LOS CABOS

LOS CABOS TOURISM OBSERVATORY

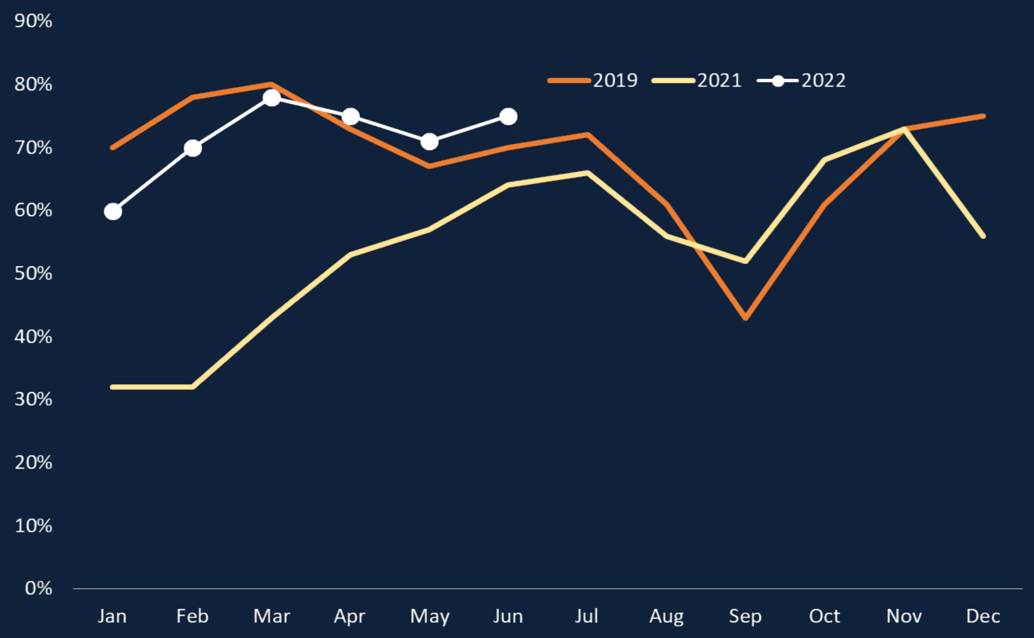
KEY PERFORMANCE INDICATORS

JULY 2022

Main indicators – Summary (Jun-2022)

Hotel Performance

Hotel Occupancy:



Hotel Occupancy (Jun-2022):
75%
+5pp
(vs. Jun-2019)

SOURCE: AHLC

Average Rate (Jun-2022):
$417 USD
+54%
(vs. Jun-2019)

SOURCE: AHLC

RevPAR (Jun-2022):
$317 USD
+67.7%
(vs. Jun-2019)

SOURCE: AHLC

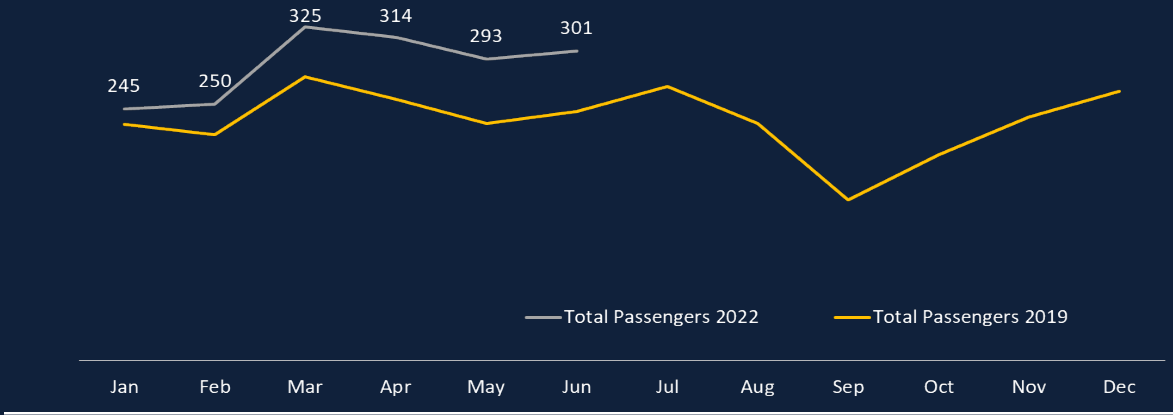
Air Passenger Arrivals

Total Passengers (Jun-2022, expressed in thousands):
300.9
+24%
(vs. Jun-2019)

Domestic Passengers (Jun-2022, expressed in thousands):
102.3
+21.7%
(vs. Jun-2019)

International Passengers (Jun-2022, expressed in thousands):
198.6
+25.2%
(vs. Jun-2019)

SOURCE: GAP



Tourist Satisfaction: More than expected (Jun-2022):
64%
+26pp
(vs. Jun-2019)

SOURCE: TOURIST SURVEYS

Satisfaction regarding safety (Jun-2022):
2.5% bottom two
-9.5pp
(vs. Jun-2019)

SOURCE: TOURIST SURVEYS

Airport Satisfaction (Jun-2022):
5.3% bottom two
-5.7pp
(vs. Jun-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

Main indicators – Summary (Jun-2022)

PASSENGER ARRIVALS

- In Jun-2022, SJD Airport recorded a 24% (+58.2 thousand) increase in the total number of passengers arriving at the destination compared to 2019, adding up to a total of 300.9 thousand (considering arrivals only).
  - Passengers on domestic flights (102.3 thousand) represent 34% of total arrivals. These increased by 21.7% (+18.3 thousand vs. Jun-2019).
  - Passengers on international flights (198.6 thousand) represent 66% of total arrivals. These increased by 25.2% (+40 thousand vs. Jun-2019).

FLIGHT SCHEDULES

- The domestic market has 52.2% more available seats scheduled for the Jul-Dec 2022 period (compared to the same period in 2019). In Jun-2022, 26.6% more is expected.
  - Mexico City, Guadalajara, and Tijuana are the most relevant issuing markets, with 47%, 20%, and 18% of total available seats, respectively (for the next 6 months). Followed by Monterrey (8%), Culiacan (7%), Leon (2%) and Hermosillo (1%).
- There are 1.18 million seats scheduled for the U.S. in the next 6 months, that is 40.3% more than the same period in 2019.
  - The following airports had the most significant increase in service vs. 2019: LAX (+29%), PHX (+63%), HOU (+27%), DFW (20%), DEN (+119%), CHI (67%) and SEA (+241%). However, San Diego showed a 49% decrease.
- For Jul-2022, the United States expects 39.9% more available seats than those scheduled for 2019.
- For Canada, 0.8% fewer seats are expected in the next 6 months. In Jul-2022, the increase was 27.3%.
  - Within the next 6 months, Calgary shows an increase of 10.9%, Edmonton 41.9%, and Vancouver 16.5%. Toronto fell 3% compared to 2019.

HOTEL PERFORMANCE

- In Jun-2022, occupancy was 75%, an increase of 5pp compared to 2019.
  - Occupancy in Cabo San Lucas dropped 1pp compared to 2019 and is now at 79%.
  - 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 66% (an 11pp increase compared to 2019).
- The average rate at Los Cabos hotels in JUN-2022 was $417; $147 more than that of 2019 (+54%).
- The RevPAR in Jun-2022 was $317; that is, $128 (+67.7%) higher than that of 2019.

TOURIST SURVEYS

- In Jun-2022, 64% of tourists rated their experience in Los Cabos as better than expected (26pp more than in May-2019).
- During Jun-2022, security was perceived as ‘bad’ or ‘regular’ by 2.5% of tourists, 9.5pp better than in May-2019.
- Satisfaction with the airport also improved 5.7pp compared to 2019 (5.3% of tourists perceived their experience as ‘regular’ or ‘bad’).
- The number of repeat tourists increased by 4pp compared to 2019, reaching 43% in Jun-2022.
- 29% of tourists traveled with a package tour, 22pp less, compared to 2019.
- The number of tourists who visited restaurants increased by 13pp this month, recording 81%.

GROUP BUSINESS

- Los Cabos received 11 more RFPs for meeting events in Jun-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

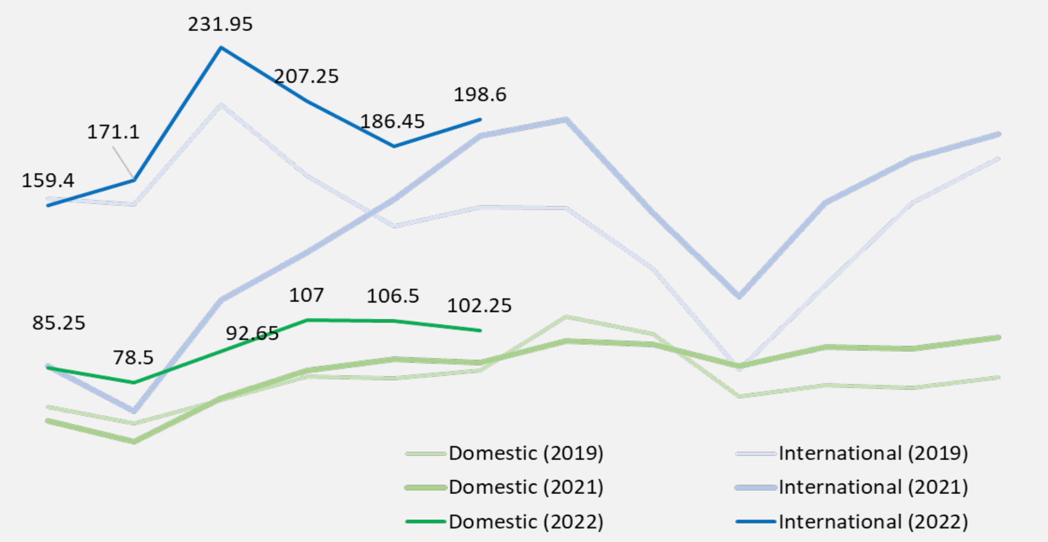
PASSENGER ARRIVALS

Passenger arrivals at Los Cabos International Airport, 2019-2022

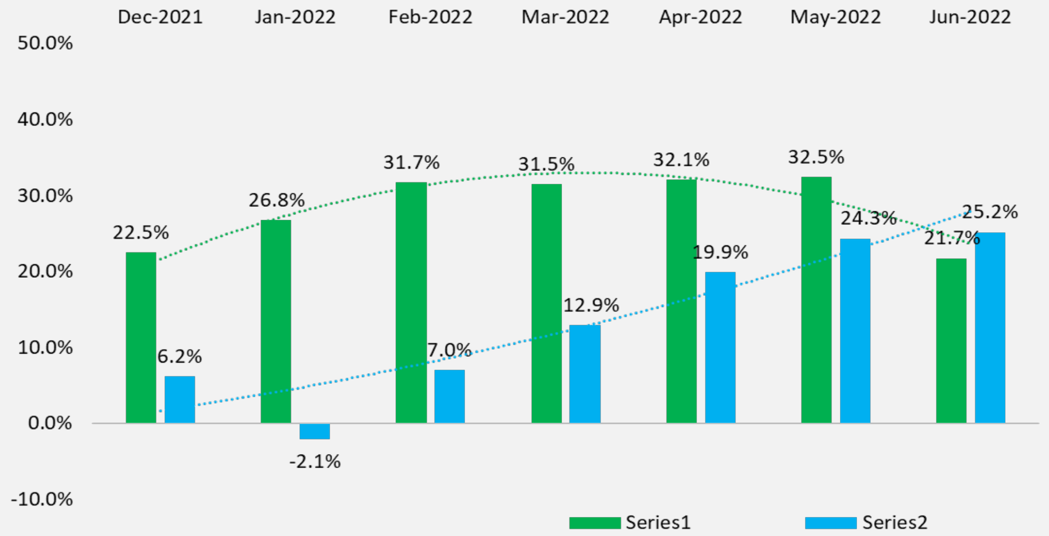
- **In Jun-2022, 300.9 thousand passengers arrived at Los Cabos Airport, which represents a 24% increase compared to the same period in 2019.**
  - **It represents an average growth rate of 0.6% over the last 12 months.**
  - **Passengers on domestic flights (102.3 thousand) represent 34% of total arrivals and increased by 21.7% compared to Jun-2019.**
    - **TMAC of 1.3% between Jun-2021 and 2022.**
  - **Passengers on international flights (198.6 thousand) represent 66% of total arrivals and increased 25.2%.**
    - **TMAC of 0.3% between Jun-2021 and 2022.**

SOURCE: GAP

Monthly arrivals (expressed in thousands)



Variation with respect to 2019



LOS CABOS

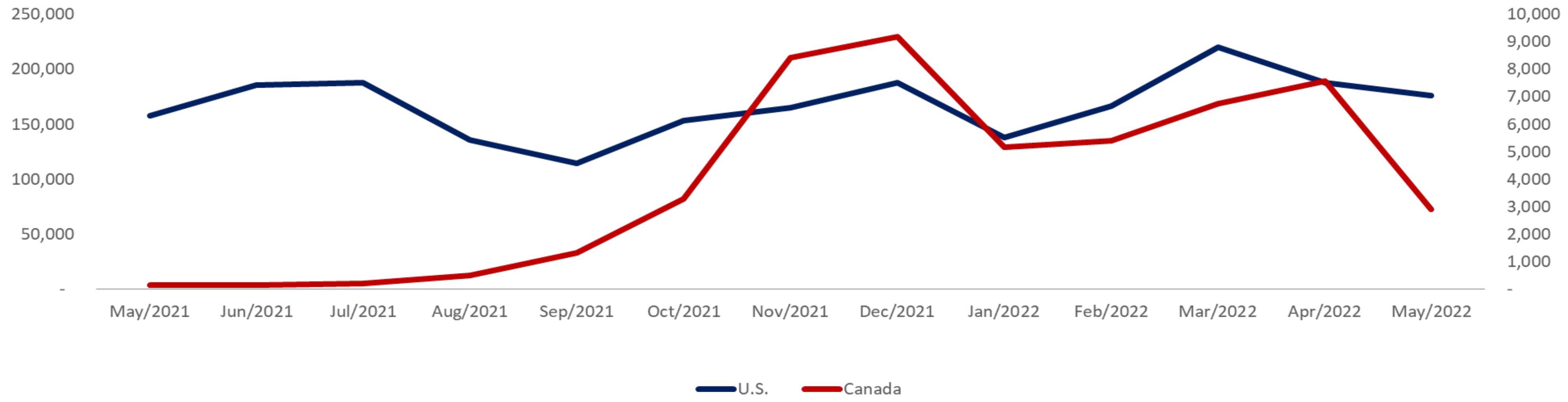
LOS CABOS TOURISM OBSERVATORY

PASSENGER ARRIVALS by nationality

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

Regions	May/2021	Jun/2021	Jul/2021	Aug/2021	Sep/2021	Oct/2021	Nov/2021	Dec/2021	Jan/2022	Feb/2022	Mar/2022	Apr/2022	May/2022	Δ May-22 / May-19	Δ Jan-Mar 22 / Jan-Mar-19
U.S.	157,649	185,830	188,099	135,769	114,095	153,027	165,218	187,942	137,967	166,842	220,094	187,961	176,380	30.4%	26.2%
Canada	144	144	211	480	1,316	3,280	8,420	9,190	5,176	5,388	6,760	7,578	2,888	-57.9%	-70.4%
Europe	61	55	136	98	62	94	299	431	255	189	173	482	211	-79.1%	-73.8%
Caribbean, Central & South /	58	76	138	138	107	130	116	155	82	76	90	115	75	-67.7%	-62.4%
Rest of the world	48	90	163	169	108	187	352	337	150	150	170	365	218	-77.2%	-78.5%
Grand total	157,960	186,195	188,747	136,654	115,688	156,718	174,405	198,055	143,630	172,645	227,287	196,501	179,772	24.6%	13.9%

Key markets	May/2021	Jun/2021	Jul/2021	Aug/2021	Sep/2021	Oct/2021	Nov/2021	Dec/2021	Jan/2022	Feb/2022	Mar/2022	Apr/2022	May/2022	Δ May-22 / May-19	Δ Jan-Mar 22 / Jan-Mar-19
United Kingdom	25	15	50	48	7	27	81	146	98	66	60	228	97	-26.0%	-55.5%
Australia	4	12	18	21	15	19	41	44	35	43	25	140	86	-75.6%	-80.4%
South Korea	5	6	17	16	10	11	45	15	3	-	5	22	12	-87.4%	-92.9%
Key markets total	34	33	85	85	32	57	167	205	136	109	90	390	195	-66.3%	-73.8%



SOURCE: INM- SIOM

International tourist arrivals by air, by origin (residence)

+24.6%

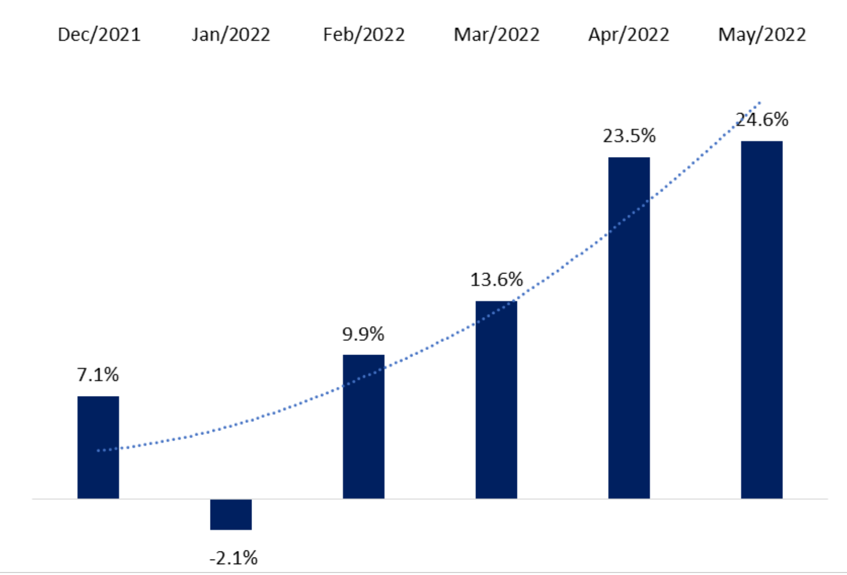
May-2022 vs May-2019

In May-2022, Los Cabos International Airport recorded the arrival of 179,772 international tourists by air. This meant a 24.6% increase compared to 2019.

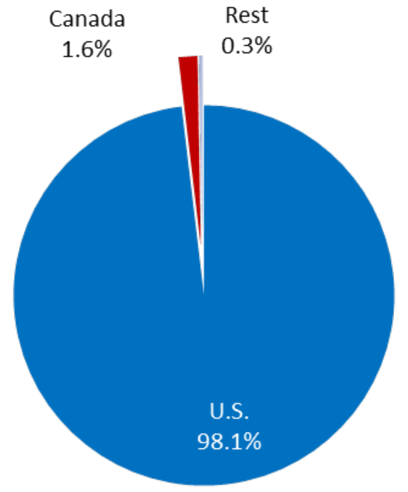
However, this was driven by growth in inbound American tourists (+30.4% vs 2019). All other regions show decreases.

American tourists represent 98.1% of the total.

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



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

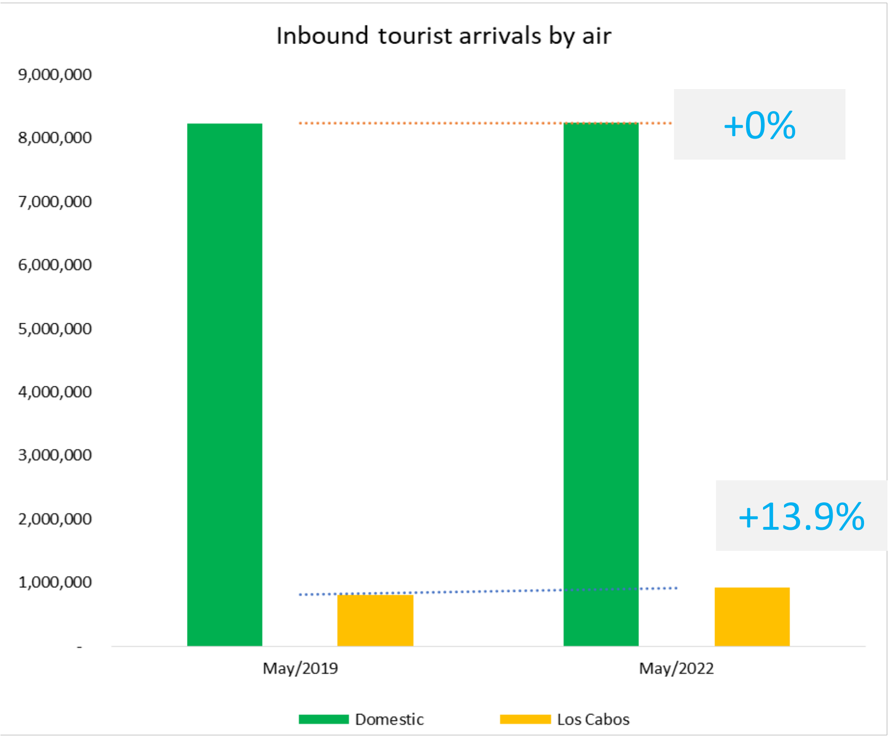


SOURCE: INM- SIOM

International tourist arrivals by air, by origin (residence), Jan-May accrual

Regions	Domestic			Los Cabos		
	May/2019	May/2022	Δ 2022/2019	May/2019	May/2022	Δ 2022/2019
United States	4,631,127	5,532,437	19.5%	704,453	889,244	26.2%
Canada	1,375,471	738,093	-46.3%	93,916	27,790	-70.4%
Europe	805,996	781,631	-3.0%	4,994	1,310	-73.8%
Caribbean, Central & South Amer	1,098,679	958,621	-12.7%	1,166	438	-62.4%
Rest of the world	321,370	225,870	-29.7%	4,896	1,053	-78.5%
Grand total	**8,232,643**	**8,236,652**	**0.0%**	**809,425**	**919,835**	**13.9%**

Key Markets	Domestic			Los Cabos		
	May/2019	May/2022	Δ 2022/2019	May/2019	May/2022	Δ 2022/2019
United Kingdom	209,783	206,224	-1.7%	1,234	549	-55.5%
Australia	28,748	7,700	-73.2%	1,679	329	-80.4%
South Korea	39,248	9,424	-76.0%	593	42	-92.9%
Key markets total	**277,779**	**223,348**	**-19.6%**	**3,506**	**920**	**-73.8%**



When comparing the accrual Jan-May 2022 to 2019, tourist arrivals by air at domestic level remained unchanged and increased 13.9% in Los Cabos.

- On a domestic level, the U.S. travel market increased by 19.5%, whereas the Canadian travel market decreased by 46.3%.
- In Los Cabos International Airport, the U.S. travel market grew by 26.2%, while the Canadian travel market decreased by 70.4% when comparing both periods.

SOURCE: INM- SIOM

LOS CABOS

LOS CABOS TOURISM OBSERVATORY

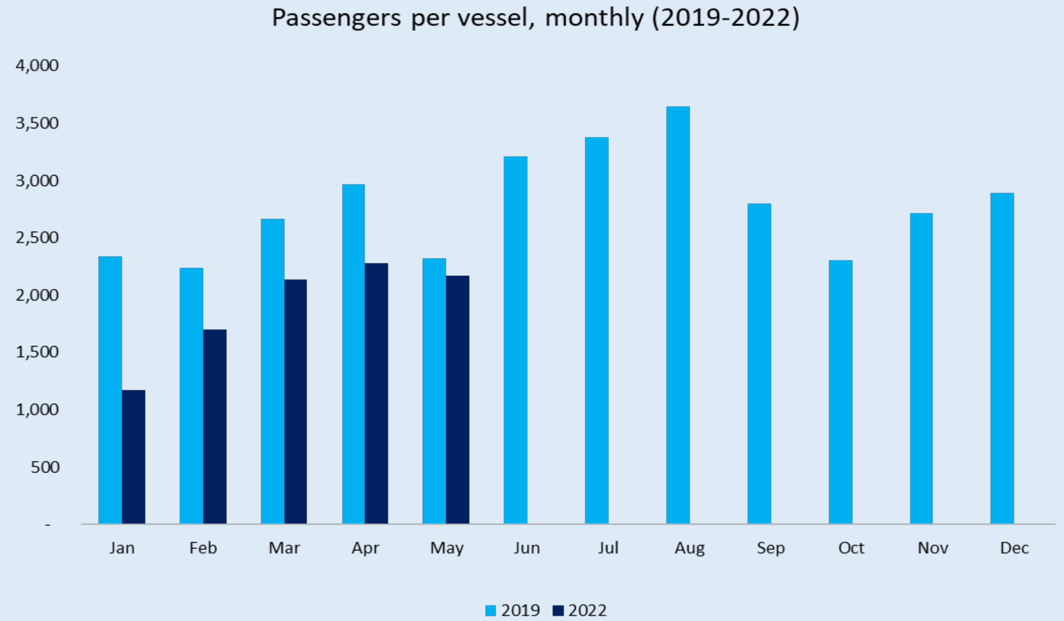
YACHT AND CRUISE SHIP ACTIVITY

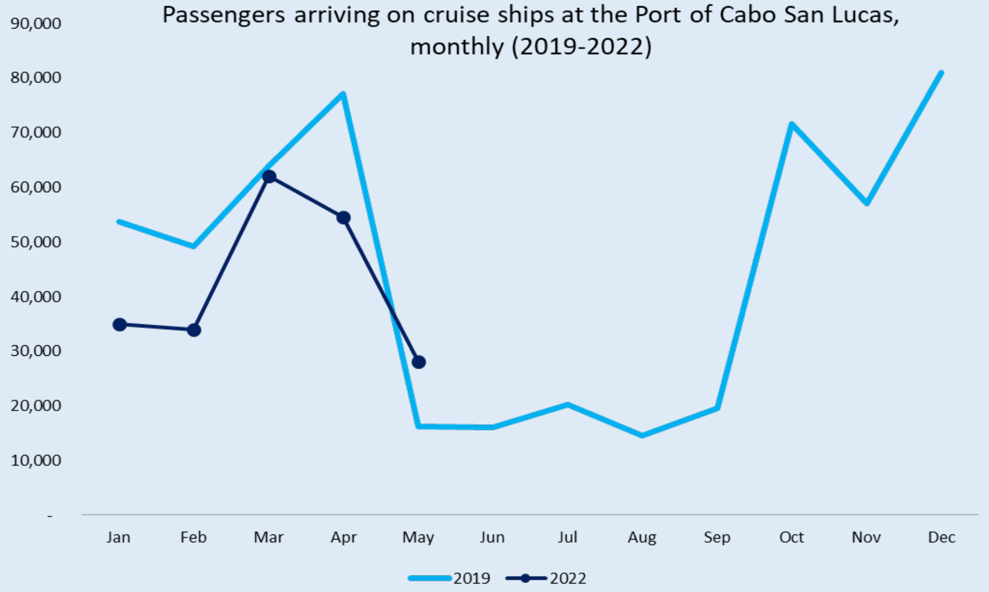
Cruise activity (May-2022)

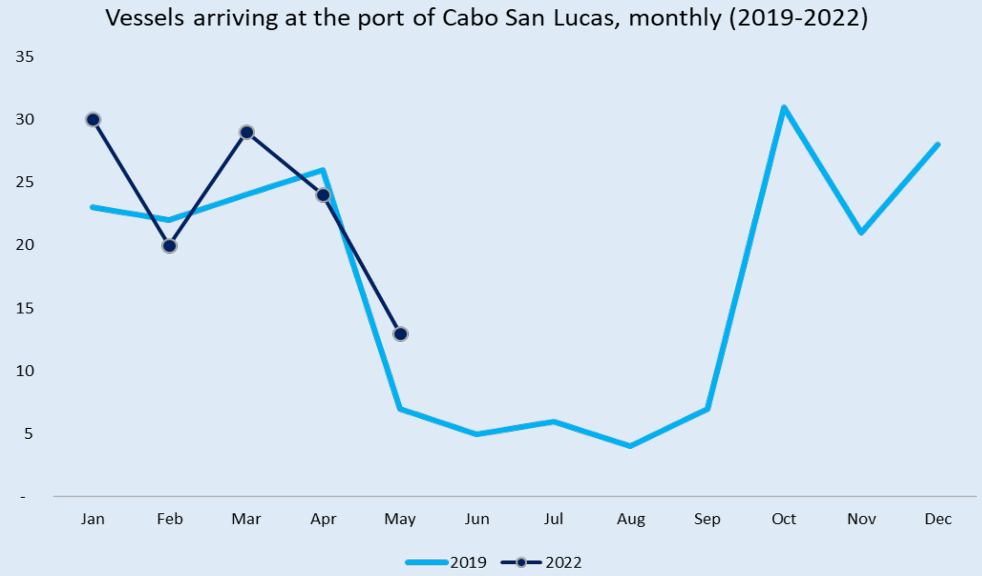
Cruise operations continued to improve significantly in May-2022, with 13vessels arriving at the port of Cabo San Lucas, carrying a total of 28,152 passengers. Compared to May-2019, this means a 73.1% increase.

This month, there are 2,166 passengers per vessel, the highest proportion so far in 2022, although 6.8% less than in 2019.

SOURCE: DATATUR-SCT



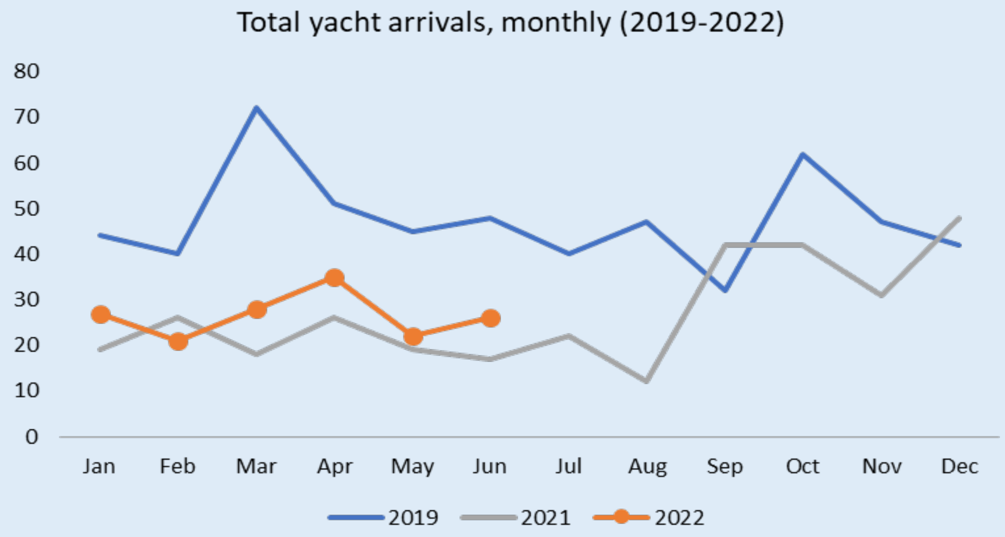


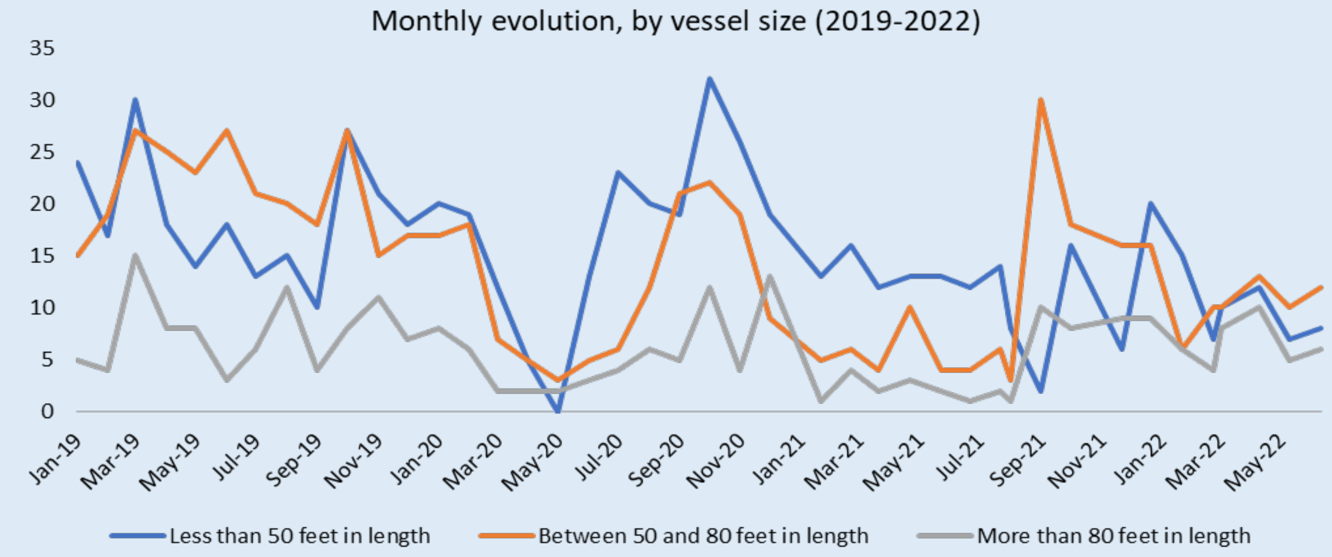


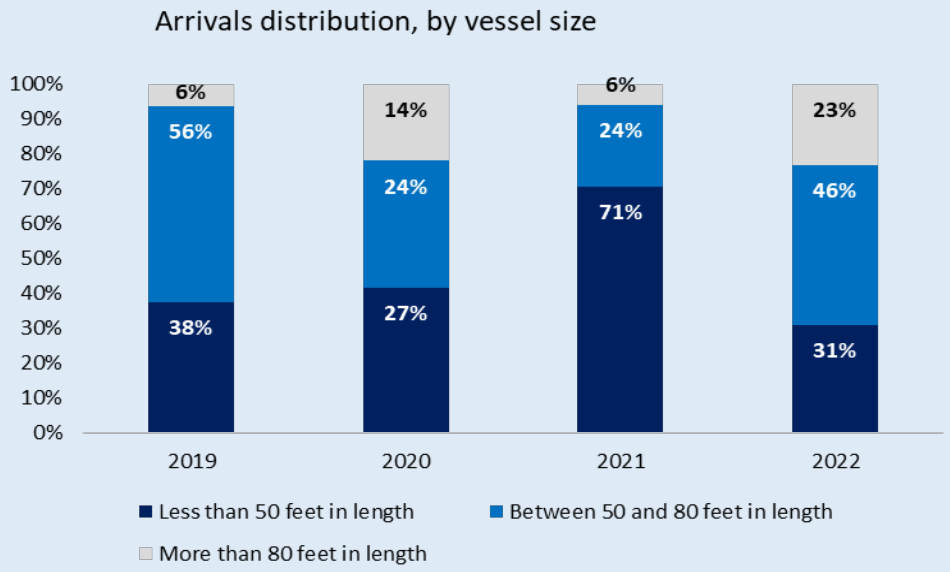
Yacht arrivals at the Port of Cabo San Lucas (Jun-2022)

- **26 yachts arrived at the Port of Cabo San Lucas in Jun-2022. This represents a decrease of 46% compared to the same period in 2019.**
  - **77% of these were small or medium-sized vessels shorter than 80 feet.**

SOURCE: API Cabo San Lucas





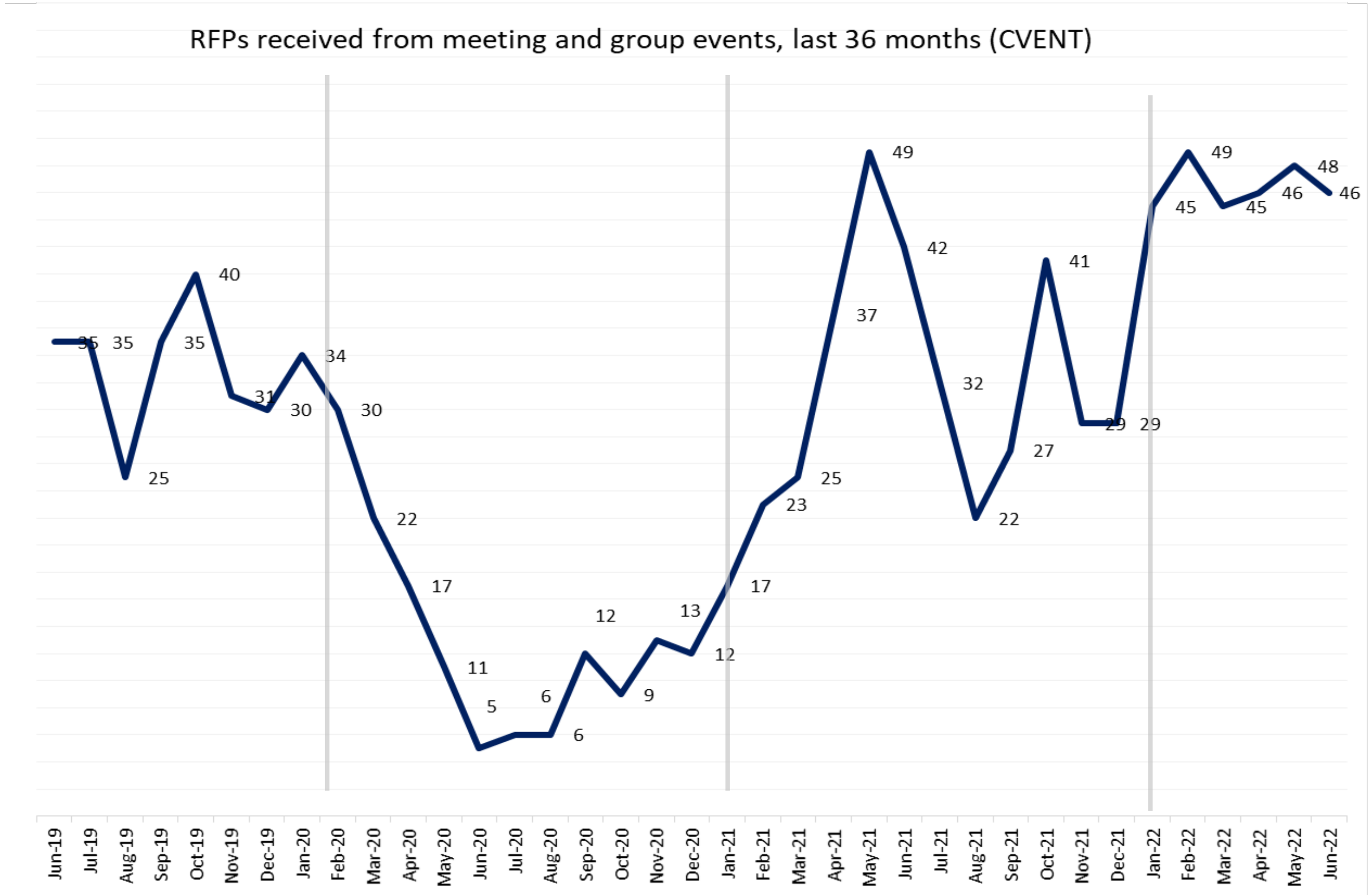


LOS CABOS

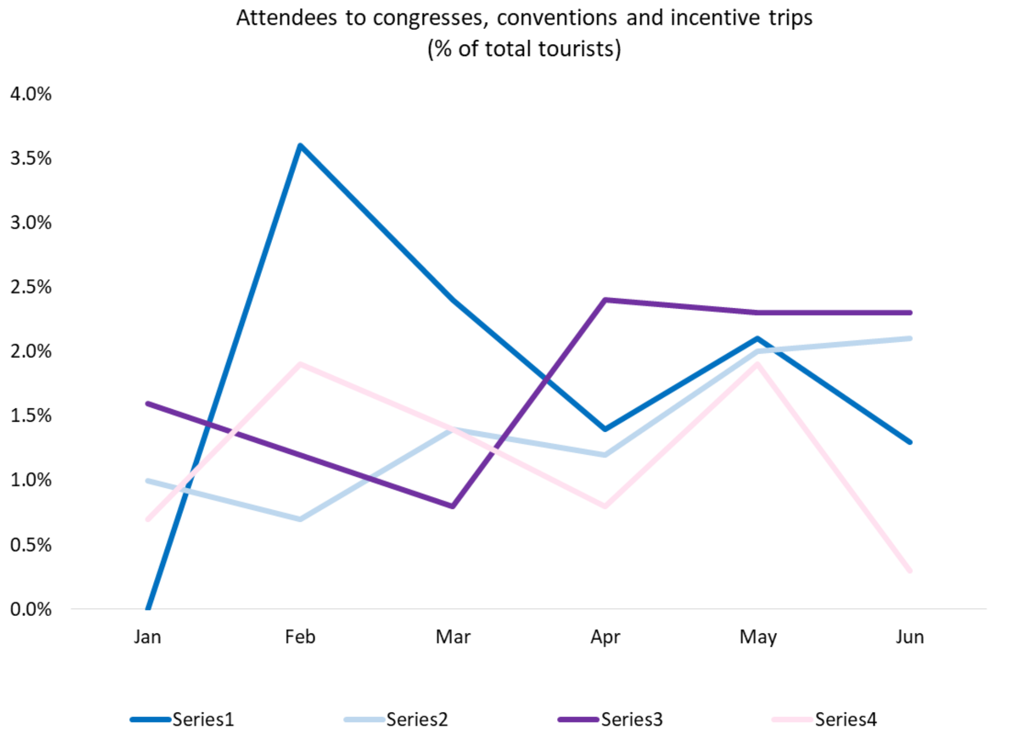
LOS CABOS TOURISM OBSERVATORY

TOURIST & GROUP BUSINESS SURVEYS

Group Business

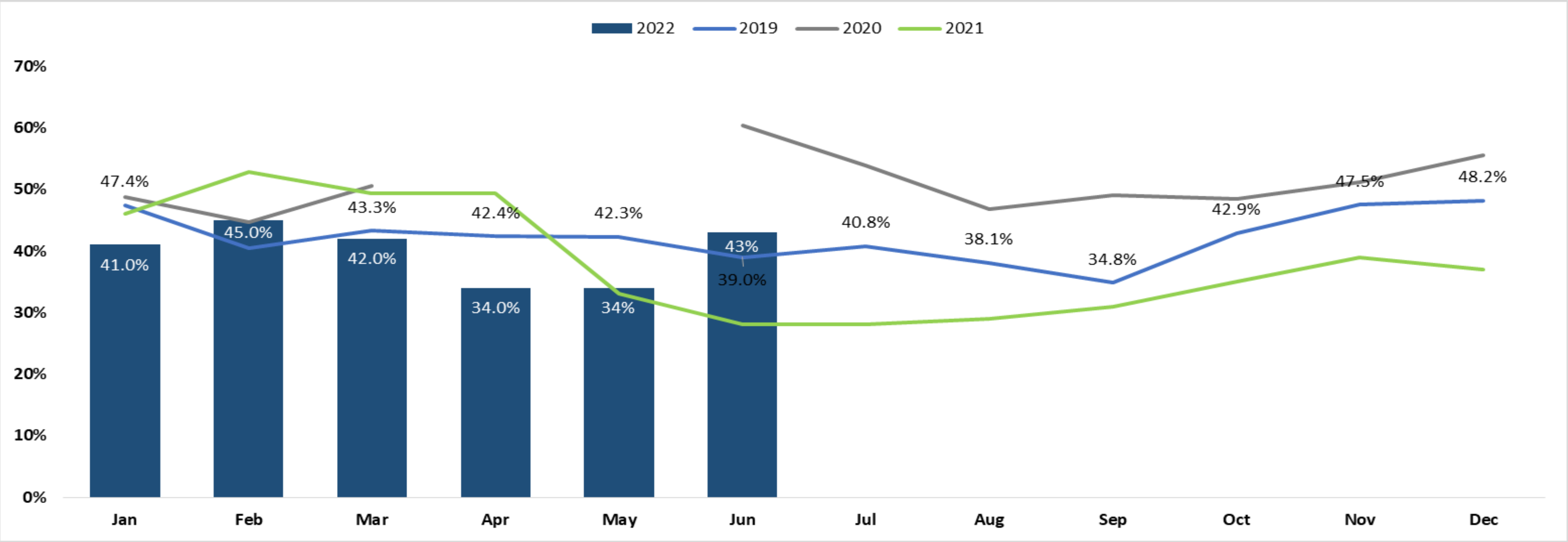


SOURCE: CVENT



SOURCE: Tourist Surveys

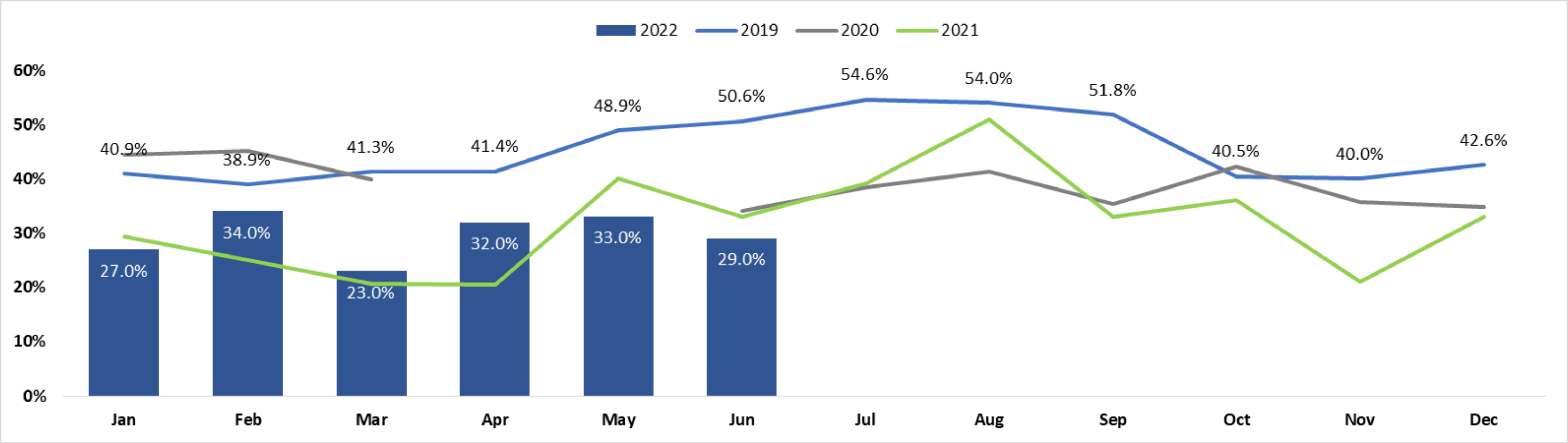
Return rate to the destination



- In Jun-2022, the proportion of repeat tourists increased, compared to Apr-May 2022. At 43%, 4pp more against Jun-2019.

SOURCE: TOURIST SURVEYS

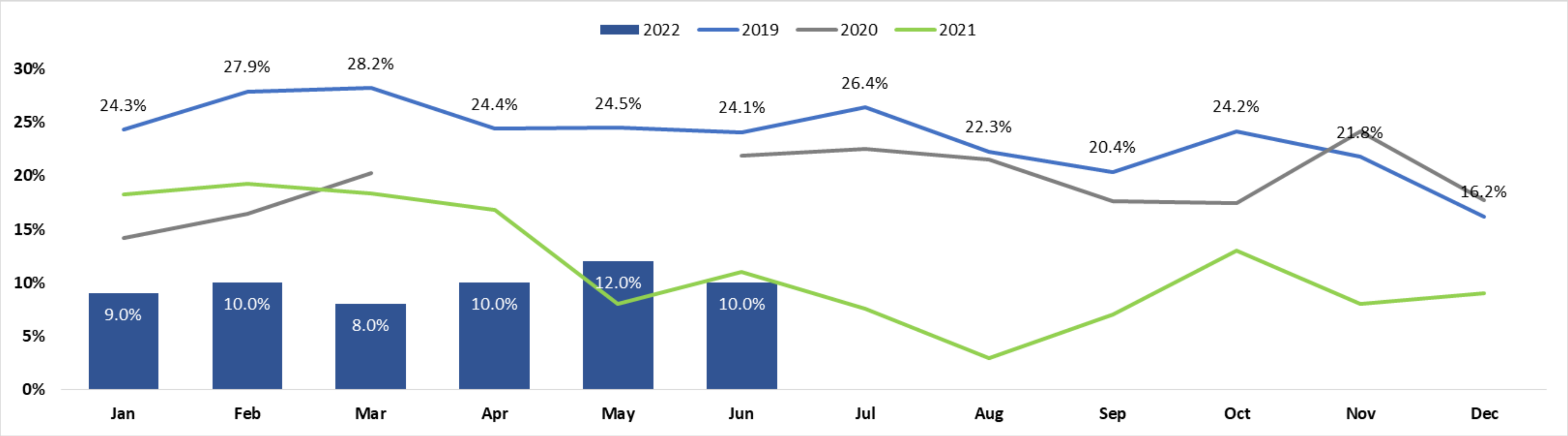
Package tour purchases



- 29% of tourists who arrived at Los Cabos in Jun-2022 bought a package tour, 21.6pp less, compared to Jun-2019 and 4pp more, compared to May-2021.

SOURCE: TOURIST SURVEYS

Timeshares



- 10% of tourists in Jun-2022 used of timeshares. This ratio is 14.1pp below Jun-2019 and 1pp below Jun-2021.

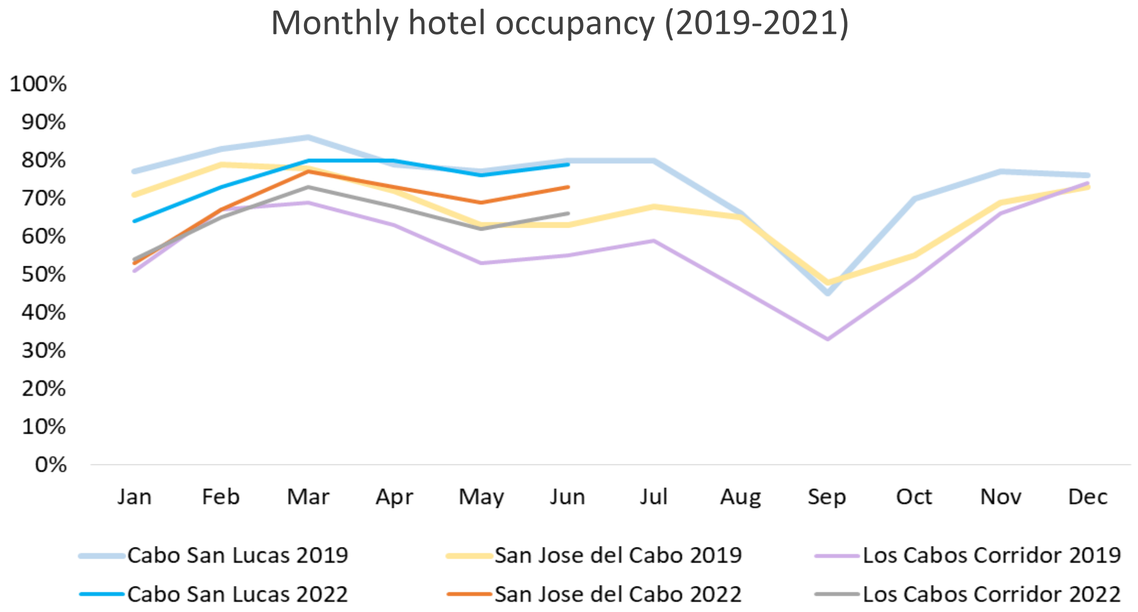
SOURCE: TOURIST SURVEYS

LOS CABOS

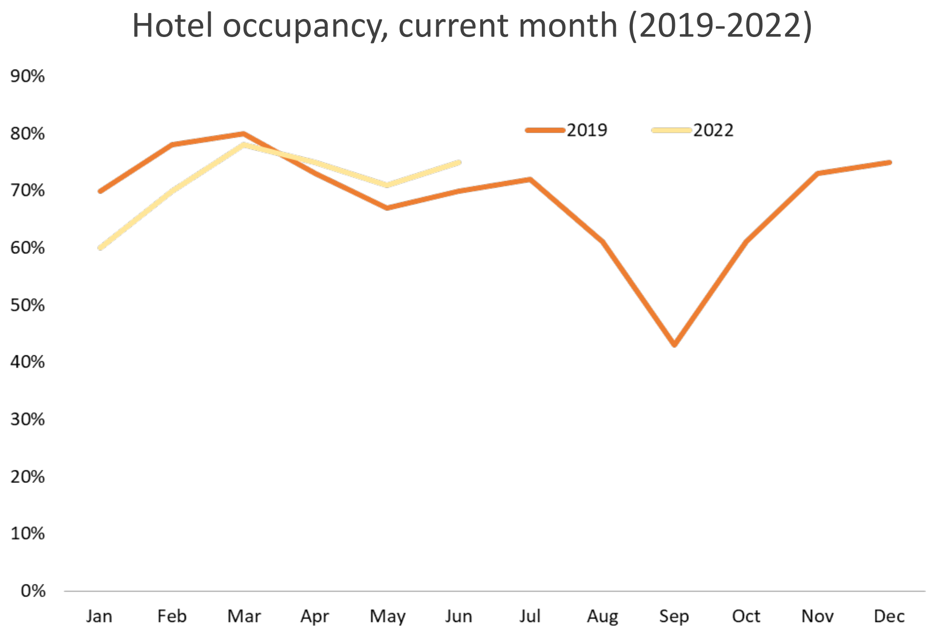
LOS CABOS TOURISM OBSERVATORY

SUPPLY INDICATORS
Hotel Performance

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



SOURCE: AHLC



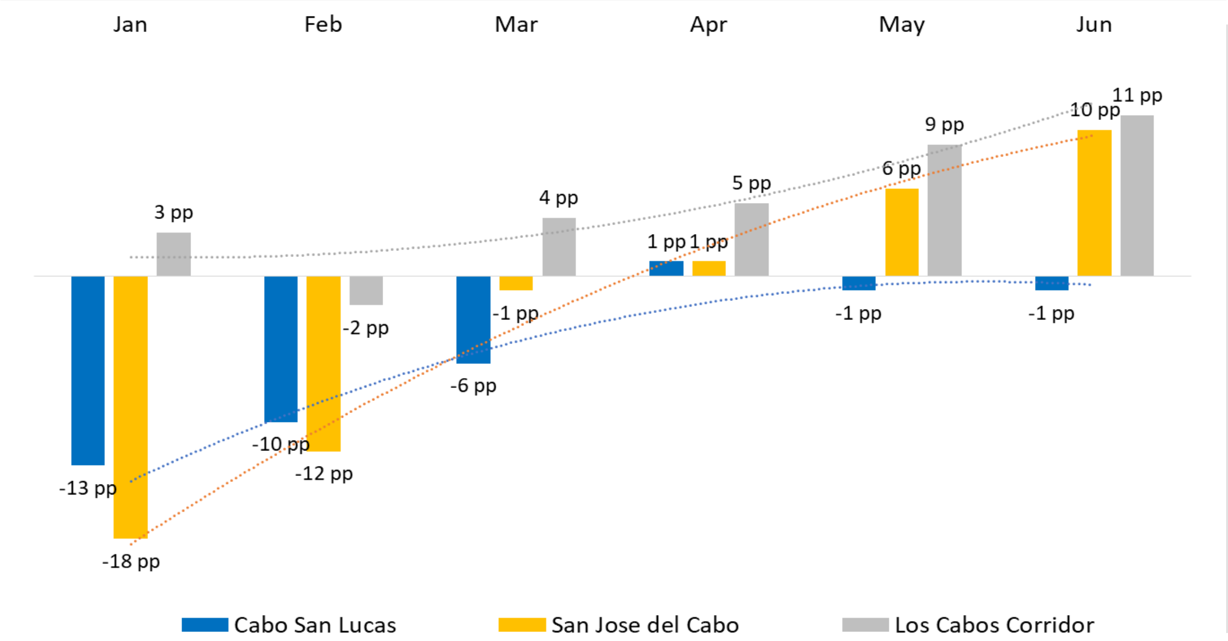
SOURCE: AHLC

- **According to the Los Cabos Hotel Association, hotel occupancy in Los Cabos reached 75% in Jun-2022, 5pp more than 2019.**
- **In May-2022, 249,771 tourists arrived at hotels in Los Cabos, 25% more than in 2019. At the same time, the average stay decreased by 0.31 nights (4.58, according to DATATUR).**
    - **Domestic tourism in hotels grew by 32%, and international tourism grew by 22% in this period.**
    - **In May-2022, domestic tourism represented 29% of the total. A share of 27.5% was recorded in 2019.**

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

Annual variation in hotel occupancy, by destination

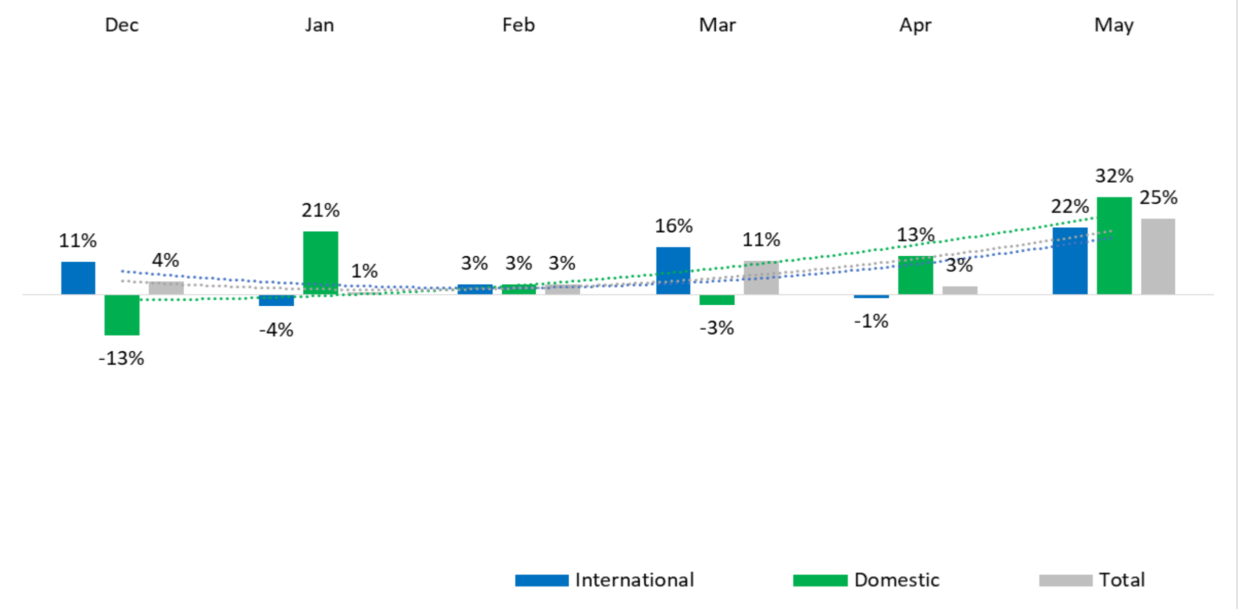
(Jan-Jun-2022, vs. 2019)



SOURCE: AHLC

Annual variation of tourist arrivals at hotels, by origin

(Dec-2021 to May-2022 vs 2019)

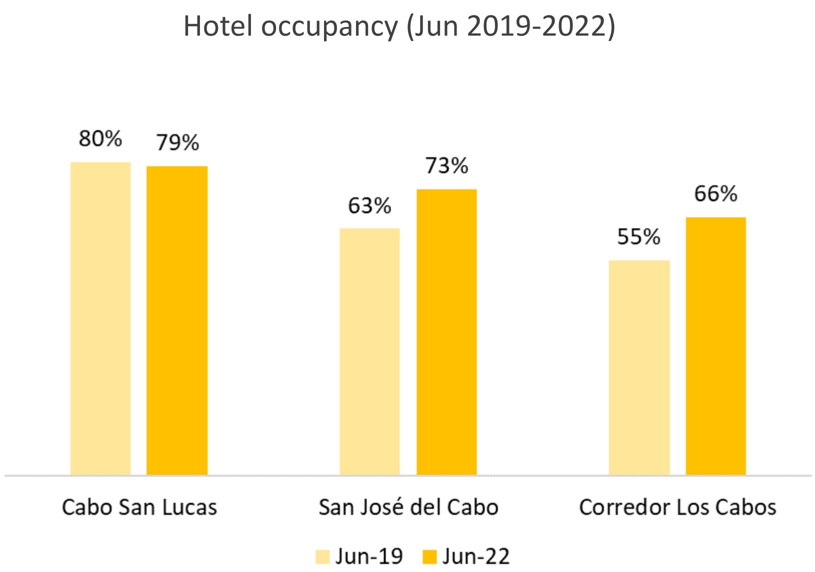


SOURCE: DATATUR

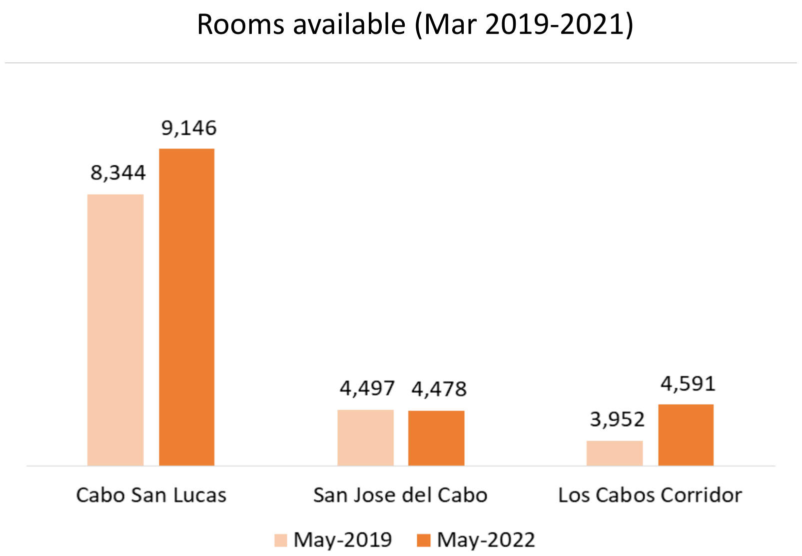
- **Compared to 2019, hotel occupancy in Cabo San Lucas and the Corridor increased by 10 and 11pp, respectively.**
- **However, in Cabo San Lucas there was a decrease of 1pp.**

LOS CABOS

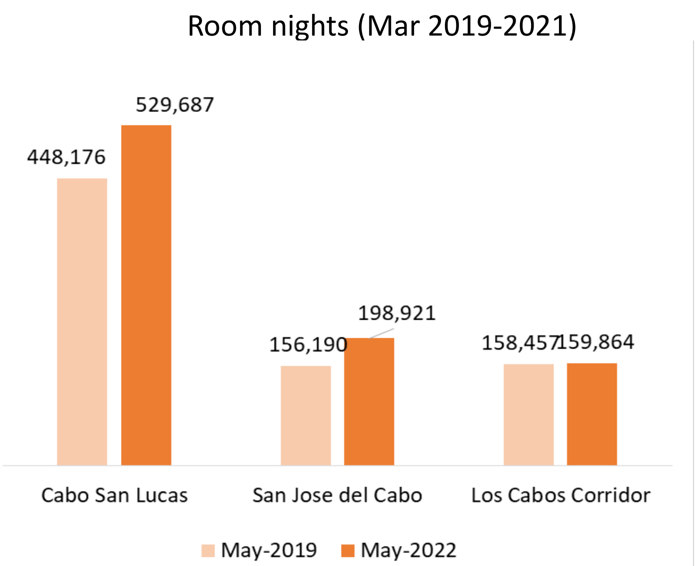
Evolution of the hotel supply in Los Cabos and sub-destinations



SOURCE: AHLC



SOURCE: DATATUR



SOURCE: DATATUR

CABO SAN LUCAS

- **Occupancy in June-2022 was 79%, 1pp less than in 2019 (AHLC).**
- **Hotel supply increased by 9.6% between May-2022 and 2019, registering a total of 9.1 thousand rooms (DATATUR).**
- **Occupied room nights increased by 18.2% between May-2019 and 2022 (DATATUR).**

SAN JOSE DEL CABO

- **Occupancy in Jun-2022 was 73%, 10pp more than in 2019 (AHLC).**
- **Its hotel supply decreased 0.4% between May-2022 and 2019, registering a total of 4.5 thousand rooms (DATATUR).**
- **Occupied room nights increased 27.4% between May-2019 and 2022 (DATATUR).**

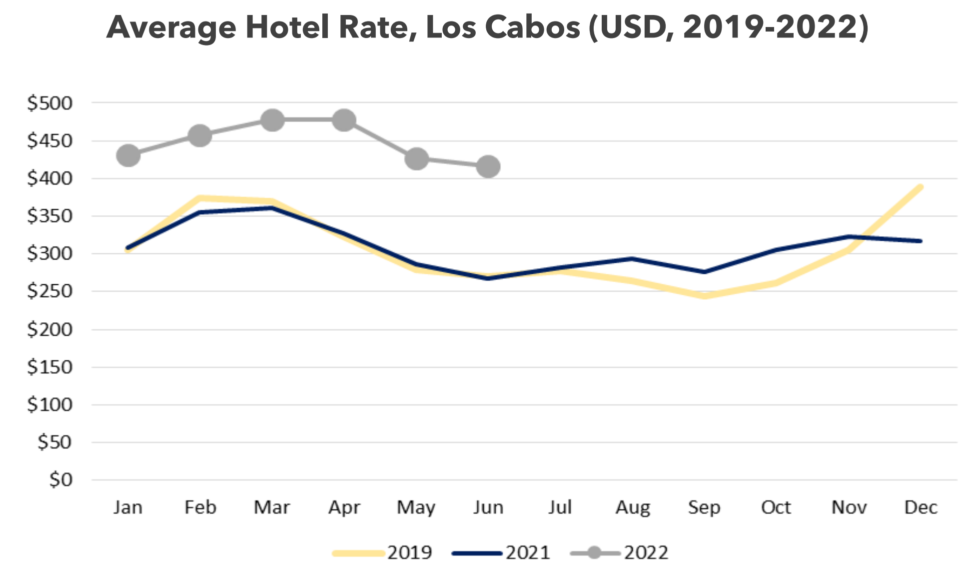
LOS CABOS CORRIDOR

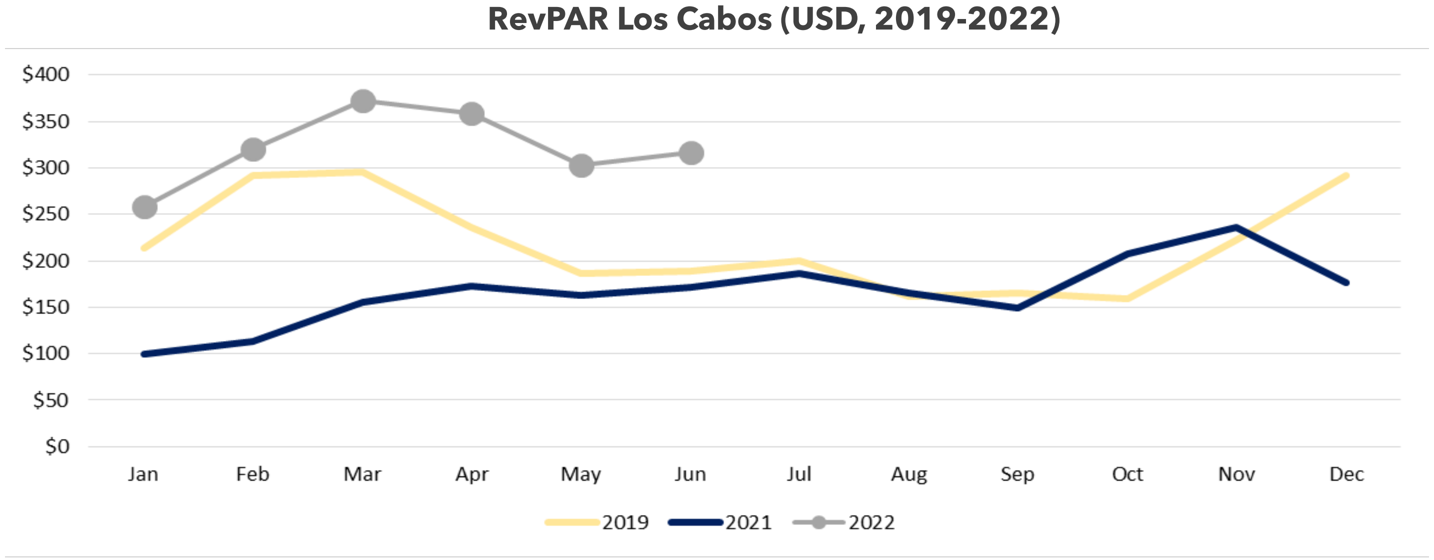
- **Occupancy in Jun-2022 reached 66%, which is 11pp more than in 2019 (AHLC).**
- **Its hotel supply increased 16.2% between May-2022 and 2019, registering a total of 4.6 thousand rooms (DATATUR).**
- **Occupied room nights increased by 0.9% between May-2019 and 2022 (DATATUR).**

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

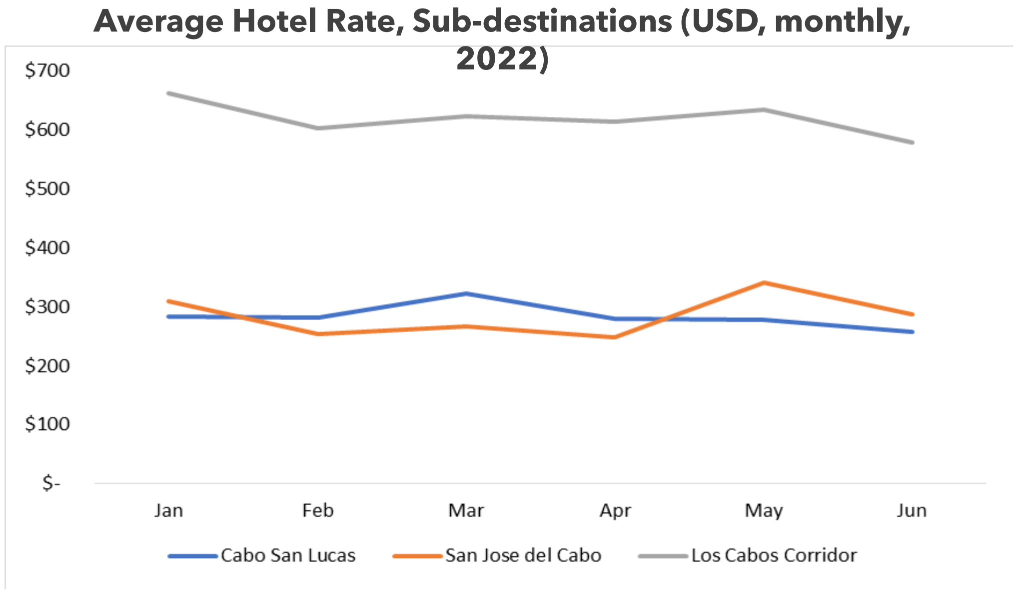
- **The average hotel rate in Los Cabos for Jun-2022 was $417, $43 above the last 12-month average ($374) and $147 above that of 2019.**
  - **Cabo San Lucas recorded an increase of $16 or 6.6%compared to 2019 and now stands at $257.**
  - **San Jose del Cabo now stands at $288, recording a rate increase of $65 (+29.1%) compared to 2019.**
  - **Compared to 2019, the rate in the Corridor increased by $233 or 67.3% and recorded $579.**

- **The RevPAR in Jun-2022 was $317; that is, $128 (+67.7%) higher than that of 2019.**





SOURCE: AHLC



LOS CABOS

LOS CABOS TOURISM OBSERVATORY

SUPPLY INDICATORS
Air Connectivity

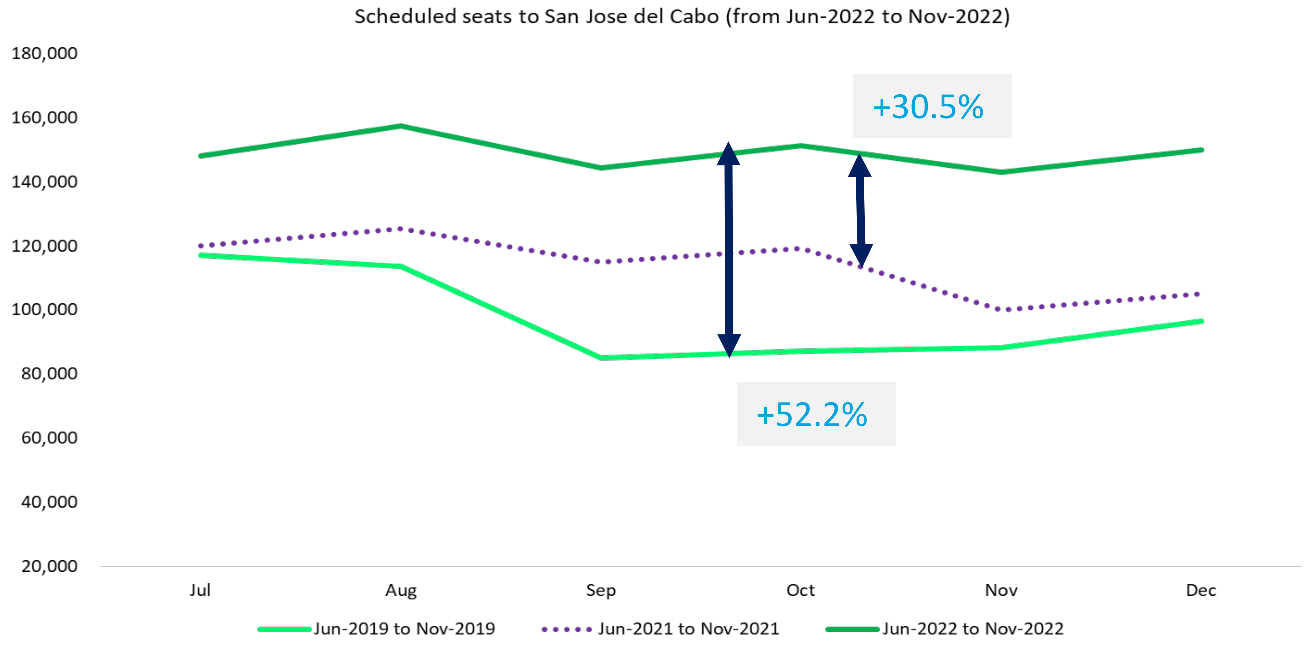
SOURCE: OAG

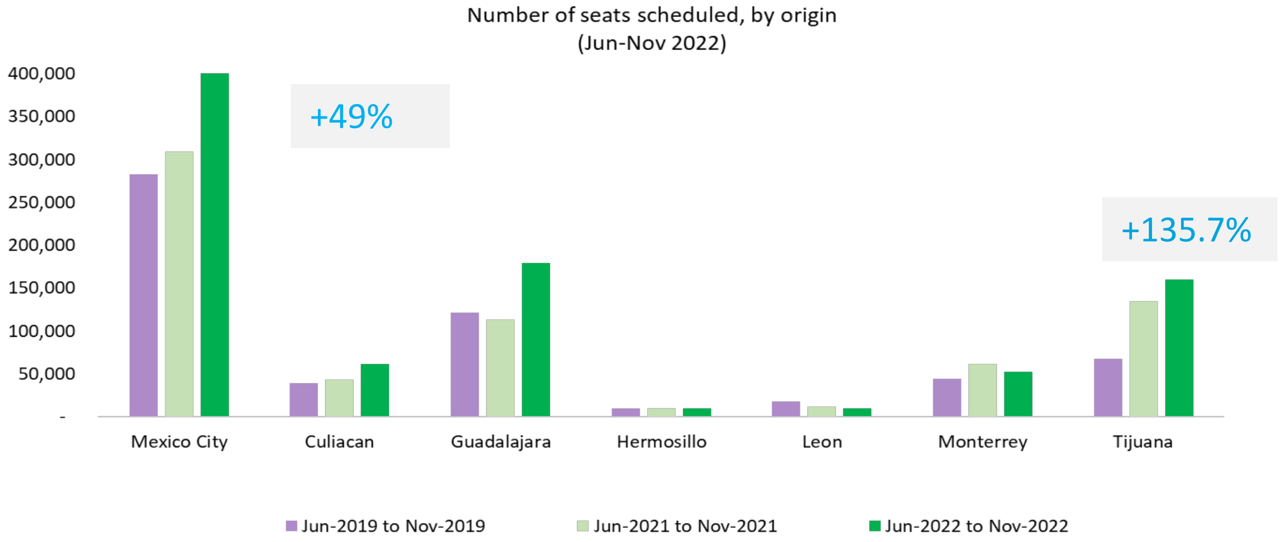
Domestic air connectivity

SEATS SCHEDULED FOR JUL-DEC 2022

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

- **There are 894.4 thousand seats scheduled for the next 6 months, that is, 52.2% more compared to the same period in 2019.**
  - **However, when comparing the seats scheduled for the next 6 months against the 2021 schedule, the volume of programmed seats is 30.5% higher.**
  - **26.6% more available seats are expected in Jun-2022 than those scheduled for 2019.**
- **Mexico City, Guadalajara, and Tijuana are the most relevant issuing markets, with 47%, 20%, and 18% of total available seats, respectively (for the next 6 months). Followed by Monterrey (9%), Culiacan (6%), Leon (2%) and Hermosillo (1%).**
  - **Flight seats departing from CDMX, GDL and TIJ increased by 49%, 47% and 135.7%, respectively (when compared to 2019). However, BJX decreased by 55.5%. Consequently, TIJ's market share grew 6pp during these 6 months, and BJX's dropped by 2pp.**
- **For the next 6 months, 54% of the available seats will be provided by Volaris, followed by VivaAerobus with 30% and Aeromexico with 17%. Interjet exited the market.**
- **Load factors of domestic airlines for Mar-2022 were: Aeromexico (83%), VivaAerobus (71%), and Volaris (75%).**





LOS CABOS

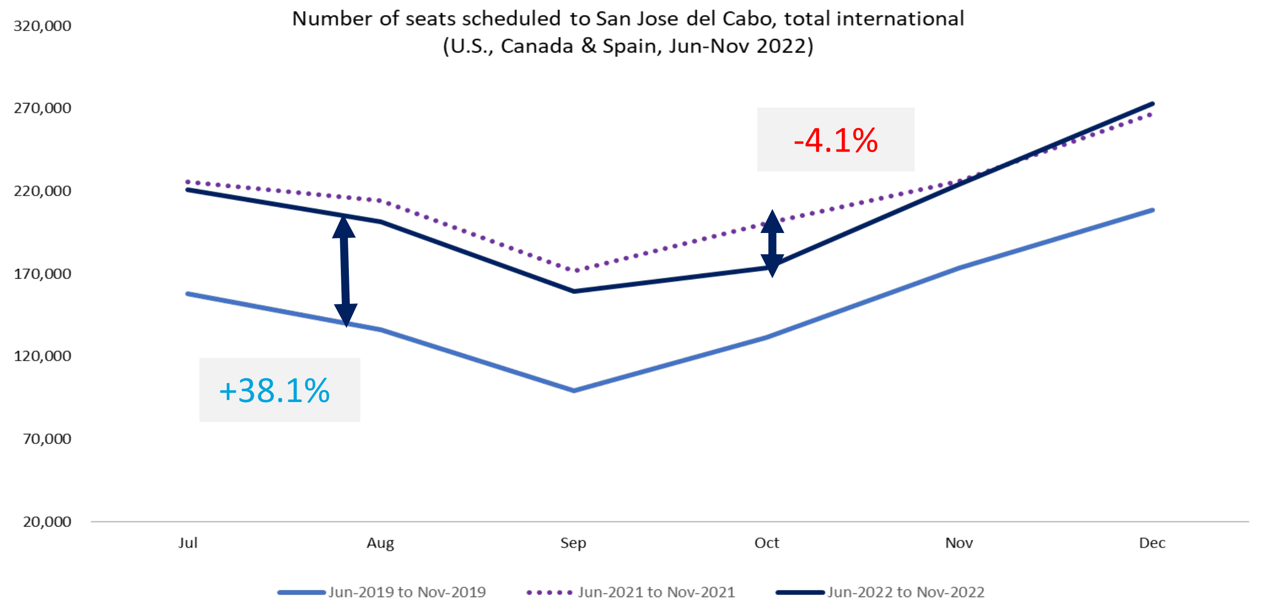
SOURCE: OAG

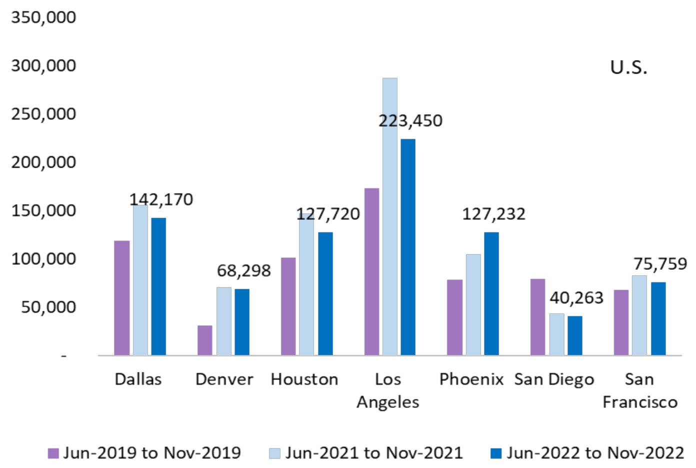
International air connectivity

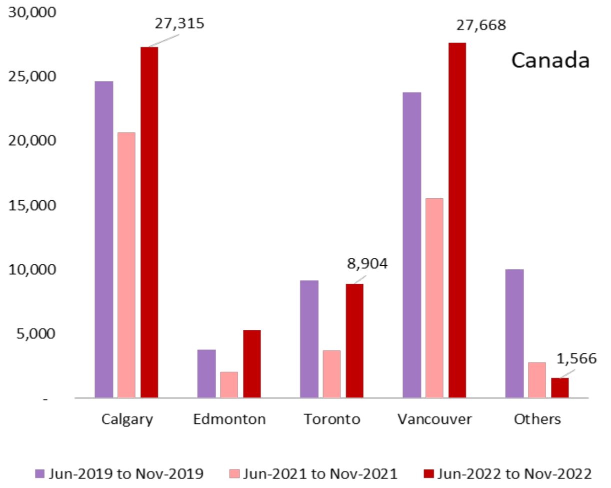
SEATS SCHEDULED FOR JUL-DEC 2022

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

- **There are 1.18 million seats scheduled for the U.S. in the next 6 months, which is 40.3% more than the same period in 2019.**
    - **However, when comparing the seats scheduled for the next 6 months against the 2021 schedule, the volume is 6.6% less.**
    - **The following airports had the most significant increase in service vs. 2019: LAX (+29%), PHX (+63%), HOU (+27%), DFW (20%), DEN (+119%), CHI (67%) and SEA (+241%). However, San Diego showed a 49% decrease.**
    - **Los Angeles is the main issuing market in the U.S. (19% of the market), followed by DFW (12%), Houston (11%), and Phoenix (11%).**
    - **American, Alaska, Delta, Southwest, and United Airlines are the most relevant (91% as a whole).**
    - **39.9% more available seats are expected in Jul-2022 than those scheduled for 2019.**
- **There are 70.8 thousand seats scheduled for Canada in the next 6 months, which is 0.8% fewer seats compared to the same period in 2019.**
    - **When comparing the seats scheduled for the next 6 months against the 2021 schedule, the volume of programmed seats is 58% higher.**
    - **27.3% more available seats are expected in Jul-2022 than those scheduled for 2019.**
    - **Within the next 6 months, Calgary shows an increase of 10.9%, Edmonton 41.9%, and Vancouver 16.5%. Toronto fell 3% compared to 2019.**
    - **During this period, Air Canada (+2.8) and WestJet (+4.5%) and Swoop (+88.9%) increase the number of seats. Sunwing decreased by 47.7%.**
- **Load factors of international airlines for Mar-22 were: American 75%, Alaska 79%, Delta 72%, United 80%, Southwest 74%, Sunwing 44%, Westjet 76%, Air Canada 64%.**







LOS CABOS

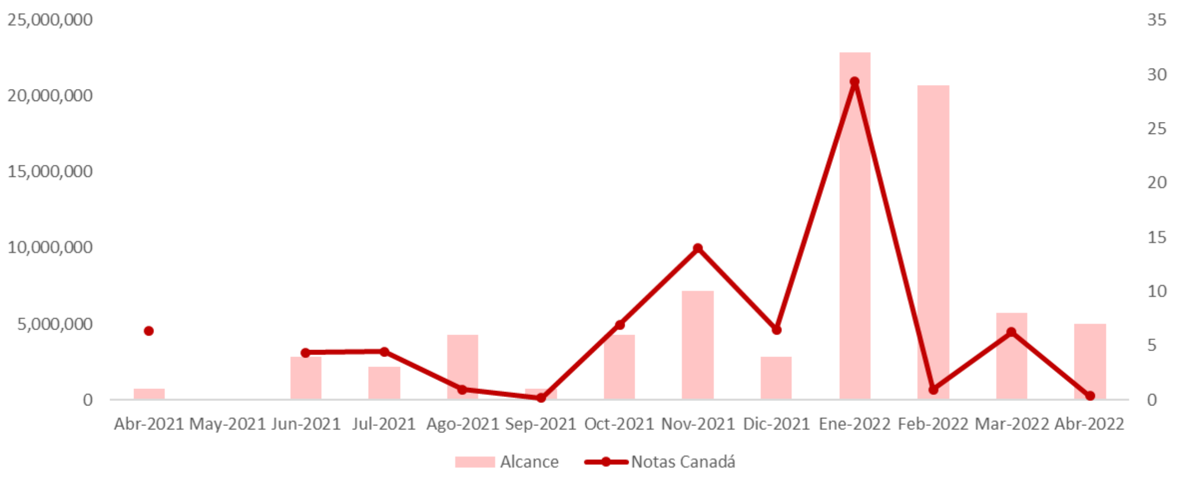
LOS CABOS TOURISM OBSERVATORY

PUBLIC RELATIONS

Public relations: notes and scope

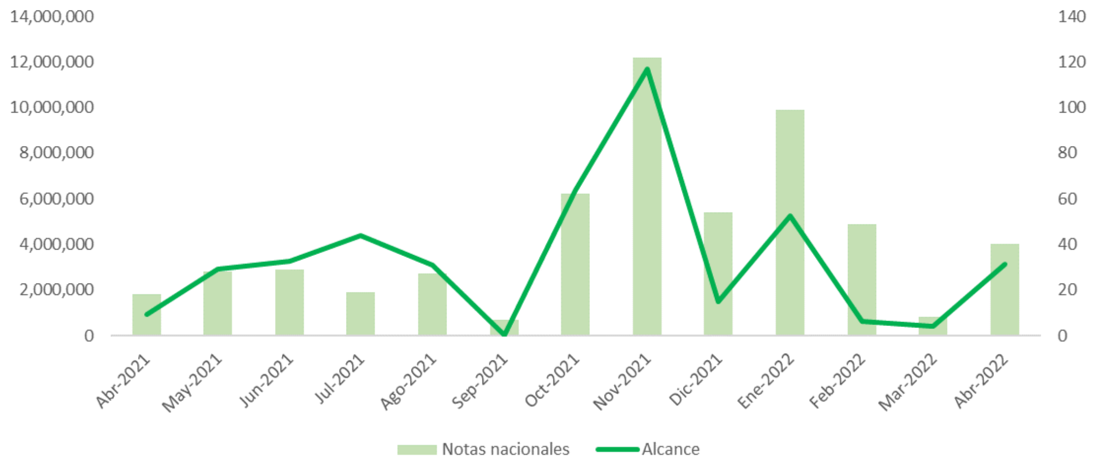
- **In the domestic market:**
  - **During Apr-2022, 40 placements were introduced, accounting for 3.14 million impressions. An average of 47 placements has been published monthly since the pandemic started in April 2020, with a monthly reach of 3.6 million.**
- **In the international market:**
  - **In Apr-2022, 10 placements and 14 million impressions were achieved in the United States. An average of 21 placements has been published monthly since the pandemic started, with a monthly reach of 579 million.**
  - **7 notes were delivered to the Canadian market throughout Apr-2022, achieving 253 thousand impressions. An average of 8 placements has been published monthly since April, with a monthly reach of 4.6 million.**

NOTES MADE FOR THE CANADIAN MARKET – TOTAL & REACH



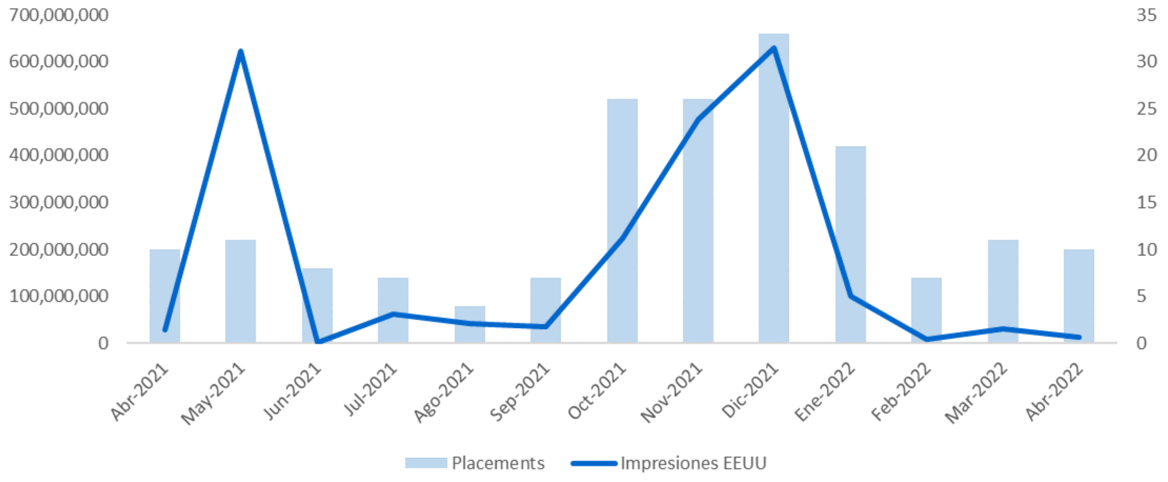
SOURCE: JESSON+CO

NOTES MADE FOR THE DOMESTIC MARKET – TOTAL & REACH



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

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



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

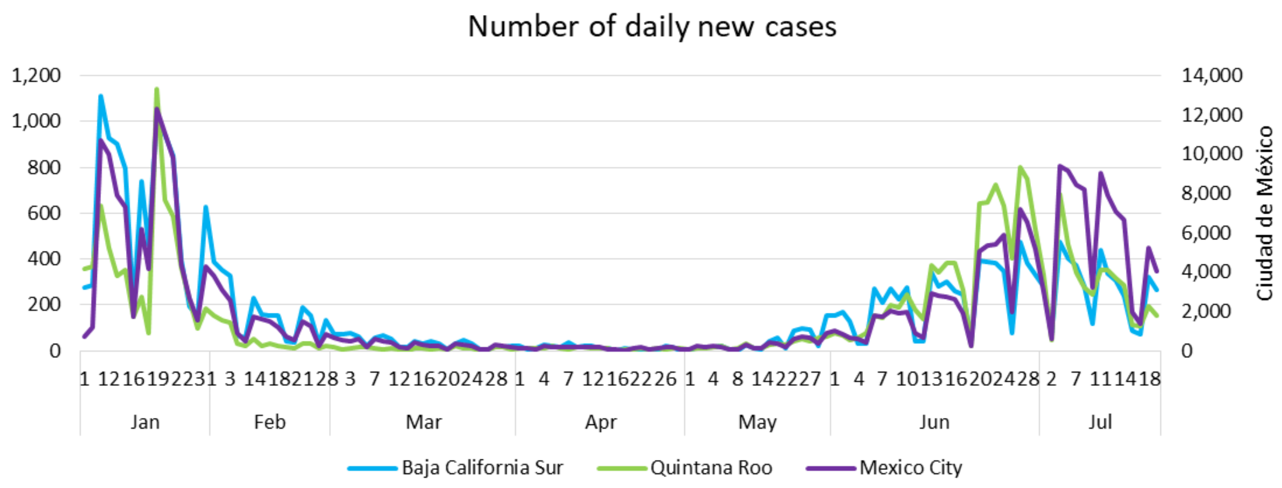
LOS CABOS

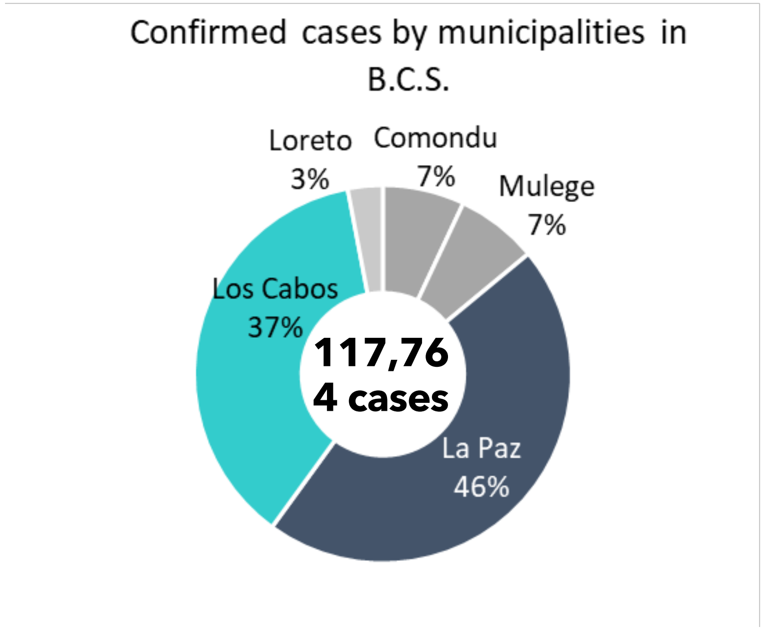
LOS CABOS TOURISM OBSERVATORY

IMPACT OF COVID-19

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

Confirmed COVID-19 cases – overview





Total confirmed cases as of July 19, 2022

Domestic

6.55 million

- 387 thousand more cases since June 19th.

Baja California Sur

117,764

- 9,537 more cases than those recorded by July 19th.

Quintana Roo

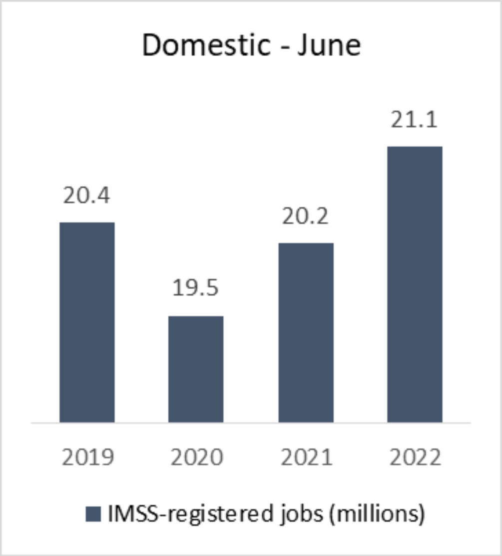
109,663

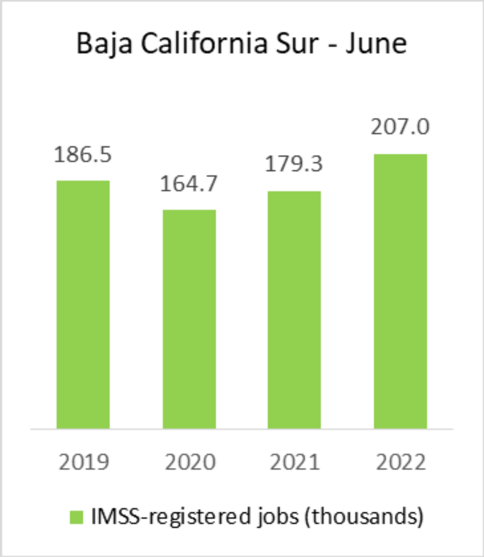
- 13,586 more cases in the same period.

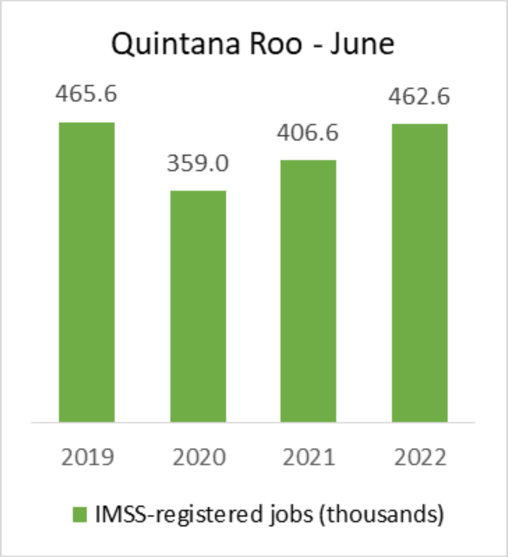
- La Paz and Los Cabos jointly account for 83% of the total confirmed cases statewide.
- In Los Cabos, 7.8% more cases were recorded compared to June 19, 2022, adding 43,225 cases.
- La Paz has 9.1% more cases in the same period, accumulating a total of 54,382 confirmed cases.
- Loreto accumulates 3,766 cases (3.2% more).

SOURCE: SECRETARIAT OF HEALTH, GENERAL DIRECTORATE OF EPIDEMIOLOGY (www.coronavirus.gob.mx). FIGURES UPDATED AS OF JUNE 21, 2022.

Effects on employment in Mexico







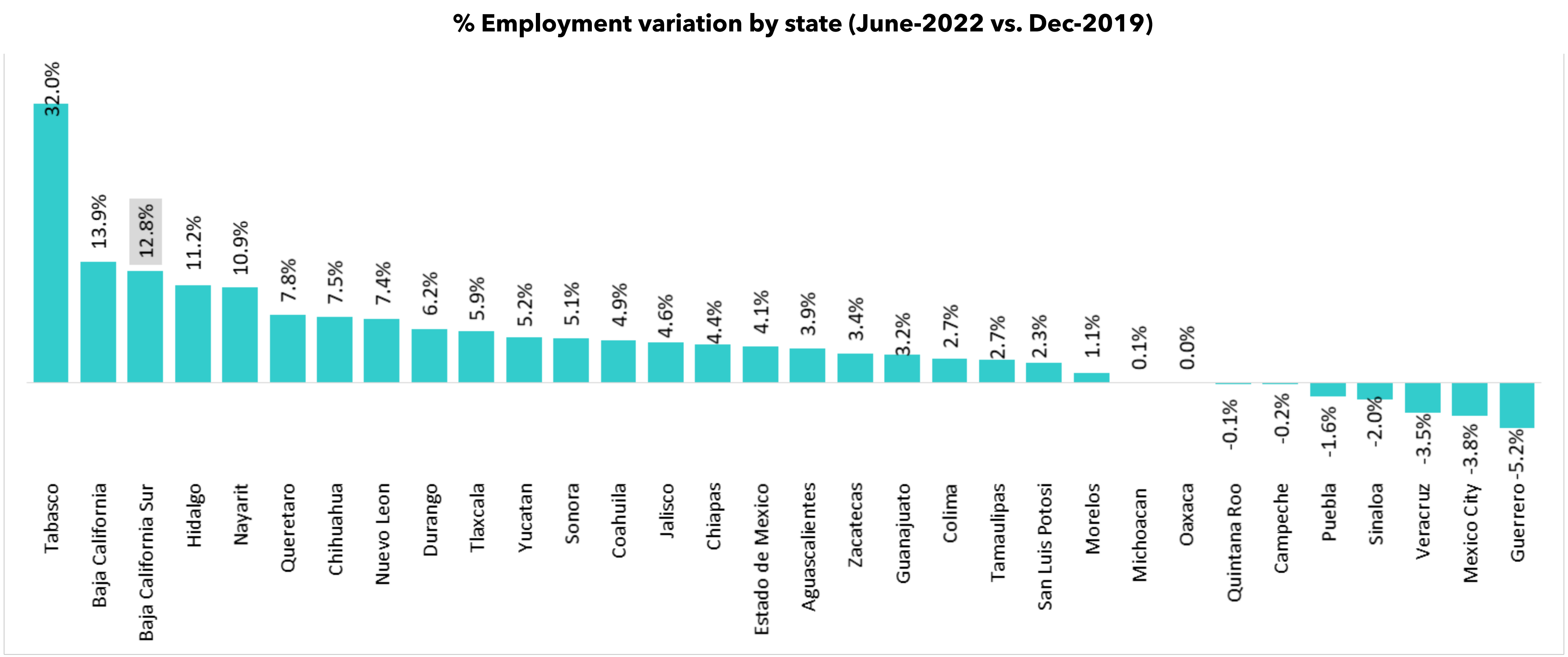
- In Jun-2022, there was a 3.4% increase in jobs compared to those recorded in Jun-2019.
- As of Jun 30, 2022, IMSS had registered 21,068,708 jobs in the country, which is 3.2% more than those reported in Dec-2019.

- There are 11% more jobs in Jun-2022 than in Jun-2019.
- Baja California Sur closed Jun-2022 with 207,020 jobs, 12.8% more than in Dec-2019.

- In the case of Quintana Roo, in Jun-2022 there were 0.6% fewer jobs than those recorded in Jun-2019.
- Jun-2022 closed with 462,635 jobs, 0.1% less than in Dec-2019.

SOURCE: IMSS

Effects on employment in Mexico



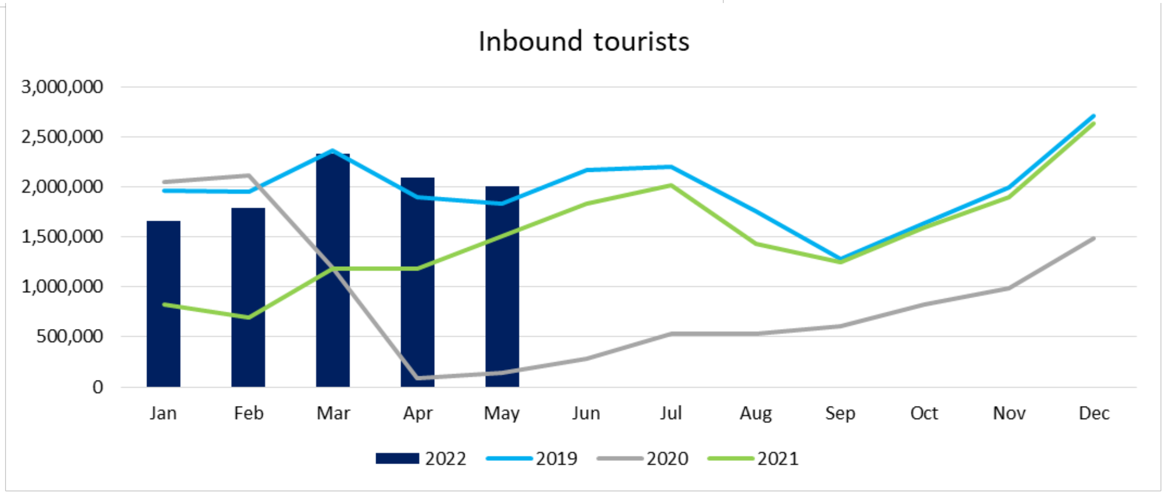
- Baja California Sur ended Jun-2022 with 12.8% more jobs than at the end of Dec-2019. Quintana Roo is 0.1% below 2019 figures.

SOURCE: IMSS

International tourist arrivals in Mexico

International tourists who entered the country

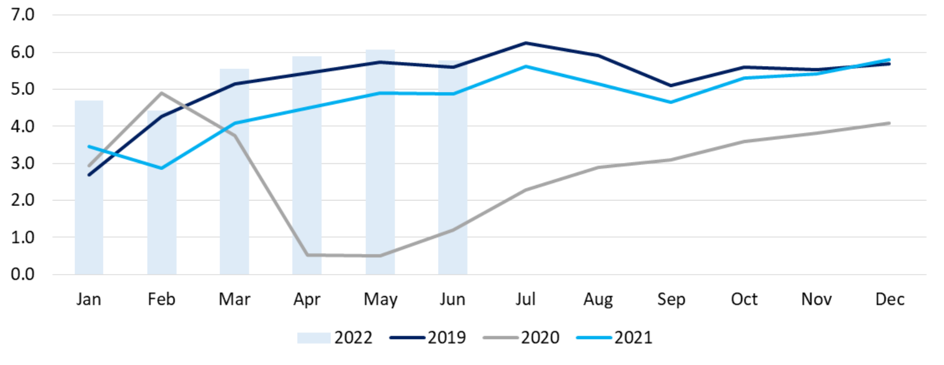
May 2022	May 2019	VAR
2,985,544	3,463,238	-13.8%



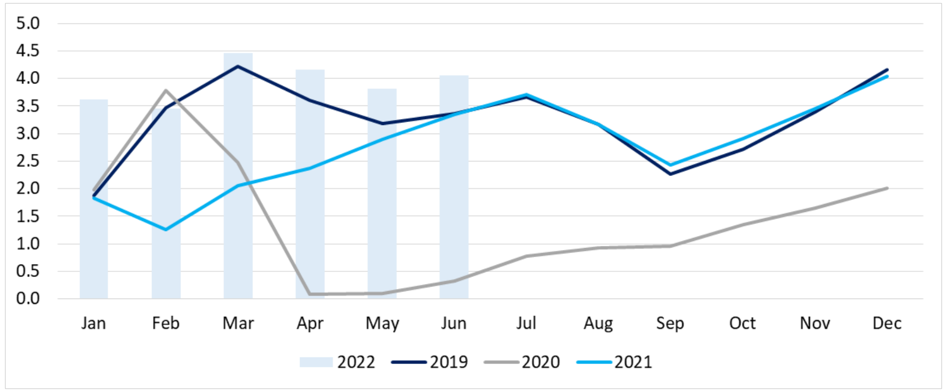
- In May-2022, 2.99 million international tourists arrived in the country (13.8% fewer than in May-2019). 67% were inbound tourists.
- 9.2% more inbound tourists vs May-2019 (86% by air, 14% by land). The average spending of those arriving by air was $1,111 (10% more than the average spending in May-2019).

Air traffic in Mexico. Airport groups

Passenger traffic in **domestic** flights (millions)



Passenger traffic in **international** flights (millions)



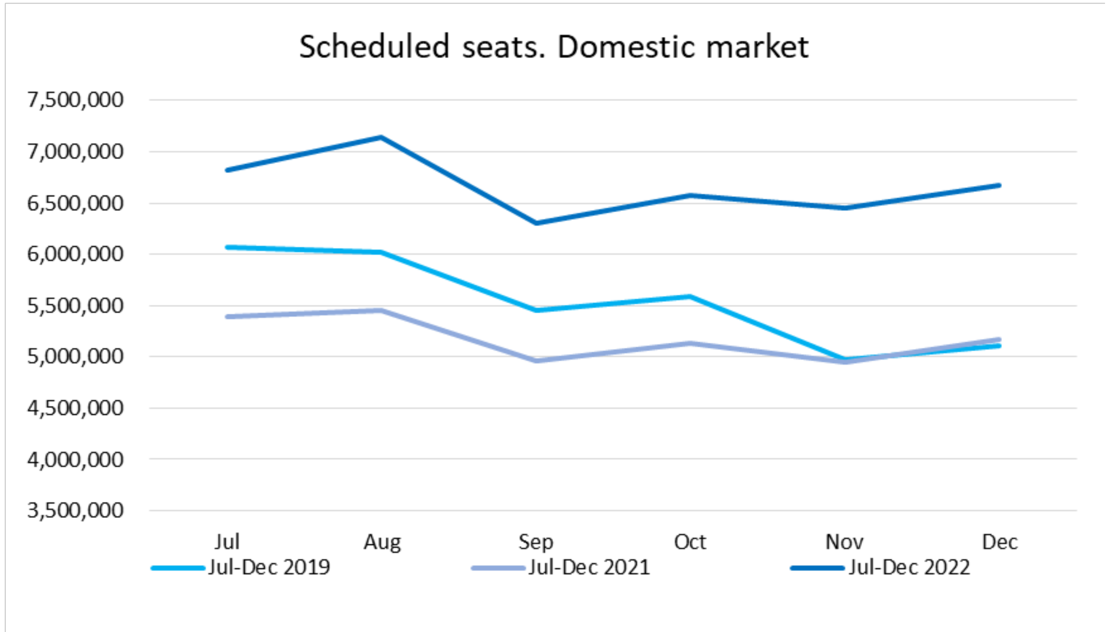
- Passenger traffic in domestic operations during Jun-2022 was 4% higher than Jun-2019 (5.8 million passengers).
- In international operations, the increase was 20% compared to Jun-2019 (4.06 million passengers).

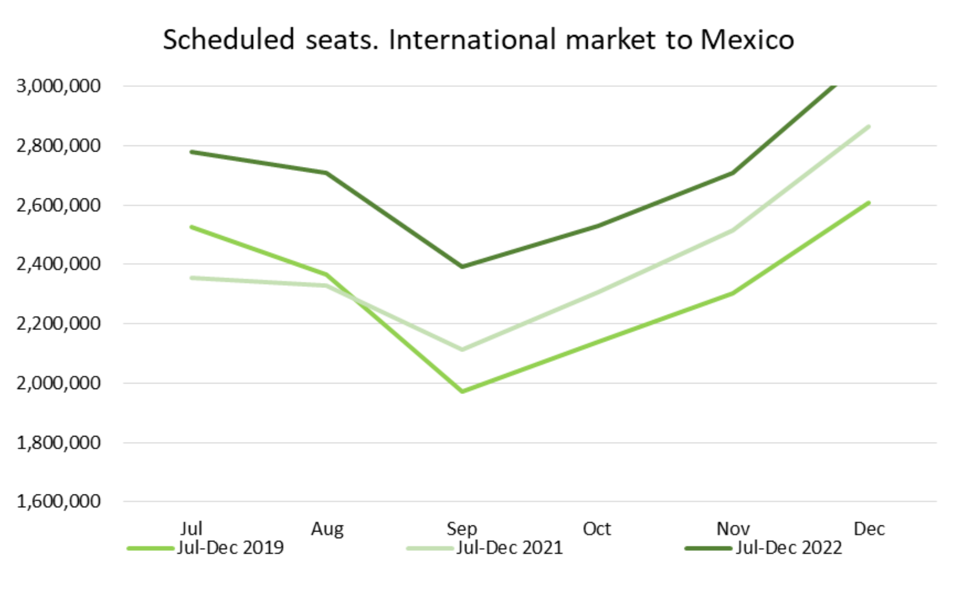
SOURCES: ASUR, OMA, GAP

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

SOURCE: INTERNATIONAL TOURIST SURVEYS. INEGI

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



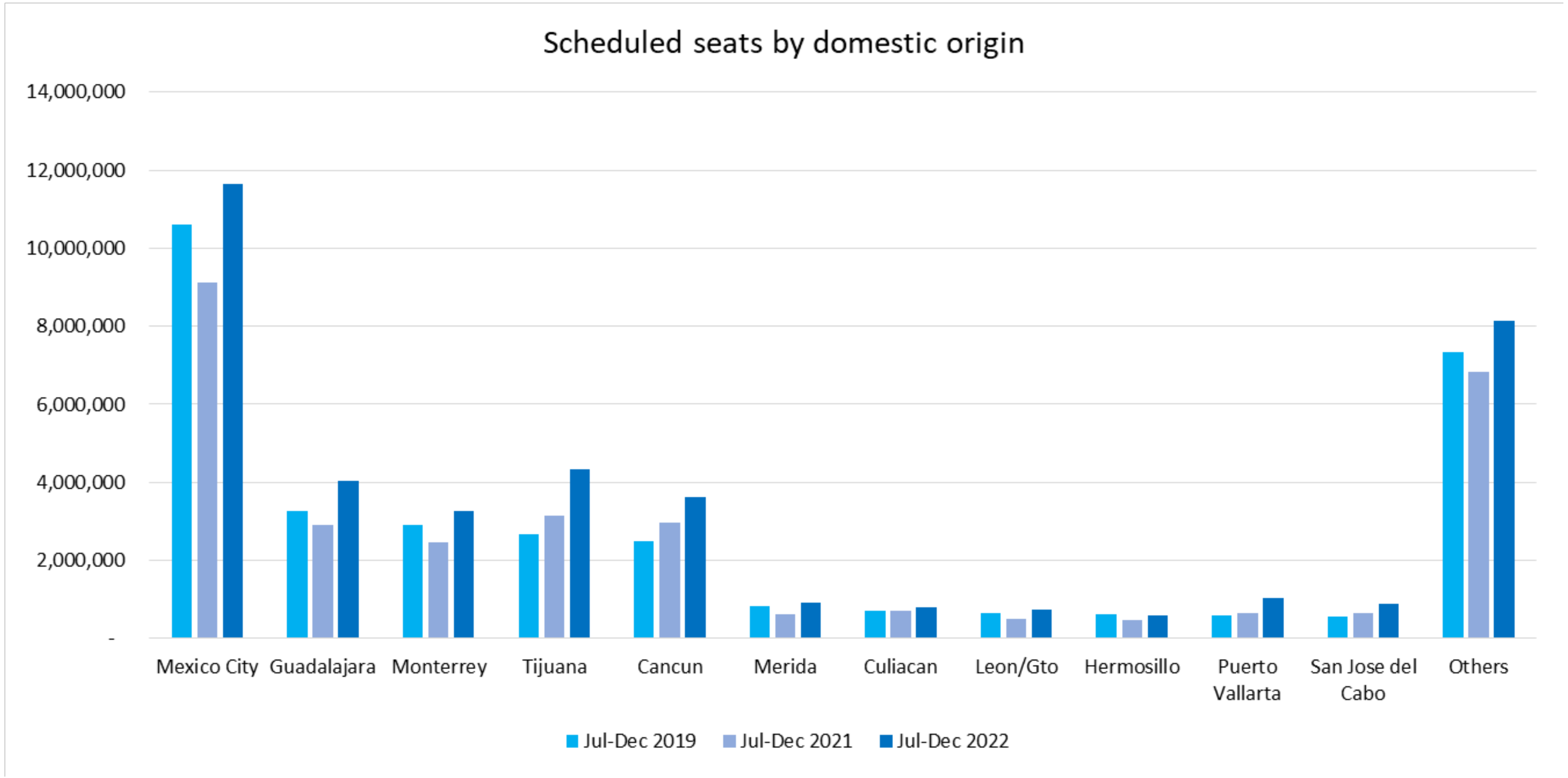


- The supply of domestic and international seats planned for the next months is higher than that of the same period in 2019 and 2021.
- That's 39.9 million domestic seats, 20.3% more than Jun-Dec 2019.
- The supply of domestic seats is expected to increase significantly in Dec-2022 (30.9% more).

- 16.2 million international seats are planned for the next 6 months, 16.6% more than Jul-Dec 2019.
- The largest seat offering is expected for Dec-2022, 18.9% more, compared to Dec-2019.

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

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



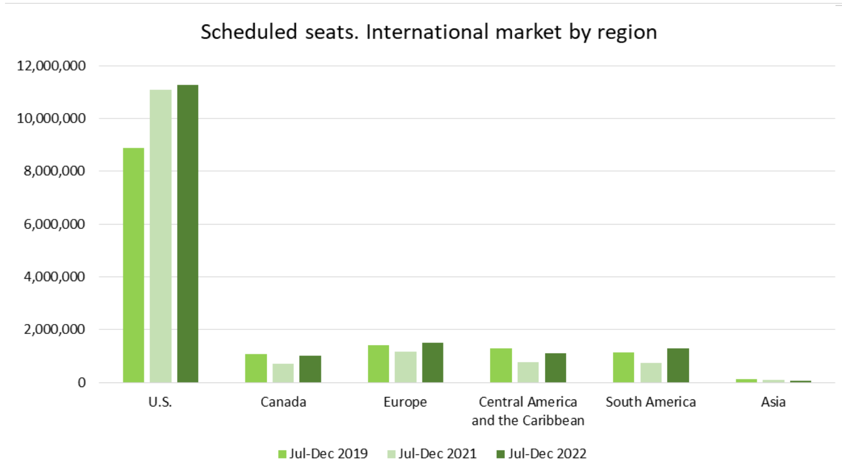
Domestic
Jul-Dec 2022 vs
Jul-Dec 2019

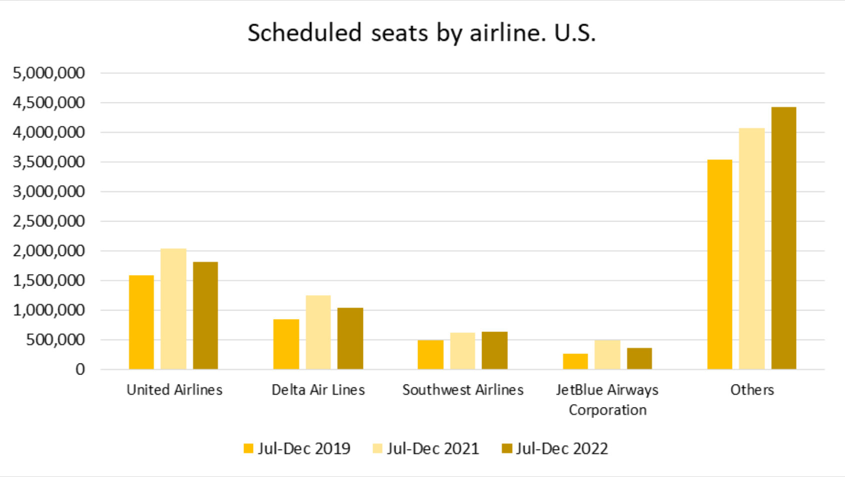
- CDMX: 11.64 million
  +9.9%
- Guadalajara: 4.02 million
  +23.1%
- Monterrey: 3.25 million
  +11.5%
- Tijuana: 4.35 million
  +63.6%
- Cancun: 3.61 million
  +44.0%
- Merida: 913 thousand
  +11.6%
- San Jose del Cabo: 891 thousand
  +62.7%

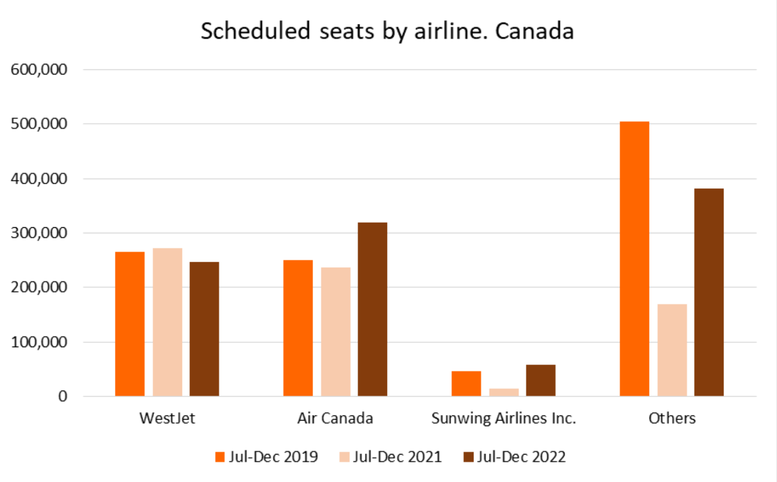
SOURCE: OAG
Scheduled seats as of the last week of June 2019, 2021 and 2022, respectively.

LOS CABOS

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







U.S.

- 69.5% of the scheduled international seats Jul-Dec 2022 (63.9% in the same period of 2019).
- 11.26 million seats for the next 6 months (+26.8% compared to the period from Jul-Dec 2019).

%VAR of scheduled seats

- Houston: 1.5 million +31.2%
- Dallas: 1.5 million +44.2%
- Los Angeles: 1.3 million +4.4%
- Chicago: 888 thousand +27.0%
- New York: 685 thousand -1.0%

Canada

- 6.2% of the scheduled international seats from Jul-Dec 2022 (7.7% in the same period of 2019).
- 1.01 million seats Jul-Dec 2022 (-5.6% compared to the same period of 2019).

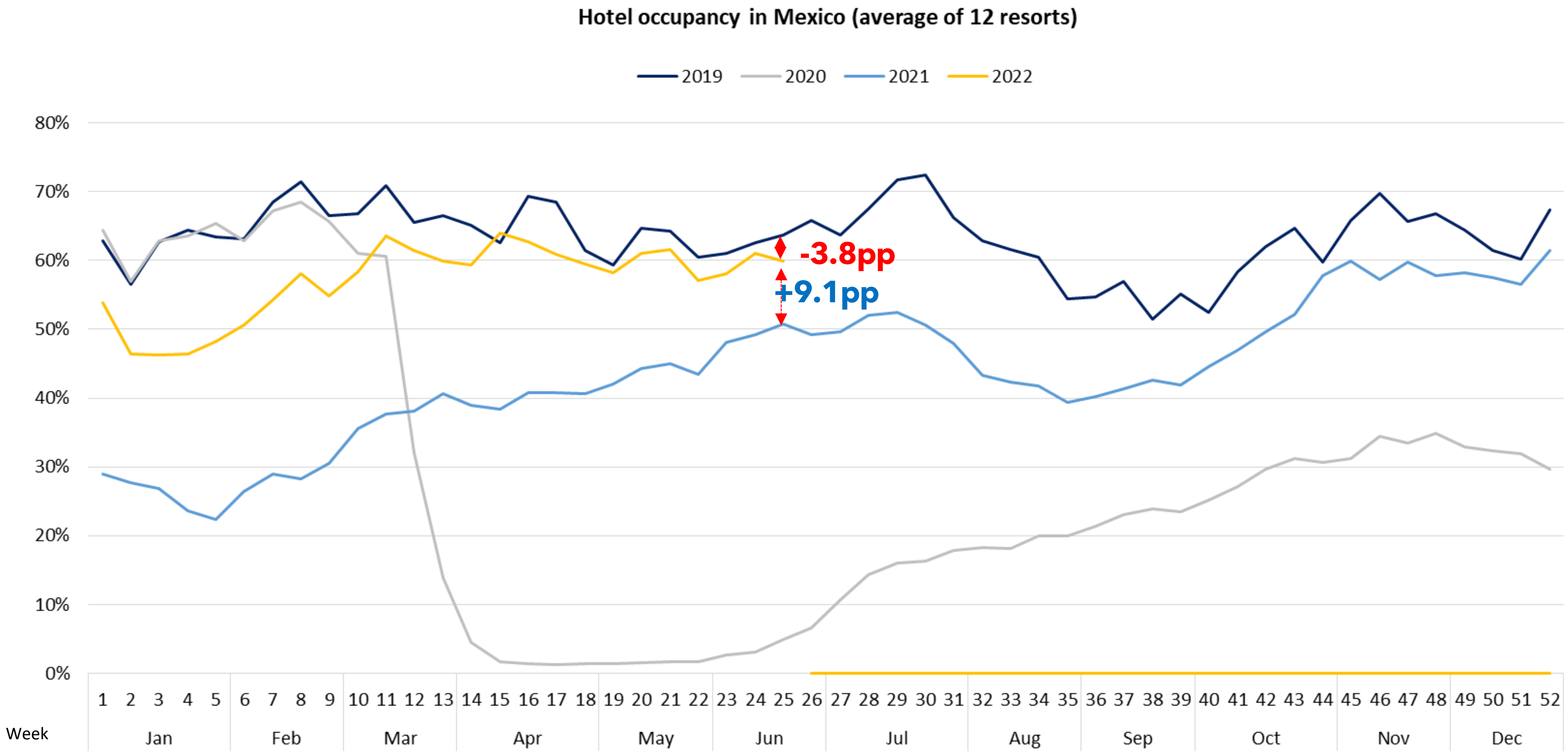
%VAR of scheduled seats

- Toronto: 371 thousand -0.1%
- Montreal: 220 thousand -6.6
- Vancouver: 202 thousand -13.7%
- Calgary: 121 thousand -15.0%

SOURCE: OAG

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

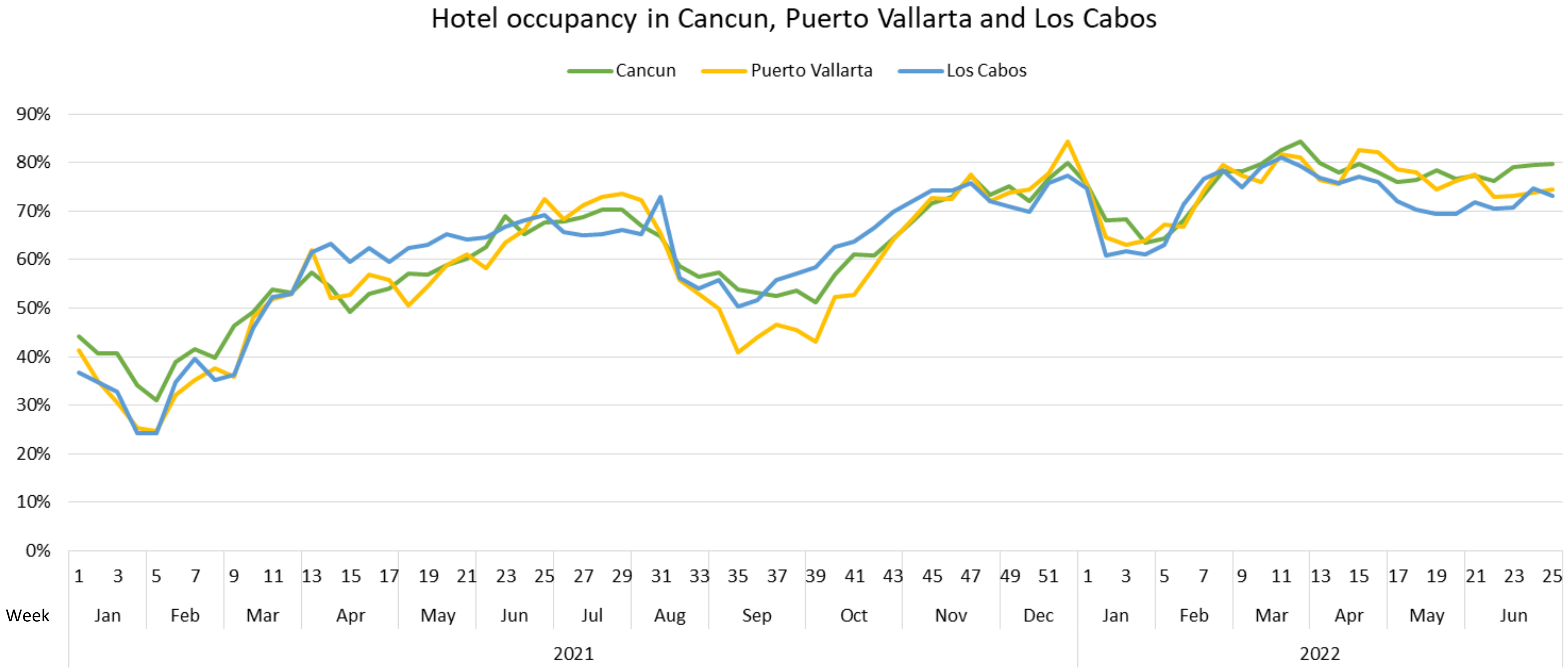
Hotel indicators in Mexico



- At the end of week 25, occupancy was 59.9%, 3.8pp below the same week in 2019 and 9.1pp above the rate recorded in the same week of 2021.
- Starting in week 6, average occupancy has stayed above 50%.

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 end of week 25 (June 20-26, 2022), Los Cabos had an occupancy 6.6pp below Cancun and 1.4pp below Puerto Vallarta:
  - Los Cabos: **73.1%**
  - Cancun: **79.7%**
  - Puerto Vallarta: **74.5%**

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 TOURISM OBSERVATORY

Los Cabos Tourism Observatory aims to provide the destination's investors and participants with an overview of its current and future situation contextualizing all available information.
It has been published every month since February 2019.

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