LOS CABOS

LOS CABOS TOURISM OBSERVATORY

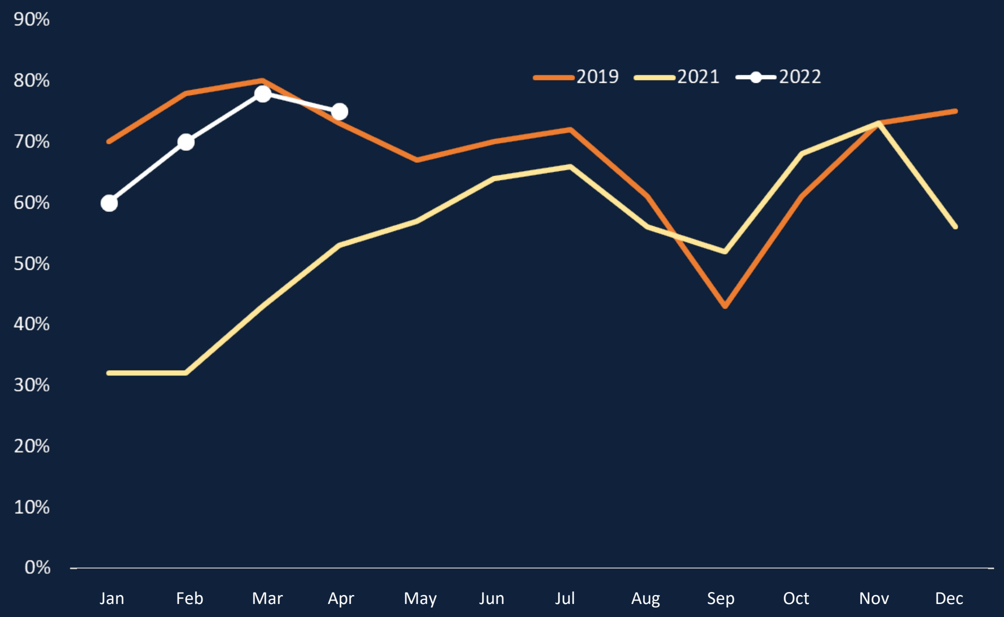
KEY PERFORMANCE INDICATORS

MAY 2022

Leading indicators – Summary (Apr-2022)

Hotel Performance

Hotel Occupancy:



Hotel Occupancy (Apr-2022):
75%
+2pp
(vs. Feb-2019)

SOURCE: AHLC

Average Rate (Apr-2022):
$478usd
+48%
(vs. Apr-2019)

SOURCE: AHLC

RevPAR (Apr-2022):
$359usd
+52.1%
(vs. Apr-2019)

SOURCE: AHLC

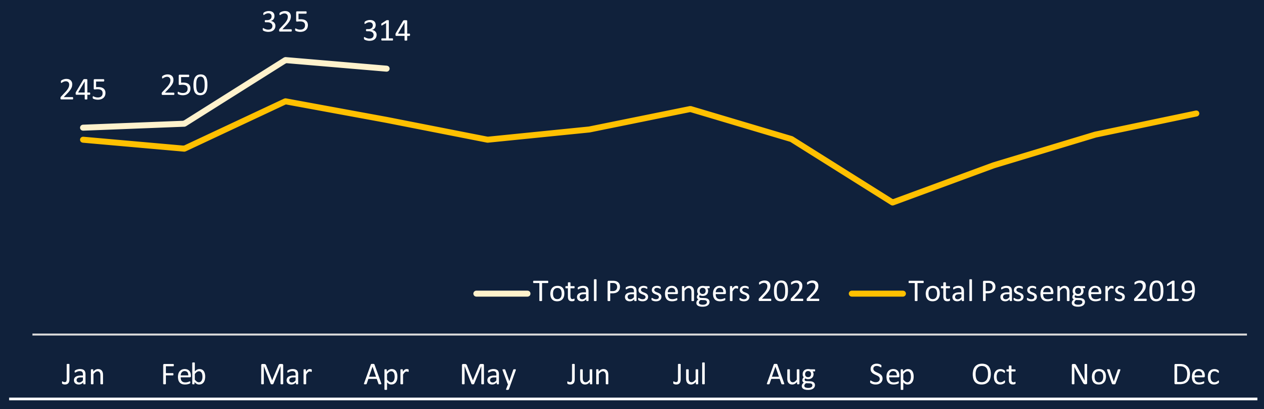
Air Passenger Arrivals

Total Passengers (Apr-2022, in thousands):
314.25
+23.8%
(vs. Apr-2019)

Domestic Passengers (Apr-2022, in thousands):
107
+32.1%
(vs. Apr-2019)

International Passengers (Apr-2022, in thousands):
207.25
+19.9%
(vs. Apr-2019)

SOURCE: GAP



Tourist Satisfaction: More than expected (Apr-2022):
66%
+31.5pp
(vs. Apr-2019)

SOURCE: TOURIST SURVEYS

Satisfaction with safety (Apr-2022):
4.9% bottom two
-7.1pp
(vs Apr-2019)

SOURCE: TOURIST SURVEYS

Airport Satisfaction (Apr-2022):
2.5% bottom two
-9.5pp
(vs Apr-2019)

SOURCE: TOURIST SURVEYS

This section presents the results of the destination considering only the information available for April 2022. To verify the rest of the information available and updated for previous months, please refer to the corresponding sections.

LOS CABOS

Leading indicators – Summary (Apr-2022)

PASSENGER ARRIVALS

- In Apr-2022, Los Cabos International Airport recorded a 23.8% (+60.4 thousand) increase in the total number of passengers arriving at the destination compared to 2019, adding up to a total of 314.25 thousand (when considering arrivals only).
  - Passengers on domestic flights (107 thousand) represent 34% of total arrivals. These increased by 32.1% (+26 thousand vs. Apr-2019).
  - Passengers on international flights (207.25 thousand) represent 66% of total arrivals. These increased by 19.9% (+34.4 thousand vs. Apr-2019).

FLIGHT SCHEDULES

- The domestic market has 40.2% more available seats scheduled for the period from May-2022 to Oct-2022 (compared to the same period in 2019). In May-2022, 33.1% more is expected.
  - Mexico City, Guadalajara, and Tijuana are the most relevant issuing markets, having 46%, 22%, and 11% of total available seats, respectively (for the next six months).
- There are 1.15 million seats scheduled for the U.S. in the next six months, which is 41.8% more than the same period in 2019.
  - The following airports had the most significant increase in service vs. 2019: LAX (+28%), PHX (+49%), HOU (+32%), DFW (17%), DEN (+113%), CHI (178%) and SEA (+1500%). However, San Diego showed a decrease of 48%.
- For May-2022, the United States expects 30.8% more available seats than those scheduled for 2019.
- For Canada, 7.2% fewer seats are expected in the next six months. There was a 21% drop in May-22.
  - Within the next 6 months, Calgary is expected to increase by 17%; however, the rest of the airports are expected to decrease: Edmonton, Toronto and Vancouver are expected to decrease by 1.5%, 45.4% and 14.2% compared to 2019

HOTEL PERFORMANCE

- In Apr-2022, occupancy was 75%, an increase of 2pp compared to Apr-2019.
  - Occupancy in Cabo San Lucas increased by 1pp compared to Apr-2019 and is now at 80%.
  - San Jose del Cabo recorded an occupancy rate of 73% (1pp higher than in Apr-2019).
  - The Los Cabos Corridor recorded an occupancy rate of 68% (a 5pp increase compared to Apr-2019).
- The average rate at Los Cabos hotels in Apr-2022 was $478; $155 above that in Apr-2019 (+48%).
- The RevPAR in Apr-2022 was $359, up $123 (+52.1%) compared to Apr-2019.

TOURIST SURVEYS

- In Apr-2022, 66% of tourists rated their experience in Los Cabos as better than expected (31.5pp more than in Apr-2019).
- During Apr-2022, security was perceived as 'bad' or 'regular' by 4.9% of tourists, 7.1pp better than in Apr-2019.
- Satisfaction with the airport also improved 9.5pp compared to 2019 (2.5% of tourists perceived their experience as bad or regular).
- The number of repeat tourists decreased by 8.4pp compared to 2019, reaching 34% in Apr-2022.
- 32% of tourists traveled with a package tour, down 9.4pp compared to 2019.
- The number of tourists who visited restaurants increased by 7.4pp this month, recording 81%.

GROUP BUSINESS

- Los Cabos received 13 more RFPs for meeting events in Apr-2022 than in 2019, totaling 46.

This section presents the results of the destination considering only the information available for April 2022. To verify the rest of the information available and updated for previous months, please refer to the corresponding sections.

LOS CABOS

LOS CABOS

LOS CABOS TOURISM OBSERVATORY

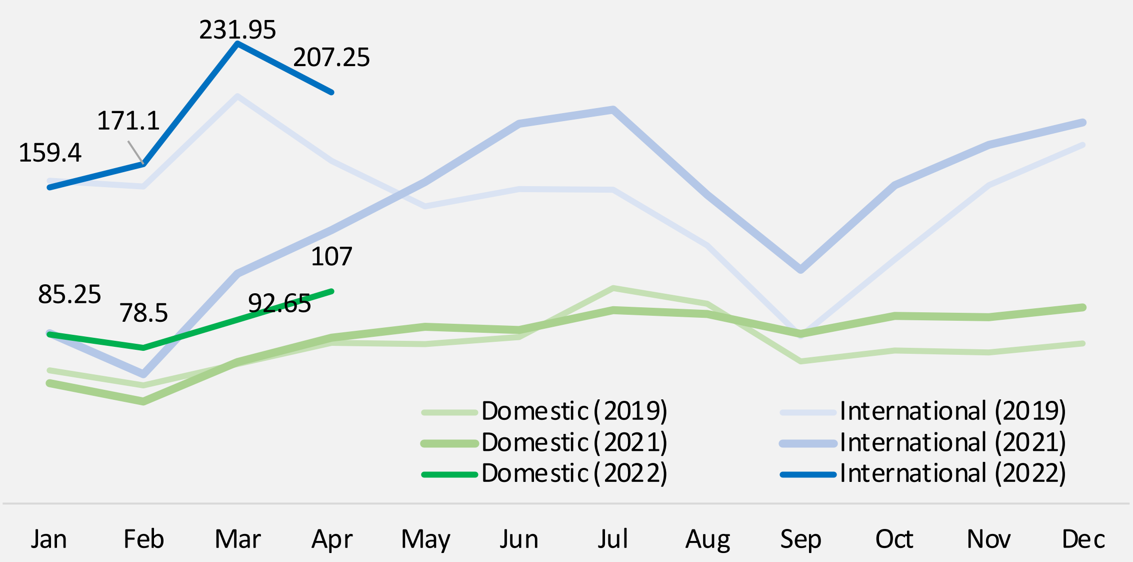
PASSENGER ARRIVALS

Passenger arrivals at Los Cabos International Airport, 2019-2022

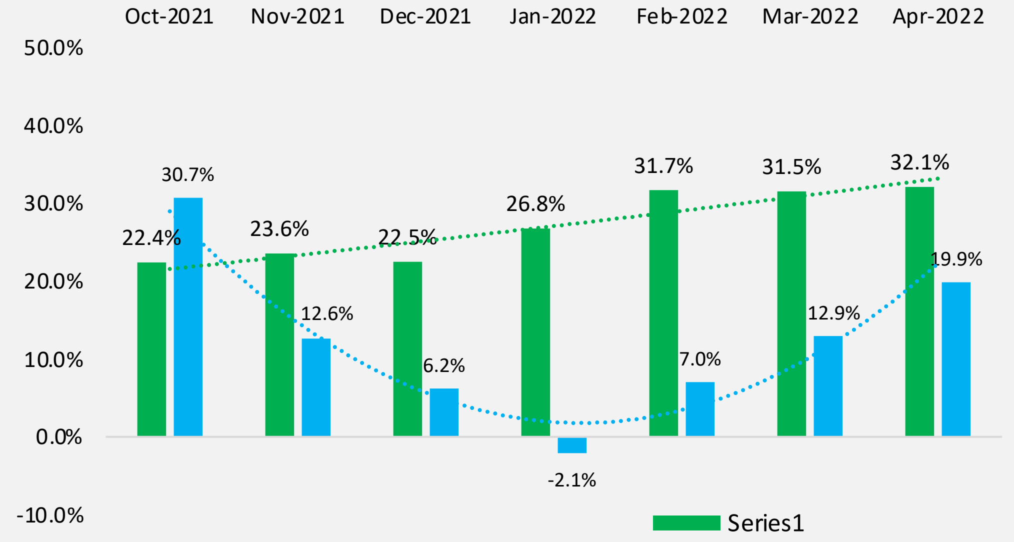
- **In Apr-2022, 314.25 thousand passengers arrived at Los Cabos International Airport, which represents a 23.8% increase compared to the same period in 2019.**
  - **It represents an average growth rate of 2.9% over the last 12 months.**
  - **Passengers on domestic flights (107 thousand) represent 34% of total arrivals and increased by 32.1% compared to Apr-2019.**
    - **TMAC of 2.1% between Apr-2021 and 2022.**
  - **Passengers on international flights (207.25thousand) represent 66% of total arrivals and increased by 19.9%.**
    - **TMAC of 3.4% between Mar-2021 and Mar-2022**

SOURCE: GAP

Monthly arrivals (expressed in thousands)



Variation with respect to 2019



LOS CABOS

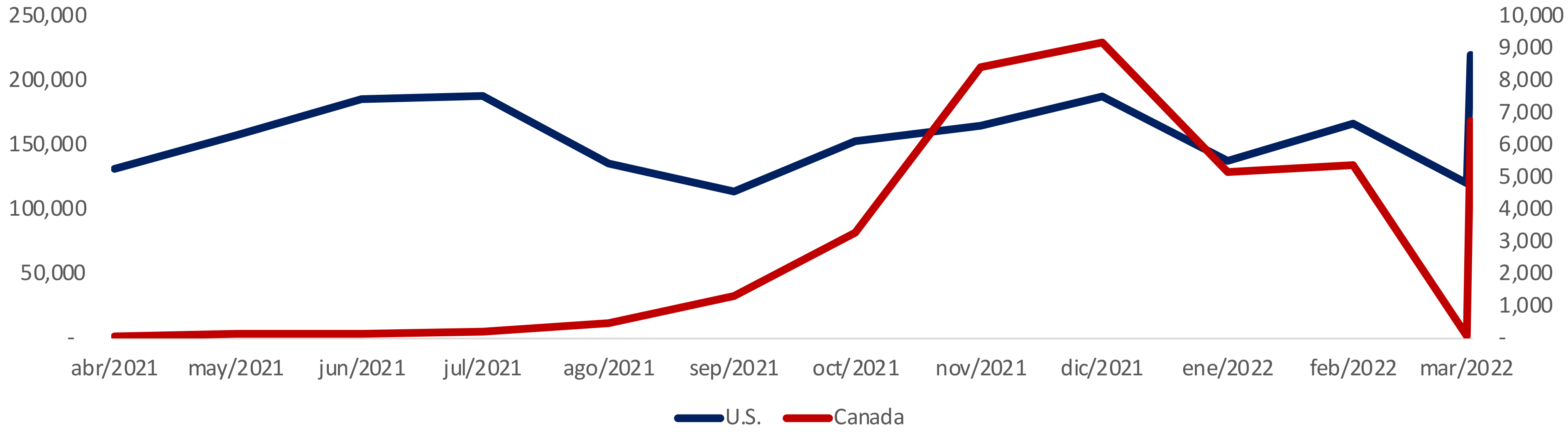
LOS CABOS TOURISM OBSERVATORY

PASSENGER ARRIVALS by nationality

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

Regions	Mar/2022	Apr/2021	May/2021	Jun/2021	Jul/2021	Aug/2021	Sep/2021	Oct/2021	Nov/2021	Dec/2021	Jan/2022	Feb/2022	Mar/2022	Δ Mar-22 / Mar-19	Δ Jan-Mar 22 / Jan-Mar-19
U.S.	120,361	131,784	157,649	185,830	188,099	135,769	114,095	153,027	165,218	187,942	137,967	166,842	220,094	26.7%	22.3%
Canada	75	66	144	144	211	480	1,316	3,280	8,420	9,190	5,176	5,388	6,760	-71.9%	-75.4%
Europe	39	37	61	55	136	98	62	94	299	431	255	189	173	-81.2%	-77.8%
Caribbean, Central & South America	31	24	58	76	138	138	107	130	116	155	82	76	90	-51.4%	-61.7%
Rest of the world	38	24	48	90	163	169	108	187	352	337	150	150	170	-85.4%	-83.9%
Grand total	120,544	131,935	157,960	186,195	188,747	136,654	115,688	156,718	174,405	198,055	143,630	172,645	227,287	13.6%	7.9%

Key markets	Mar/2022	Apr/2021	May/2021	Jun/2021	Jul/2021	Aug/2021	Sep/2021	Oct/2021	Nov/2021	Dec/2021	Jan/2022	Feb/2022	Mar/2022	Δ Mar-22 / Mar-19	Δ Jan-Mar 22 / Jan-Mar-19
United Kingdom	16	8	25	15	50	48	7	27	81	146	98	66	60	-77.9%	-70.8%
Australia	4	4	4	12	18	21	15	19	41	44	35	43	25	-90.9%	-89.0%
South Korea	10	1	5	6	17	16	10	11	45	15	3	-	5	-96.4%	-97.9%
Key markets total	30	13	34	33	85	85	32	57	167	205	136	109	90	-86.9%	-83.9%



SOURCE: INM- SIOM

International tourist arrivals by air, by origin (residence)

+13.6%

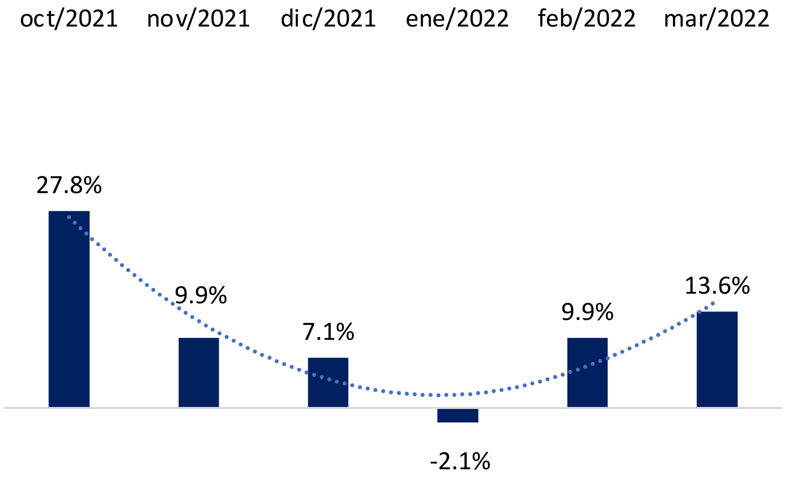
Mar-2022 vs Mar-2019

In Mar-2022, Los Cabos International Airport recorded the arrival of 227,287 international tourists by air. This meant a 13.6% increase compared to 2019.

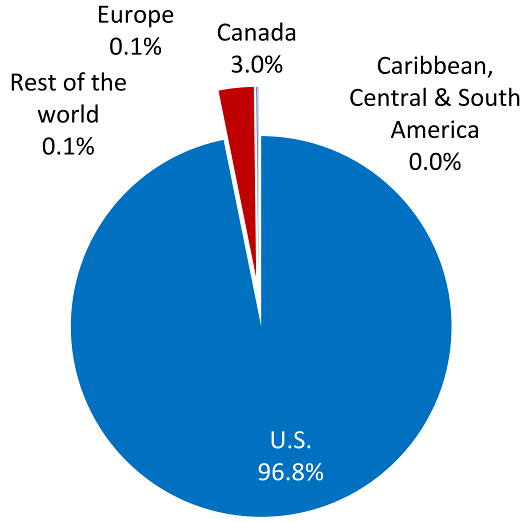
However, this was driven by growth in inbound American tourists (+26.7 vs 2019). All other regions show decreases.

American tourists represent 96.1% of the total.

Annual variation of international tourist arrivals by air to Los Cabos International Airport (Oct-2021 to Mar-2022 versus 2019)



Share of international tourist arrivals by air to Los Cabos International Airport (Mar-2022)

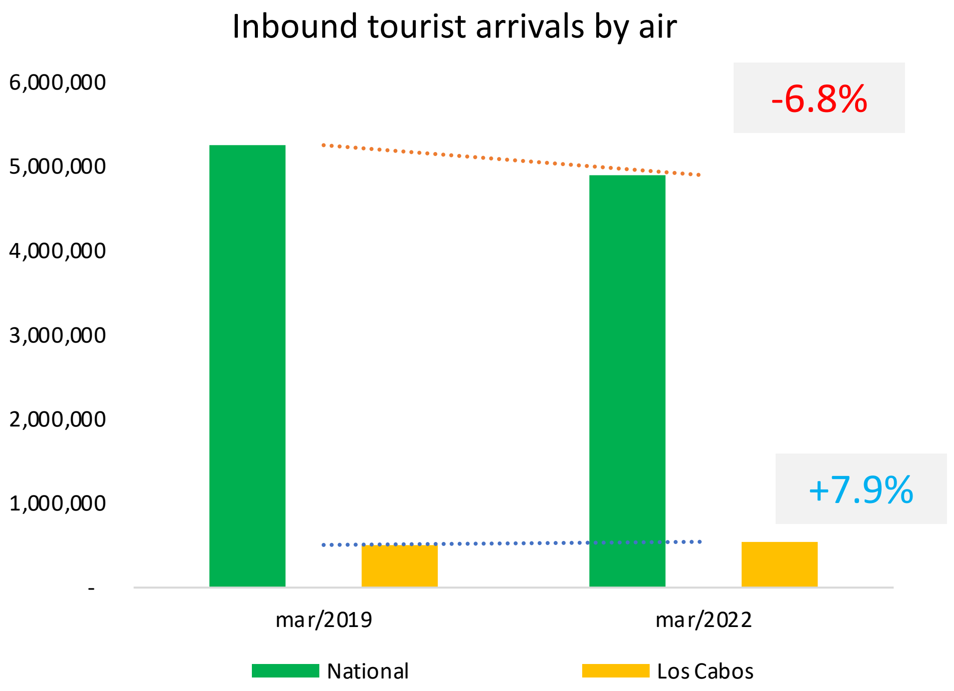


SOURCE: INM- SIOM

International tourist arrivals by air, by origin (residence), Accrual Jan-Mar

Regions	Domestic			Los Cabos		
	Mar/2019	Mar/2022	Δ 2022/2019	Mar/2019	Mar/2022	Δ 2022/2019
United States	2,860,717	3,282,433	14.7%	429,055	524,903	22.3%
Canada	1,053,684	478,008	-54.6%	70,565	17,324	-75.4%
Europe	483,223	463,574	-4.1%	2,785	617	-77.8%
Caribbean, Central & South America	651,462	538,785	-17.3%	648	248	-61.7%
Rest of the world	199,511	129,398	-35.1%	2,911	470	-83.9%
Grand total	5,248,597	4,892,198	-6.8%	505,964	543,562	7.9%

Key Markets	Domestic			Los Cabos		
	Mar/2019	Mar/2022	Δ 2022/2019	Mar/2019	Mar/2022	Δ 2022/2019
United Kingdom	101,398	100,752	-0.6%	767	224	-70.8%
Australia	16,749	3,658	-78.2%	939	103	-89.0%
South Korea	24,812	4,376	-82.4%	375	8	-97.9%
Key markets total	142,959	108,786	-23.9%	2,081	335	-83.9%



When comparing the accrual Jan-Mar-2022 to 2019, tourist arrivals by air decreased 6.8% nationwide and increased 7.9% in Los Cabos.

- On a domestic level, the U.S. travel market increased by 14.7%, whereas the Canadian travel market decreased by 54.6%.
- In Los Cabos International Airport, the U.S. travel market grew by 22,3%, while the Canadian travel market decreased by 75.4% when comparing both periods.

SOURCE: INM- SIOM

LOS CABOS

LOS CABOS TOURISM OBSERVATORY

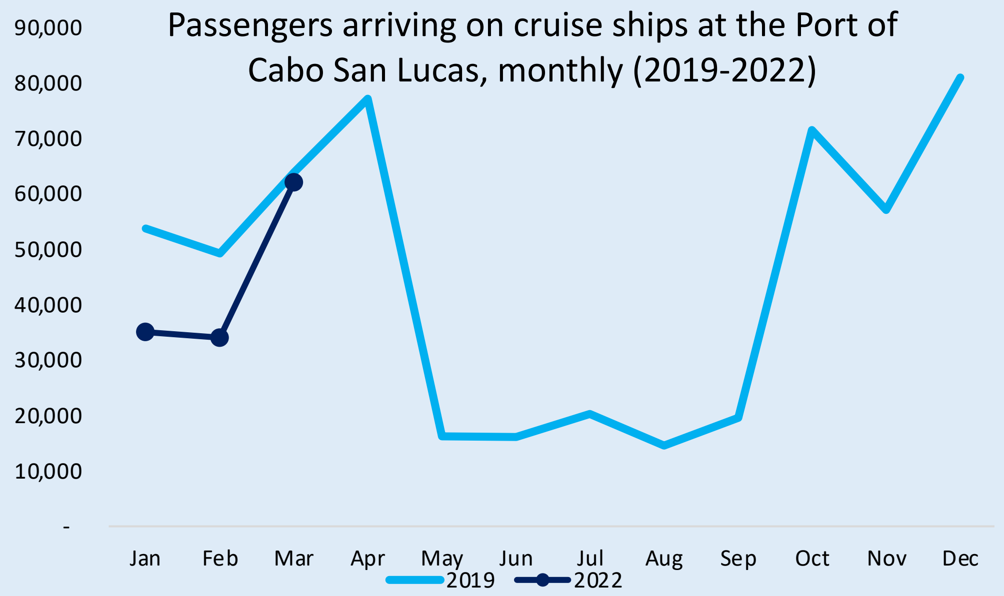
YACHT AND CRUISE SHIP ACTIVITY

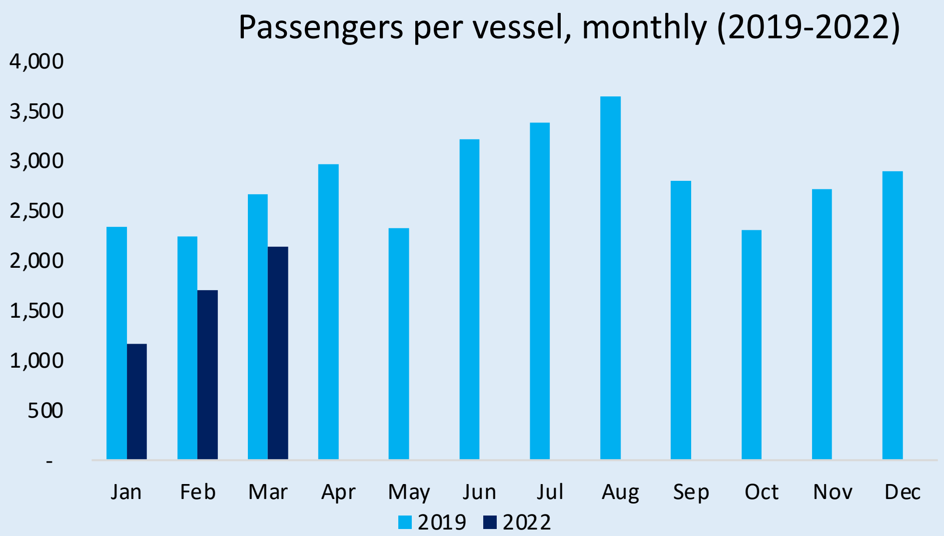
Cruise Activity (Mar-2022)

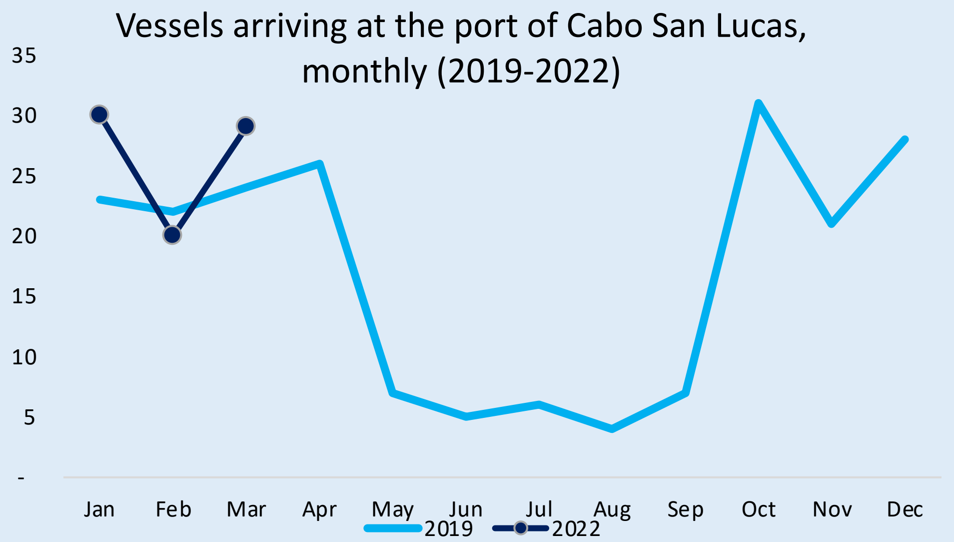
Cruise operations continued to improve significantly in Mar-2022, with 29 vessels arriving at the port of Cabo San Lucas carrying a total of 62,012 passengers. However, when compared to Mar-2019 it translates into a decrease of 3%.

This month, there are 2,138 passengers per vessel, 19.7% less than in 2019.

SOURCE: DATATUR-SCT



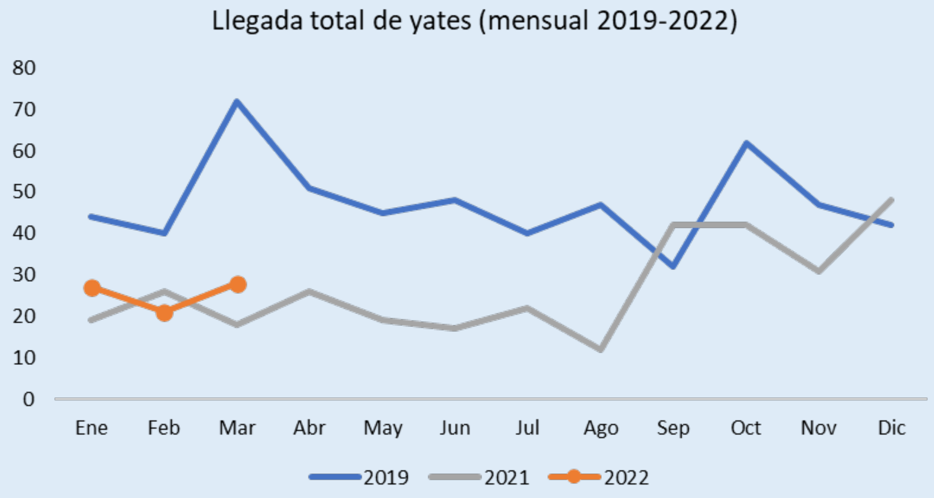


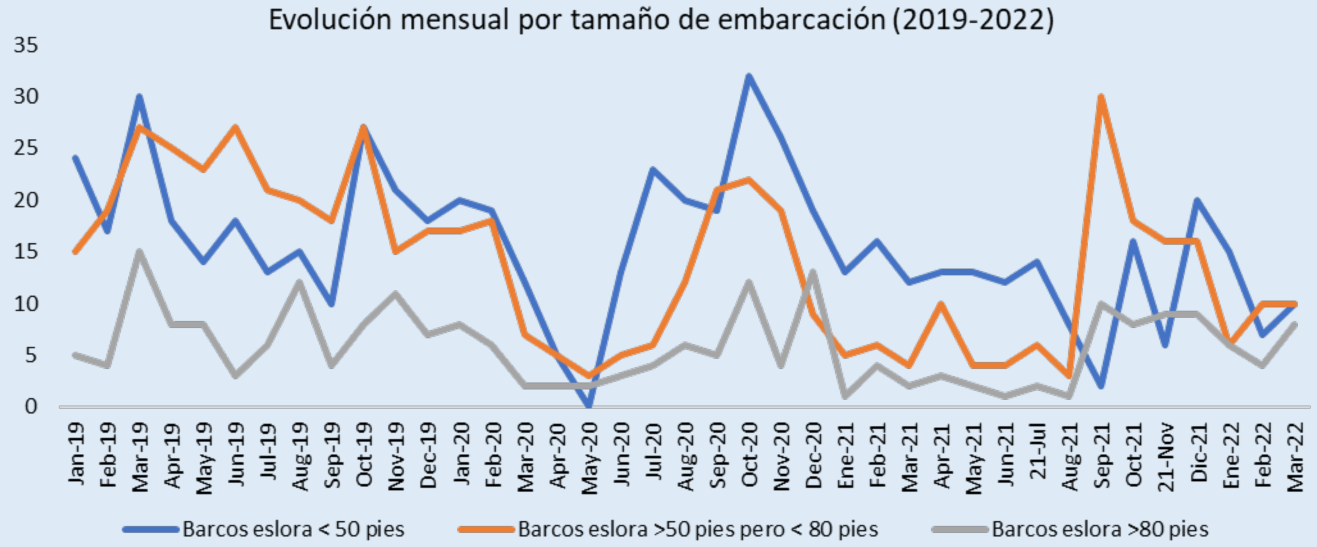


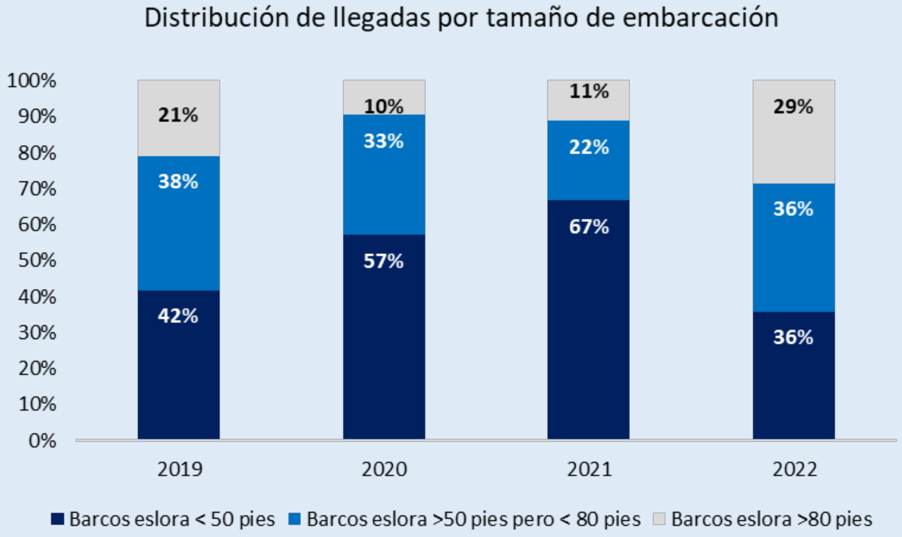
Yacht arrivals at the Port of Cabo San Lucas (Mar-2022)

- **28 yachts arrived at the Port of Cabo San Lucas in Mar-2022. This represents a decrease of 61% compared to the same period in 2019.**
  - **72% were small- or medium-sized vessels that measured less than 80 feet in length.**

SOURCE: API Cabo San Lucas



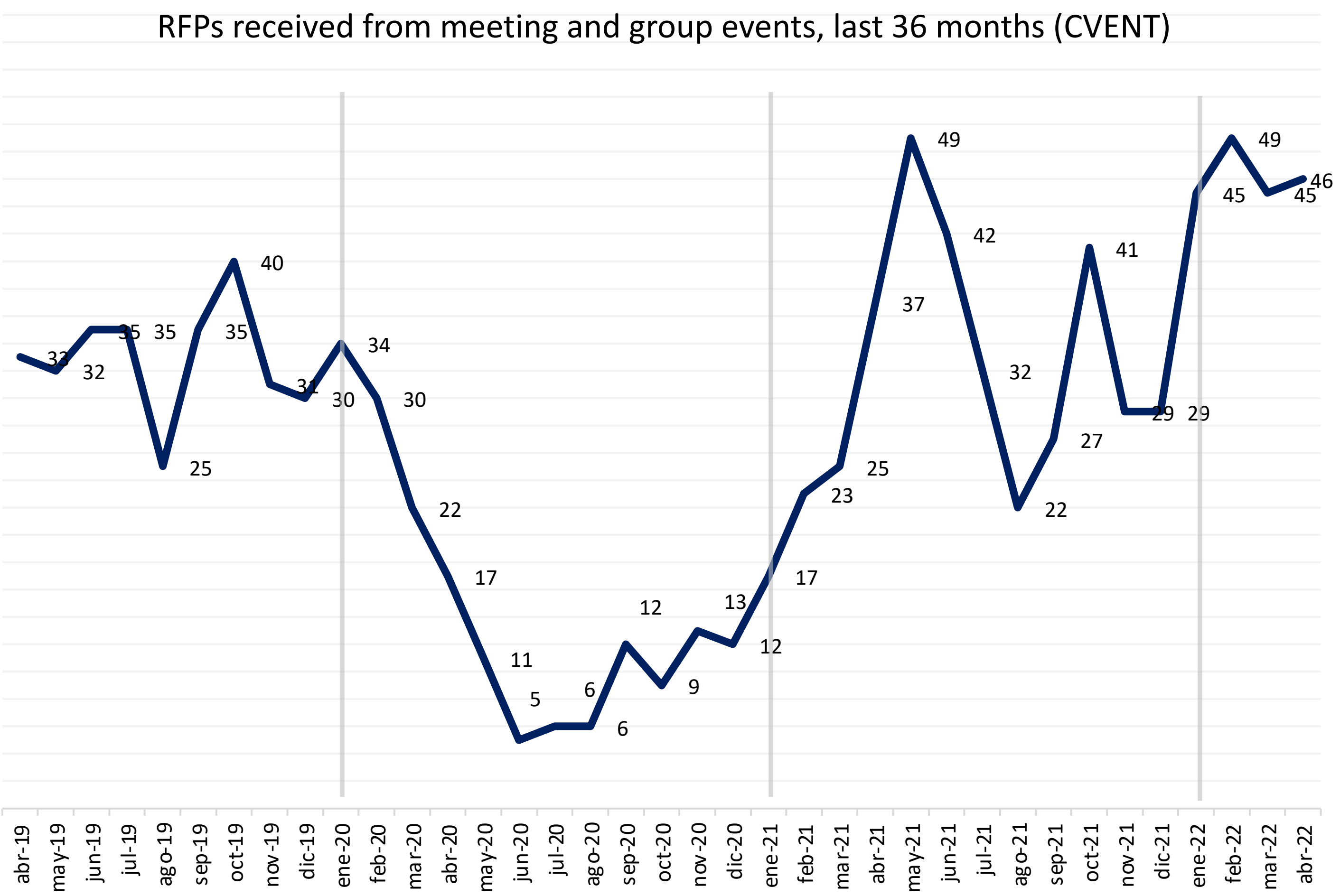




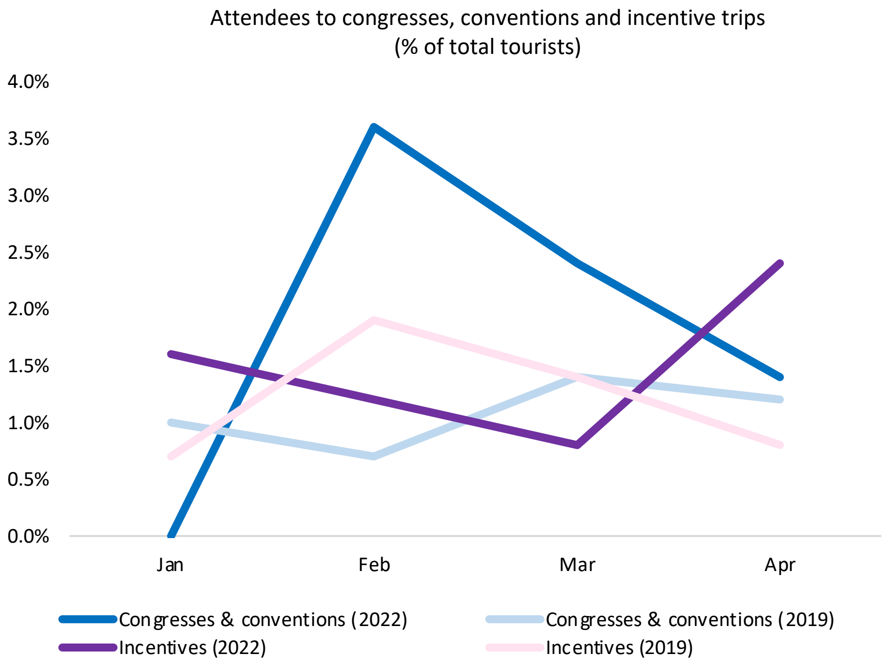
LOS CABOS TOURISM OBSERVATORY

TOURIST & GROUP BUSINESS SURVEYS

Group Business

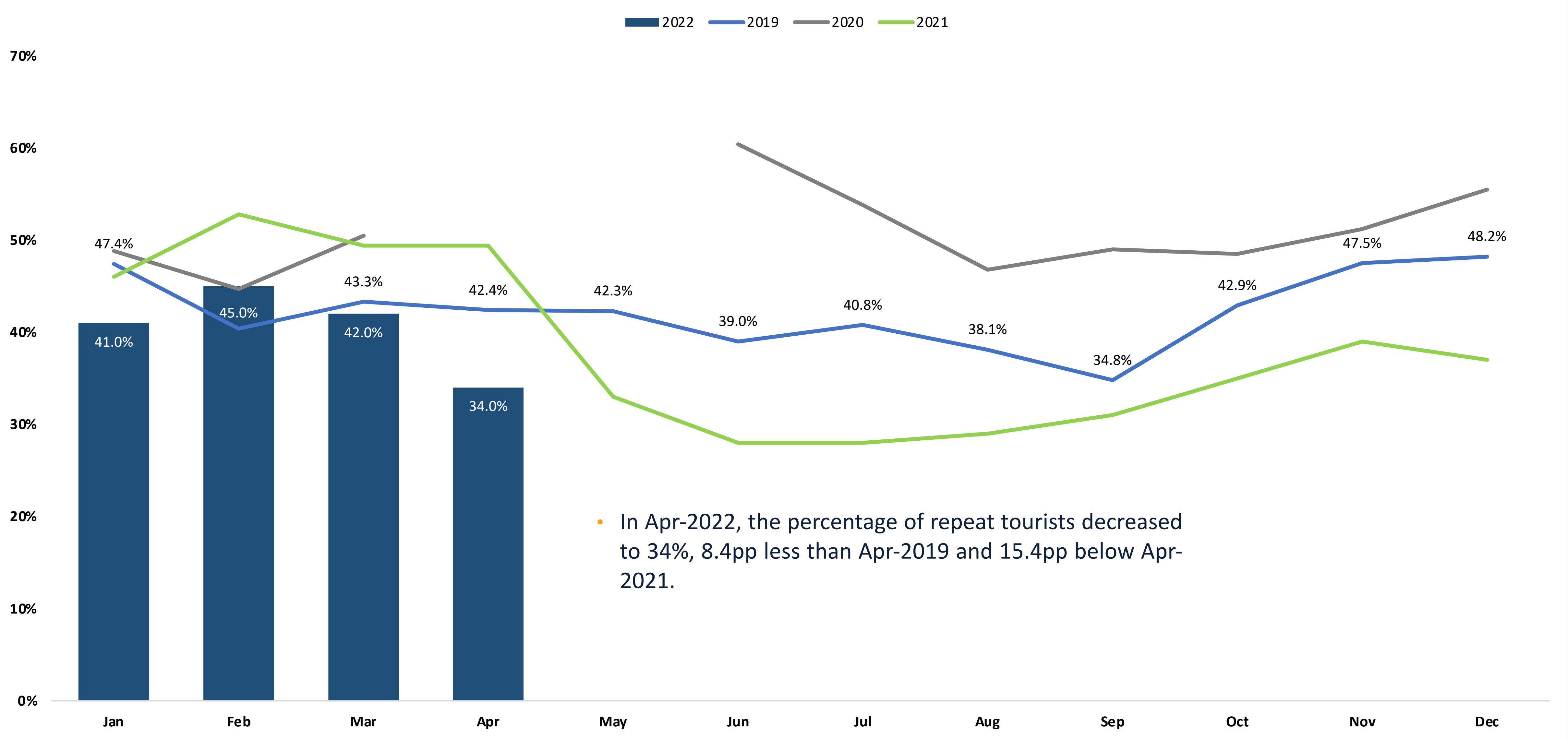


SOURCE: CVENT



SOURCE: Tourist Surveys

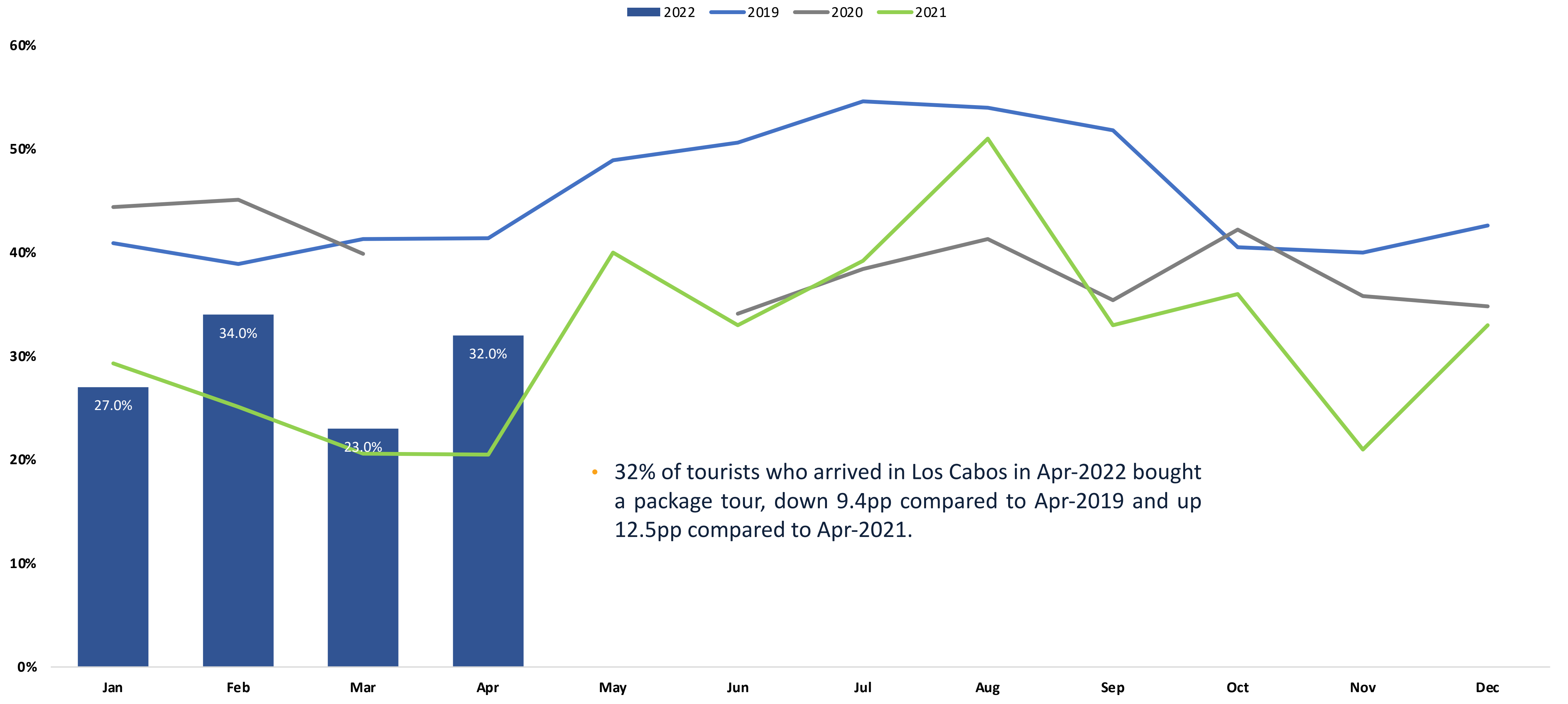
Return rate to the destination



- In Apr-2022, the percentage of repeat tourists decreased to 34%, 8.4pp less than Apr-2019 and 15.4pp below Apr-2021.

SOURCE: TOURIST SURVEYS

Package tour purchases



- 32% of tourists who arrived in Los Cabos in Apr-2022 bought a package tour, down 9.4pp compared to Apr-2019 and up 12.5pp compared to Apr-2021.

SOURCE: TOURIST SURVEYS

Timeshares

- 10% of tourists in Apr-2022 made use of timeshares. This ratio is 14.4pp below Apr-2019 and 6.8pp below Apr-2021.

SOURCE: TOURIST SURVEYS

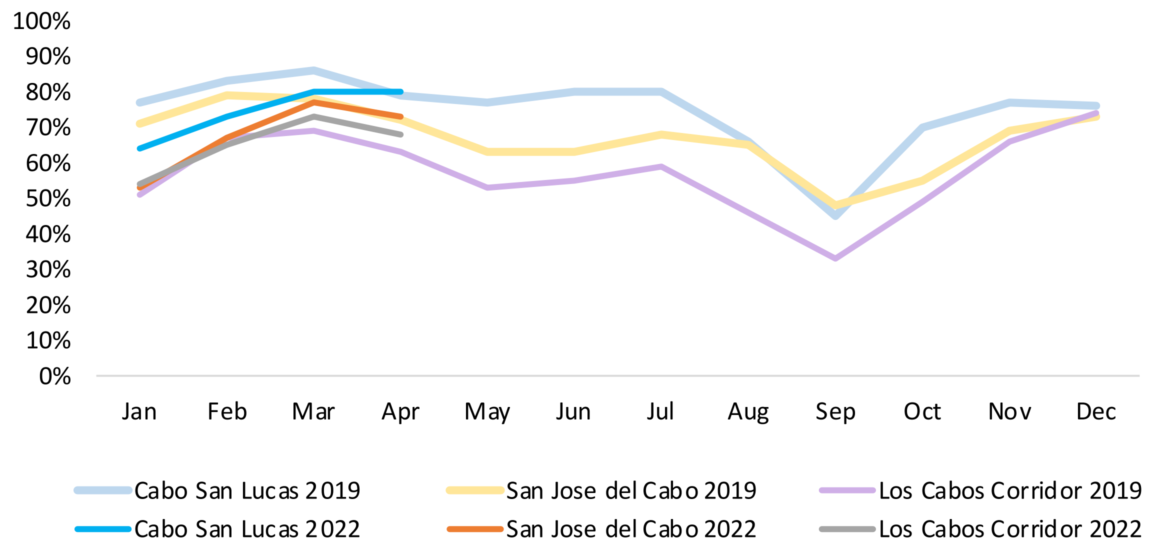
LOS CABOS

LOS CABOS TOURISM OBSERVATORY

SUPPLY INDICATORS
Hotel Performance

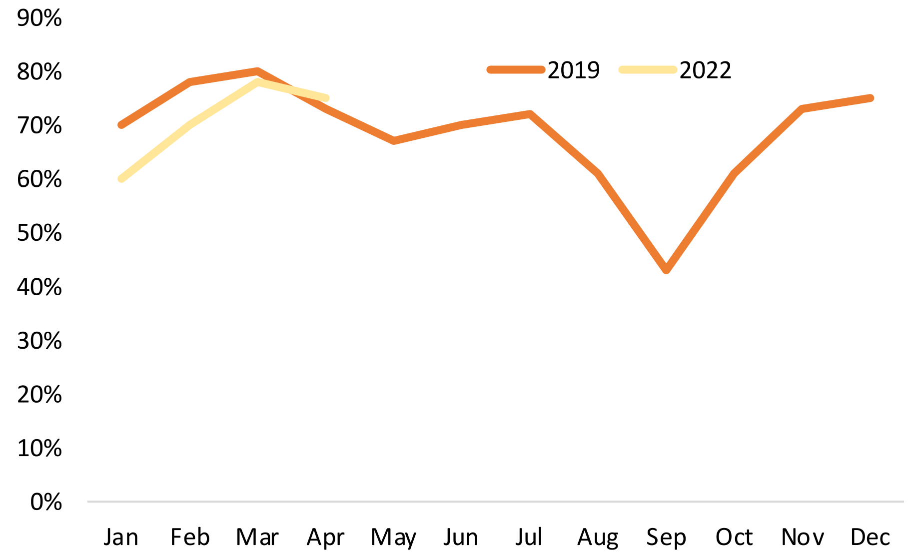
Evolution of the hotel supply in Los Cabos and sub-destinations

Monthly hotel occupancy (2019-2021)



SOURCE: AHLC

Hotel occupancy, current month (2019-2022)



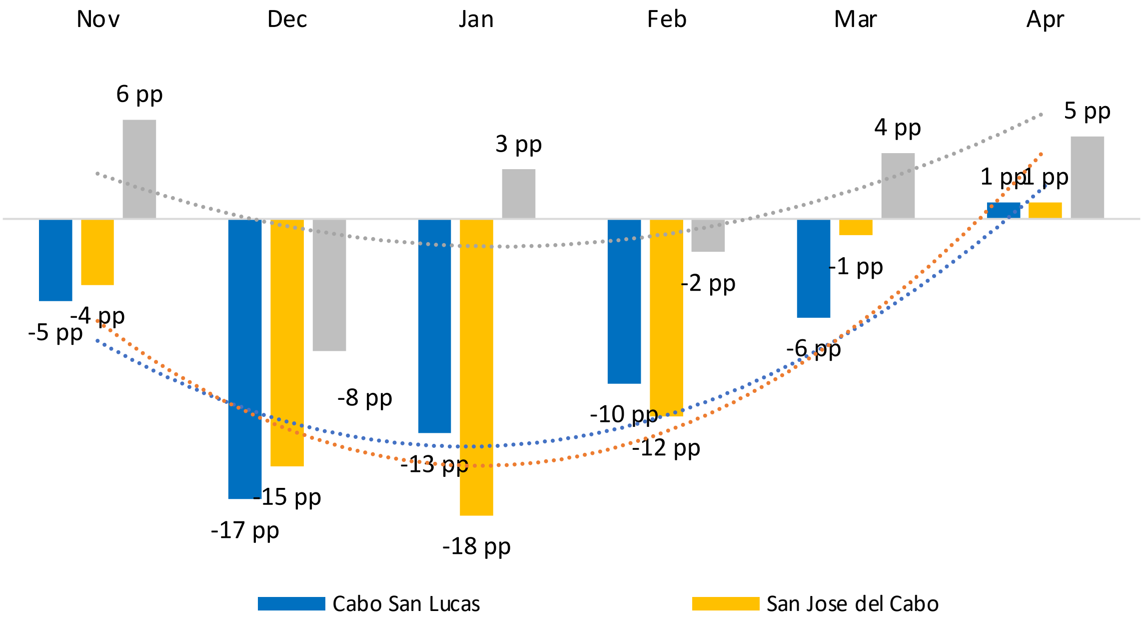
SOURCE: AHLC

- **According to the Los Cabos Hotel Association, hotel occupancy in Los Cabos reached 75% in Apr-2022, 2pp more than 2019.**
- **In Feb-2022, 214,328 tourists arrived at hotels in Los Cabos, 0.8% more than in 2019. Meanwhile, the average stay decreased by 0.44 nights (4.75, according to DataTur).**
  - **The number of domestic and international tourist arrivals at hotels increased by 3.4% and 3.2% during this period, respectively.**
  - **In Feb-2022, domestic tourism represented 23.3% of the total. A share of 20.4% was recorded in 2019.**

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

Annual variation in hotel occupancy, by destination

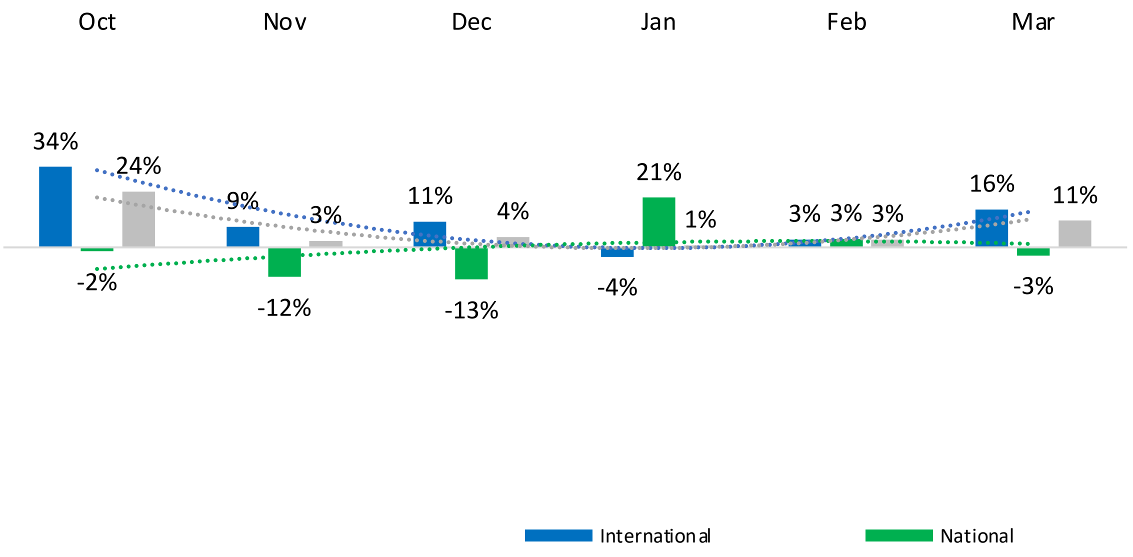
(Nov-2021 – Apr-2022 vs 2019)



SOURCE: AHLC

Annual variation of tourist arrivals at hotels, by origin

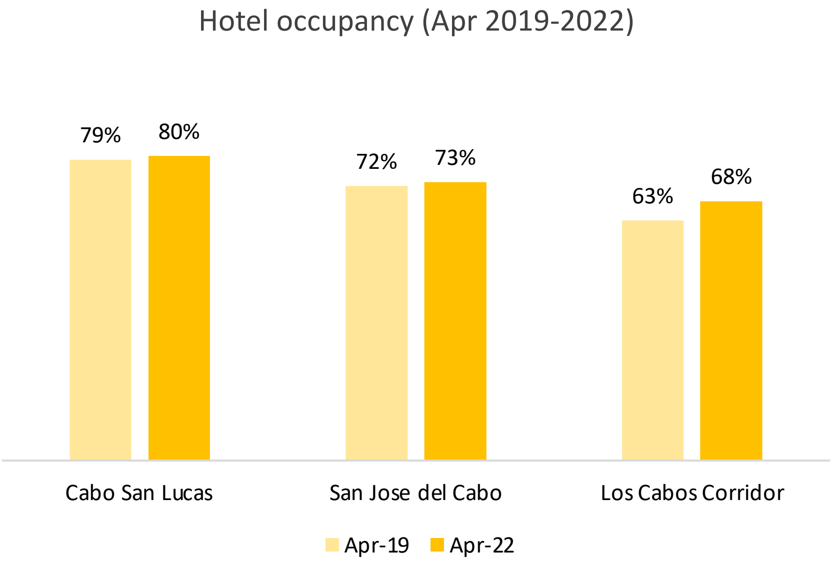
(Oct-2021 – Mar-2022 vs 2019)



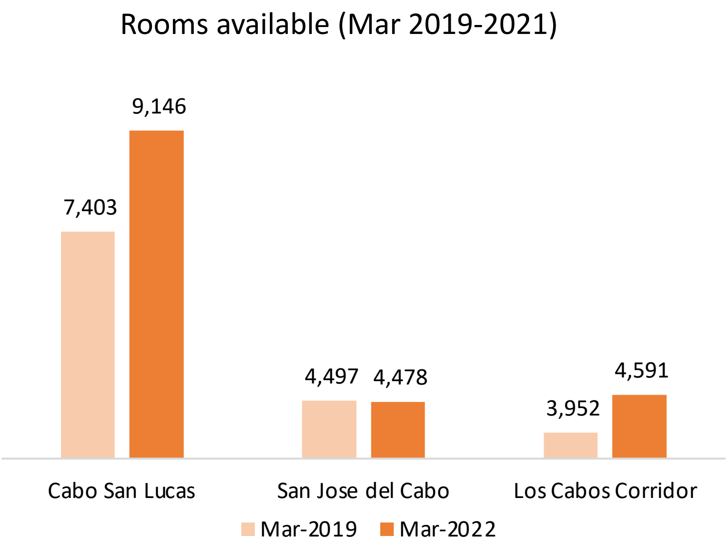
SOURCE: DATATUR

- **Compared to 2019, hotel occupancy in Cabo San Lucas and San Jose del Cabo increased by 1pp.**
- **However, in the Corridor there is greater growth, reaching 5pp.**

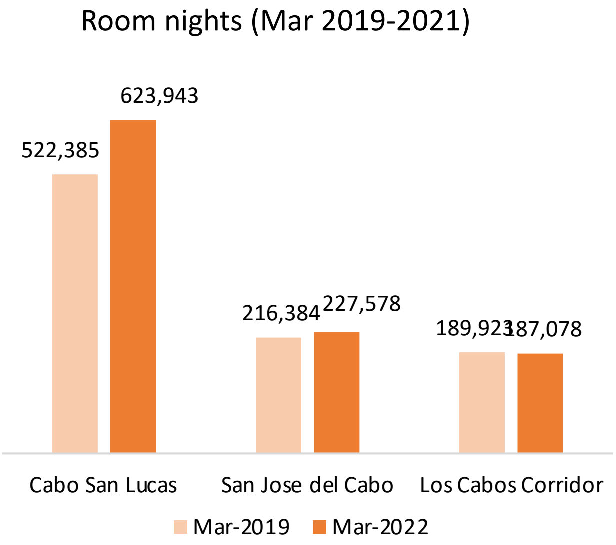
Evolution of the hotel supply in Los Cabos and sub-destinations



SOURCE: AHLC



SOURCE: DATATUR



SOURCE: DATATUR

CABO SAN LUCAS

- **Occupancy in Apr-2022 was 80%, 1pp more than in 2019 (AHLC).**
- **Its hotel supply increased 23.5% between Mar-2022 and 2019, registering a total of 9.1 thousand rooms (DataTur).**
- **Occupied room nights increased 19.4% between Mar-2019 and 2022 (DataTur).**

SAN JOSE DEL CABO

- **Occupancy in Apr-2022 was 73%, 1pp more than in 2019 (AHLC).**
- **Its hotel supply decreased 0.4% between Mar-2022 and 2019, registering a total of 4.5 thousand rooms (DataTur).**
- **Occupied room nights increased 5.2% between Mar-2019 and 2022 (DataTur).**

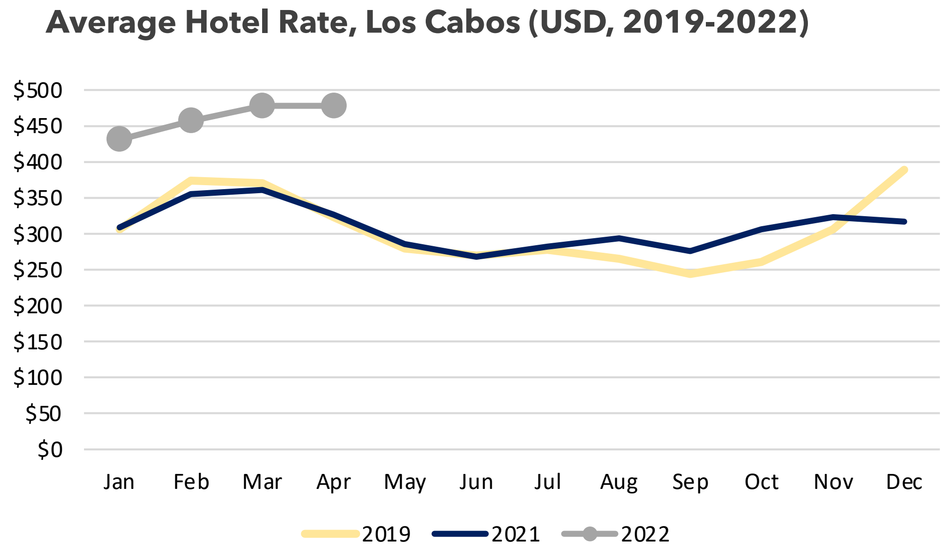
LOS CABOS CORRIDOR

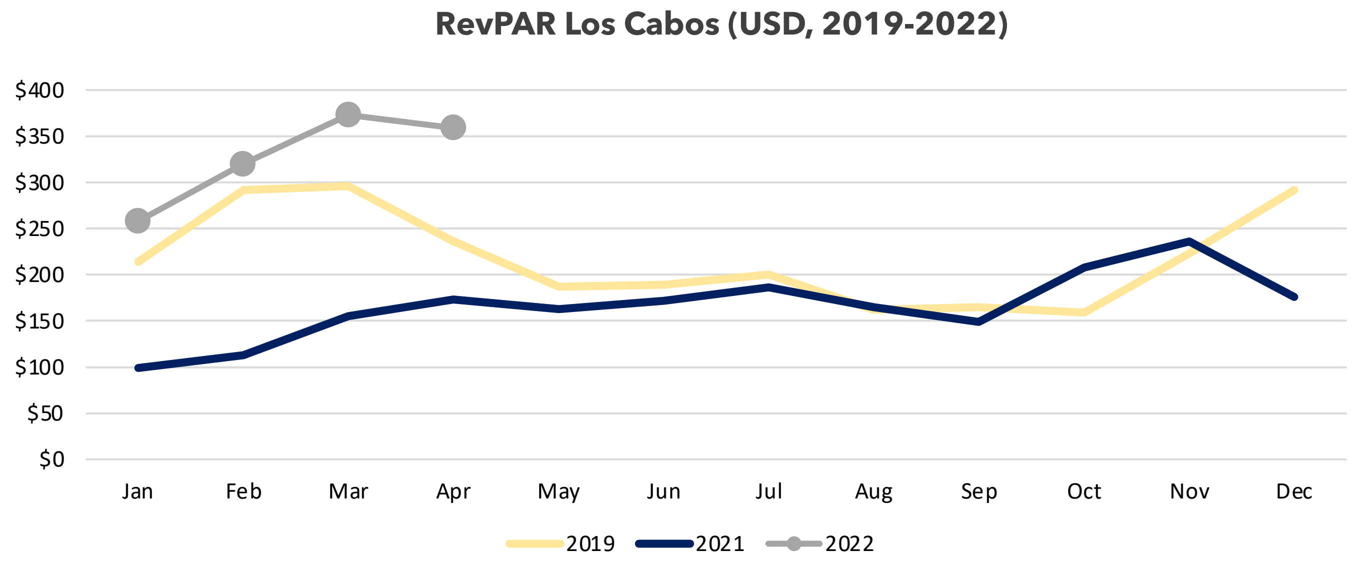
- **Occupancy in Apr-2022 reached 68%, which is 5pp more than in 2019 (AHLC).**
- **Its hotel supply increased 16.2% between Mar-2022 and 2019, registering a total of 4.6 thousand rooms (DataTur).**
- **Occupied room nights decreased 1.5% between Mar-2019 and 2022 (DataTur).**

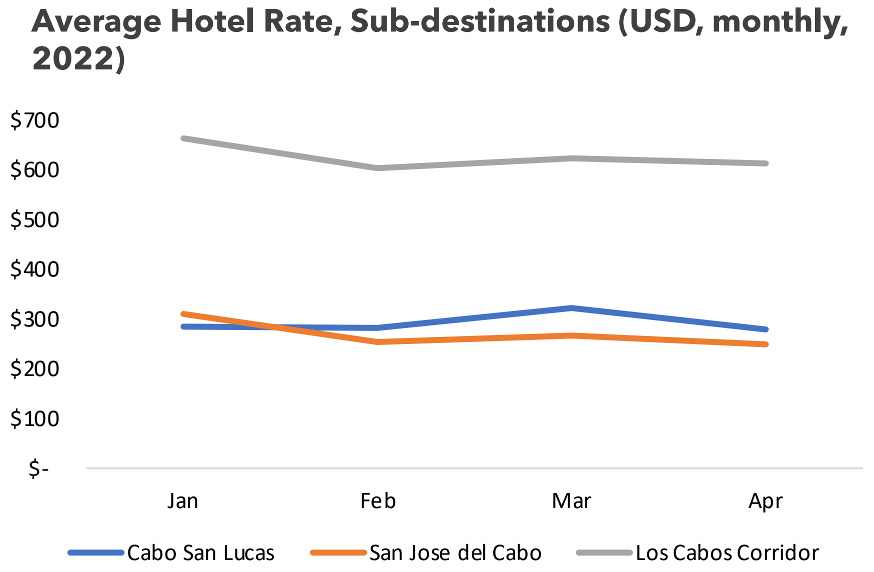
Evolution of the RevPAR and the average hotel rate in Los Cabos & sub-destinations

- **The average hotel rate in Los Cabos for Apr-2022 was USD 478, 128 dollars above the last 12-month average ($350) and 155 dollars above that of Apr-2019.**
  - **Cabo San Lucas recorded an increase of 22.9% (USD 52) compared to 2019 and now stands at USD 279.**
  - **San José del Cabo has the same rate as in 2019: 249 USD.**
  - **Compared to 2019, the rate in Los Cabos Corridor increased by 24.1% (USD 119) and recorded USD 613.**

- **The RevPAR in Apr-2022 was $359, up $123 (+52.16%) compared to Apr-2019.**







SOURCE: AHLC

LOS CABOS

LOS CABOS TOURISM OBSERVATORY

SUPPLY INDICATORS
Air Connectivity

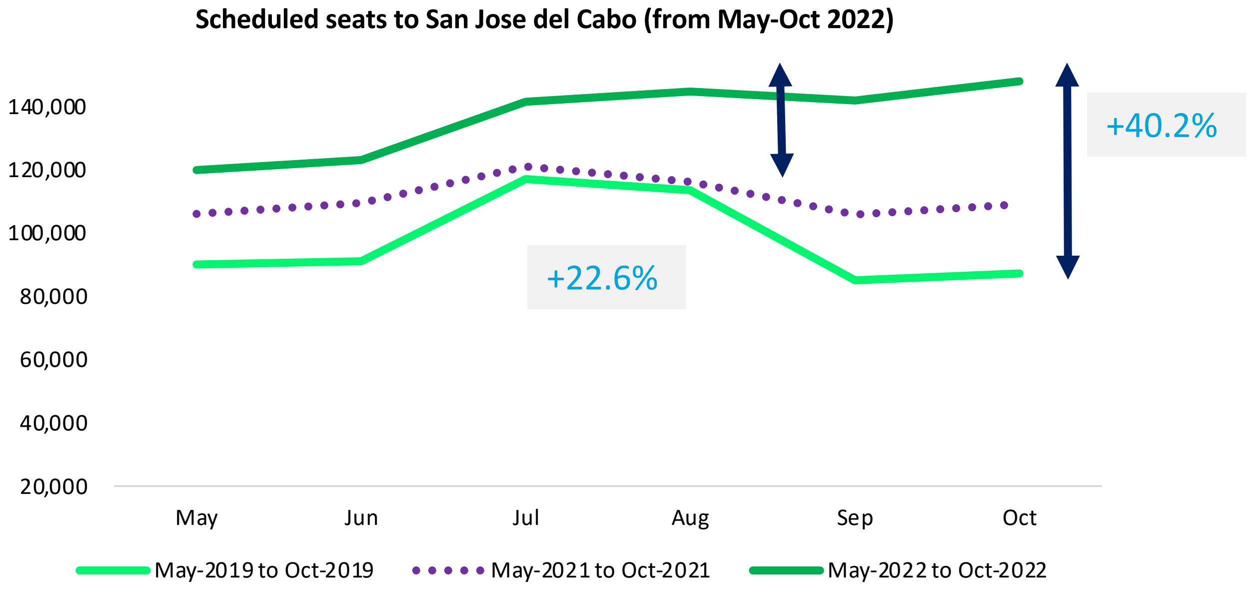
SOURCE: OAG

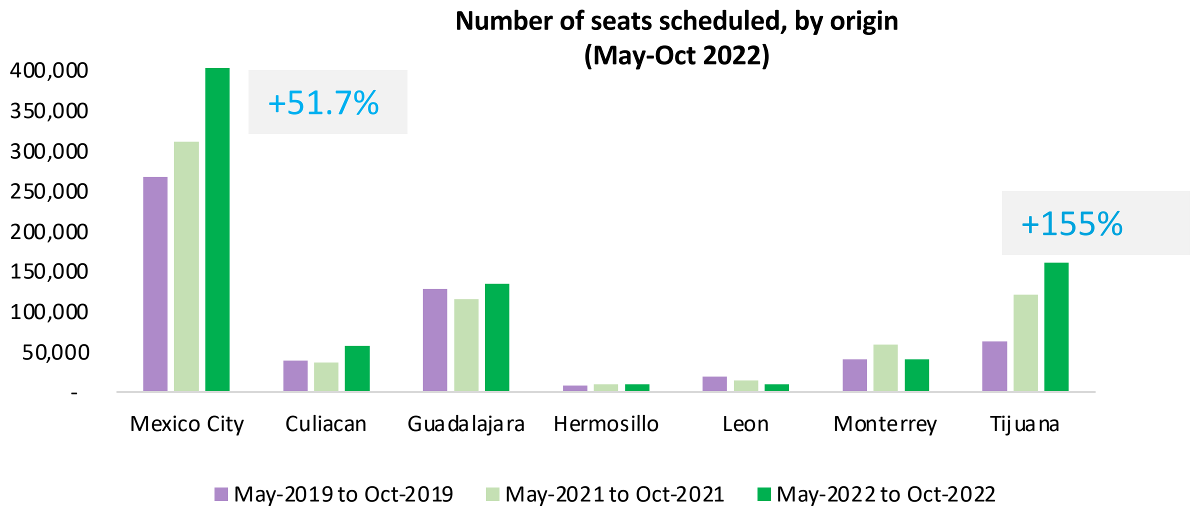
Domestic air connectivity

SEATS SCHEDULED FROM MAY-2022 TO OCT-2022

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

- **There are 818.6 thousand seats scheduled for the next six months, 40.2% more compared to the same period in 2019.**
  - **However, when comparing the seats scheduled for the next six months against the 2021 schedule, the volume of programmed seats is 22.6% higher.**
  - **31.1% more available seats are expected in May-2022 than those scheduled for 2019.**
- **Mexico City, Guadalajara, and Tijuana are the most relevant issuing markets, having 50%, 16%, and 20% of total available seats, respectively (for the next six months). Followed by Monterrey (5%), Culiacan (7%), Leon (1%) and Hermosillo (1%).**
  - **Flight seats departing from CDMX and TIJ increased by 51.7% and 155%, respectively (when compared to 2019). However, BJX and MTY decreased by 49% and 0.7%. Consequently, TIJ's market share grew 7pp during these six months, and BJX's dropped 1pp.**
- **For the next six months, 54% of the available seats will be provided by Volaris, followed by Viva Aerobus with 27% and Aeromexico with 19%. Interjet exited the market.**
- **Load factors of domestic airlines for Feb-2022 were: Aeromexico (74%), Viva Aerobus (75%), and Volaris (76%).**





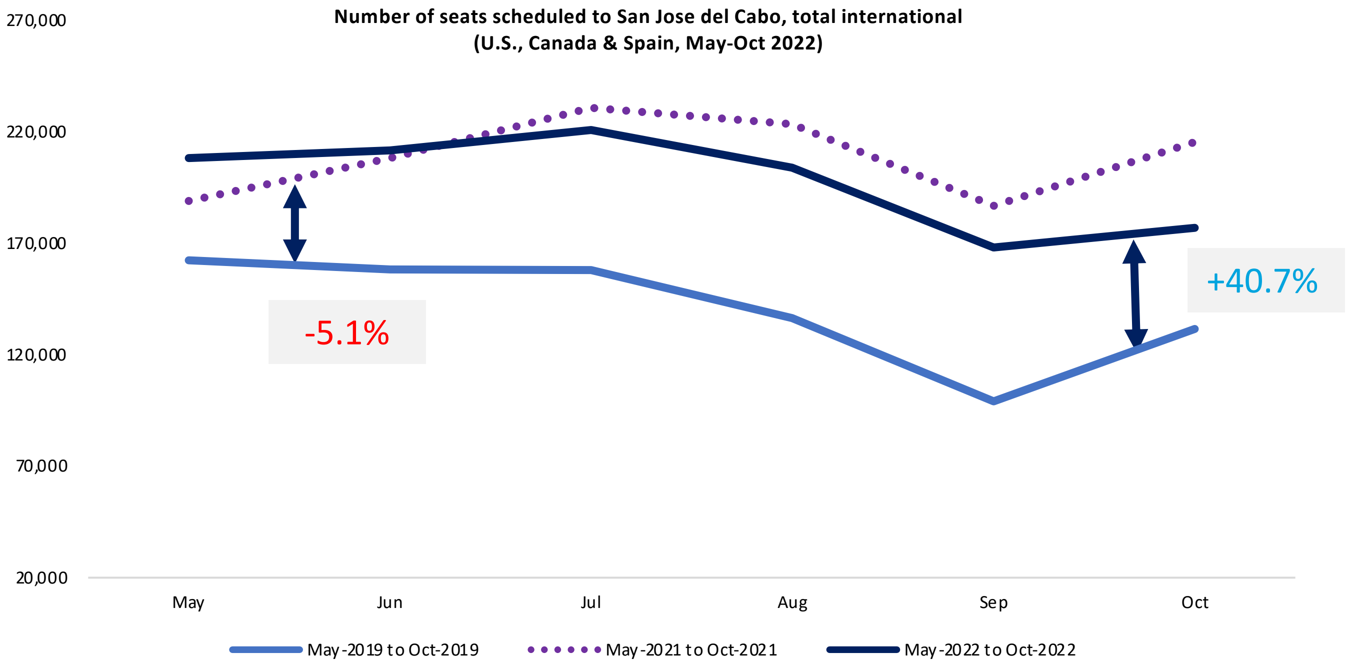
SOURCE: OAG

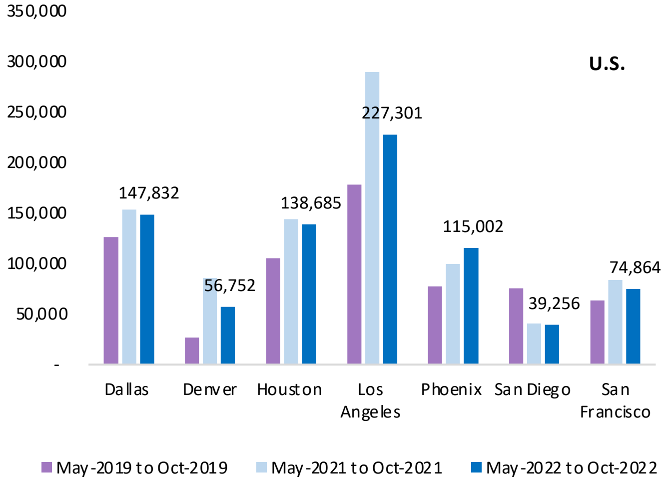
International air connectivity

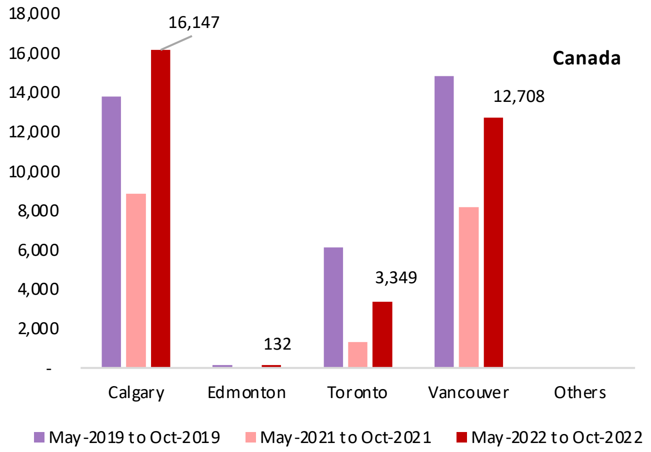
SEATS SCHEDULED FROM MAY-2022 TO OCT-2022

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

- **There are 1.15 million seats scheduled for the U.S. in the next six months, which is 41.8% more than the same period in 2019.**
  - However, when comparing the seats scheduled for the next six months against the 2021 schedule, the volume is **7% less.**
  - **The following airports had the most significant increase in service vs. 2019: LAX (+28%), PHX (+49%), HOU (+32%), DFW (17%), DEN (+113%), CHI (178%) and SEA (+1500%). However, San Diego showed a decrease of 48%.**
  - **Los Angeles is the main issuing market in the U.S. (20% of the market), followed by DFW (13%), Houston (12%), and Phoenix (10%).**
  - **American, Alaska, Delta, Southwest, and United Airlines are the most relevant (89% as a whole).**
  - **30.8% more** available seats are expected in **May-2022** than those scheduled for 2019.
- **There are 32.3 thousand seats scheduled for Canada in the next six months, which is 7.2% fewer seats compared to the same period in 2019.**
  - When comparing the seats scheduled for the next six months against the 2021 schedule, the volume of scheduled seats is **76.2% higher.**
  - There are 21% fewer seats expected for **May-2022** than those scheduled for 2019.
  - Within the next 6 months, Calgary is expected to increase by 17%. However, the rest of the airports are expected to decrease: Edmonton, Toronto and **Vancouver are expected to decrease by 1.5%, 45.4% and 14.2% compared to 2019.**
  - **During this period, Air Canada and Sunwing reduced the number of seats by 46% and 52.7%, respectively.** Westjet grew by 25.2%.
- **Load factors of international airlines for Feb-22 were: American 65%, Alaska 72%, Delta 62%, United 63%, Southwest 65%, Sunwing 49%, Westjet 69%, Air Canada 64%.**







LOS CABOS

LOS CABOS TOURISM OBSERVATORY

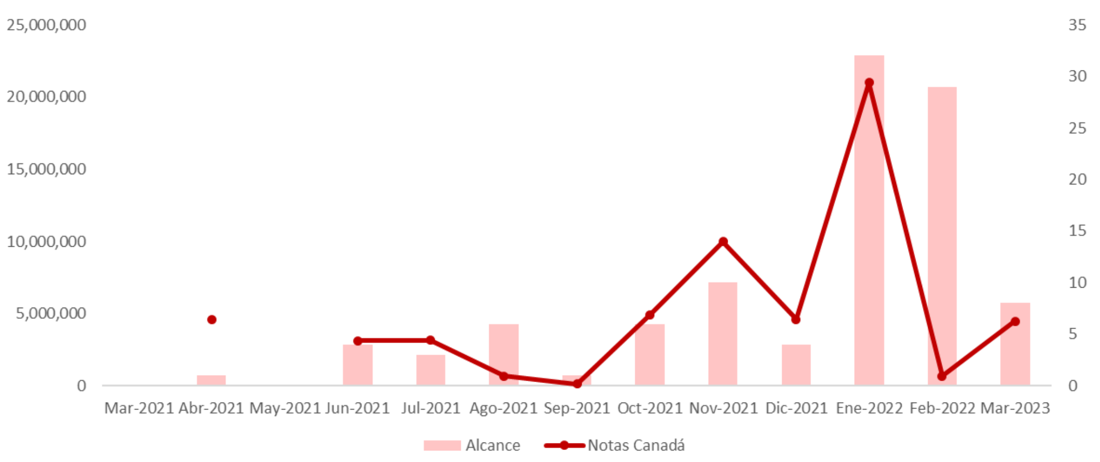
PUBLIC RELATIONS

Public relations: notes and scope

- **In the domestic market:**
  - **During Mar-2021, 8 placements were introduced, accounting for 406 thousand impressions. An average of 48 placements has been published monthly since the pandemic started in April 2020, with a monthly reach of 3.6 million.**

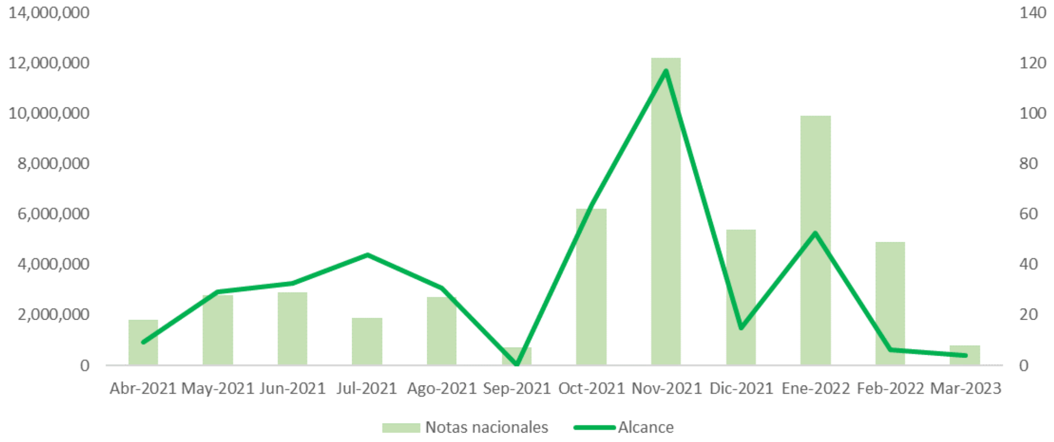
- **In the international market:**
  - **In Feb-2022, 7 placements and 8 million impressions were achieved in the United States. An average of 22 placements has been published monthly since the pandemic started, with a monthly reach of 607 million.**
  - **8 notes were delivered to the Canadian market throughout Mar-2022, achieving 4,470 thousand impressions. An average of 8 placements has been published monthly since April, with a monthly reach of 4.8 million.**

NOTES MADE FOR THE CANADIAN MARKET – TOTAL & REACH



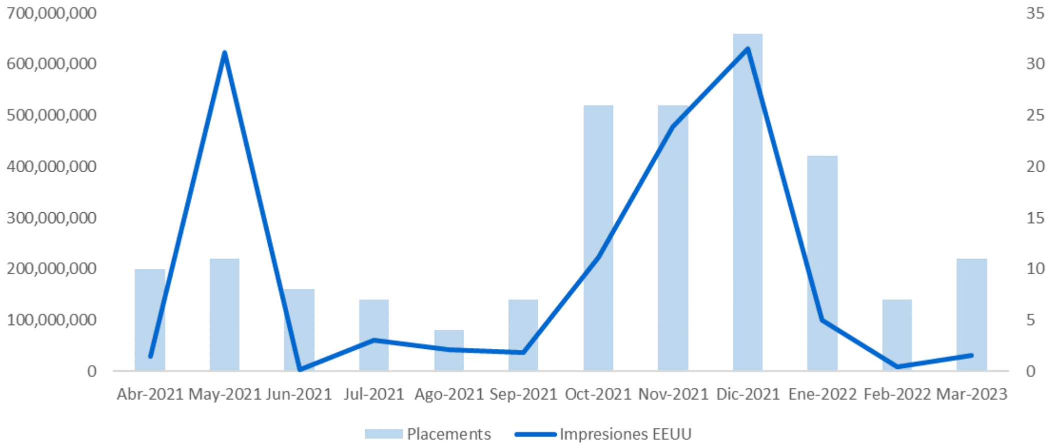
SOURCE: JESSON+CO

NOTES MADE FOR THE DOMESTIC MARKET – TOTAL & REACH



SOURCE: GAUDELLI (Feb-18 to Jan-19), LLORENTE & CUENCA (Feb-19 to Mar-22)

NOTES MADE FOR THE U.S. MARKET – TOTAL & REACH



SOURCE: NJF (Feb-18 to Jan-19), OGILVY (Feb-19 to Mar-22)

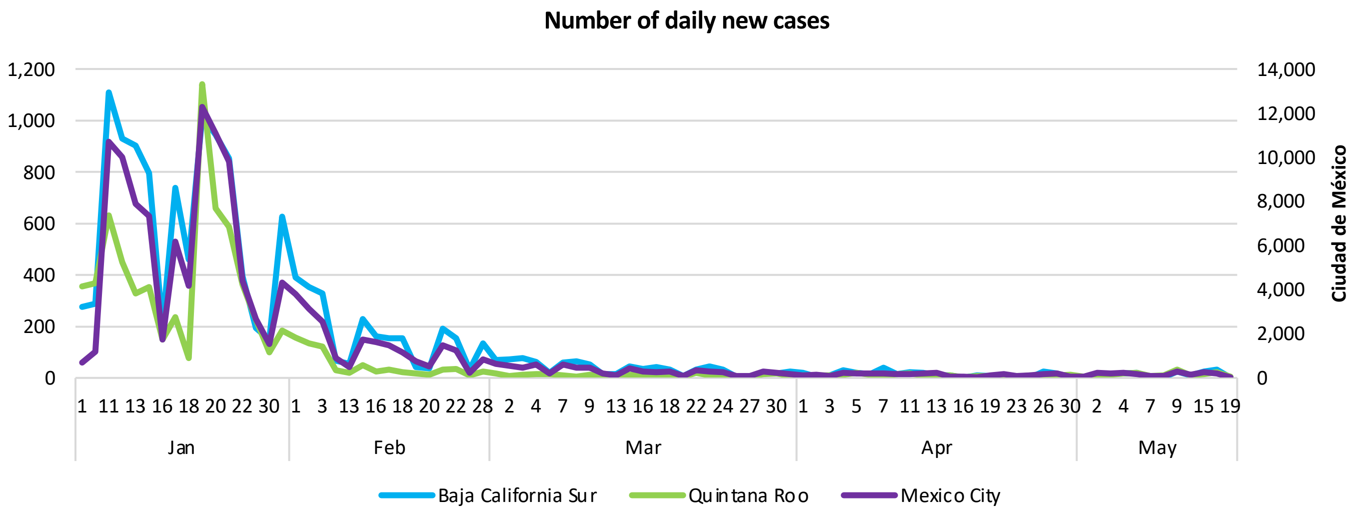
LOS CABOS

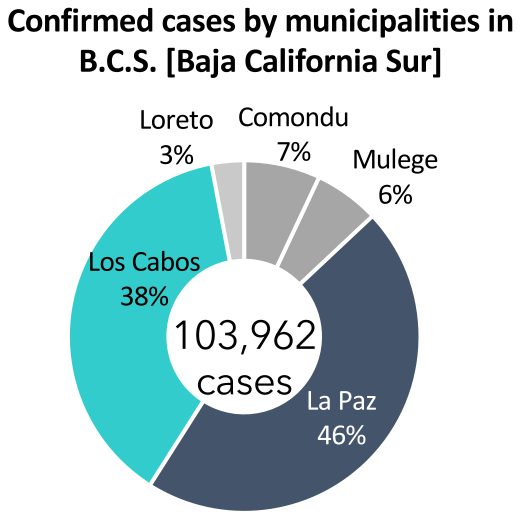
LOS CABOS TOURISM OBSERVATORY

IMPACT OF COVID-19

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

Confirmed COVID-19 cases – overview





Total confirmed cases as of May 19, 2022

Domestic

6.03 million

- 25 thousand more cases since April 19th.

Baja California Sur

103,962

- 362 more cases than those recorded by April 19th.

Quintana Roo

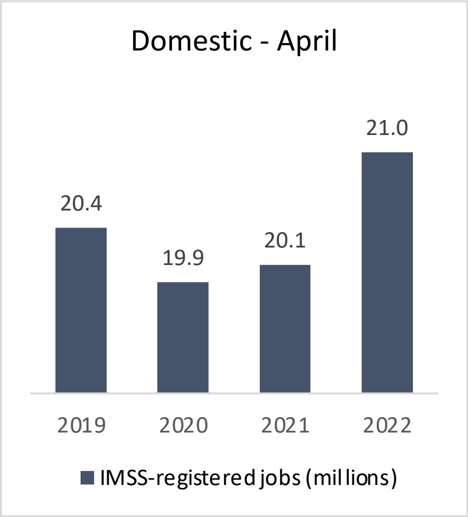
92,110

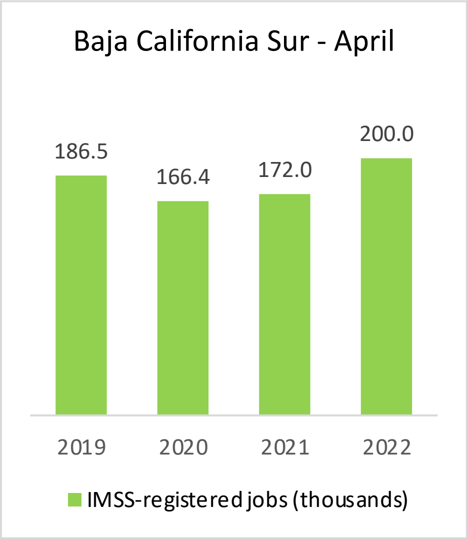
- 326 more cases in the same period.

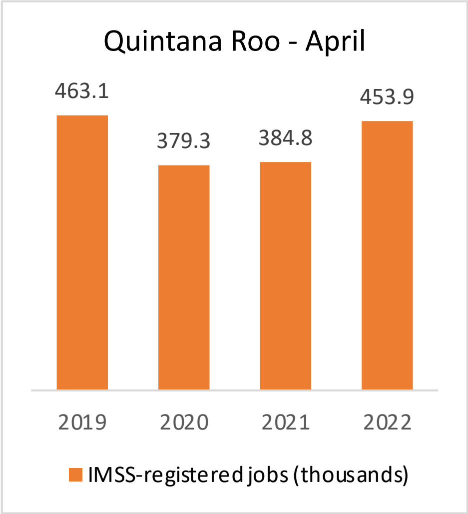
- La Paz and Los Cabos jointly account for 84% of the total confirmed cases statewide.
- In Los Cabos, 0.3% more cases were recorded compared to April 19, 2022, adding 39,184 cases.
- La Paz has 0.5% more cases in the same period, accumulating a total of 47,306 confirmed cases.
- Loreto accumulates 3,527 cases (0.1% more).

SOURCE: SECRETARIAT OF HEALTH, GENERAL DIRECTORATE OF EPIDEMIOLOGY (www.coronavirus.gob.mx). FIGURES UPDATED AS OF MAY 20, 2022.

Effects on employment in Mexico







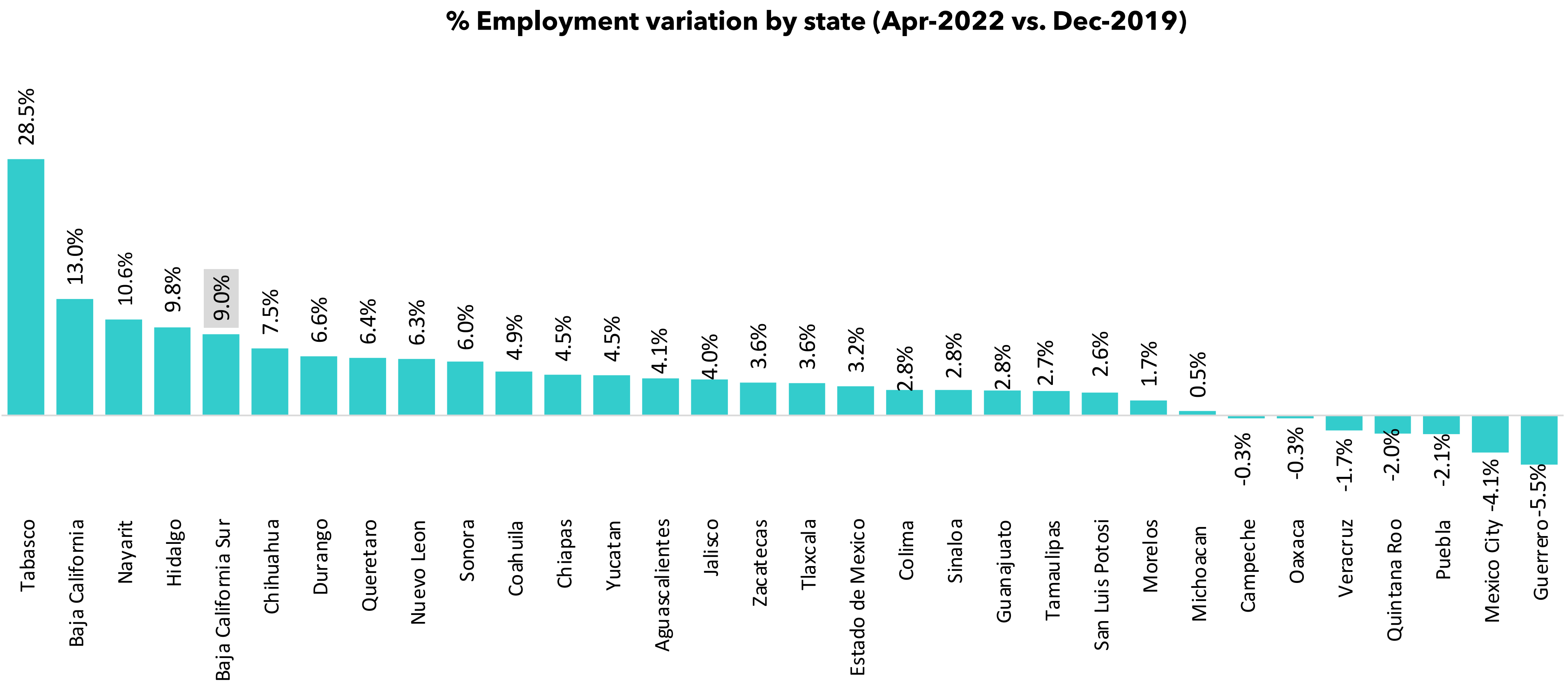
- Mexico has 3.1% more jobs in Apr-2022 compared to Apr-2019.
- As of April 30, 2022, The Mexican Institute of Social Security (IMSS) had registered 21,011,342 jobs in the country, which is 2.9% more than those reported in Dec-2019.

- There are 7.3% more jobs in Apr-2022 than Apr-2019.
- Baja California Sur closed Apr-2022 with 200,038 jobs, 9% more than in Dec-2019.

- In the case of Quintana Roo, in Apr-2022 there were 2% fewer jobs than those recorded in Apr-2019.
- Apr-2022 closed with 453,929 jobs, 2% less than in Dec-2019.

SOURCE: IMSS

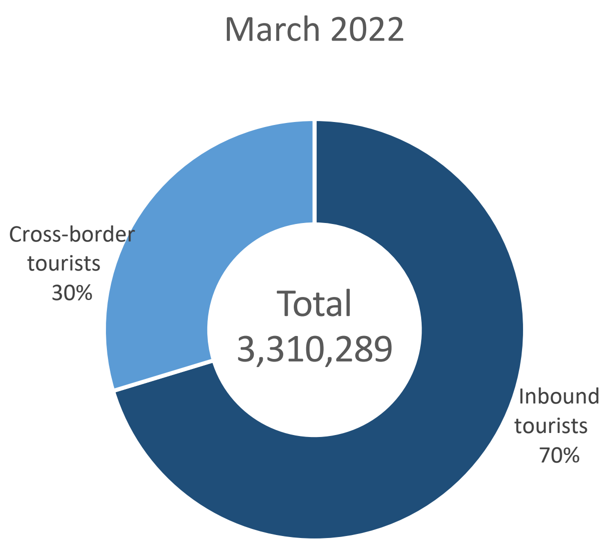
Effects on employment in Mexico

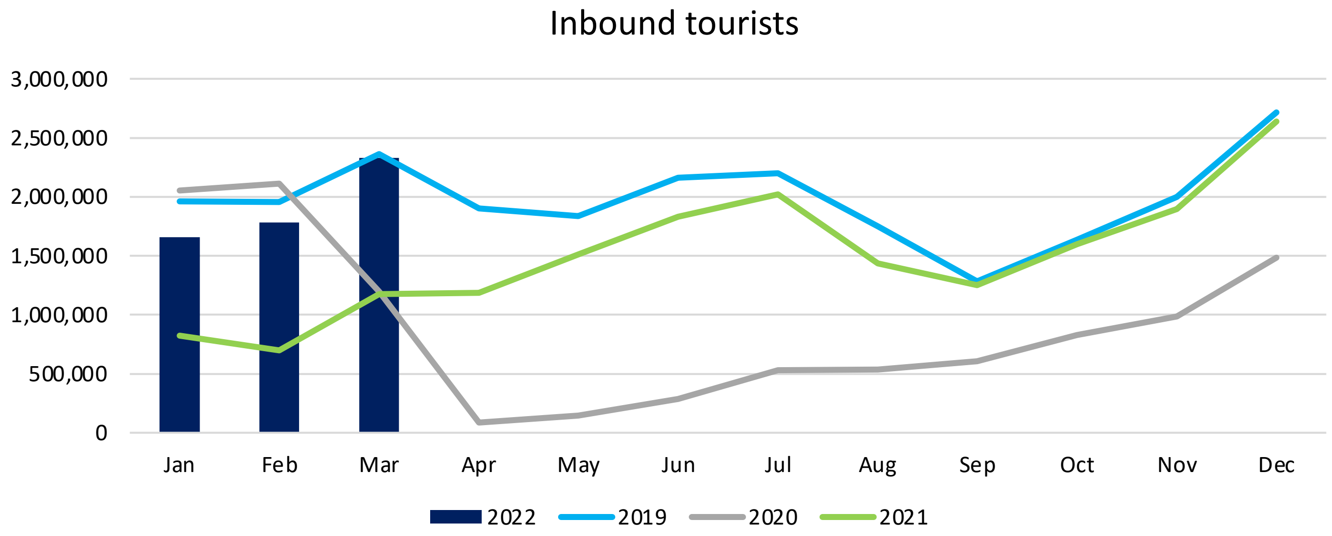


- Baja California Sur ended Apr-2022 with 9% more jobs than at the end of Dec-2019. Quintana Roo had a 2% decrease in the volume of jobs compared to the 2019 figures.

SOURCE: IMSS

International tourist arrivals in Mexico

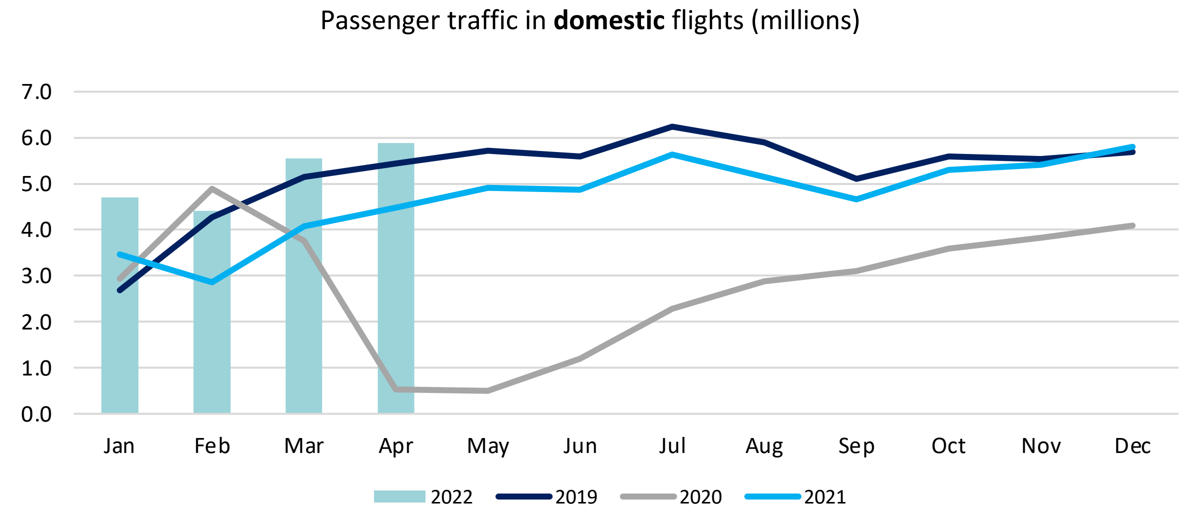




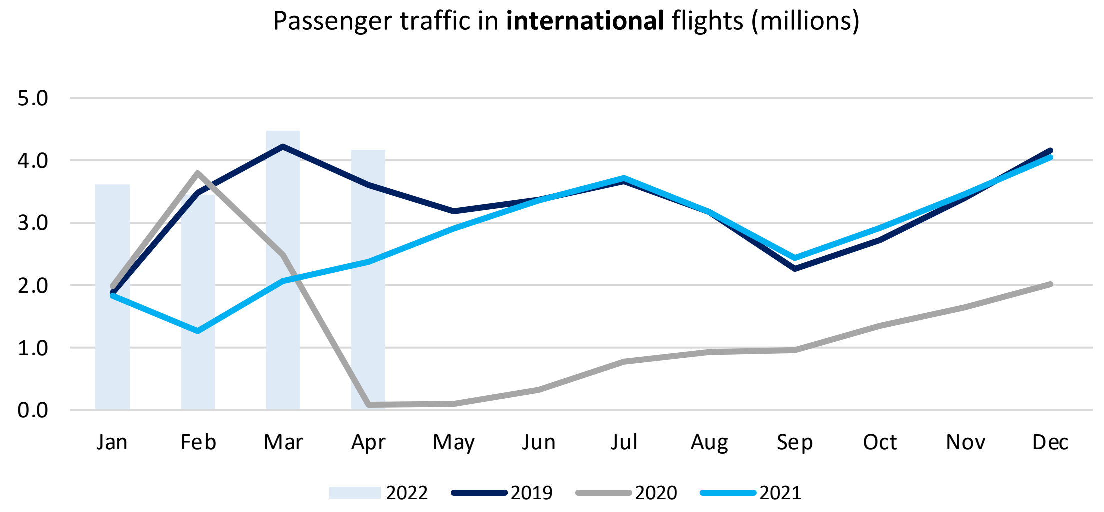
- In Mar-2022, 3.31 million international tourists arrived in the country (21.5% fewer than in Mar-2019). 70% were inbound tourists.
- The average spending of inbound tourists arriving by air was USD 1,146 (12% more than the average spending in Mar-2019).
- There is a 1.4% drop in the total number of inbound tourists compared to Mar-2019.
- 87% arrived by air, and 13% did so by land.

SOURCE: INTERNATIONAL TOURIST SURVEYS. INEGI

Air traffic in Mexico. Airport groups



- The traffic of passengers in domestic operations during Apr-2022 was 8% higher than the traffic of Apr-2019. Compared to Apr-2021 there is an increase of 31%.

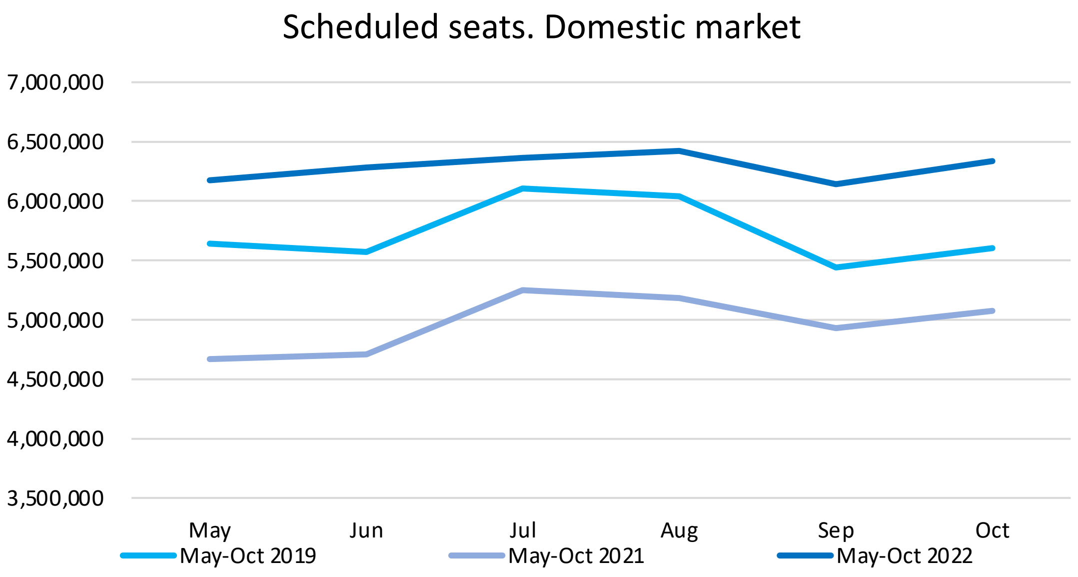


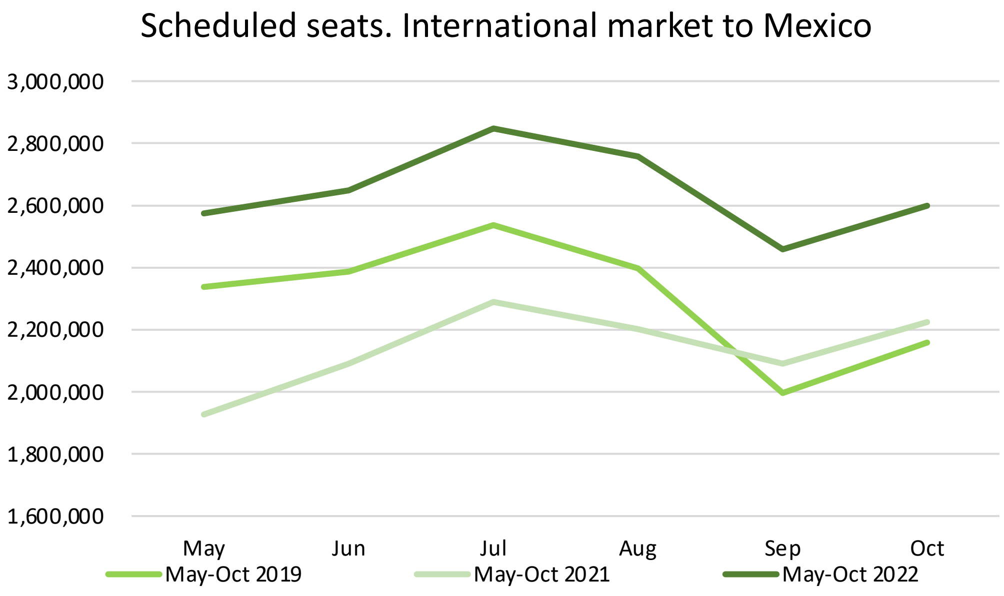
- Traffic in international operations was 16% lower than Apr-2019 and when compared to Apr-2021 there is an increase of 76%.

SOURCES: ASUR, OMA, GAP

***TOTAL TRAFFIC FROM THE THREE AIRPORT GROUPS (ARRIVALS AND DEPARTURES), CDMX'S INFORMATION NOT INCLUDED.**

Seats scheduled for May-2022 and the following months for Mexico





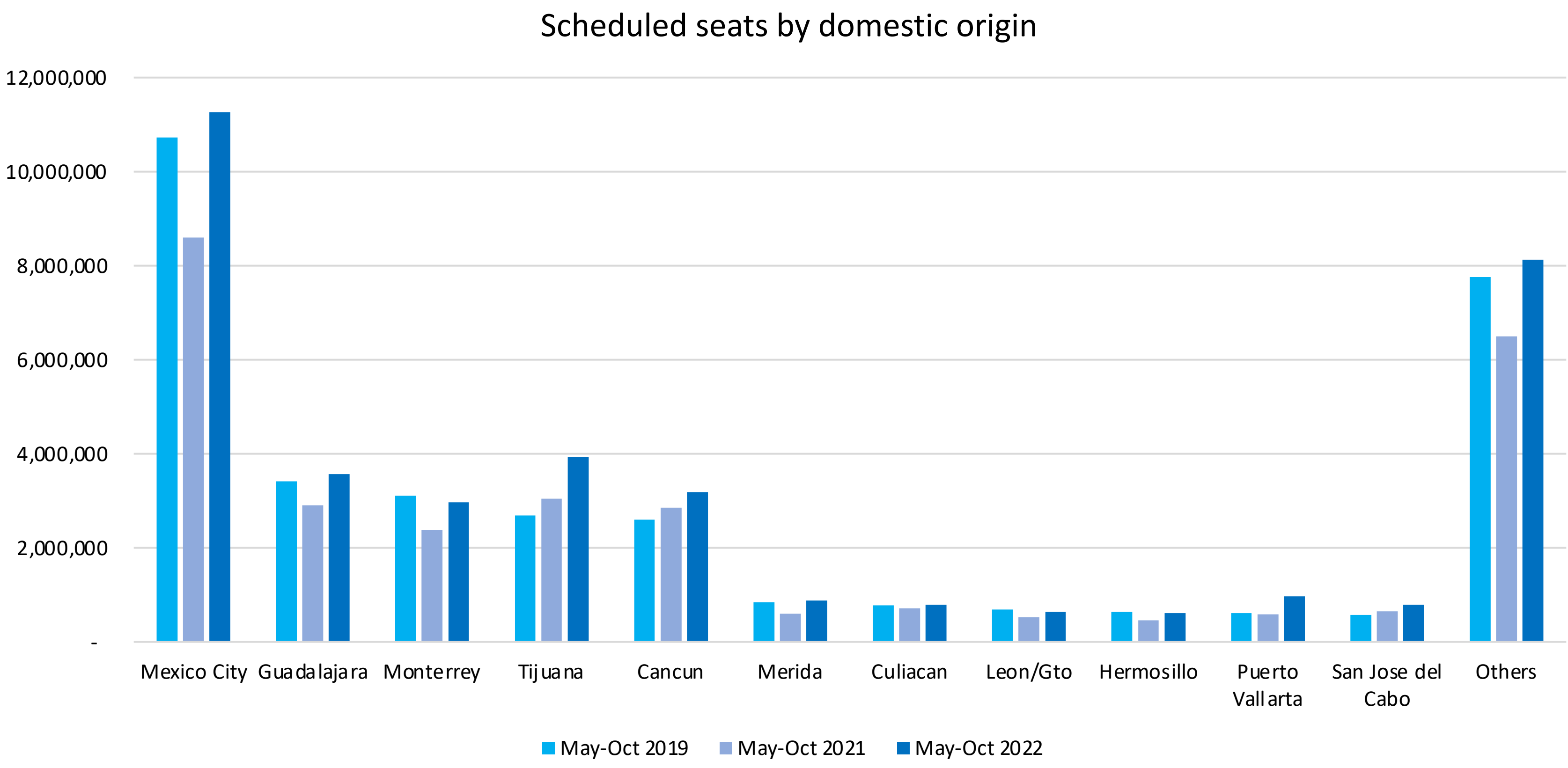
- The scheduled seats for May-2022 are 8.7 million for the entire country, which is +9.7% (vs. the scheduled seats in May-2019). By market of origin:
  - Domestic: 6.2 million
    +9.5% (vs. May-2019).
  - International: 2.5 million
    +10.1% (vs. May-2019).
- The supply of domestic and international seats planned for the next months is higher than that of the same period in 2019.
- The supply of domestic seats is expected to increase significantly in Oct-2022 (13.1% more).

- A supply of 53.6 million seats is planned between May-2022 and Oct-2022, which is +11.2% more than the total planned for the period of May-Oct 2019. By market of origin:
  - Domestic: 37.7 million
    +9.7%
  - International: 15.9 million
    +15.0%
- The most significant increase in international seats is expected in Sept-2022 (23.2% more compared to Sept-2019).

SOURCE: OAG

Scheduled seats as of the last week of April 2019, 2021 and 2022, respectively.

Seats scheduled for the upcoming months, by markets, to Mexico

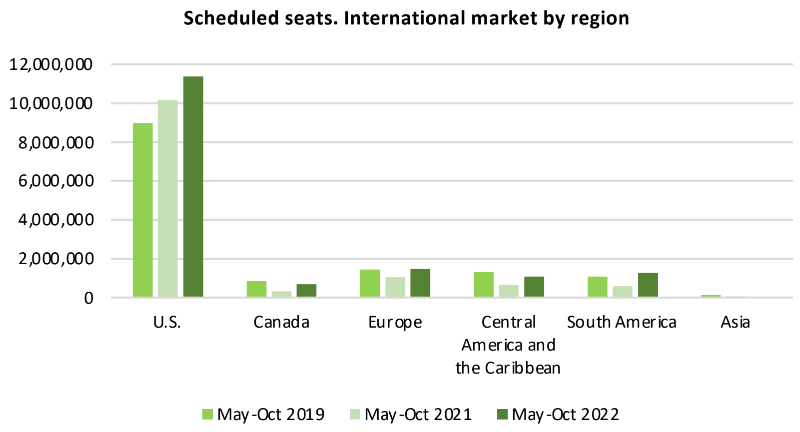


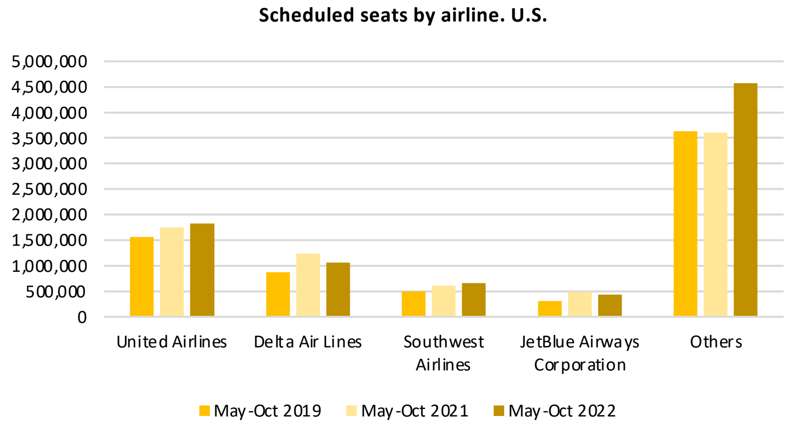
Domestic May-Oct 2022 vs. May-Oct 2019

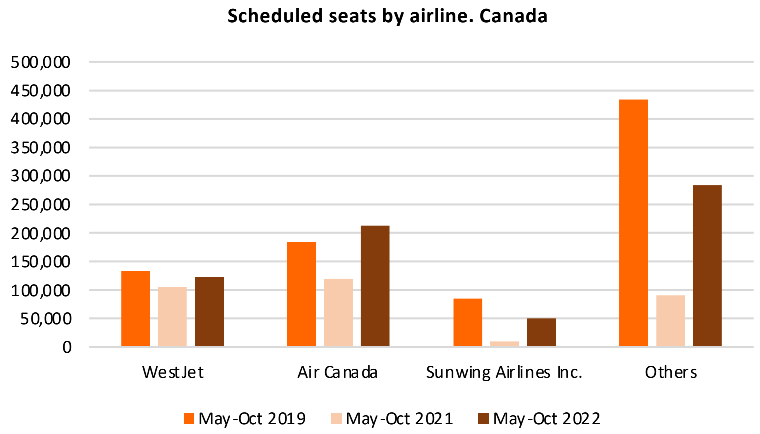
- CDMX: 11.26 million +5.0%
- Guadalajara: 3.57 million +4.7%
- Monterrey: 2.96 million -4.7%
- Tijuana: 3.93 million +46.5%
- Cancun: 3.19 million +22.4%
- Merida: 873,000 +3.5%
- San Jose del Cabo: 792 thousand +38.7%

SOURCE: OAG
Scheduled seats as of the last week of April 2019, 2021 and 2022, respectively.

Seats scheduled for the upcoming months, by markets, to Mexico







U.S.

- Accounts for 71.6% of the scheduled international seats from May-2022 to Oct-2022 (64.9% in the same period of 2019).
- 11.38 million seats for the next six months (+27% compared to the period from May-2019 to Oct-2019).

%VAR of scheduled seats

- Houston: 1.6 million
  +35.8%
- Los Angeles: 1.4 million
  +7.0%
- Dallas: 1.5 million
  +39.3%
- Chicago: 843,000
  +27.8%
- New York: 674 thousand
  -5.5%

Canada

- Accounts for 4.2% of the scheduled international seats from May-Oct 2022 (6% in the same period of 2019).
- 669,000 seats from May-Oct 2022 (-19.9% compared to the same period of 2019).

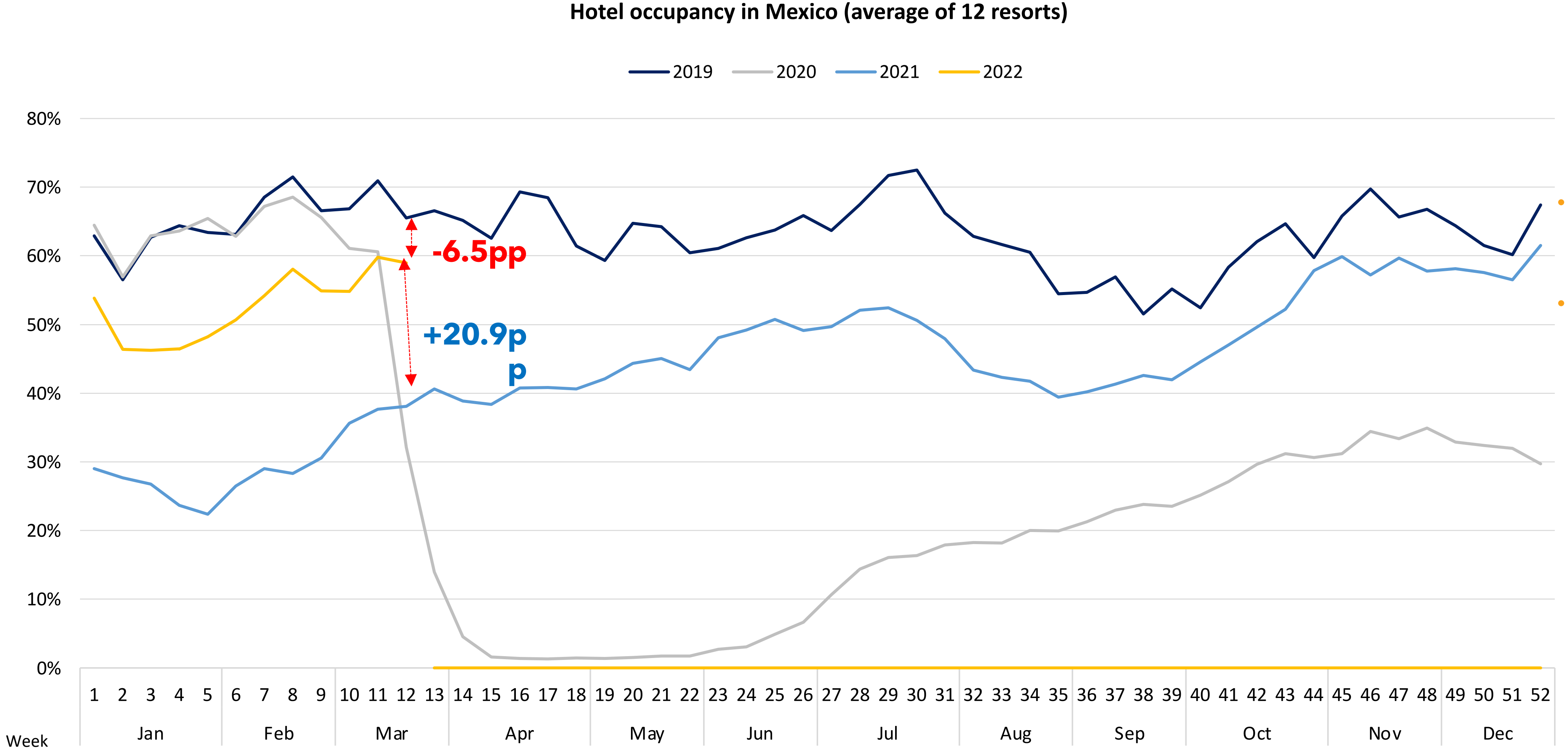
%VAR of scheduled seats

- Toronto: 270,000
  -18.0%
- Vancouver: 153,000
  -17.7%
- Montreal: 168 thousand
  -22.1%
- Calgary: 63 thousand
  -25.2%

SOURCE: OAG

Scheduled seats as of the last week of April 2019, 2021 and 2022, respectively.

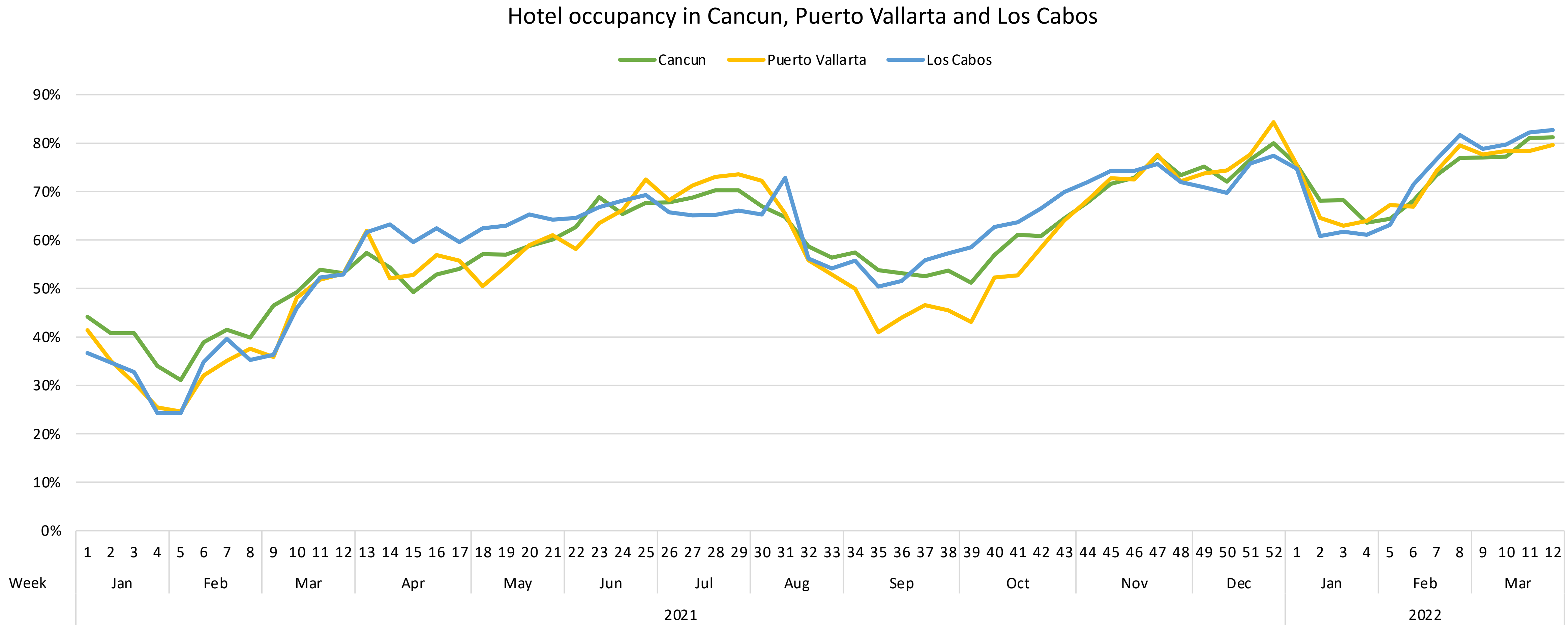
Hotel indicators in Mexico



- Starting in week 6, average occupancy has stayed above 50%.
- At the end of week 12, occupancy was 59%, 6.5pp below the same week in 2019 and 20.9pp above the rate recorded in the same week of 2021.

SOURCE: DATATUR. MONITORED DESTINATIONS: VILLAHERMOSA, 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



- At the close of week 12 (March 21-27, 2022), Los Cabos had a higher occupancy rate than Cancun and Puerto Vallarta and exceeded 80%:
  - Los Cabos: **82.7%**
  - Cancun: **81.2%**
  - Puerto Vallarta: **79.6%**

SOURCE: DATATUR

LOS CABOS

LOS CABOS TOURISM OBSERVATORY

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 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). Excludes whether remuneration is received or not for the activities performed in the place visited
- **Hotel occupancy.** The accommodation occupancy rate is a supply-based concept. It is an important indicator for many effects. It 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/ΣHt, where It equals the total revenue generated by the rooms in a period (t) and ΣHt equals the total number of rooms available in a period (t). That is, the rooms of the establishment or chain multiplied by the number of nights in the period (t) minus the rooms 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