LOS CABOS

LOS CABOS TOURISM OBSERVATORY

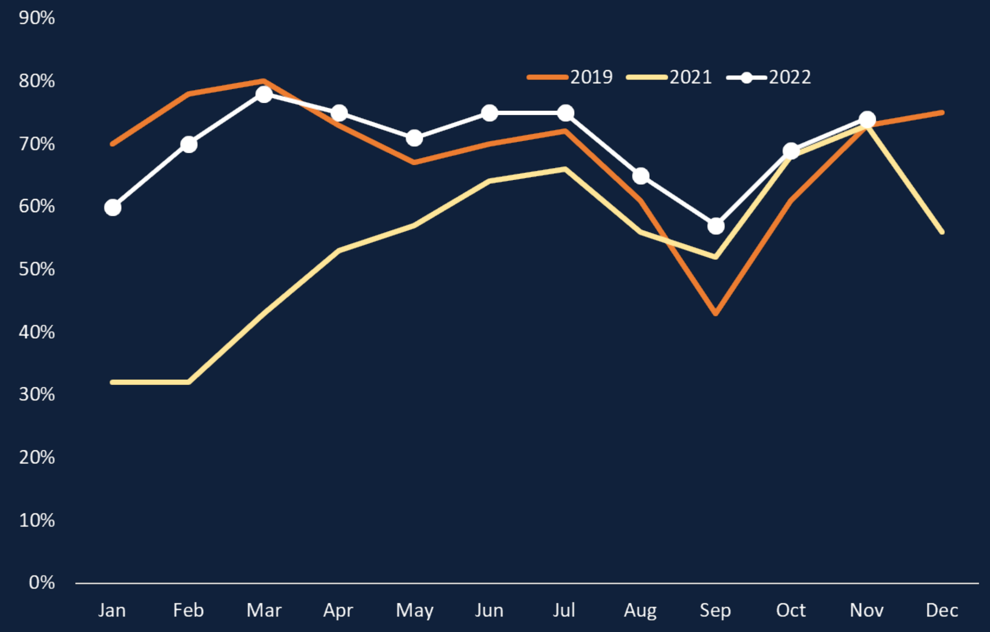
KEY PERFORMANCE INDICATORS

DECEMBER 2022

Key indicators – Summary (Nov-2022)

Hotel Performance

Hotel Occupancy:



Hotel Occupancy (Nov-2022):
74%
+1pp
(vs. Nov-2019)

SOURCE: AHLC

Average Rate (Nov-2022):
USD 417
+36%
(vs. Nov-2019)

SOURCE: AHLC

RevPAR (Nov-2022):
USD 309
+38.6%
(vs. Nov-2019)

SOURCE: AHLC

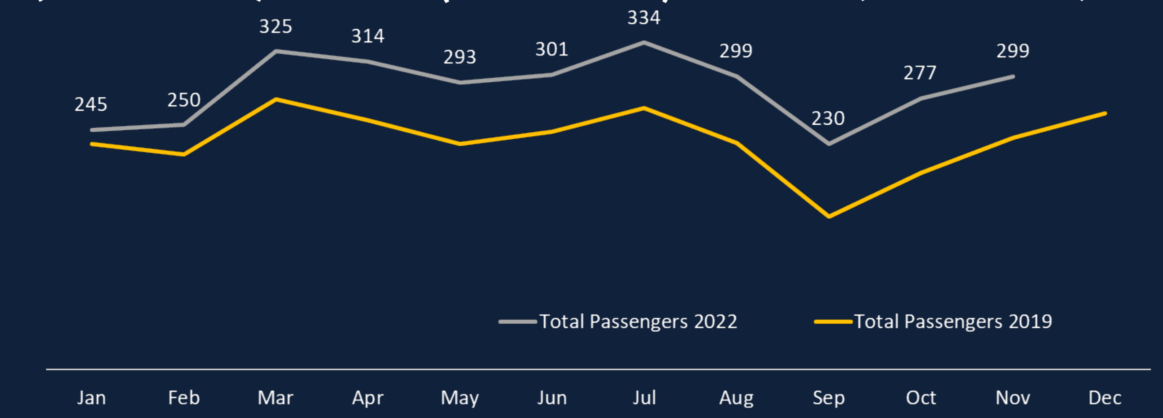
Air Passenger Arrivals

Total Passengers (Nov-2022, expressed in thousands):
299.1
+26.4%
(vs. Nov-2019)

Domestic Passengers (Nov-2022, expressed in thousands):
114.15
+50.1%
(vs. Nov-2019)

International Passengers (Nov-2022, expressed in thousands):
184.95
+15.2%
(vs. Nov-2019)

SOURCE: GAP



Tourist Satisfaction: more than expected (Nov-2022):
66%
+32pp
(vs. Nov-2019)

SOURCE: TOURIST SURVEYS

Safety satisfaction (Nov-2022):
1.9% bottom two
-13pp
(vs Nov-2019)

SOURCE: TOURIST SURVEYS

Airport Satisfaction (Nov-2022):
4.3% bottom two
-7pp
(vs Nov-2019)

SOURCE: TOURIST SURVEYS

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

LOS CABOS

Key indicators – Summary (Nov-2022)

PASSENGER ARRIVALS

- In Nov-2022, SJD Airport recorded a 26.4% (+62.5 thousand) increase in the total number of passengers arriving at the destination compared to 2019, adding up to a total of 299.1 thousand (when considering arrivals only).
  - Passengers on domestic flights (114.15 thousand) represent 38.2% of total arrivals. These increased by 50.1% (+38.1 thousand vs. Nov-2019).
  - Passengers on international flights (184.95 thousand) represent 61.8% of total arrivals. These increased by 15.2% (+24.4 thousand vs. Nov-2019).

FLIGHT SCHEDULES

- The domestic market has 68.4% more available seats scheduled for the Dec-2022 to May-2023 period compared to the same period in 2019 (planned volume). In Dec-2022, 68.8% more is expected.
  - Mexico City, Guadalajara, and Tijuana are the most relevant issuing markets, with 46%, 19%, and 18% of total available seats, respectively (for the next 6 months). Followed by Monterrey (6%), Culiacan (8%), Leon (1%) and Hermosillo (1%).
- There are 1.38 million seats scheduled for the U.S. in the next 6 months, that is 31.9% more than the same period in 2019.
  - LAX (+37.2%), PHX (+81.4%), HOU (+5%), DFW (12.5%), and DEN (+58%) had the most significant increase vs. 2019. However, San Diego showed a decrease of 43.9%.
- For Dec-2022, the United States expects 32.6% more available seats than those scheduled for 2019.
- For Canada, 62.8% more seats are expected in the next 6 months. In Dec-2022, the increase was 76.7%.
  - Within the next 6 months, Calgary presents a decrease of 9.6%, Vancouver presents an increase of 96%, Edmonton 80.8% and Toronto 19.8% compared to 2019.

HOTEL PERFORMANCE

- In Nov-2022, occupancy was 74%, an increase of 1pp compared to 2019.
  - Occupancy in Cabo San Lucas dropped 3pp compared to 2019 and is now at 74%.
  - San José del Cabo recorded 72%, (a 3pp growth compared to 2019).
  - The Los Cabos Corridor recorded an occupancy rate of 75% (a 9pp increase).
- The average rate at Los Cabos hotels in Nov-2022 was USD 417; USD 111 more than that of 2019 (+36%).
- The RevPAR in Nov-2022 was USD 309, i.e. USD 86 (+38.6%) higher than that of 2019.

TOURIST SURVEYS

- In Nov-2022, 66% of tourists rated their experience in Los Cabos as better than expected (32pp more than in 2019).
- During Nov-2022, security was perceived as 'bad' or 'regular' by 1.9% of tourists, 13pp better than in 2019.
- Satisfaction with the airport also improved 7pp compared to 2019 (4.3% of tourists perceived their experience as 'regular' or 'bad').
- The number of repeat tourists decreased by 9pp compared to 2019, reaching 39% in Nov-2022.
- 18% of tourists traveled with a package tour, down -22pp compared to 2019.
- The number of tourists who visited restaurants increased by 19pp this month, recording 84%.

GROUP BUSINESS

- 9 more RFPs for meeting events were received in Nov-2022 compared to 2019, totaling 40.

This section presents the results of the destination considering only the information available for the current month on 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

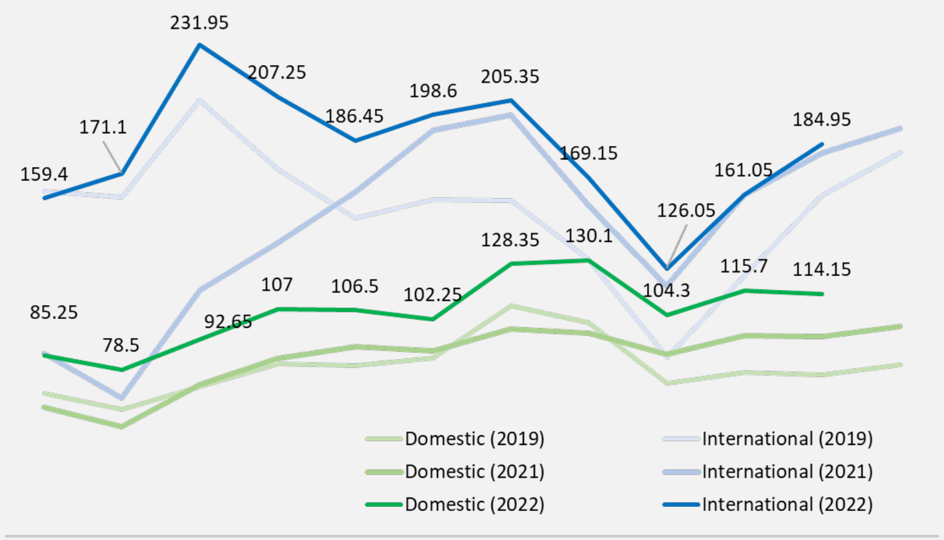
PASSENGER ARRIVALS

Passenger arrivals at Los Cabos International Airport, 2019-2022

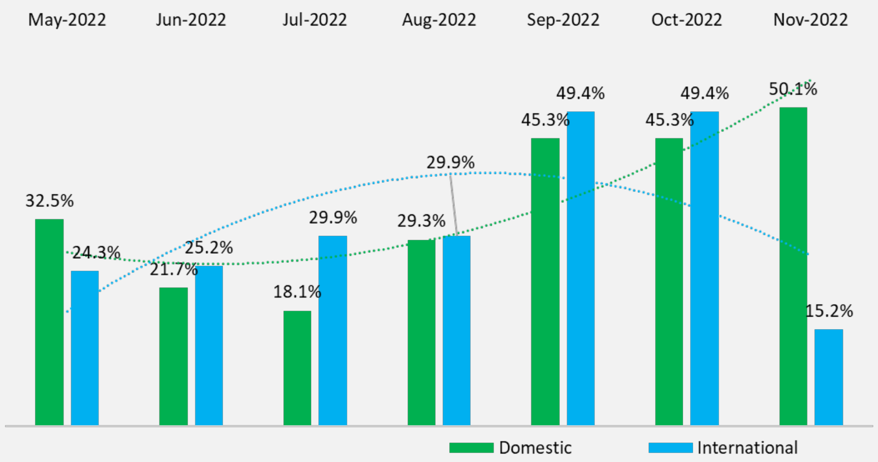
- In Nov-2022, 299.1 thousand passengers arrived at Los Cabos International Airport, which represents a 26.4% increase compared to the same period in 2019.
  - It represents an average growth rate of 0.7% over the last 12 months.
  - Passengers on domestic flights (**114.15 thousand**) represent 38.2% of total arrivals and increased by 50.1% compared to Oct-2019.
  - Passengers on international flights (**184.95 thousand**) represent 61.8% of total arrivals and increased 15.2%.

SOURCE: GAP

Monthly arrivals (expressed in thousands)



Variation with respect to 2019



LOS CABOS

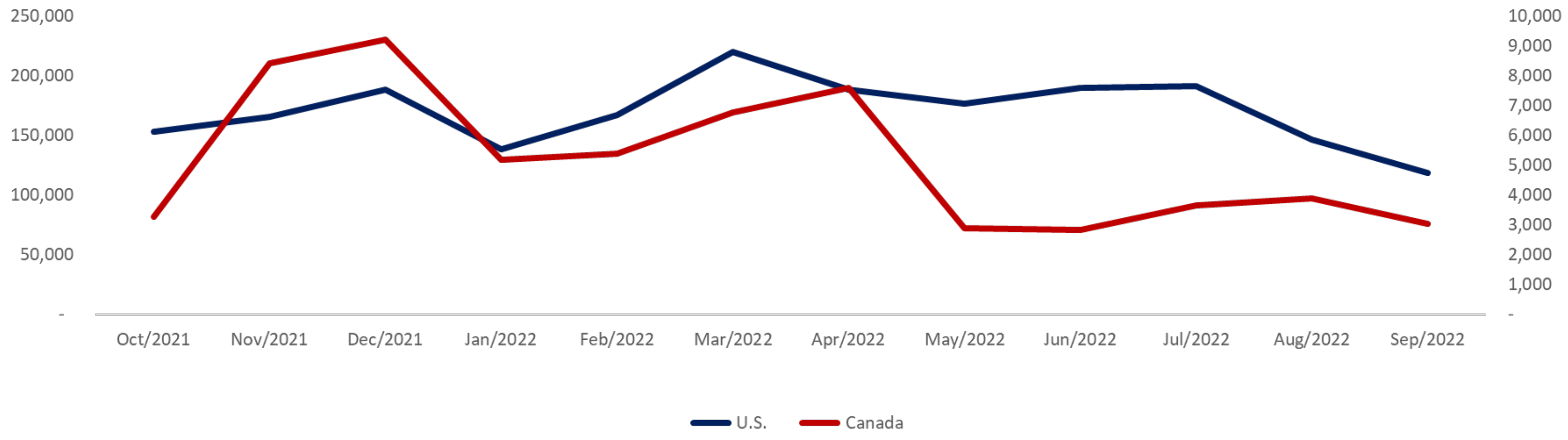
LOS CABOS TOURISM OBSERVATORY

PASSENGER ARRIVALS
By nationality

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

Regions	Oct/2021	Nov/2021	Dec/2021	Jan/2022	Feb/2022	Mar/2022	Apr/2022	May/2022	Jun/2022	Jul/2022	Aug/2022	Sep/2022	Oct/2022	Δ Oct-2022 / Oct-2019	Δ Jan-Oct 2022 / Jan-Oct 2019
U.S.	153,027	165,218	187,942	137,967	166,842	220,094	187,961	176,380	189,451	191,412	146,061	118,447	148,776	30.6%	30.3%
Canada	3,280	8,420	9,190	5,176	5,388	6,760	7,578	2,888	2,838	3,651	3,884	3,022	6,457	-12.1%	-59.5%
Europe	94	299	431	255	189	173	482	211	183	878	1,886	287	364	-18.6%	-40.0%
Caribbean, Central & South America	130	116	155	82	76	90	115	75	88	202	159	72	112	9.8%	-45.5%
Rest of the world	187	352	337	150	150	170	365	218	284	782	776	419	351	-55.2%	-57.8%
Grand total	156,718	174,405	198,055	143,630	172,645	227,287	196,501	179,772	192,844	196,925	152,766	122,247	156,060	27.3%	22.1%

Key markets	Oct/2021	Nov/2021	Dec/2021	Jan/2022	Feb/2022	Mar/2022	Apr/2022	May/2022	Jun/2022	Jul/2022	Aug/2022	Sep/2022	Oct/2022	Δ Oct-2022 / Oct-2019	Δ Jan-Oct 2022 / Jan-Oct 2019
United Kingdom	27	81	146	98	66	60	228	97	84	121	147	94	128	-17.4%	-42.7%
Australia	19	41	44	35	43	25	140	86	97	141	138	139	165	-52.3%	-68.1%
South Korea	11	45	15	3	-	5	22	12	13	41	23	23	20	-88.8%	-85.6%
Key markets total	57	167	205	136	109	90	390	195	194	303	308	256	313	-54.0%	-63.3%



SOURCE: INM- SIOM

International tourist arrivals by air, by origin (residence)

+27.3%

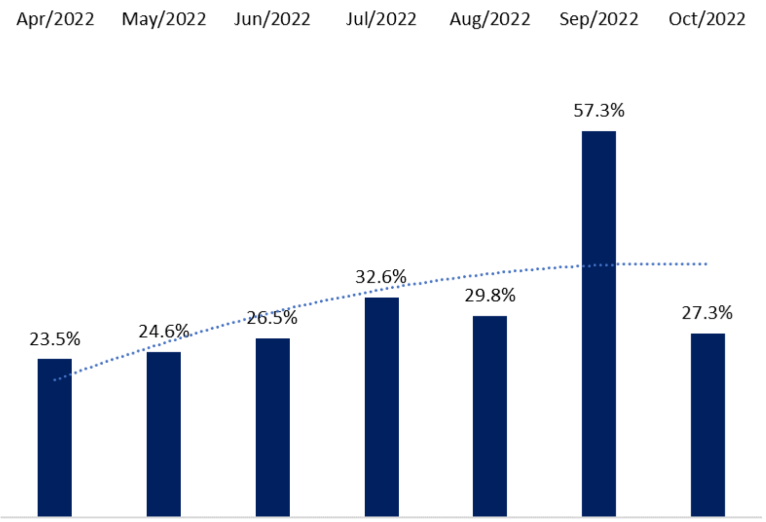
Oct-2022 vs 2019

In Oct-2022, Los Cabos International Airport recorded the arrival of 156,060 international tourists. This meant a 27.3% increase compared to 2019.

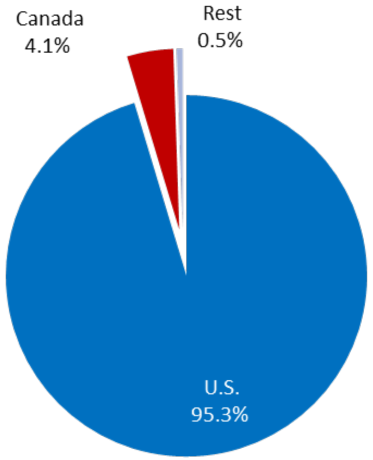
However, this was mainly driven by growth in inbound American tourists (+30.6% vs 2019). American tourists represent 95.3% of the total.

Meanwhile, the rest of the regions declined except for the Caribbean, Central, and South America.

Annual variation of international tourist arrivals by air to Los Cabos International Airport (May-Oct-2022 vs. 2019)



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

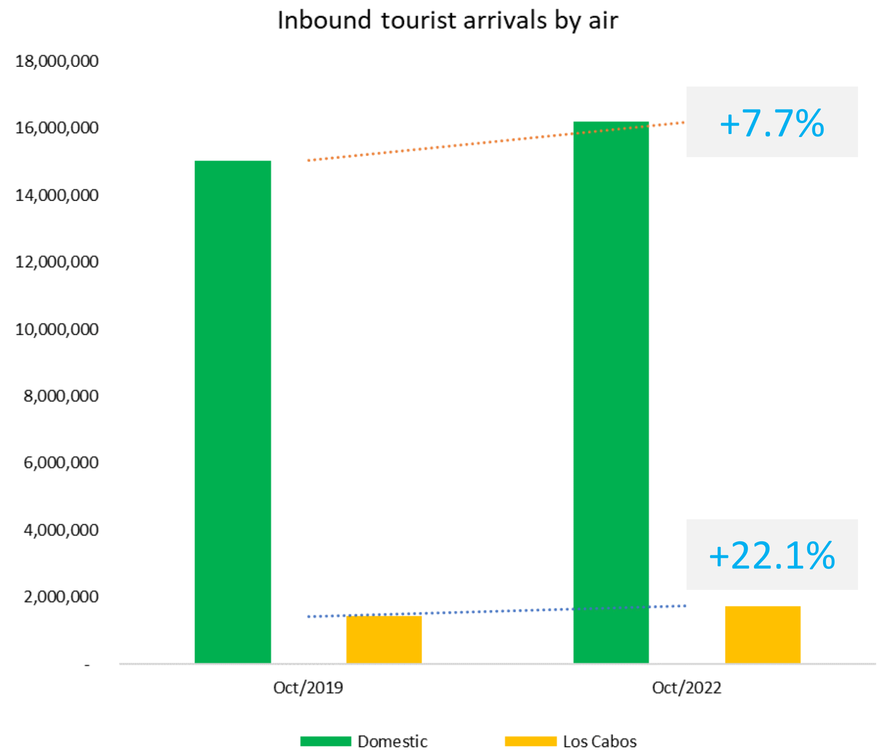


SOURCE: INM- SIOM

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

Regions	Domestic			Los Cabos		
	Oct/2019	Oct/2022	Δ 2022/2019	Oct/2019	Oct/2022	Δ 2022/2019
United States	8,818,853	10,964,883	24.3%	1,291,923	1,683,391	30.3%
Canada	1,760,218	1,135,799	-35.5%	117,550	47,642	-59.5%
Europe	1,687,642	1,642,907	-2.7%	8,179	4,908	-40.0%
Caribbean, Central & South America	2,222,440	2,075,594	-6.6%	1,965	1,071	-45.5%
Rest of the world	542,880	363,321	-33.1%	8,675	3,665	-57.8%
Grand total	**15,032,033**	**16,182,504**	**7.7%**	**1,428,292**	**1,740,677**	**22.1%**

Key Markets	Domestic			Los Cabos		
	Oct/2019	Oct/2022	Δ 2022/2019	Oct/2019	Oct/2022	Δ 2022/2019
United Kingdom	488,308	461,624	-5.5%	1,959	1,123	-42.7%
Australia	52,963	20,269	-61.7%	3,165	1,009	-68.1%
South Korea	70,348	22,161	-68.5%	1,125	162	-85.6%
Key markets total	**611,619**	**504,054**	**-17.6%**	**6,249**	**2,294**	**-63.3%**



When comparing the accrual Jan-Oct 2022 to 2019, tourist arrivals by air increased 7.7% nationwide and 22.1% in Los Cabos.

- On a domestic level, the U.S. travel market increased by 24.3%, whereas the Canadian travel market decreased by 35.5%.
- In Los Cabos International Airport, the U.S. travel market grew by 30.3%, while the Canadian travel market decreased by 59.5% when comparing both periods.

SOURCE: INM- SIOM

LOS CABOS

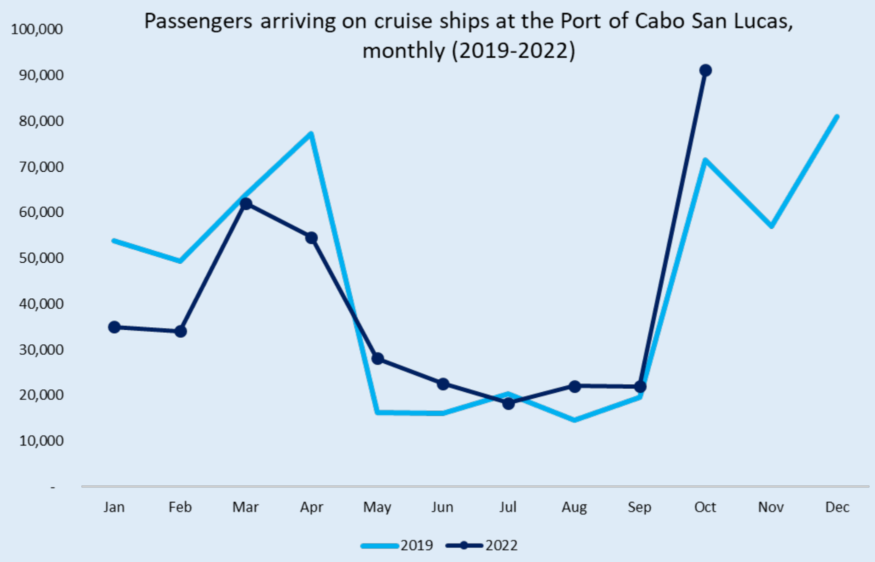
LOS CABOS TOURISM OBSERVATORY

YACHT AND CRUISE SHIP ACTIVITY

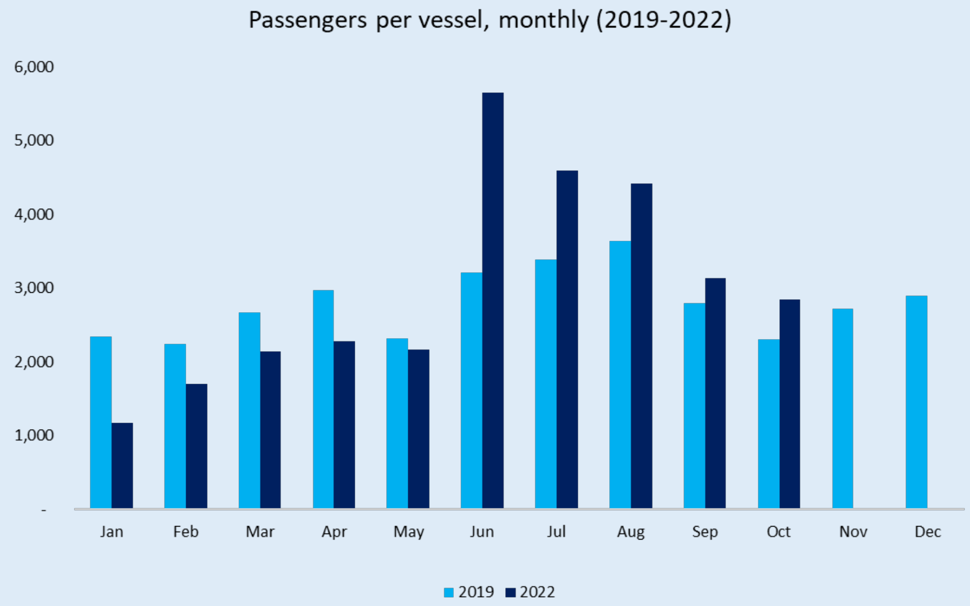
Cruise activity (Nov-2022)

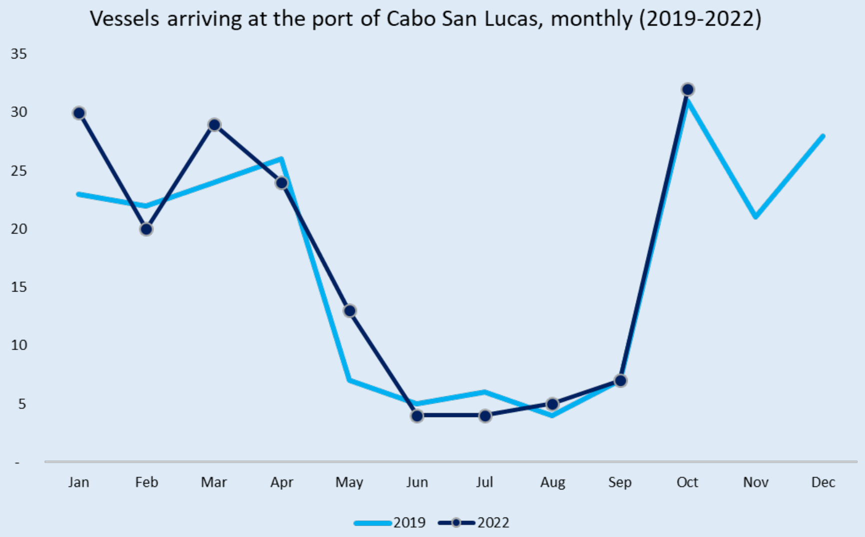
Cruise operations continued to improve significantly in Nov-2022, with 31 vessels arriving at the port of Cabo San Lucas, carrying a total of 91,203 passengers. Compared to 2019, this means a 59.6% increase.

This month, there are 2,847 passengers per vessel, 4.8% more than in 2019.



SOURCE: DATATUR-SCT

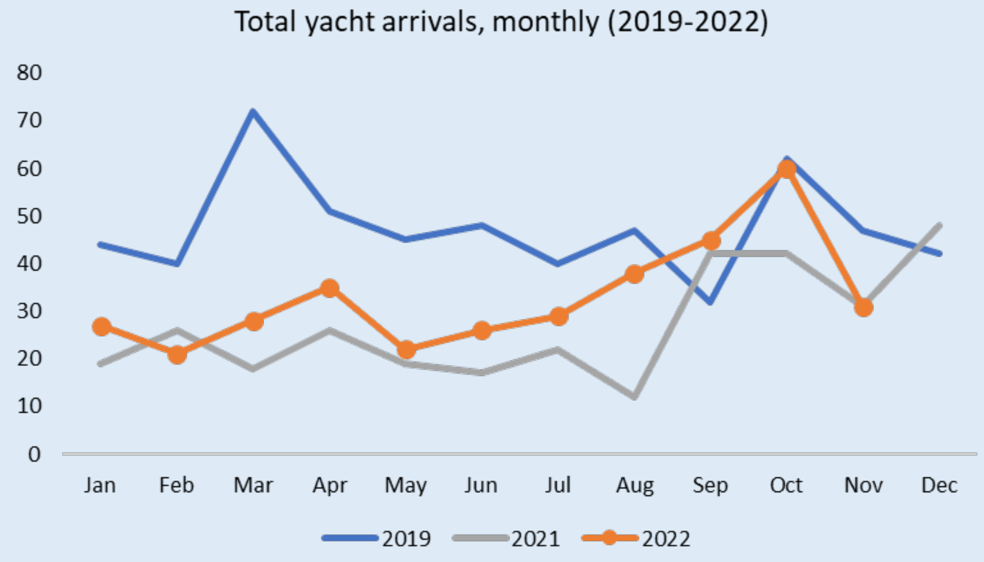


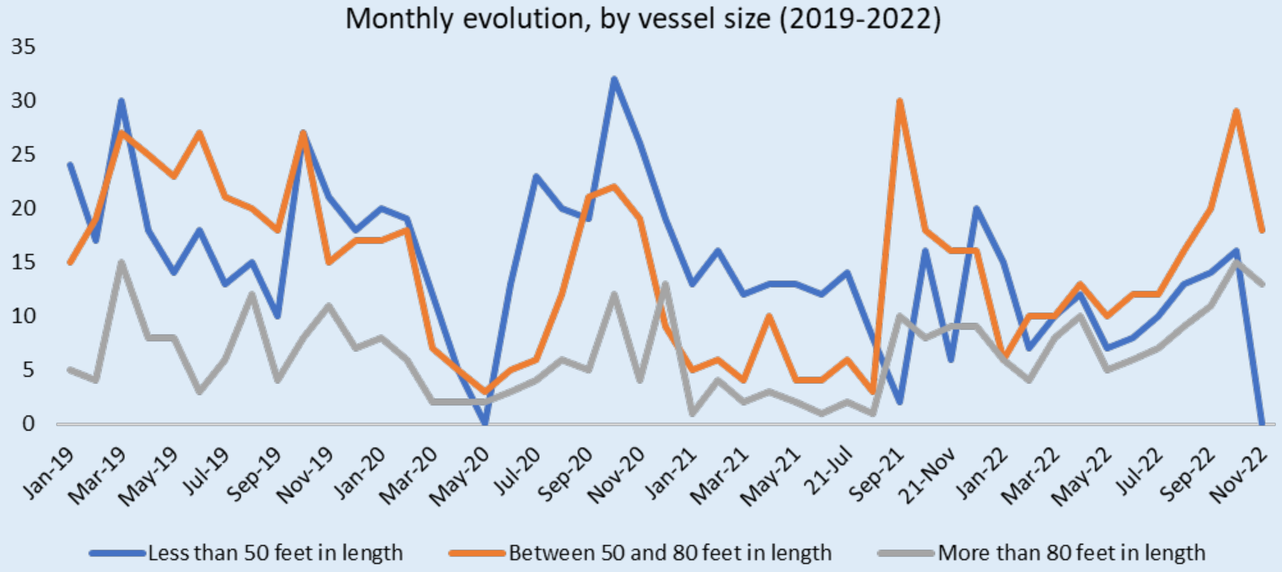


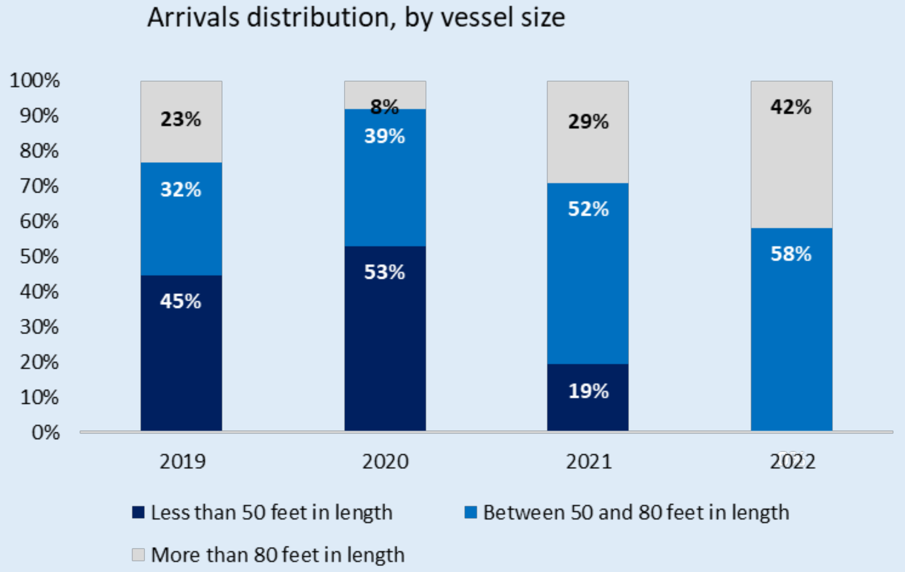
Yacht arrivals at the Port of Cabo San Lucas (Nov-2022)

- **31 yachts arrived at the Port of Cabo San Lucas in Oct-2022. This represents a decrease of 16 vessels (-34%) compared to the same period in 2019.**
  - **58% were small- or medium-sized vessels that measured less than 80 feet in length.**

SOURCE: API Cabo San Lucas





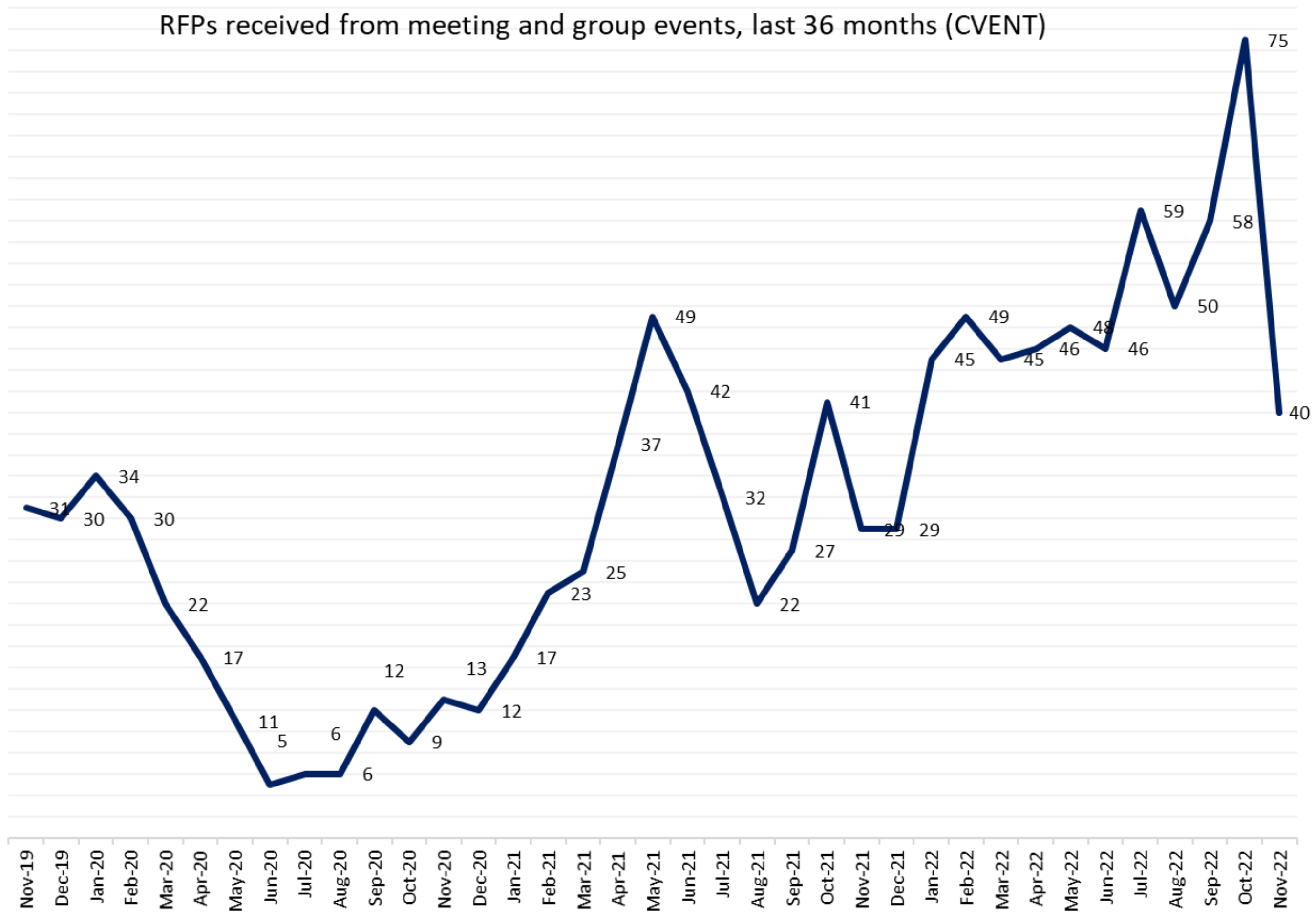


LOS CABOS

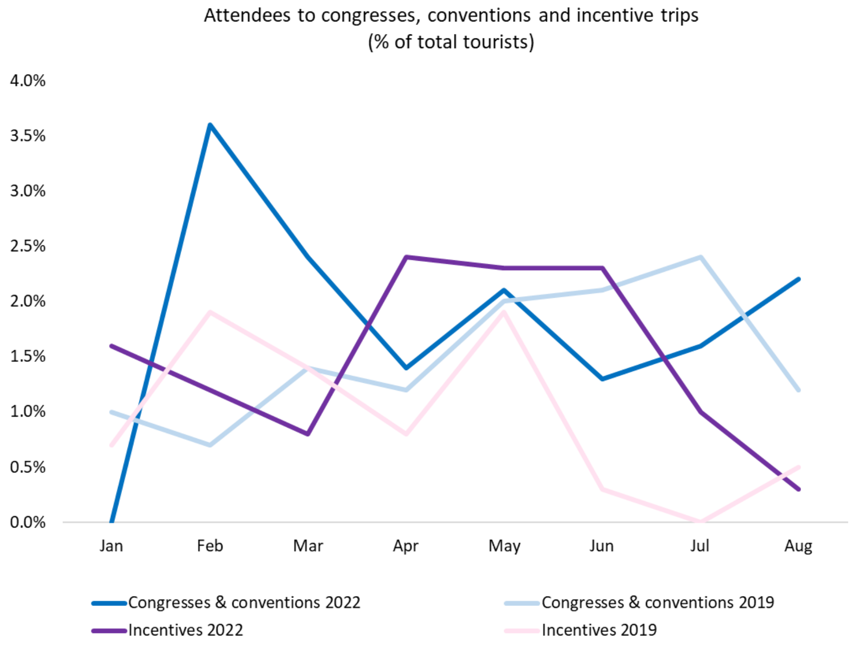
LOS CABOS TOURISM OBSERVATORY

TOURIST & GROUP BUSINESS SURVEYS

Group Business

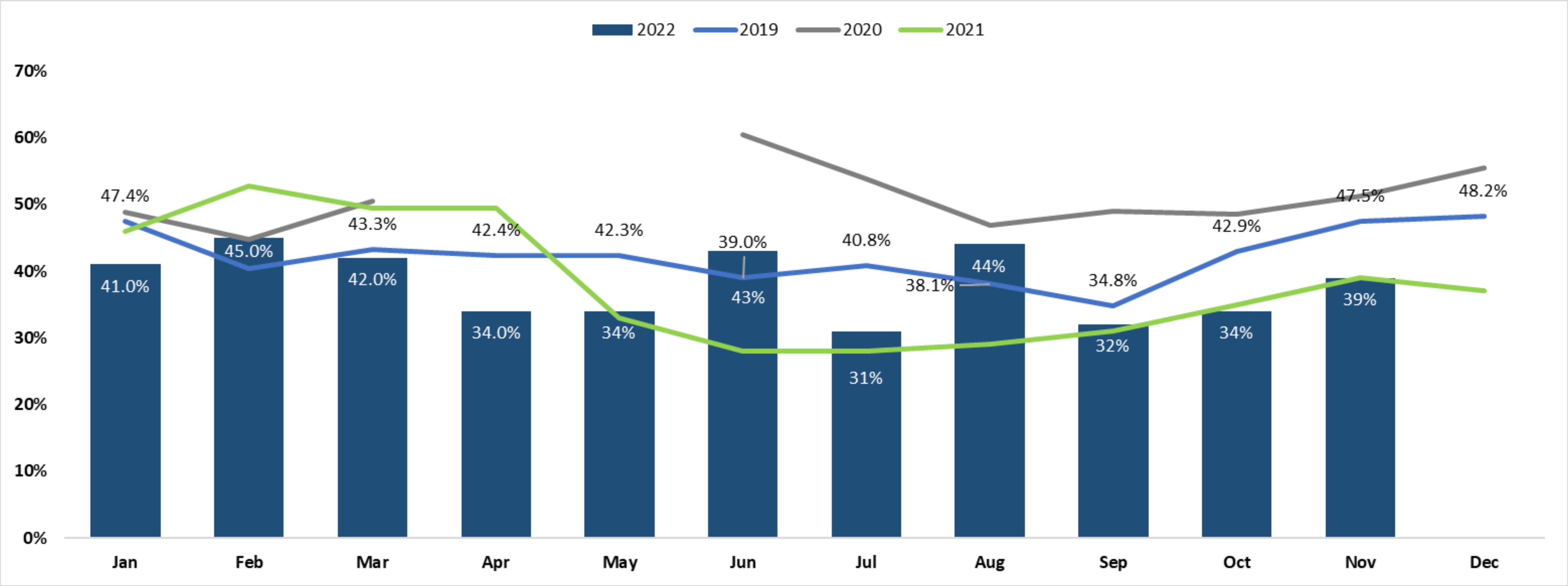


SOURCE: CVENT



SOURCE: Tourist Surveys

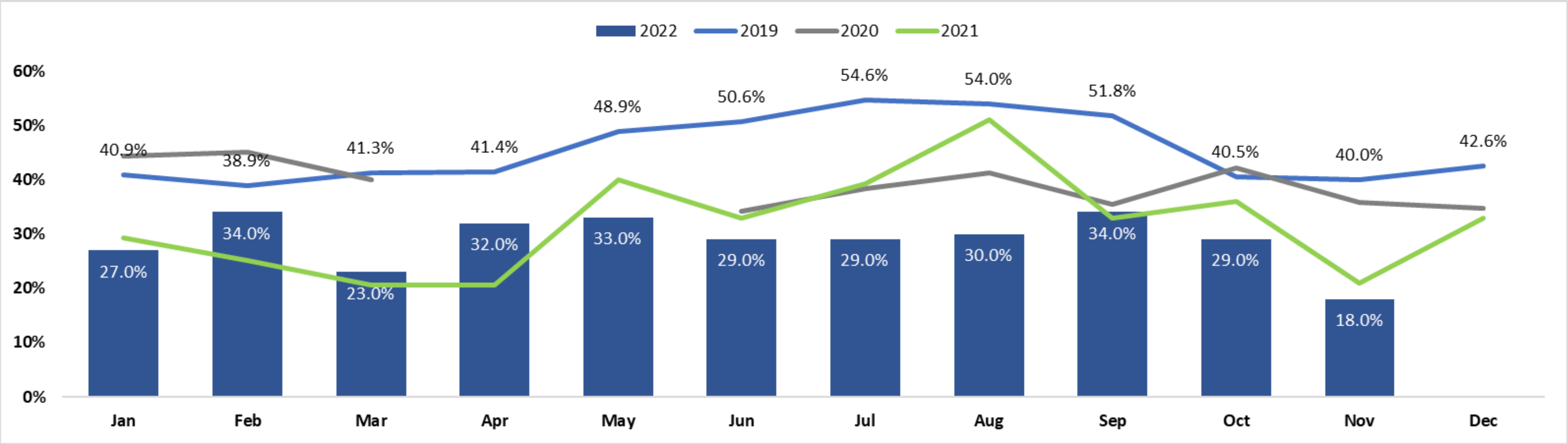
Return rate to the destination



- In Nov-2022, 39% of tourists had already visited the destination. This ratio is down 8.5pp compared to Nov-2019 and is the same as in Nov-2021.

SOURCE: TOURIST SURVEYS

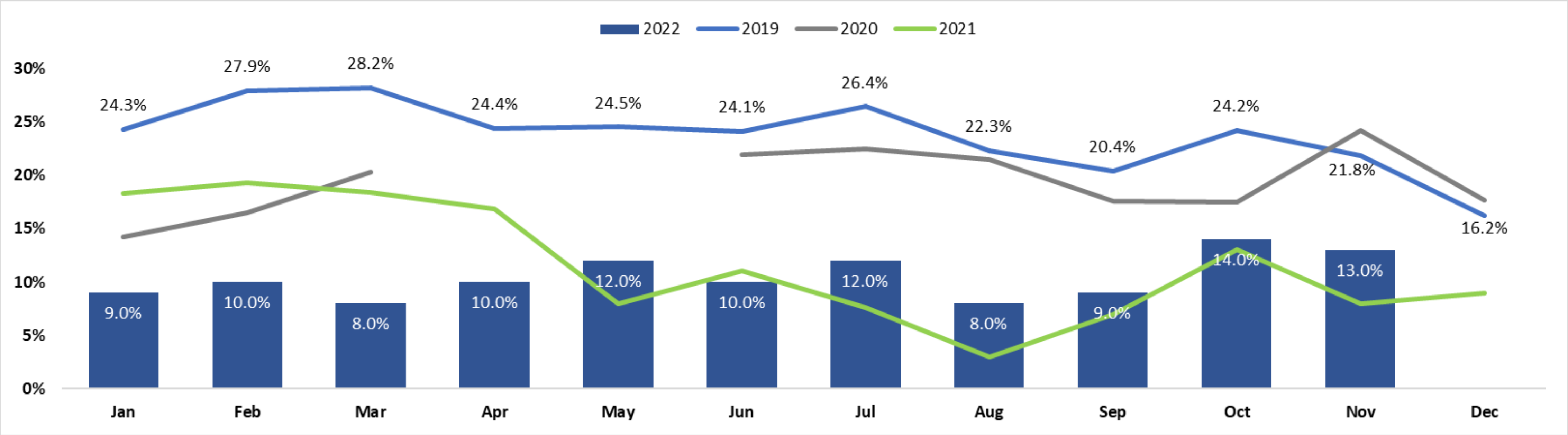
Package tour purchases



- The proportion of tourists who purchased their trip in a package is down by 18%, 22pp below the ratio for Nov-2019 and 3pp below Nov-2021.

SOURCE: TOURIST SURVEYS

Timeshares



- 13% of tourists in Nov-2022 made use of timeshares. This ratio is 8.8pp below Nov-2019 and 5pp above Nov-2021. This is the second highest ratio so far in 2022.

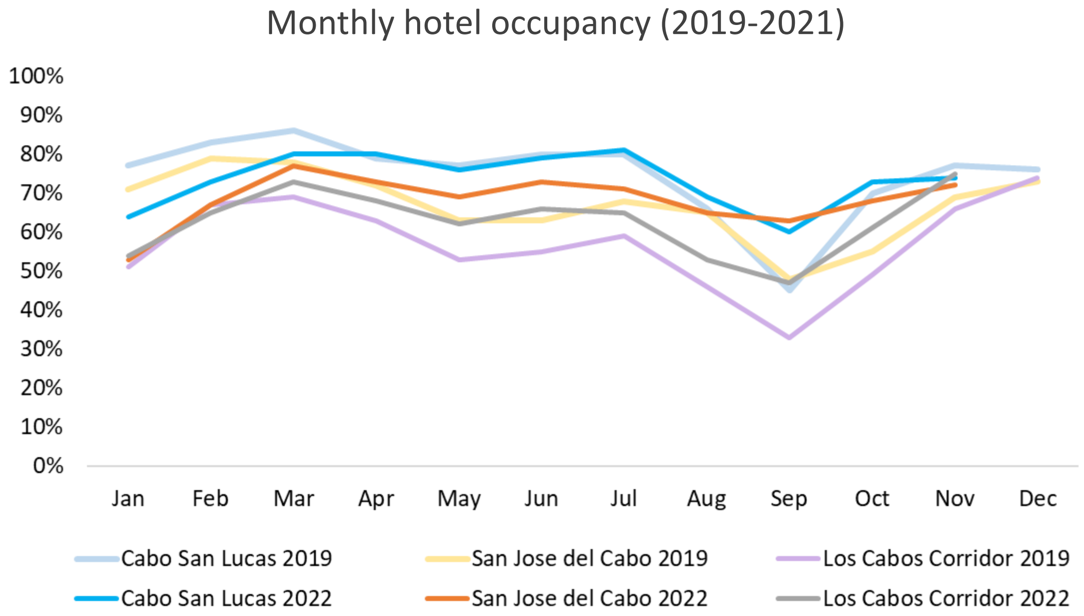
SOURCE: TOURIST SURVEYS

LOS CABOS

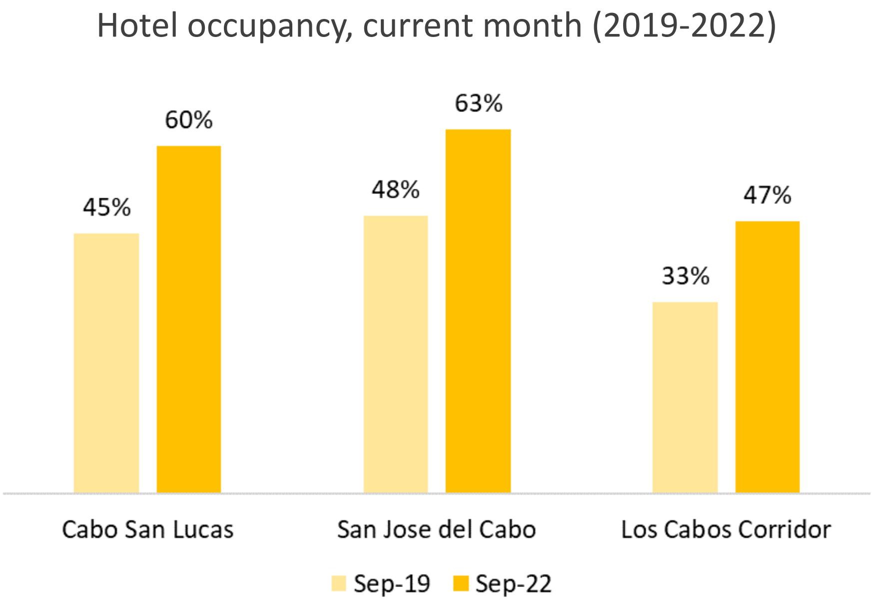
LOS CABOS TOURISM OBSERVATORY

SUPPLY INDICATORS
Hotel Performance

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



SOURCE: AHLC



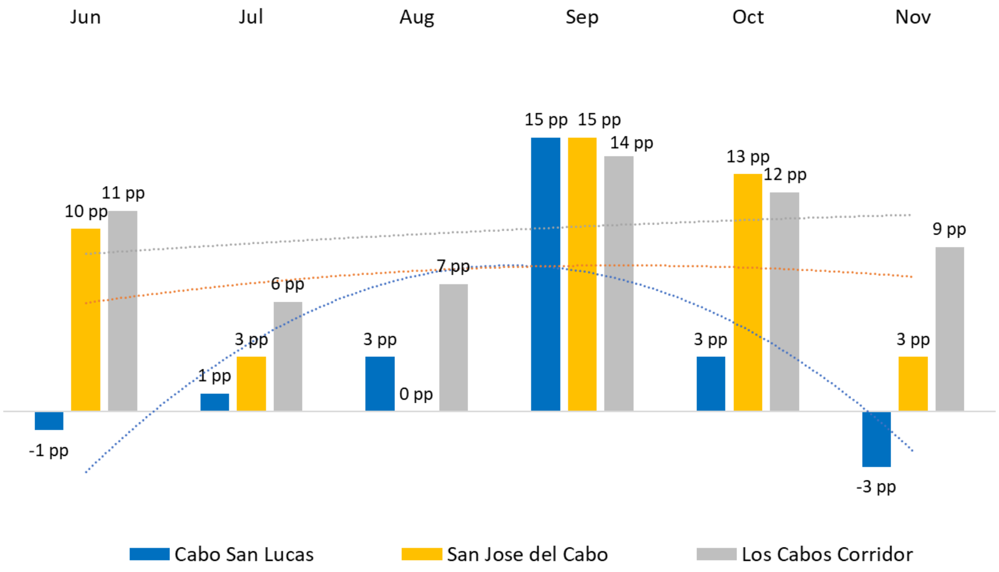
SOURCE: AHLC

- **According to the Los Cabos Hotel Association, hotel occupancy in Los Cabos reached 74% in Nov-2022, 1pp more than 2019.**
- **In Oct-2022, 244.1 thousand tourists arrived at hotels in Los Cabos, 26.4% more than in 2019. At the same time, the average stay decreased (0.3 nights, according to DATATUR).**
    - **The number of domestic and international tourist arrivals at hotels increased by 2.8% and 36% in this period.**
    - **In Oct-2022, domestic tourism represented 23.5% of the total. A share of 28.9% was recorded in 2019.**

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

Annual variation in hotel occupancy, by destination

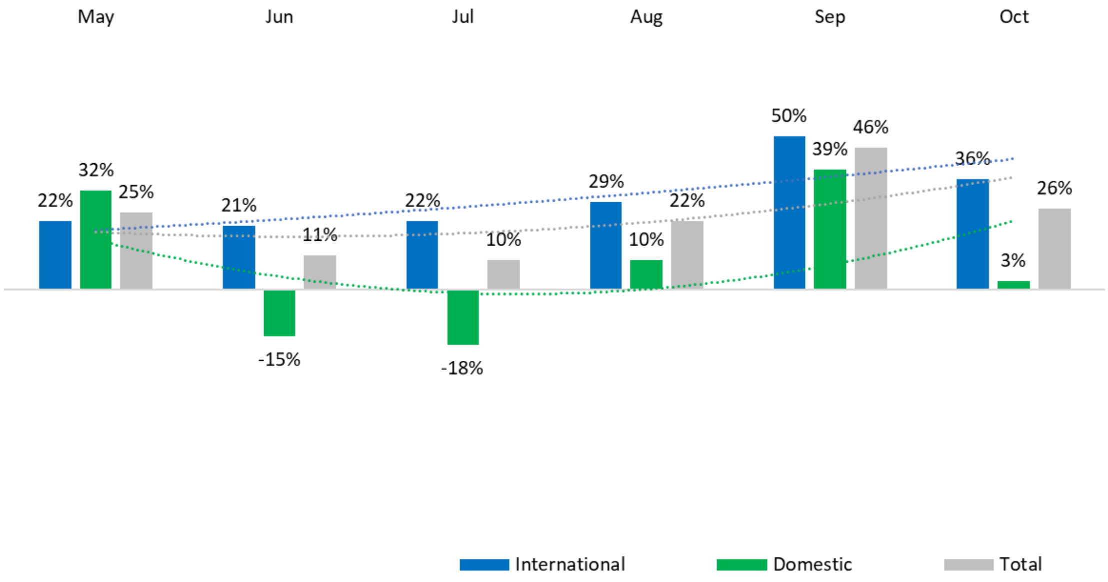
(Jun-Nov-2022 vs. 2019)



SOURCE: AHLC

Annual variation of tourist arrivals at hotels, by origin

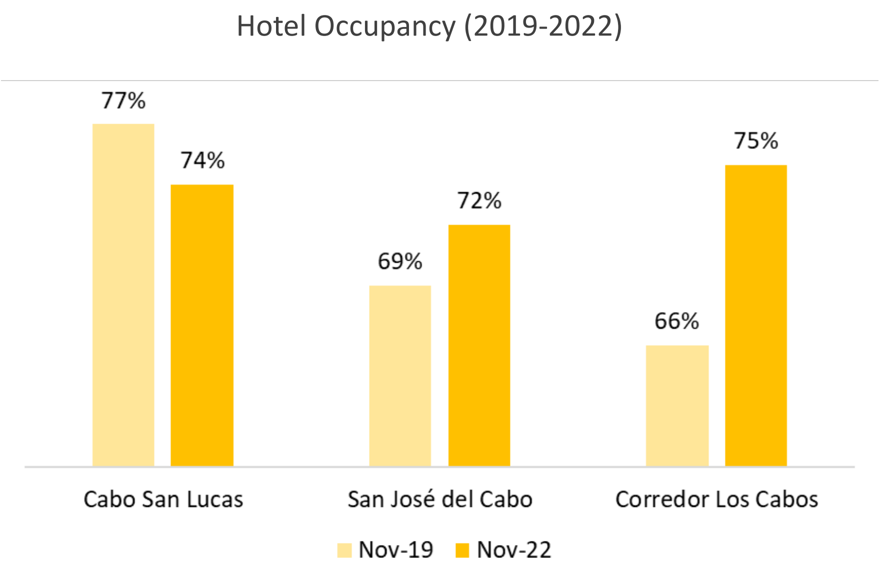
(May-Oct-2022, vs. 2019)



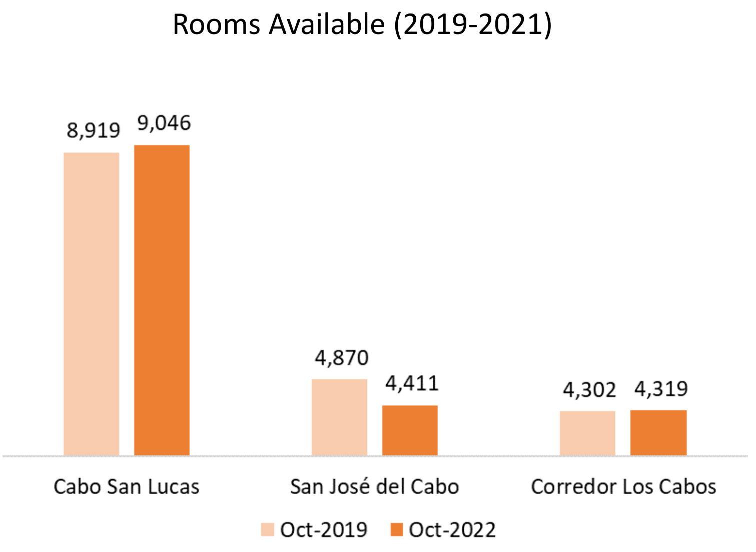
SOURCE: DATATUR

- **In Cabo San Lucas, there is a decrease of 3pp in hotel occupancy compared to 2019; however, in San Jose del Cabo and the Corridor, there is an increase of 3 and 9pp respectively.**

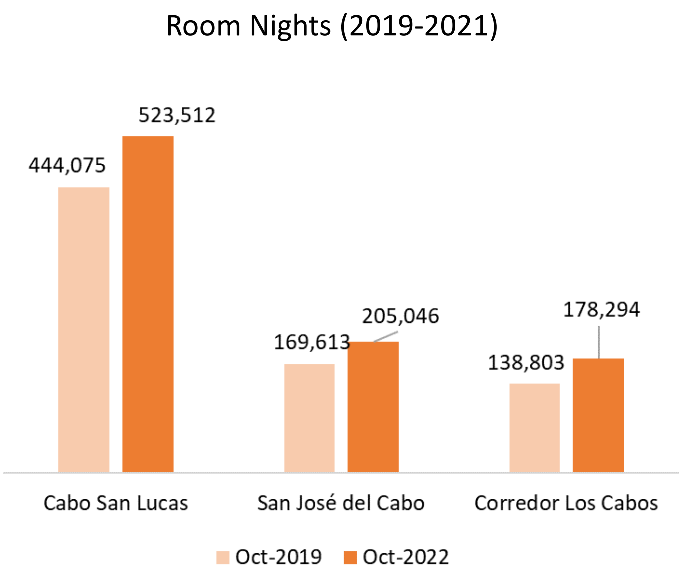
Evolution of the hotel supply in Los Cabos and sub-destinations



SOURCE: AHLC



SOURCE: DATATUR



SOURCE: DATATUR

CABO SAN LUCAS

- **Occupancy in Nov-2022 was 74%, 3pp less than in 2019 (AHLC).**
- **Its hotel supply increased 1.4% between Oct-2022 and 2019, registering 9 thousand rooms (DATATUR).**
- **Occupied room nights increased by 17.9% between Oct-2019 and 2022 (DATATUR).**

SAN JOSE DEL CABO

- **Occupancy in Nov-2022 was 72%, 3pp more than in 2019 (AHLC).**
- **Its hotel supply decreased 9.4% between Oct-2022 and 2019, registering a total of 4.4 thousand rooms (DATATUR).**
- **Occupied room nights decreased 20.9% between Oct-2019 and 2022 (DATATUR).**

LOS CABOS CORRIDOR

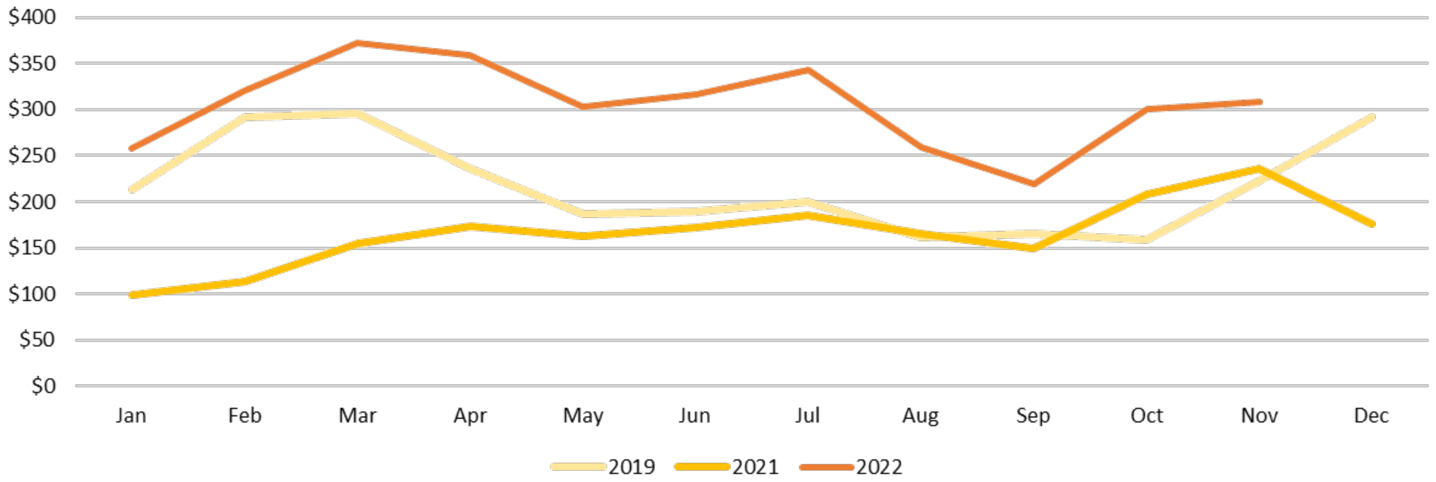
- **Occupancy in Nov-2022 reached 75%, which is 9pp more than in 2019 (AHLC).**
- **Its hotel supply increased 0.4% between Oct-2022 and 2019, registering 4.3 thousand rooms (DATATUR).**
- **Occupied room nights increased by 28.5% between Oct-2019 and 2022 (DATATUR).**

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

- **The average hotel rate in Los Cabos for Nov-2022 was USD 417, USD 8 above the last 12-month average (USD 425) and USD 111 above that of 2019.**
  - **Cabo San Lucas recorded an increase of 59.9% (USD 127) compared to 2019 and now stands at USD 339.**
  - **San Jose del Cabo now stands at $346 USD, recording an increase of its rate by $174 (101.2%) compared to 2019.**
  - **Compared to 2019, the rate in Los Cabos Corridor increased by USD 163, or 44.9% and recorded USD 526.**

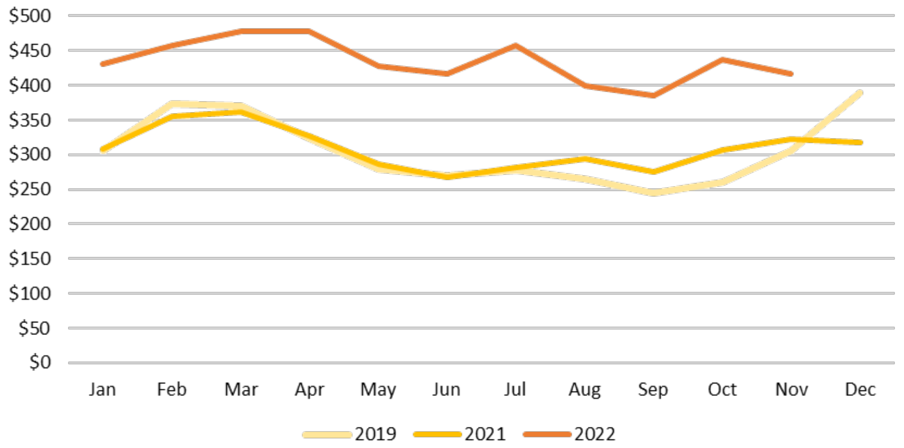
- **The RevPAR in Nov-2022 was USD 309, i.e. USD 86 (+38.6%) higher than that of 2019.**

RevPAR Los Cabos (USD, 2019-2022)

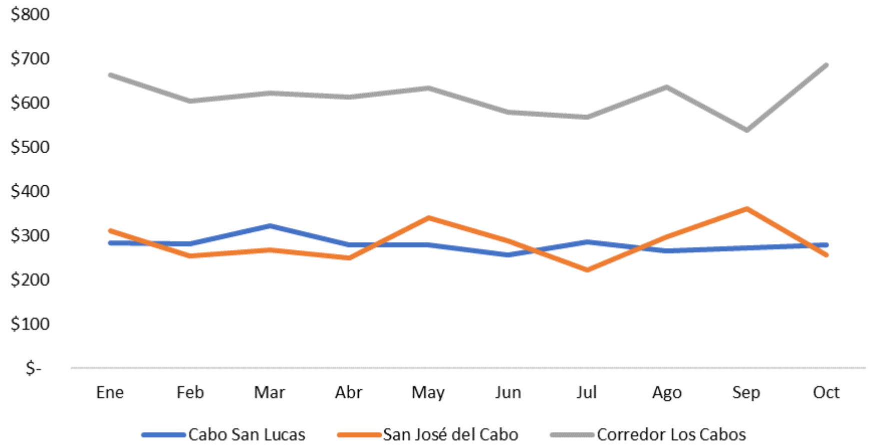


SOURCE: AHLC

Average Hotel Rate, Los Cabos (USD, 2019-2022)



Average Hotel Rate, Sub-destinations (USD, monthly, 2022)



LOS CABOS

LOS CABOS TOURISM OBSERVATORY

SUPPLY INDICATORS
Air Connectivity

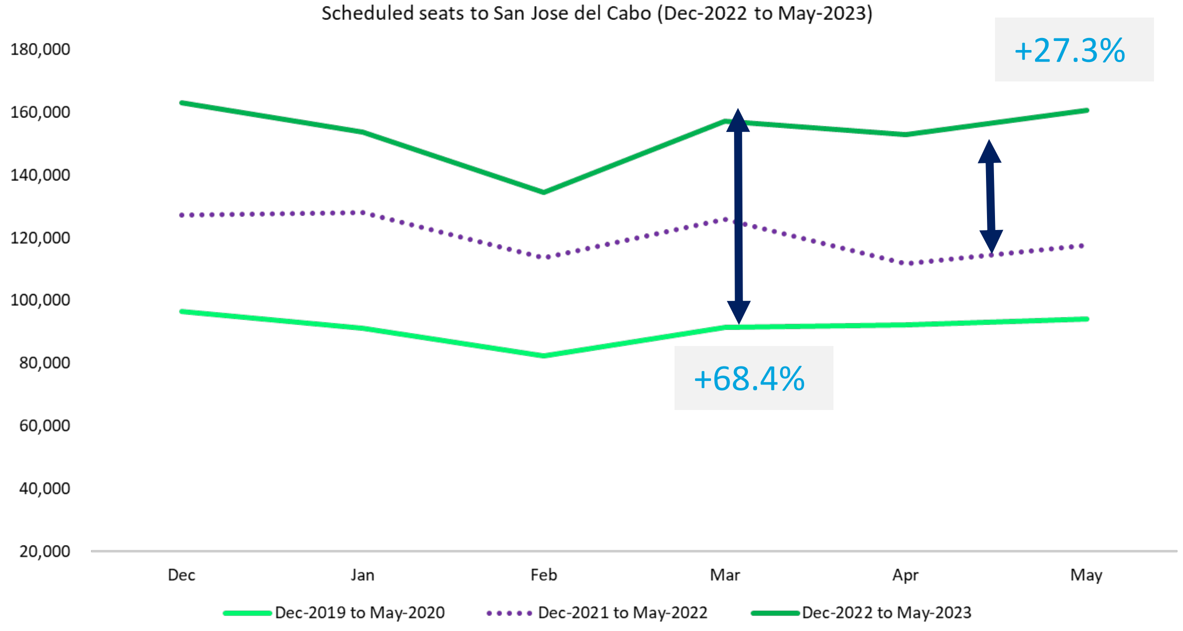
SOURCE: OAG

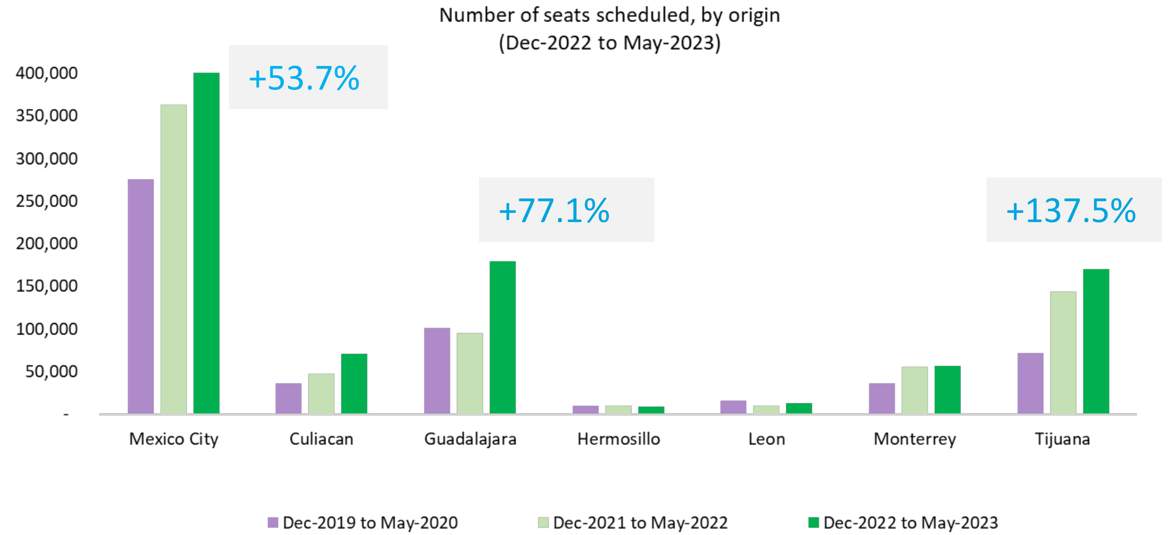
Domestic air connectivity

SEATS SCHEDULED FROM DEC-2022 TO MAY-2023

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

- **There are 922.3 thousand seats scheduled for the next 6 months, 68.4% more seats 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 27.3% higher.**
  - **For Dec-2021, the United States expects 68.8% more seats than those scheduled for 2019.**
- **Mexico City, Guadalajara, and Tijuana are the most relevant issuing markets, with 46%, 19%, and 18% of total available seats, respectively (for the next 6 months). Followed by Monterrey (6%), Culiacan (8%), Leon (1%) and Hermosillo (1%).**
  - **Flight seats departing from CDMX, GDL and TIJ increased by 53.7%, 77.1% and 137.58%, respectively (when compared to 2019). However, BJX decreased by 18.1%. Consequently, TIJ's market share grew 7pp during these 6 months, and BJX's dropped by 2pp.**
- **For the next 6 months, 53% 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 Aug-2022 were: Aeromexico (65%), VivaAerobus (68%), and Volaris (69%).**





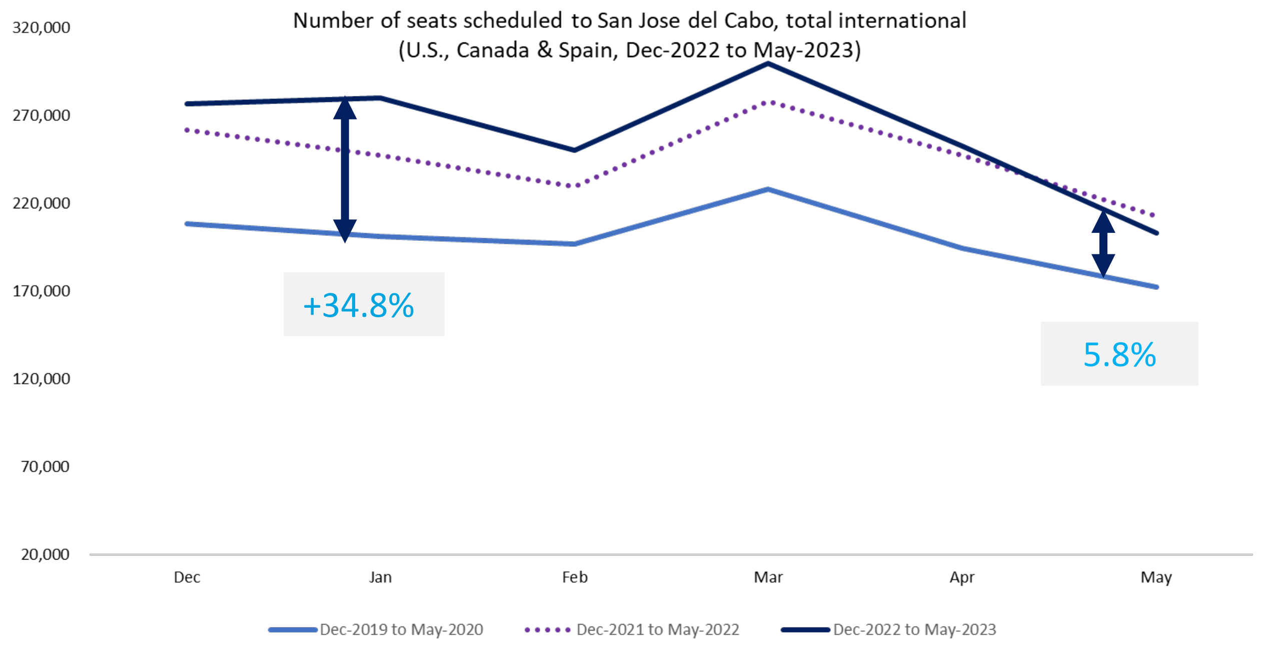
SOURCE: OAG

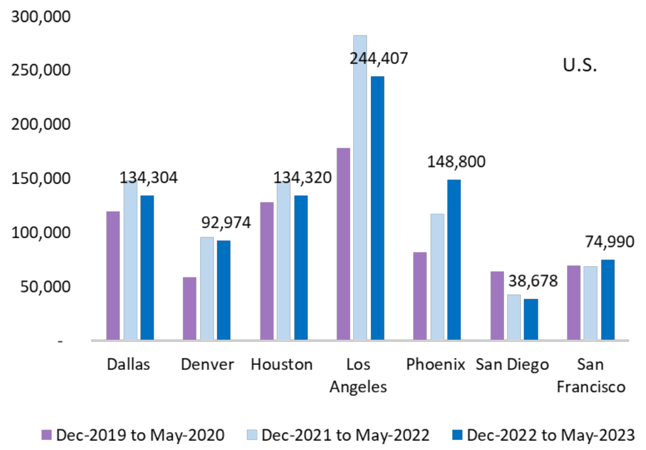
International air connectivity

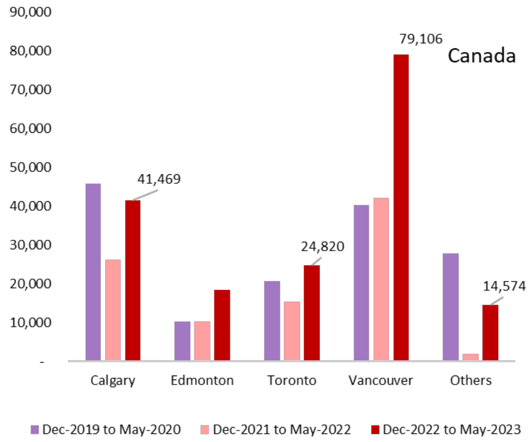
SEATS SCHEDULED FROM DEC-2022 TO MAY-2023

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

- **There are 1.38 million seats scheduled for the U.S. in the next 6 months, which is 31.9% more than 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 0.2% higher.**
    - **LAX (+37.2%), PHX (+81.4%), HOU (+5%), DFW (12.5%), and DEN (+58%) had the most significant increase vs. 2019.However, San Diego showed a decrease of 43.9%.**
    - **Los Angeles is the main issuing market in the U.S. (18% of the market), followed by DFW (10%), Houston (10%), and Phoenix (11%).**
    - **American, Alaska, Delta, Southwest, and United Airlines are the most relevant (92% as a whole).**
    - **For Dec-2022, the United States expects 32.6% more seats than those scheduled for 2019.**
- **There are 192.8 thousand seats scheduled for Canada in the next six months, which is 62.8% more 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 86.3% higher.**
    - **For Dec-2022, the United States expects 76.7% more seats than those scheduled for 2019.**
    - **Within the next 6 months, Calgary presents a decrease of 9.6%, Vancouver presents an increase of 96%, Edmonton 80.8% and Toronto 19.8% compared to 2019.**
    - **During this period, WestJet (+6.4%) and Swoop (+100%) increase the number of seats. Air Canada (-19.2%) and Sunwing (-6%).**
- **Load factors of international airlines for Aug-22 were: American 77%, Alaska 89%, Delta 74%, United 88%, Southwest 72%, Sunwing 65%, Westjet 91%.**







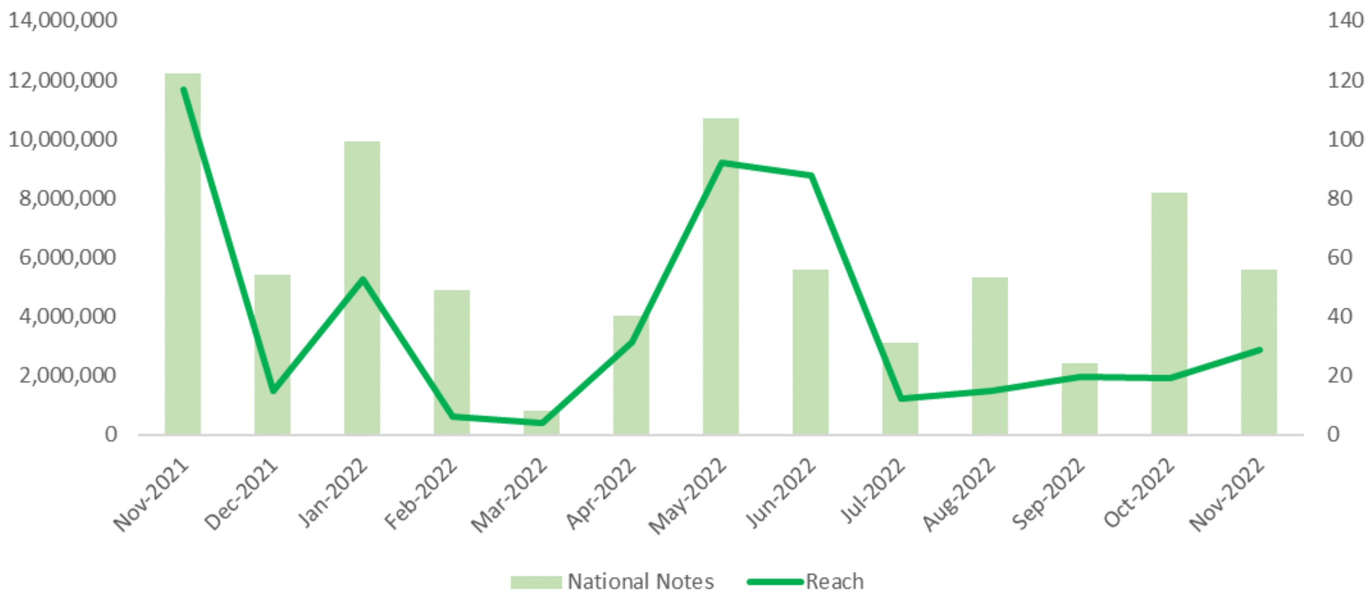
LOS CABOS

LOS CABOS TOURISM OBSERVATORY

PUBLIC RELATIONS

Public relations: notes and scope (domestic market)

- **During Nov-2022, 56 placements were introduced, accounting for 2.9 million impressions. An average of 50 placements has been published monthly since the pandemic started in April 2020, with a monthly reach of 3.7 million.**

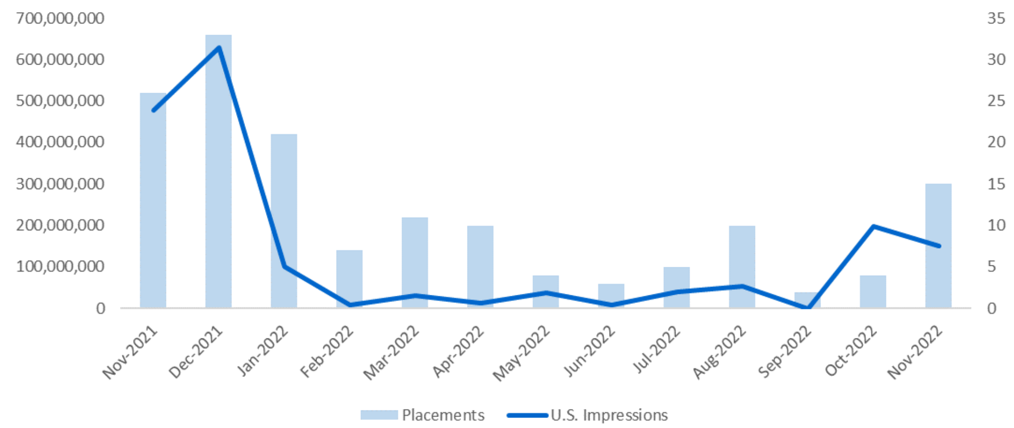


SOURCE: GAUDELLI (Feb-18 to Jan-19), LLORENTE Y CUENCA (Feb-19 to Sep-22)

Public relations: notes and scope (international market)

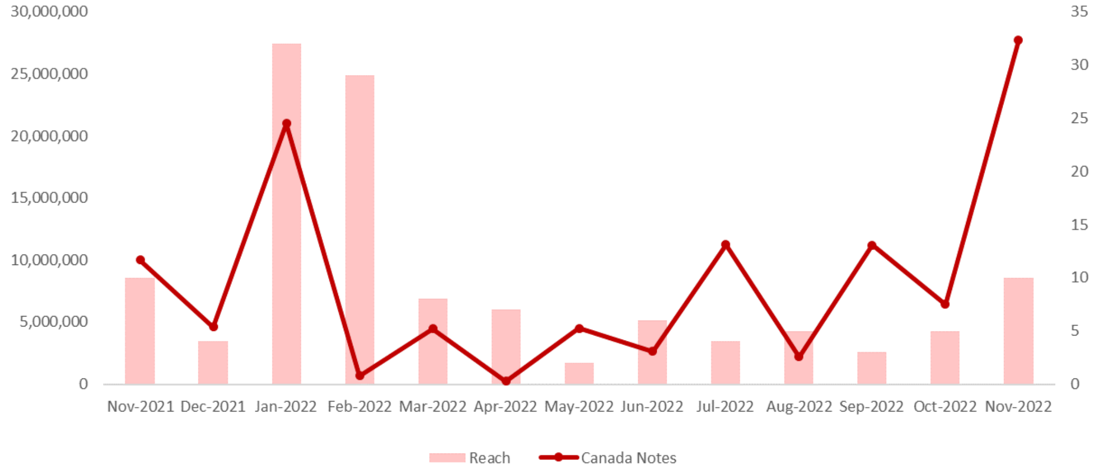
- **In Nov-2022, 15 placements and 151 million impressions were achieved in the United States. An average of 14 placements has been published monthly since the pandemic started, with a monthly reach of 421 million.**
- **10 notes were generated for the Canadian market throughout Nov-2022, achieving 27.7 million impressions. An average of 15 placements has been published monthly since April, with a monthly reach of 5.5 million.**
- **2 notes were generated for the Spanish market throughout Nov-2022, achieving 2.7 million impressions. An average of 9 monthly placements has been published monthly since Jul-2022, with a monthly reach of 30 million.**

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



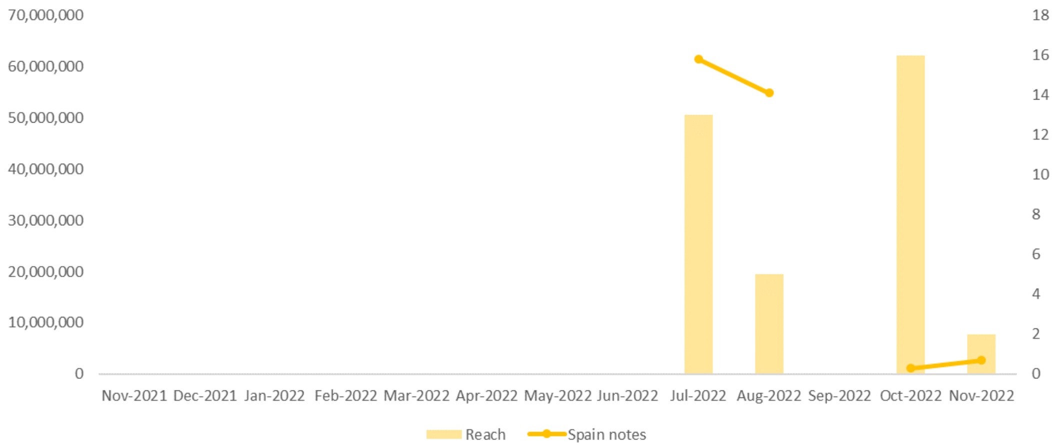
SOURCE: NJF (Feb-18 to Jan-19), OGILVY (Feb-19 to Apr-22)

NOTES MADE FOR THE CANADIAN MARKET – TOTAL & REACH



SOURCE: JESSON+CO

TOTAL NOTES MADE FOR THE SPANISH MARKET & REACH



SOURCE: ROMAN.

LOS CABOS

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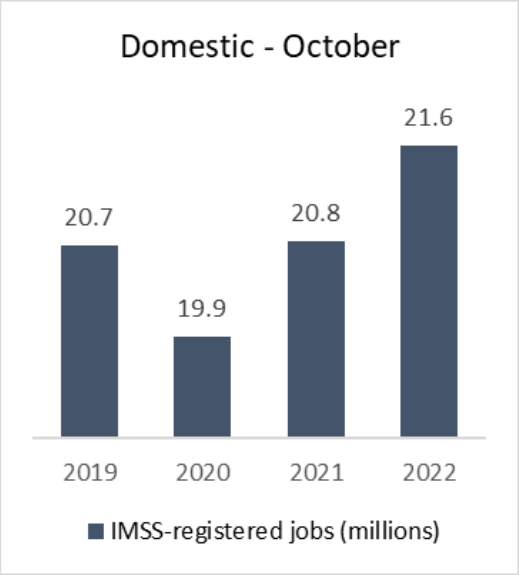
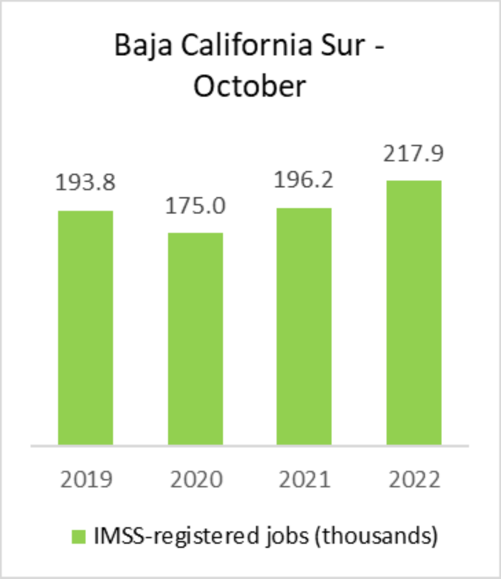
IMPACT OF COVID-19

Effects of COVID-19 on Mexico's tourism sector

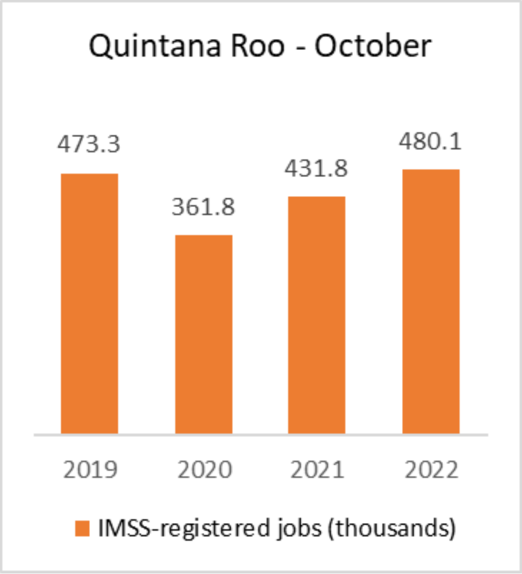
Effects on employment in Mexico



- In Oct-2022, there was a 4.3% increase in jobs compared to those recorded in Oct-2019.
- As of Oct 31-2022, IMSS had registered 21,617,326 jobs in the country, which is 5.9% more than those reported in Dec-2019.



- There are 12.4% more jobs in Oct-2022 than Oct-2019.
- Baja California Sur closed Oct-2022 with 217,917 jobs, 18.8% more than in Dec-2019.

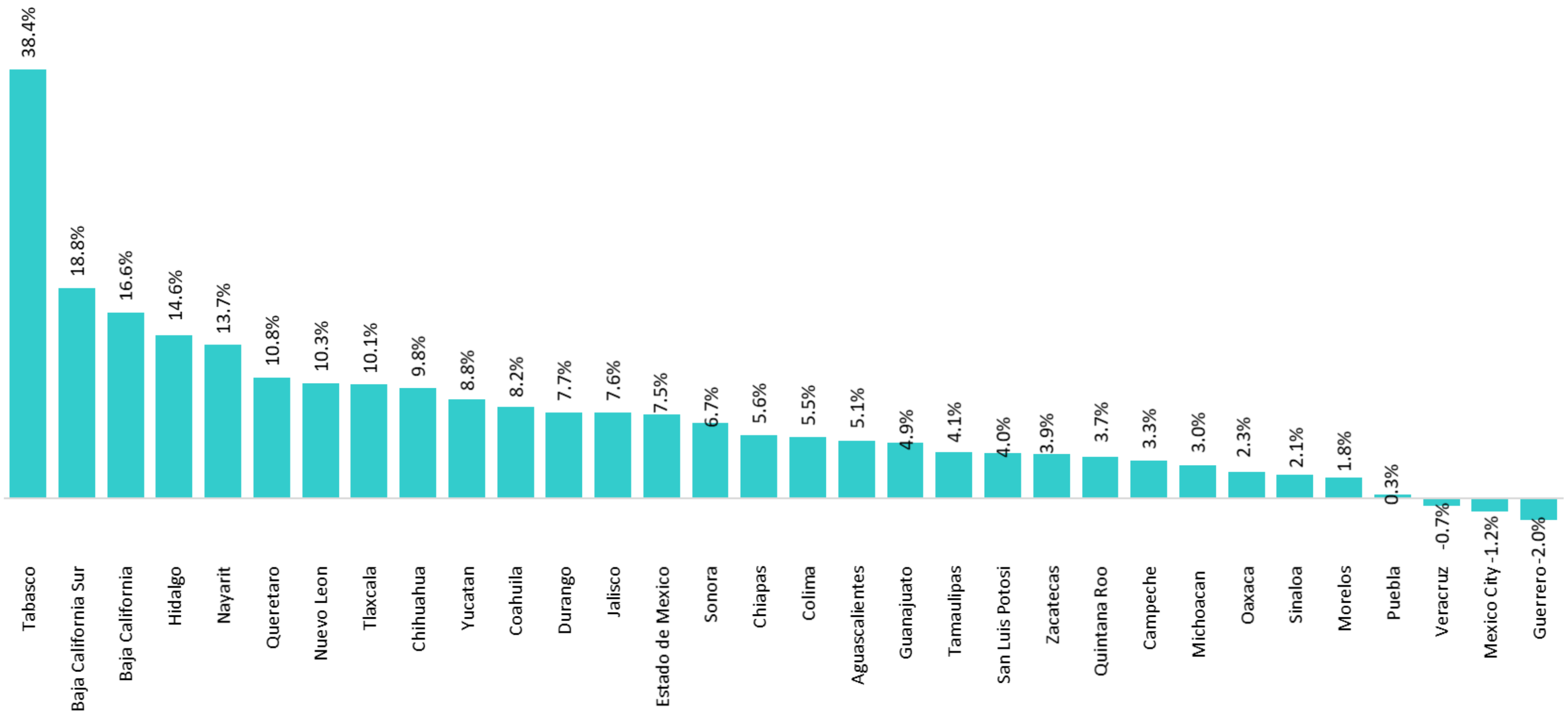


- In the case of Quintana Roo, in Oct-2022 there were 1.4% fewer jobs than those recorded in Oct-2019.
- Oct-2022 closed with 480,149 jobs, 3.7% more than in Dec-2019.

SOURCE: IMSS

Effects on employment in Mexico

% Employment variation by state (Oct-2022 vs. Dec-2019)

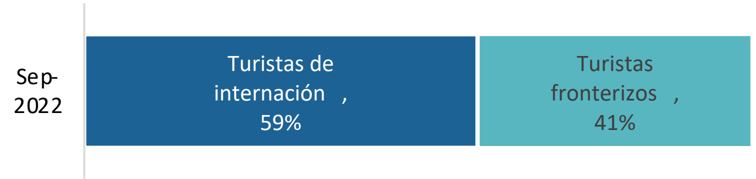


- Baja California Sur ended Oct-2022 with 18.8% more jobs than at the end of Dec-2019. (It’s the second state with the highest increase). Quintana Roo grew 3.7% compared to 2019 figures.

SOURCE: IMSS

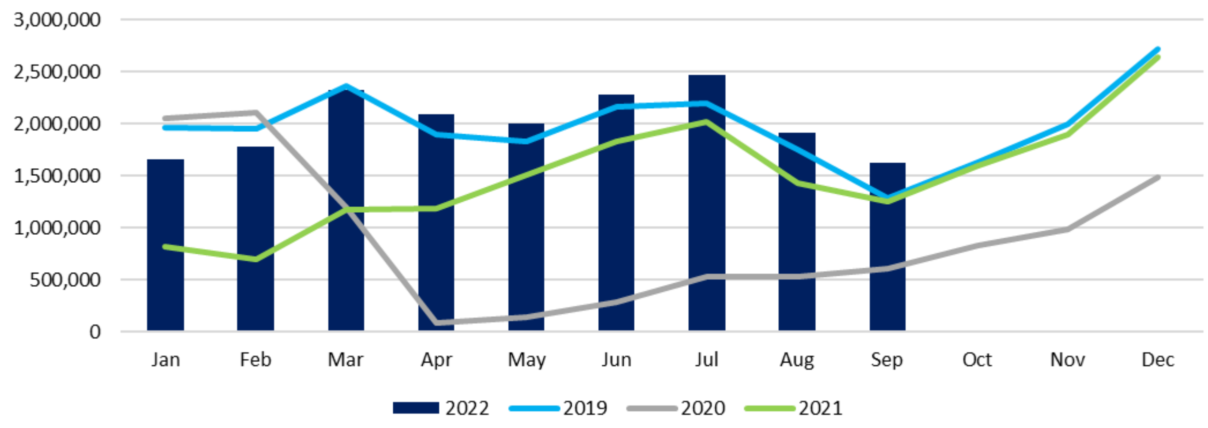
International tourist arrivals in Mexico

International tourists who entered the country



Sep-2022	Sep-2019	VAR
2,772,648	3,041,069	-8.8%

Inbound tourists

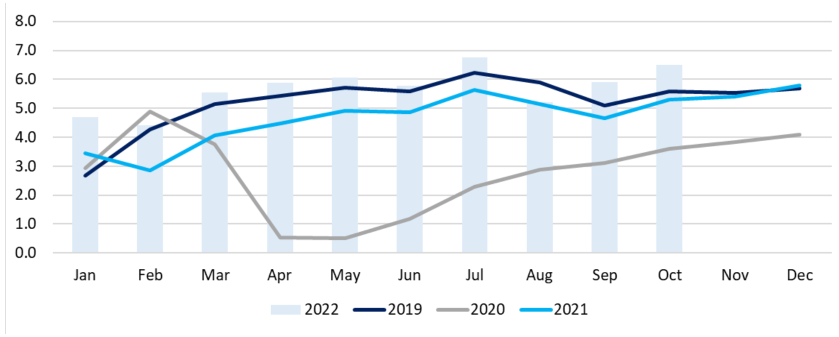


- In Sep-2022, 2.77 million international tourists arrived in the country (8.8% fewer than in Sep-2019). 59% were inbound tourists.
- 27.1% more inbound tourists vs Sep-2019 (84% by air, 16% by land). The average spending of those arriving by air was USD 1,057 (4% more than the average spending in Sep-2019).

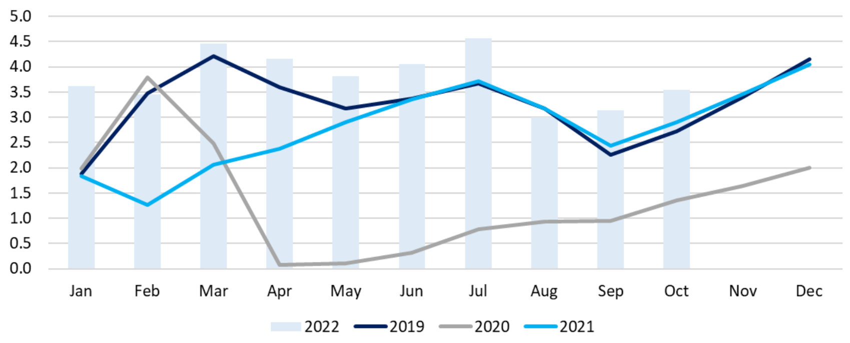
SOURCE: INTERNATIONAL TOURIST SURVEYS. INEGI

Air traffic in Mexico. Airport groups

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



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

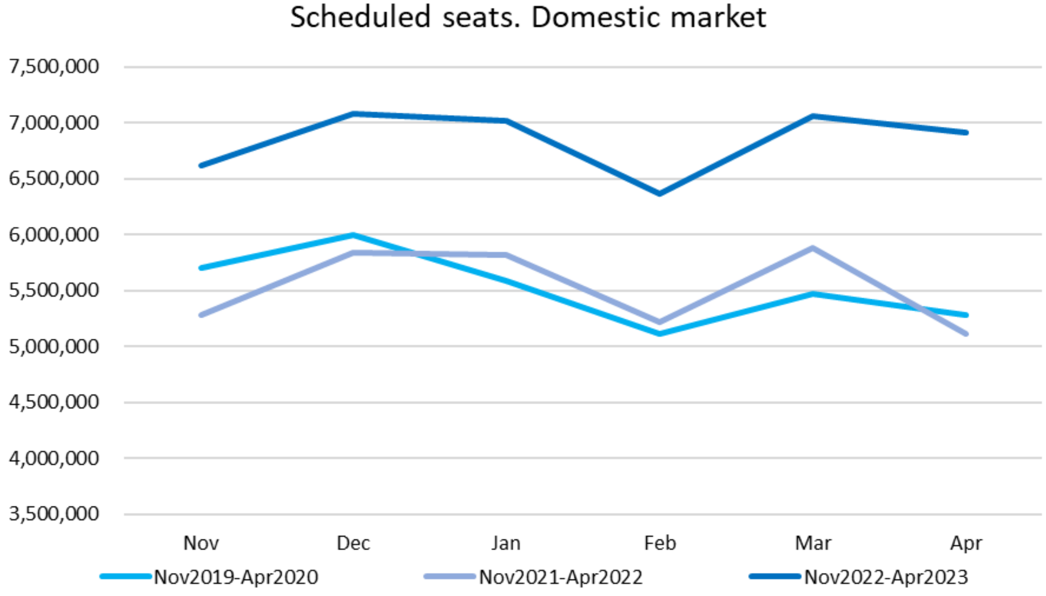


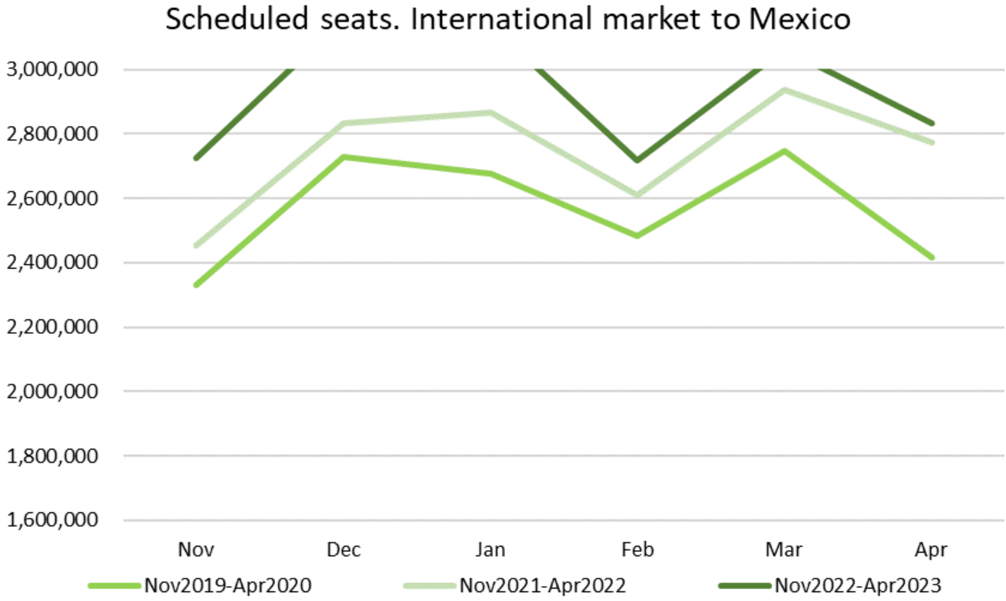
- Passenger traffic in domestic operations during Oct-2022 was 16% higher than Oct-2019 (6.5 million passengers).
- In international operations, the increase was 30% compared to Oct-2019 (3.54 million passengers).

SOURCES: ASUR, OMA, GAP

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

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



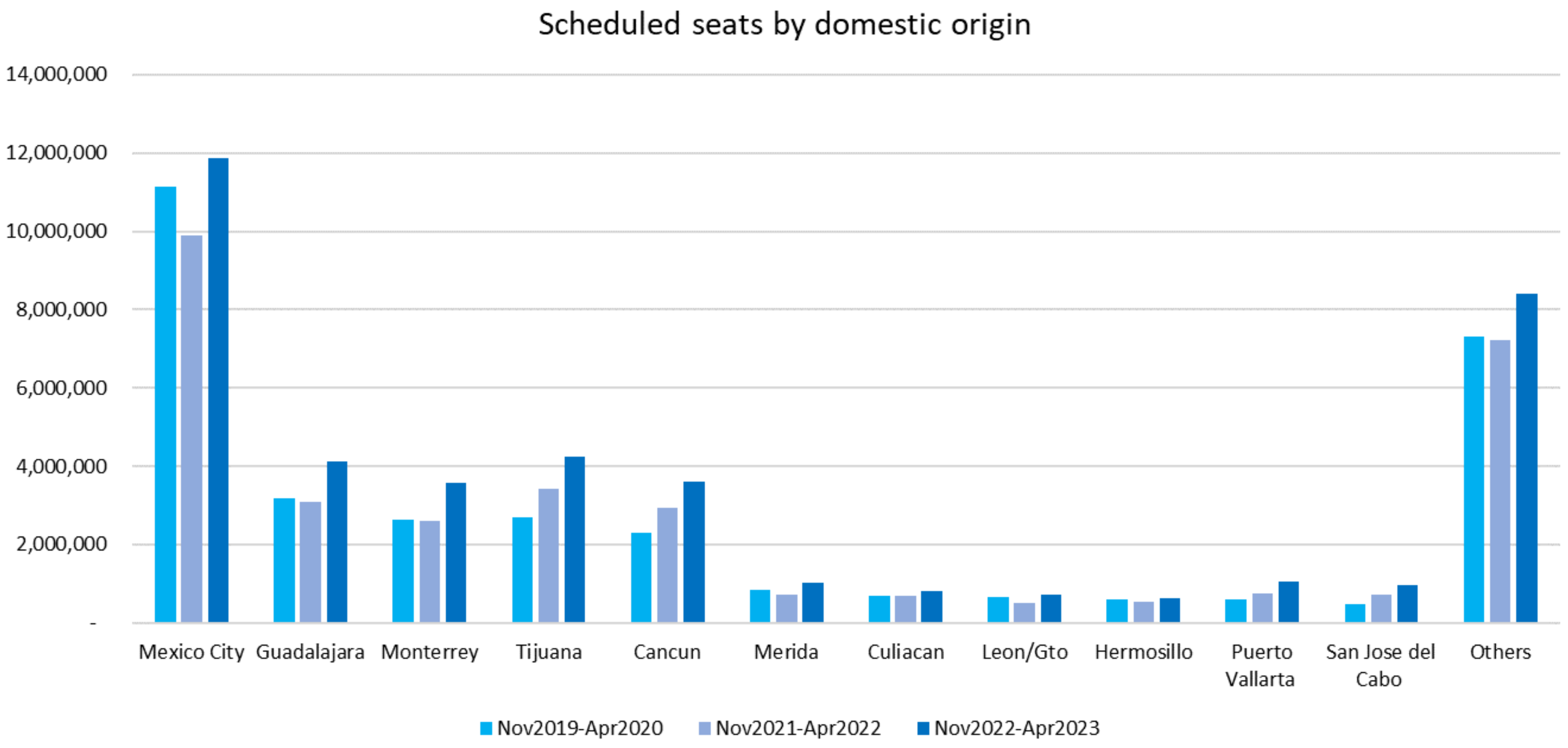


- Scheduling of domestic seats planned for the next months is higher than that of the same period in 2019 and 2021.
- That's 41.1 million domestic seats, 23.8% more than Nov 2019-Apr 2020.
- 18.% more seats are planned for Dec-2022 than those planned for Dec-2019.

- 17.6 million international seats are planned for the next six months, 14.6% more than Nov 2019-Apr 2020.
- There is an increase of 15.6% for Dec-2022 compared to Dec-2019, and an increase of 17.2% for Jan-2023.

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

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

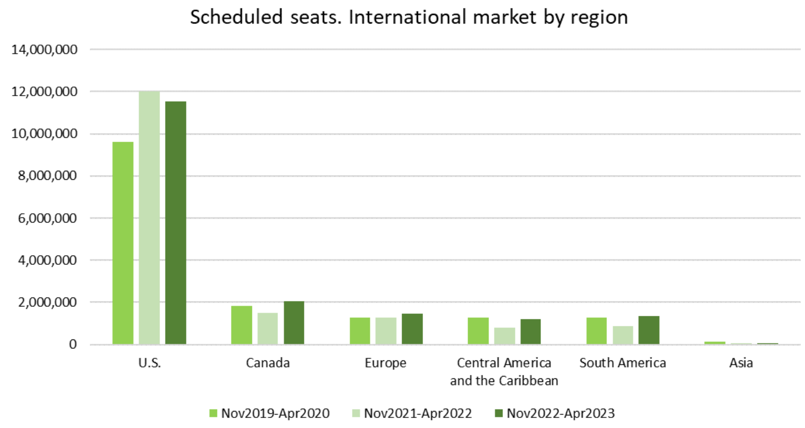


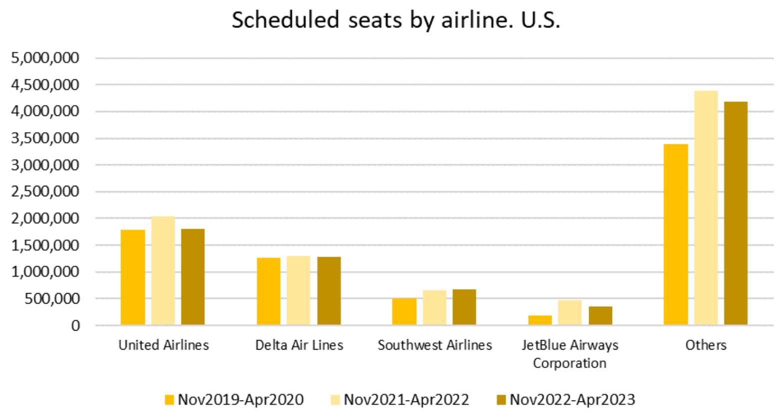
Domestic Nov2022-Apr2023 vs Nov2019-Apr2020

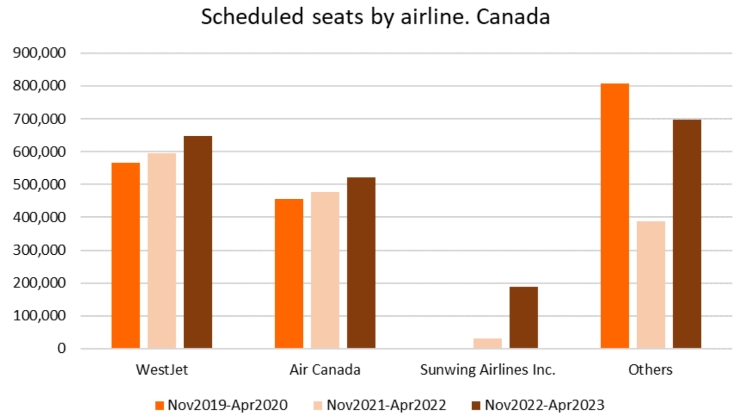
- CDMX: 11.86 million
  +6.6%
- Guadalajara: 4.13 million
  +29.1%
- Monterrey: 3.59 million
  +36.2%
- Tijuana: 4.25 million
  +57.2%
- Cancun: 3.61 million
  +56.8%
- Merida: 1.02 million
  +20.5%
- San Jose del Cabo: 963 thousand
  +103.8%

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

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







U.S.

- Accounts for 65.5% of the scheduled international seats for Nov2022-Apr2023 (62.5% in the same period of 2019).
- 11.55 million seats for the next 6 months (+20.1% vs. Nov2019-Apr2020).

%VAR of scheduled seats

- Houston: 1.4 million
  +18.0%
- Dallas: 1.4 million
  +35.6%
- Los Angeles: 1.3 million
  +11.4%
- Chicago: 1.0 million
  +16.4%
- New York: 751 thousand
  +9.0%

Canada

- Accounts for 11.7% of the scheduled international seats from Nov2022-Apr2023 (11.9% in the same period of 2019).
- 2.05 million seats from Nov 2022–Apr-2023 (+12.3% compared to the same period of 2019).

%VAR of scheduled seats

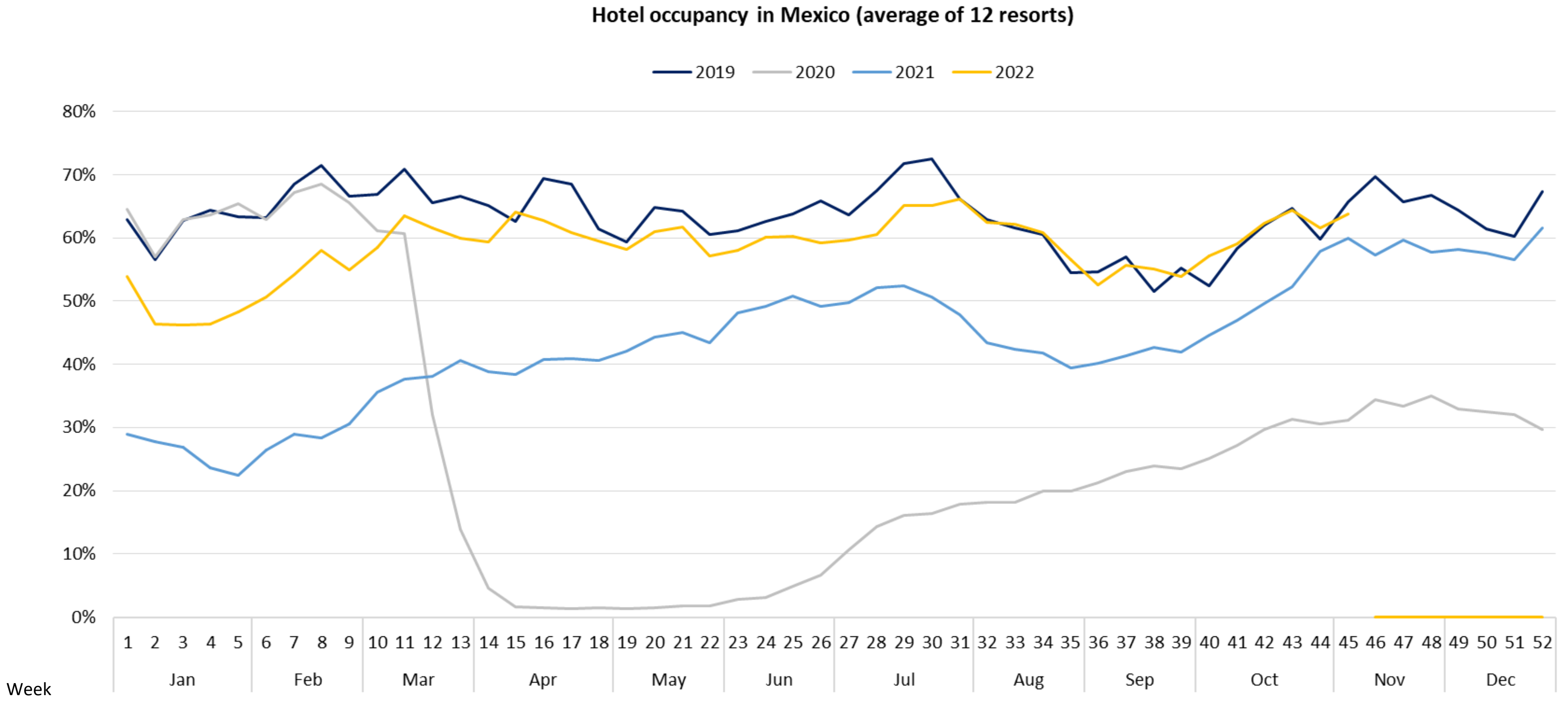
- Toronto: 598 thousand
  +7.3%
- Vancouver: 420 thousand
  +22.2%
- Montreal: 365 thousand
  +11.8%
- Calgary: 303 thousand
  +8.0%

SOURCE: OAG

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

LOS CABOS

Hotel indicators in Mexico

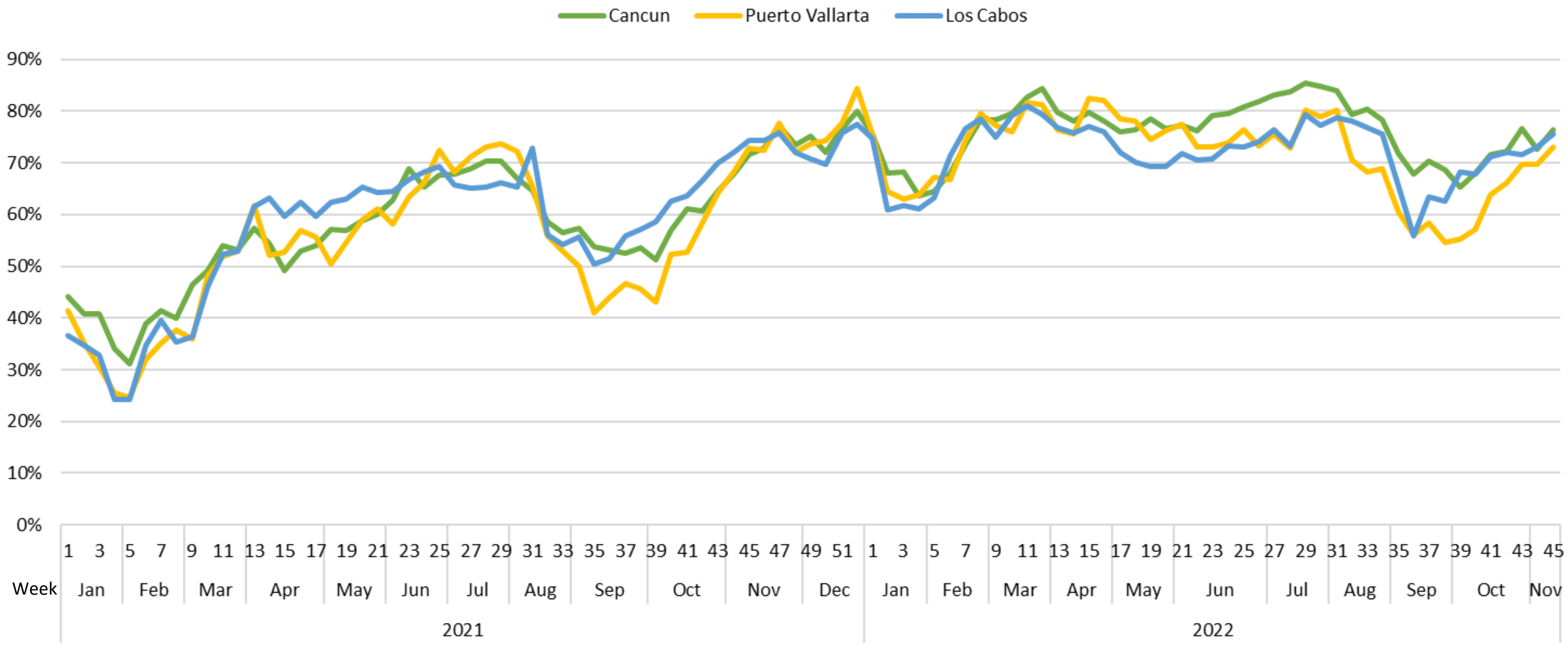


- At the end of week 45, occupancy was 63.8%, 2 pp below the same week in 2019 and 3.9 pp above the rate recorded in the same week of 2021.
- Starting in week 42, average occupancy has stayed above 60%.

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

Hotel occupancy in Cancun, Puerto Vallarta and Los Cabos



- At the end of week 45 (November 7-13, 2022), Los Cabos had an occupancy 0.7 pp below Cancun and 2.6 pp above Puerto Vallarta:
  - Los Cabos: **75.6%**
  - Cancun: **76.3%**
  - Puerto Vallarta: **73.0%**

SOURCE: DATATUR

LOS CABOS

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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 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

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