease of 62.6% compared to Feb-2020.

American tourists represent 99.8% of the total.

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



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

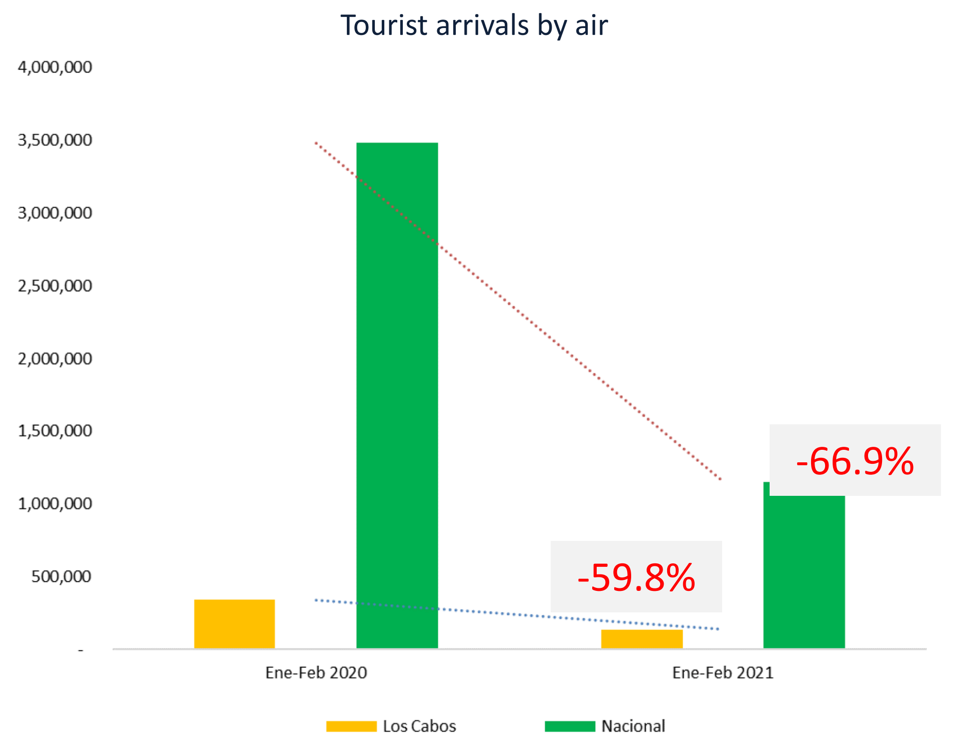


SOURCE: INM-SIOM

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

Regiones	Nacional			Los Cabos		
	Ene-Feb 2020	Ene-Feb 2021	Δ 2021/2020	Ene-Feb 2020	Ene-Feb 2021	Δ 2021/2020
Estados Unidos	1,874,742	887,921	-52.6%	290,648	136,729	-53.0%
Canadá	719,827	23,743	-96.7%	46,667	672	-98.6%
Europa	318,464	65,080	-79.6%	2,669	64	-97.6%
Caribe, Centro y Sudamérica	445,884	156,204	-65.0%	385	37	-90.4%
Resto del mundo	124,799	21,548	-82.7%	1,562	23	-98.5%
Gran Total	**3,483,716**	**1,154,496**	**-66.9%**	**341,931**	**137,525**	**-59.8%**

Mercados Clave	Nacional			Los Cabos		
	Ene-Feb 2020	Ene-Feb 2021	Δ 2021/2020	Ene-Feb 2020	Ene-Feb 2021	Δ 2021/2020
Reino Unido	60,963	6,387	-89.5%	1,634	21	-97.7%
Australia	10,825	472	-95.6%	596	4	-99.4%
Corea del Sur	17,661	1,340	-92.4%	191	-	-100.0%
Total mercados clave	**89,449**	**8,199**	**-90.8%**	**2,421**	**25**	**-98.2%**



When comparing Jan-Feb-2021 vs. Jan-Feb-2020, tourist arrivals decreased by 66.9% nationwide and dropped 59.8% in Los Cabos.

On a national level, the American market decreased by 52.6%, whereas the Canadian market did so by 96.7%.

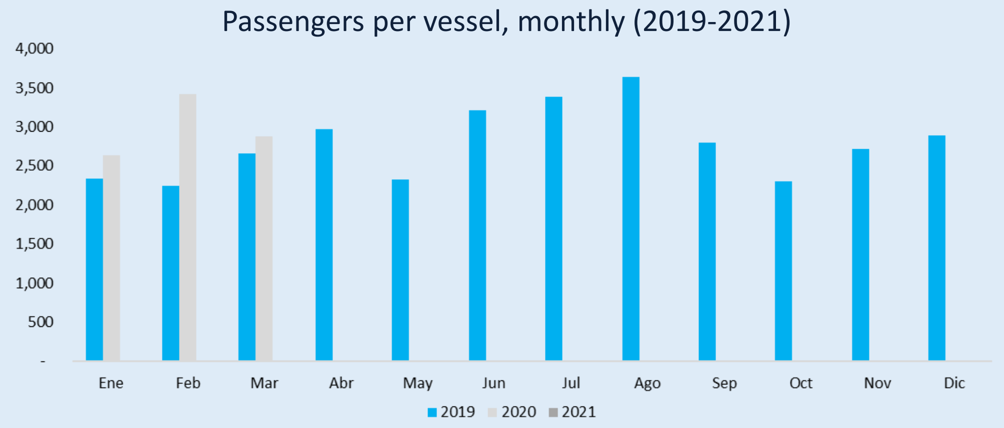
At the Los Cabos International Airport, the U.S. market decreased by 53%, and the Canadian market did so by 98.6% when comparing both periods.

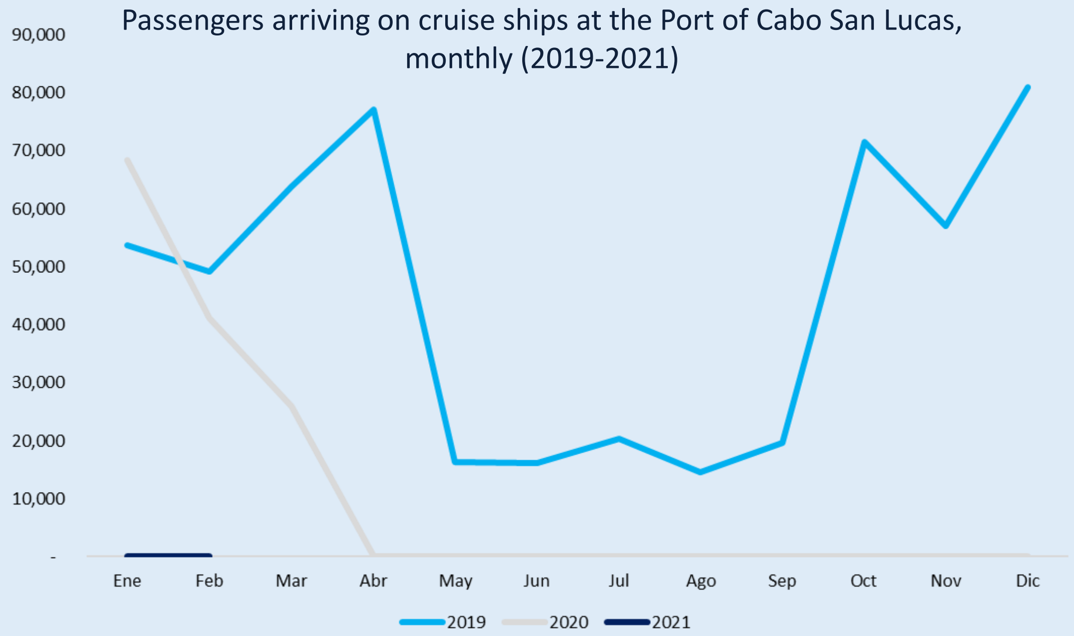
SOURCE: INM-SIOM

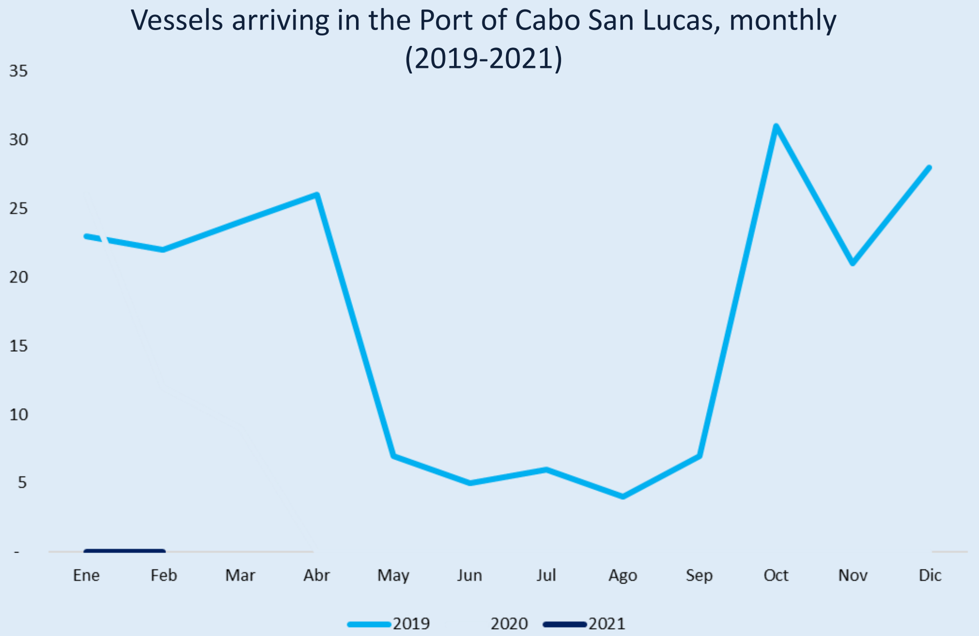
Cruise activity (Feb-2021)

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

SOURCE: DATATUR - SCT





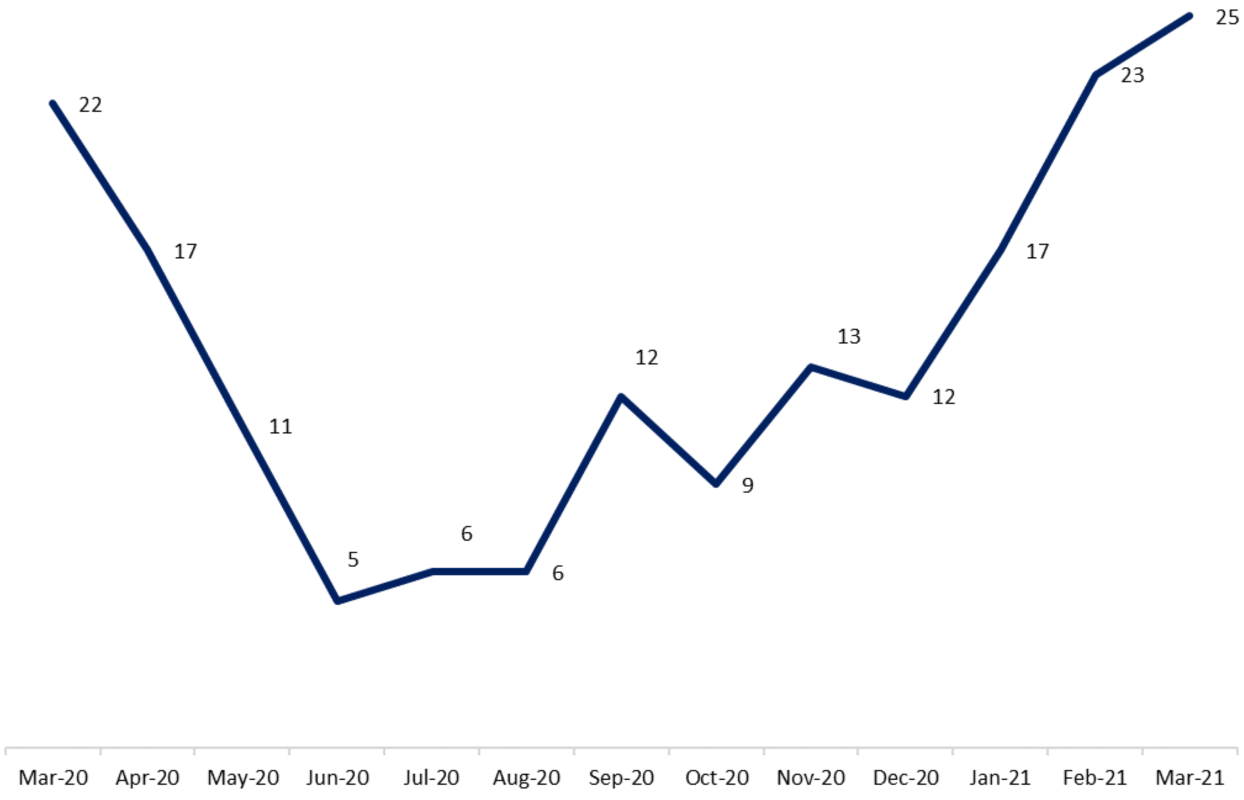


LOS CABOS TOURISM OBSERVATORY

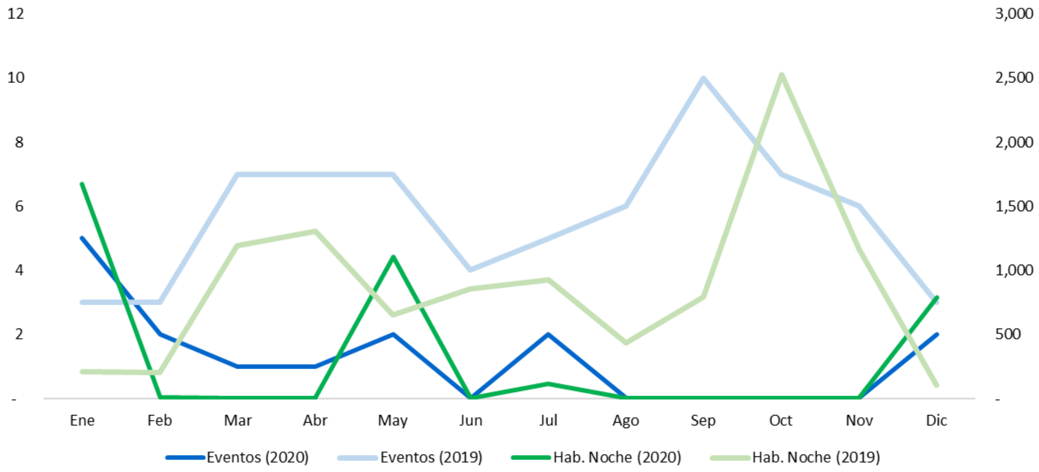
TOURIST SURVEYS & GROUP BUSINESS

Group Business

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

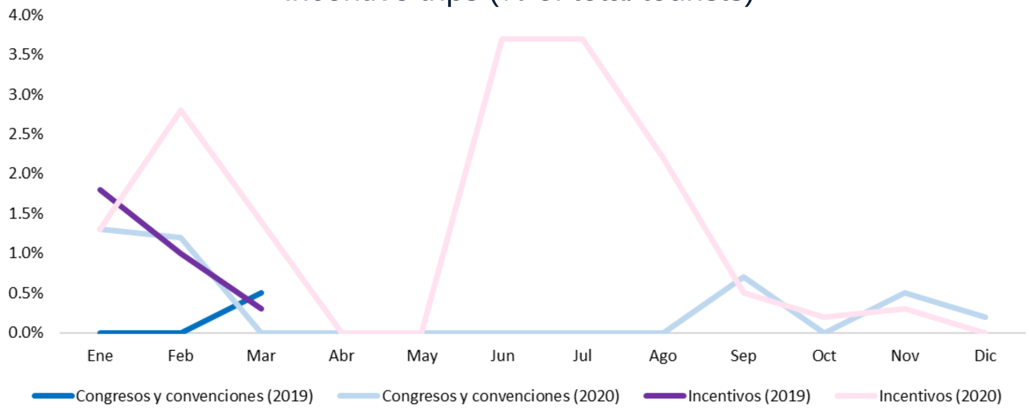


Confirmed room nights and events, for meetings and groups



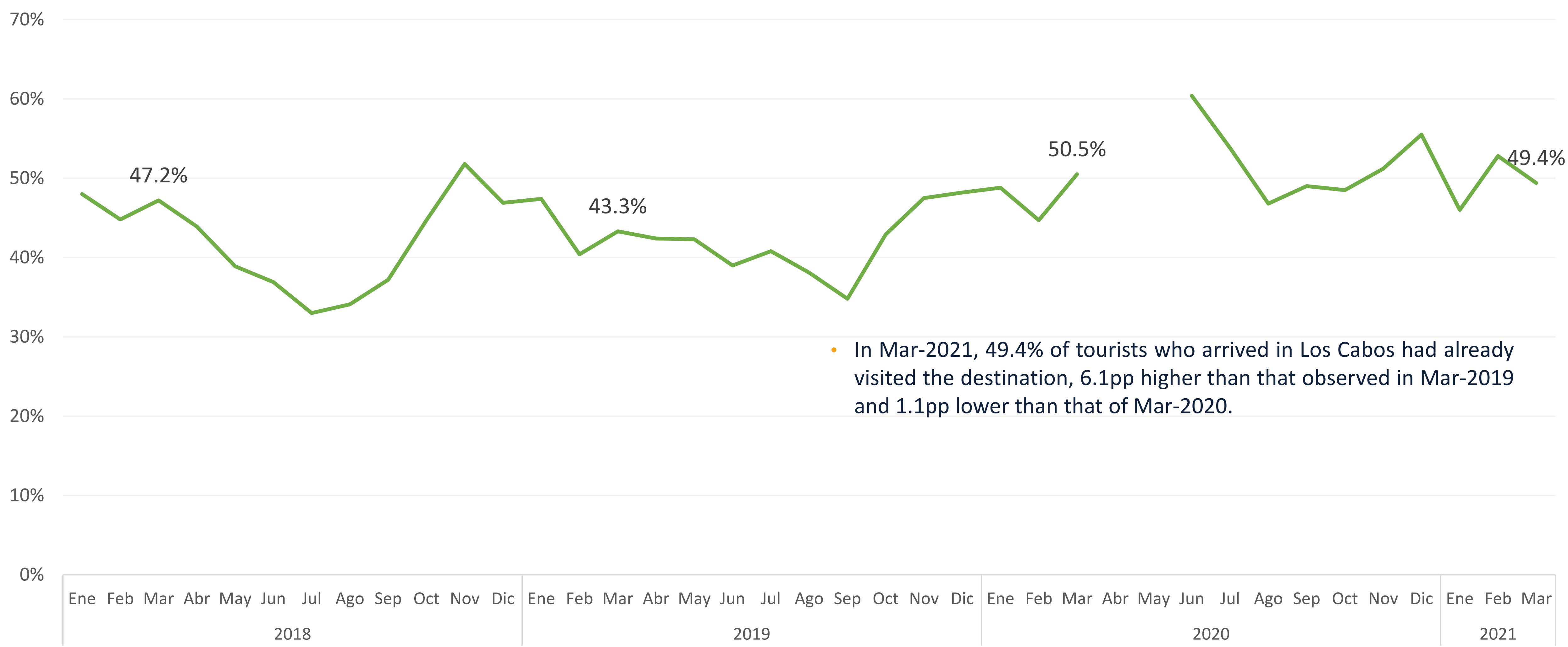
SOURCE: HELMS BRISCOE

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



SOURCE: TOURIST SURVEYS

Return rate to the destination

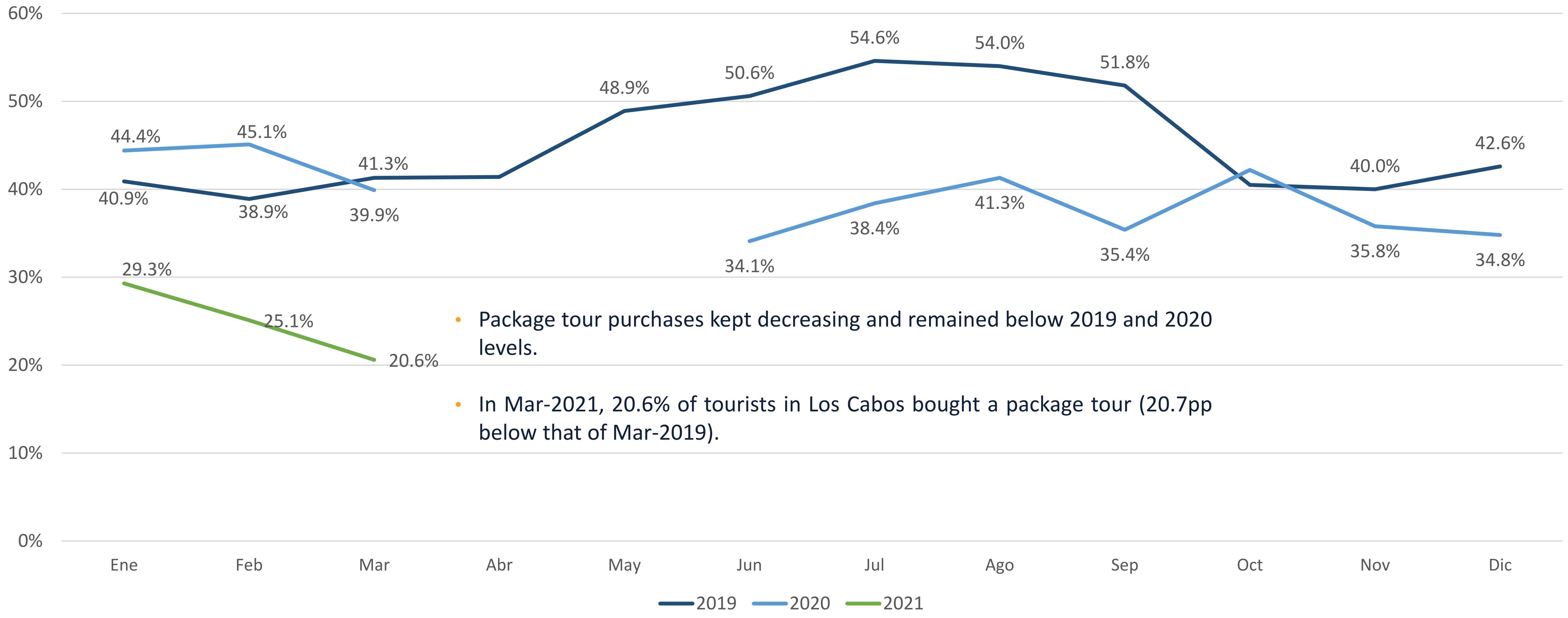


- In Mar-2021, 49.4% of tourists who arrived in Los Cabos had already visited the destination, 6.1pp higher than that observed in Mar-2019 and 1.1pp lower than that of Mar-2020.

SOURCE: TOURIST SURVEYS

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

Package tour purchases



- Package tour purchases kept decreasing and remained below 2019 and 2020 levels.
- In Mar-2021, 20.6% of tourists in Los Cabos bought a package tour (20.7pp below that of Mar-2019).

SOURCE: TOURIST SURVEYS

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

Timeshares

SOURCE: TOURIST SURVEYS

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

LOS CABOS

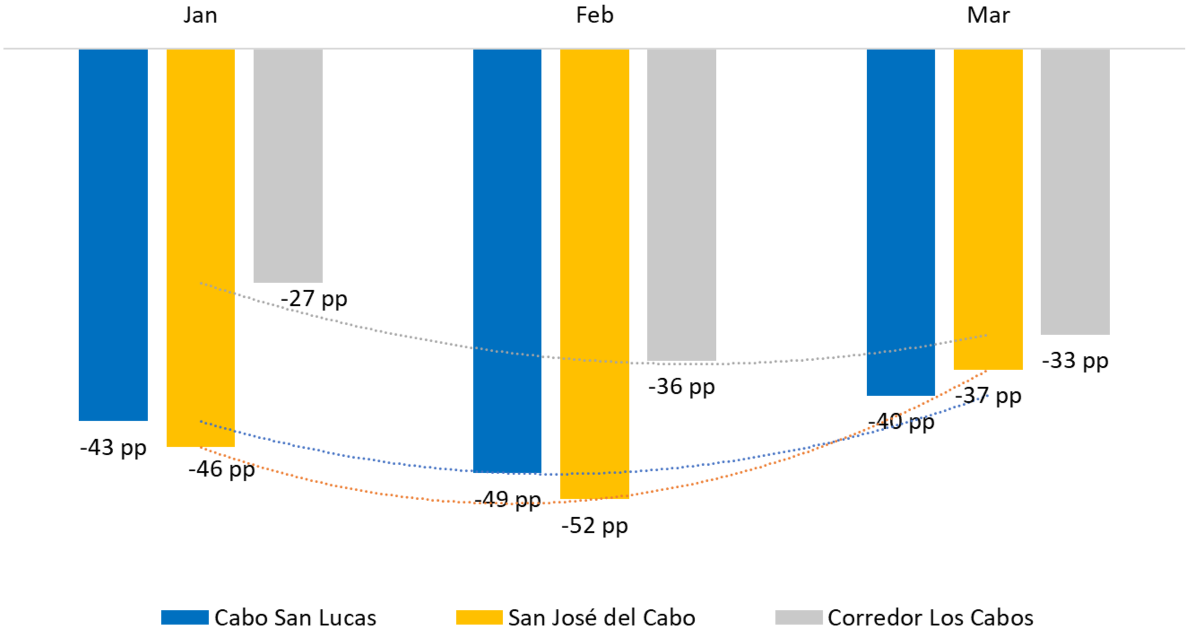
LOS CABOS TOURISM OBSERVATORY

SUPPLY INDICATORS

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

Annual variation in hotel occupancy, by destination

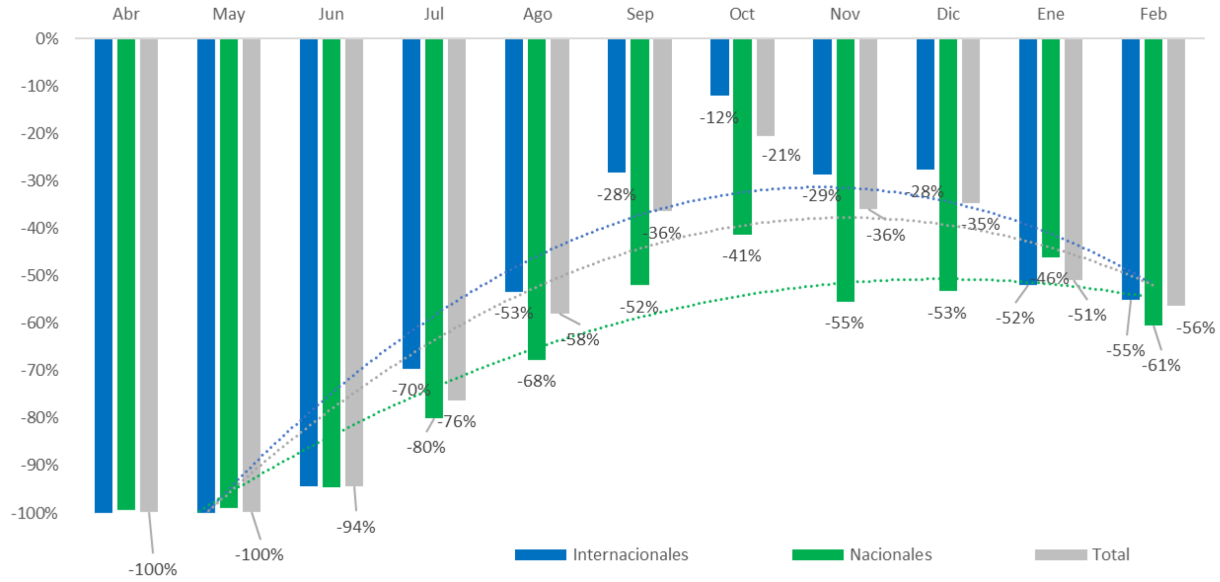
(Jan-Mar-2021 vs. 2019)



SOURCE: AHLC

Annual variation of tourist arrivals to hotels, by origin

(Apr-Feb 2019-2021, vs. the previous year)

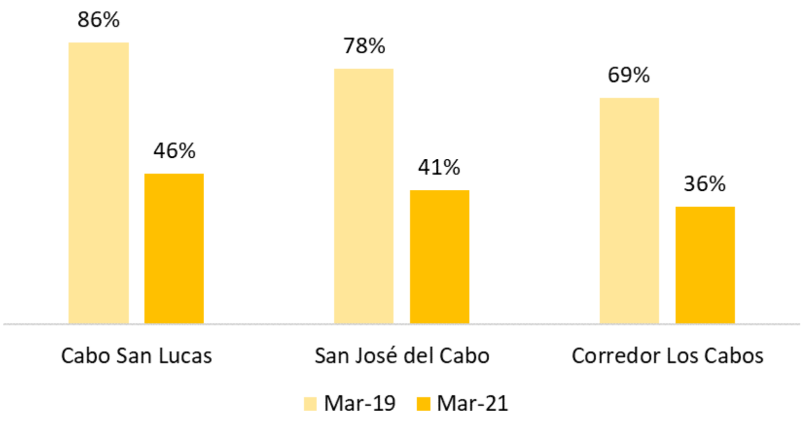


SOURCE: DATATUR

- The drop in hotel occupancy has been decreasing as the destination's recovery has progressed.
  - In Cabo San Lucas, the decrease went from 49pp in Feb-2021 (compared to Feb-2019) to 40pp in Mar-2021.
  - The recovery in San Jose del Cabo has been greater this month: the decrease went from 52pp in Feb-2021 to 37pp in Mar-2021.
  - Los Cabos Corridor improved by 3pp when comparing the differences from Mar-2021 to 2019 and Feb-2021.

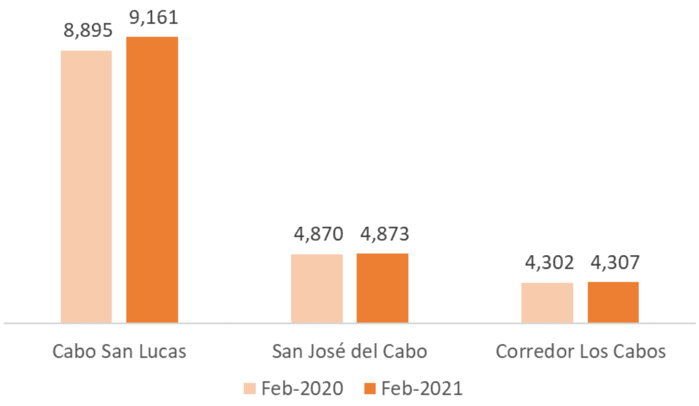
Evolution of the hotel offer in Los Cabos and sub-destinations

Hotel occupancy (March 2019-2021)



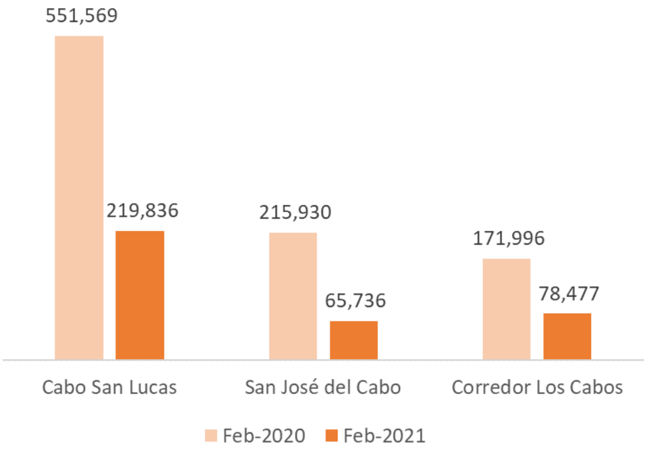
SOURCE: AHLC

Rooms available (February 2019-2021)



SOURCE: DATATUR

Room nights (February 2020-2021)



SOURCE: DATATUR

CABO SAN LUCAS

- Hotel occupancy was at 46%, which implies a decrease of 40pp (Mar-2021 vs. Mar-2019, AHLC).
- Its hotel offer increased 2.9% between Feb-2020 and Feb-2021, registering 9,161 (DataTur).
- Occupied room nights dropped 60.1% between Feb-2020 and Feb-2021 (DataTur).

SAN JOSE DEL CABO

- Occupancy dropped 40pp (46%) when comparing Mar-2021 to Mar-2019 (AHLC).
- Its hotel offer did not change between Feb-2020 and Feb-2021, registering 4.87 thousand rooms (DataTur).
- Occupied room nights dropped 69.6% between Feb-2020 and Feb-2021 (DataTur).

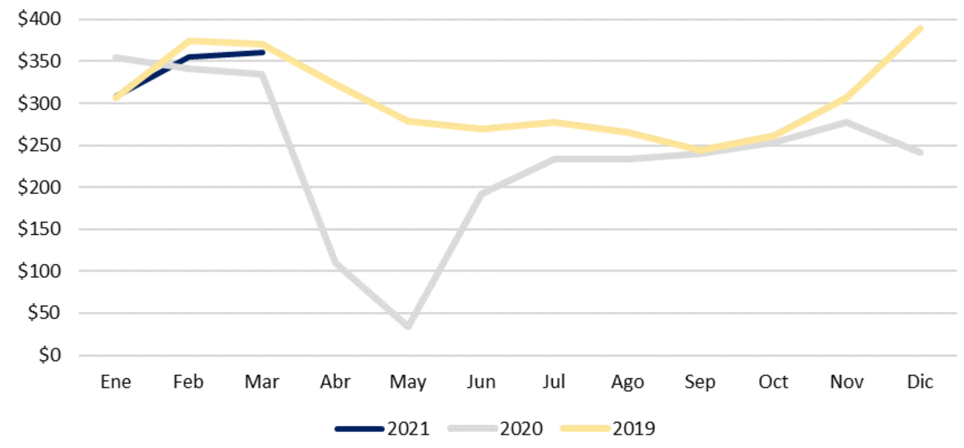
LOS CABOS CORRIDOR

- Occupancy was at 36% in Mar-2021, which implies a decrease of 33pp (AHLC).
- Its hotel offer did not change between Feb-2020 and Feb-2021, registering 4.3 thousand rooms (DataTur).
- Occupied room nights decreased 54.4% between Feb-2020 and Feb-2021 (DataTur).

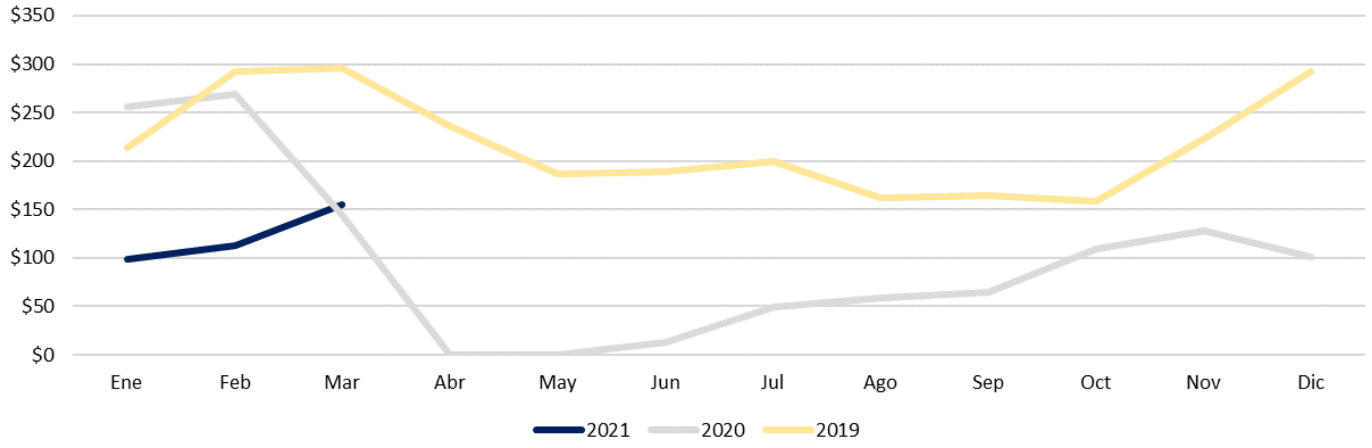
Evolution of the RevPAR and the average hotel rate in Los Cabos & sub-destinations

- The average hotel rate in Los Cabos for Mar-2021 was $361 USD, 124 dollars above the last 12-month average and 14 dollars above that of Mar-2020.
    - Los Cabos Corridor increased its average rate compared to the previous year ($119 USD, 26.5%), **registering $568 USD, its second-highest average rate recorded** since the tourism observatory began tracking this data in 2017.
    - San Jose del Cabo increased its rate by $68 USD (30.9%) and reached $288 USD.
    - Cabo San Lucas showed a smaller increase of $9 USD (5.1%), registering $226 USD.
- The RevPAR for Mar-2021 was $155 USD, $8 USD (7.6%) above the one recorded in Mar-2020.

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

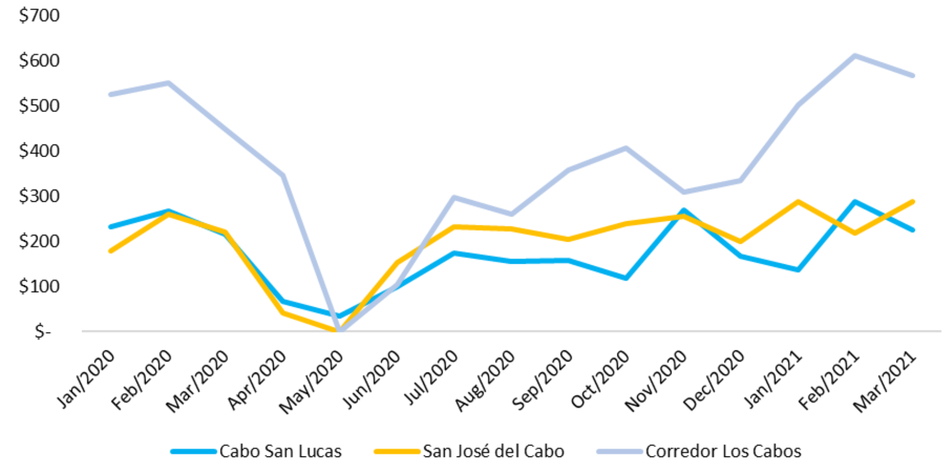


RevPAR Los Cabos (USD, 2019-2021)



SOURCE: AHLC

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



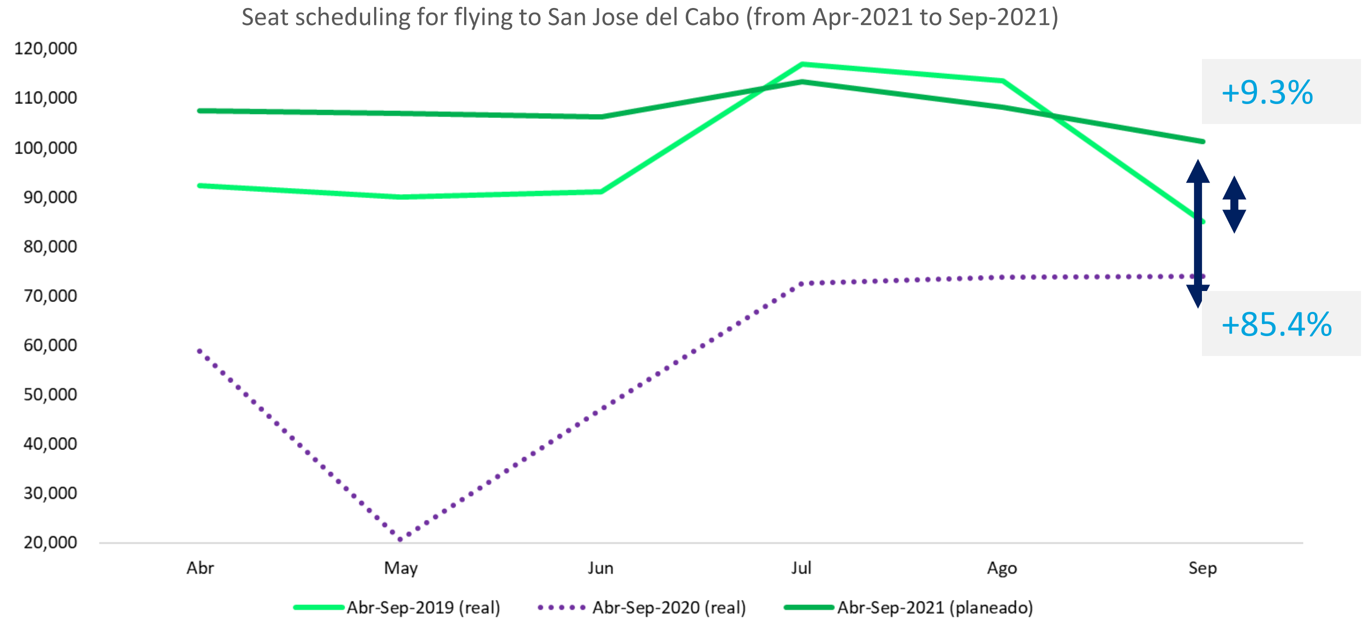
SOURCE: OAG

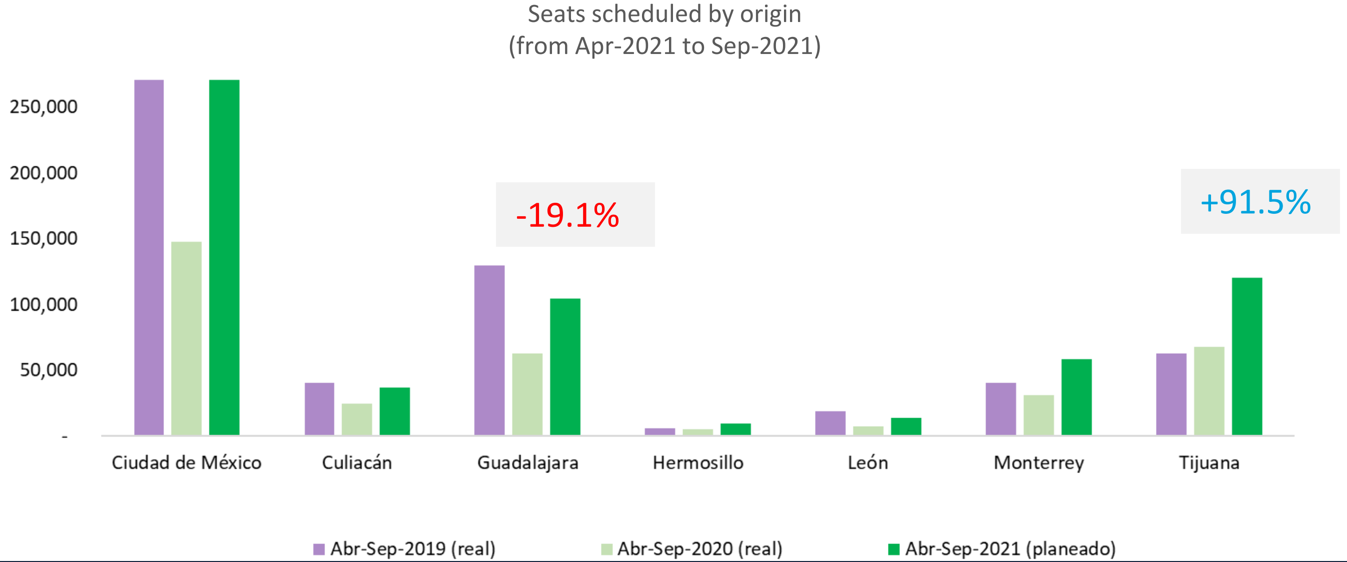
Domestic air connectivity

SEATS SCHEDULED FROM APR-2021 TO SEP-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 Apr-2021 to Sep-2021), there are 643.6 thousand seats scheduled, **9.3% more** compared to the same period in 2019.
    - However, when comparing the seats scheduled for the next 6 months against the 2020 schedule (pandemic), the volume of programmed seats is **85.4% higher**.
    - There are **6.4% more** available seats expected for Apr-2021 than those scheduled for Apr-2019.
- Mexico City and Tijuana are the most relevant issuing markets, having 46% and 19% of the total available seats (for the next 6 months), both followed by GDL (16%), Monterrey (9%), Culiacan (6%), Leon (2%), and Hermosillo (2%).
    - Seats from CDMX, MTY, and TIJ increased 5%, 45%, and 91.5%, respectively (when compared against 2019). However, GDL decreased by 19.1%. Consequently, TIJ's market participation grew 8pp during these 6 months, and GDL decreased by the same proportion.
- Between Apr-2021 and Sep-2021, 49% 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 Jan-2021 were: Aeromexico (69%), Viva Aerobus (68%), and Volaris (49%).





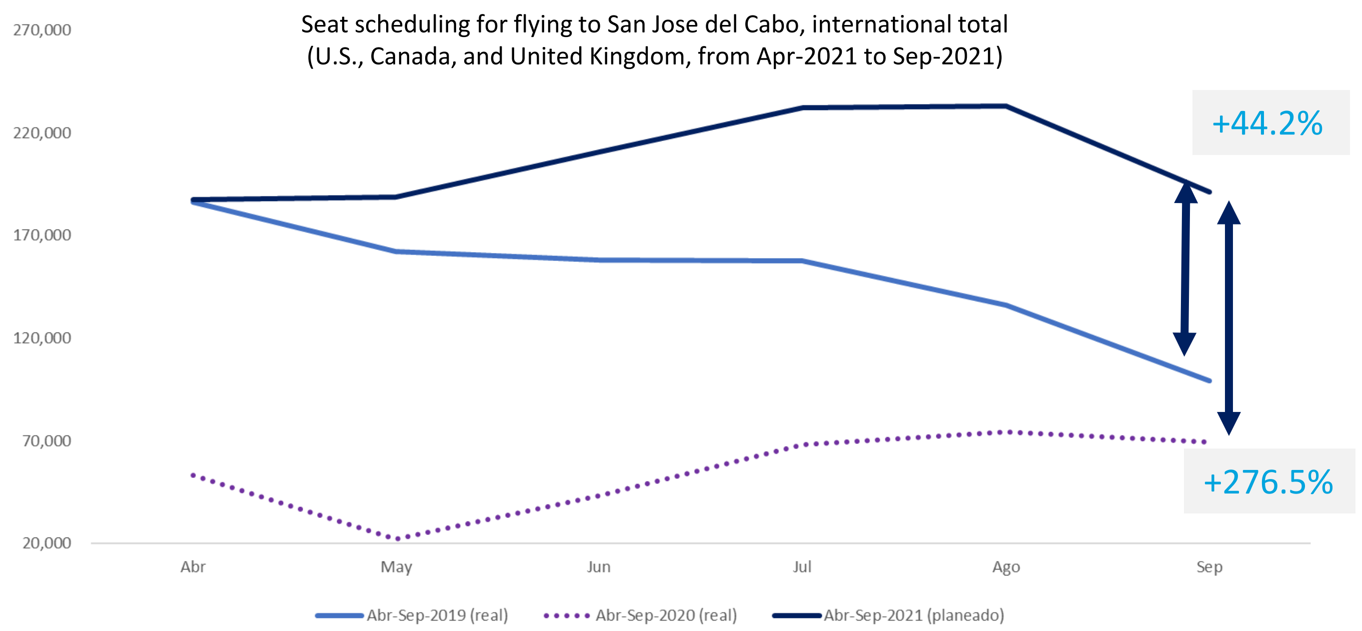
SOURCE: OAG

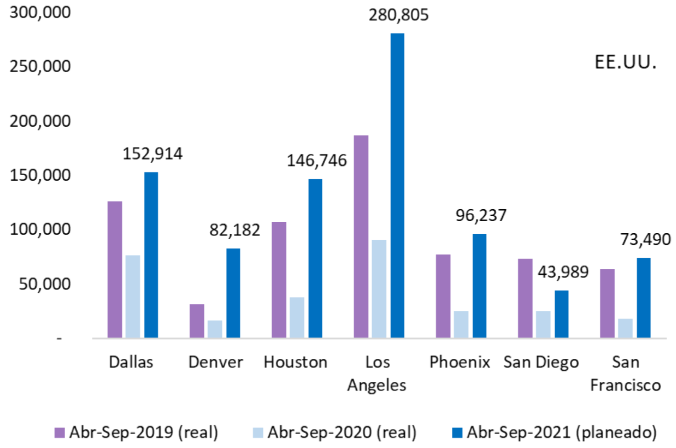
International air connectivity

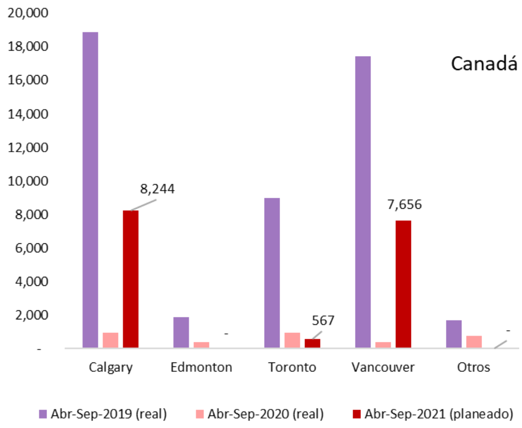
SEATS SCHEDULED FROM MAR-2021 TO AUG-2021

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

- For the U.S., there are 1.23 million seats scheduled for the next 6 months, which is **44.2% more** seats compared to the same period in 2019.
  - However, when comparing the seats scheduled for the next 6 months against the 2020 schedule (pandemic), the volume of programmed seats is **276.5% higher**.
  - **CHI (+118%), LAX (+50%), PHX (+24.7%), HOU (+33.7%), DFW (21.4%), DEN (+163.4%), and SEA (+544%)** have the most significant increase in service vs. 2019. However, a decrease of 39.6% is observed in San Diego.
  - Los Angeles is the main issuing market in the U.S. (23% of the market), followed by DFW (12%), Houston (12%), and Phoenix (8%).
  - American, Alaska, Southwest, and United Airlines are the most relevant (78% as a whole).
  - For Apr-2021, the United States expects 14.4% more available seats than those scheduled for 2019.
- For Canada, there are 16.5 thousand seats scheduled for the next 6 months, which is **66.3% fewer** seats compared to the same period in 2019.
  - When comparing the seats scheduled for the next 6 months against the 2020 schedule (pandemic), the volume of programmed seats is 384% higher.
  - There are 100% fewer available seats expected for Apr-2021 than those scheduled for Apr-2019.
  - All airports show a decrease in service within the next six months: Calgary (-56.3%), Vancouver (-56.1%), Toronto (-93.7%), and Edmonton (-100%).
  - During this period, Swoop and Air Canada will reduce the number of seats by 100%. Sunwing and WestJet will do so by 97% and 39.1%, respectively (compared to those scheduled for 2019).
- The international airlines' occupancy factors for Jan-2021 were: American 46%, Alaska 44%, Delta 39%, United 56%, and Southwest 62%. In Canada: WestJet 38% and Air Canada 54%.







LOS CABOS

LOS CABOS TOURISM OBSERVATORY

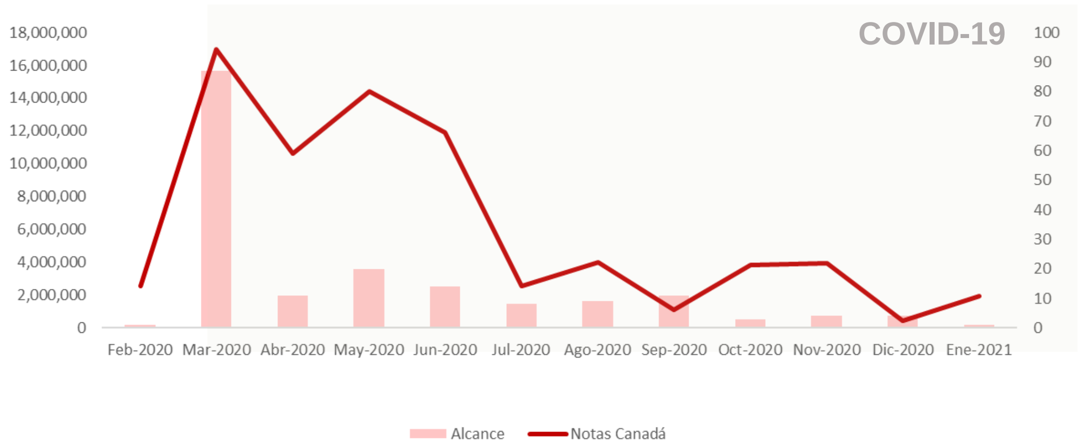
PUBLIC RELATIONS

Public relations: notes and scope

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

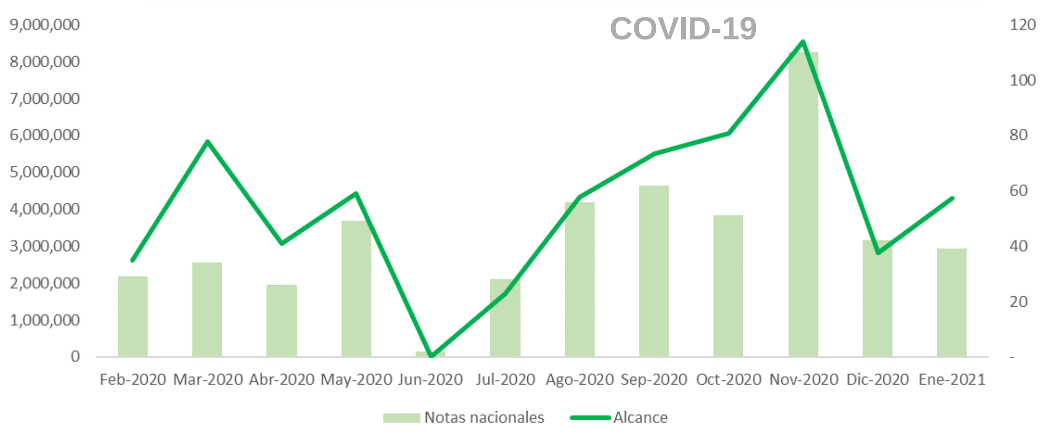
- **In the international market:**
  - In Jan-2021, 26 placements and 429 million impressions were achieved in the United States. An average of 32 inserts has been published monthly since the pandemic started, with **a reach of 1,157 million**.
  - For Canada, 4 press insertions were delivered throughout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



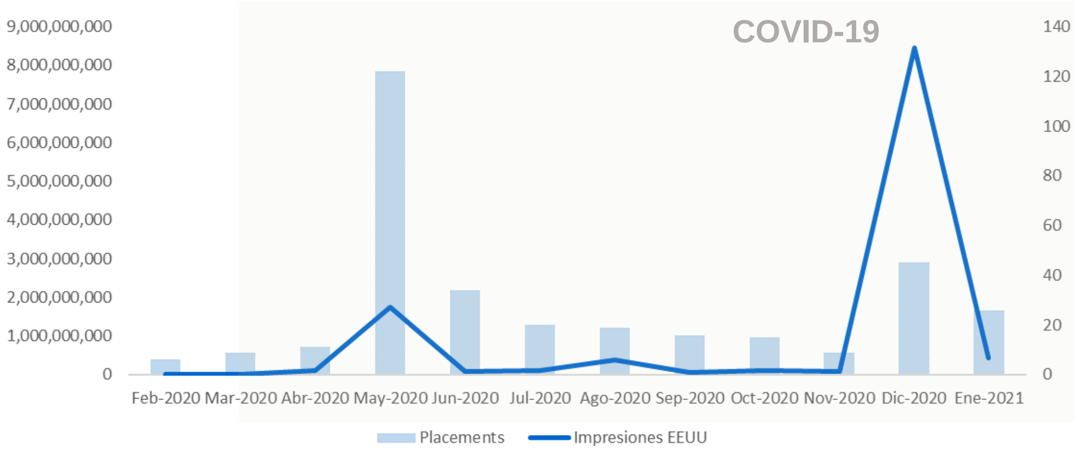
SOURCE: JESSON+CO

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)

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DEFINITIONS

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 romos.** 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

LOS CABOS TOURISM OBSERVATORY

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