



HICAP

The Numbers -
An Overview & Outlook of the Region

16 March 2022

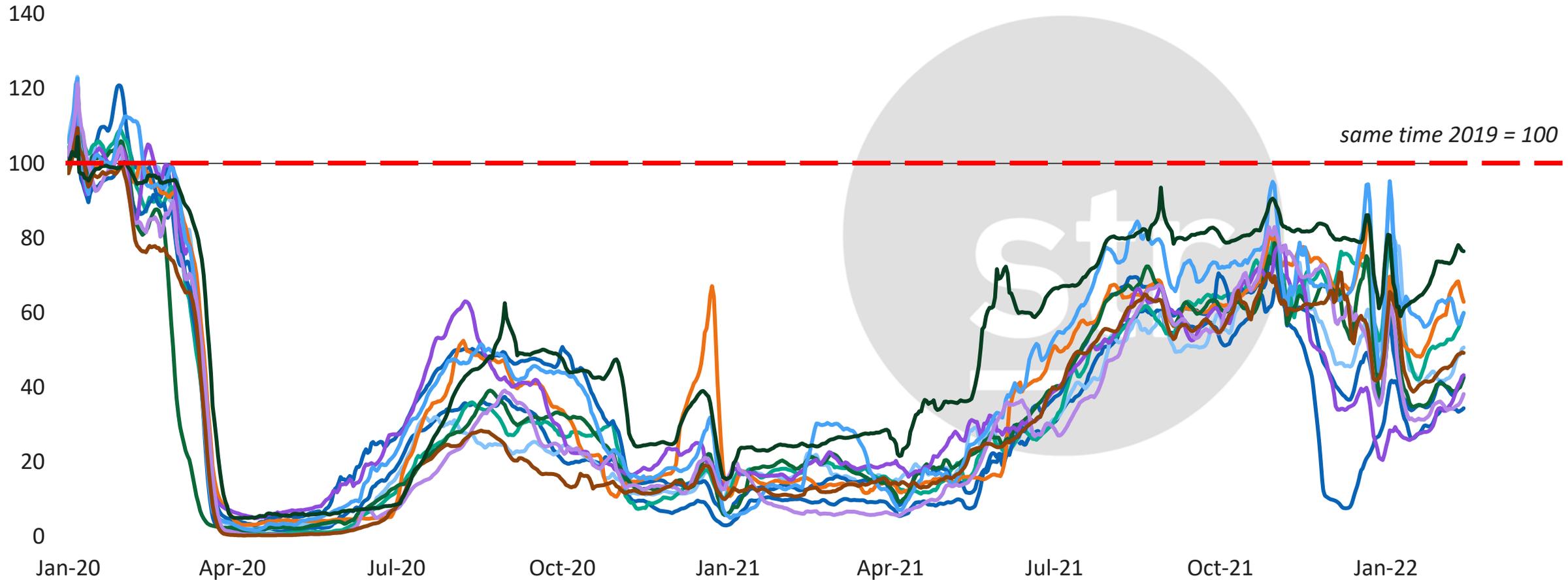
Jesper Palmqvist, Area Director Asia Pacific - STR

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Whereas Europe has moved very similarly...

European key markets, Occupancy (TRI) R7 Jan 2020 to Feb 2022, indexed to 2019

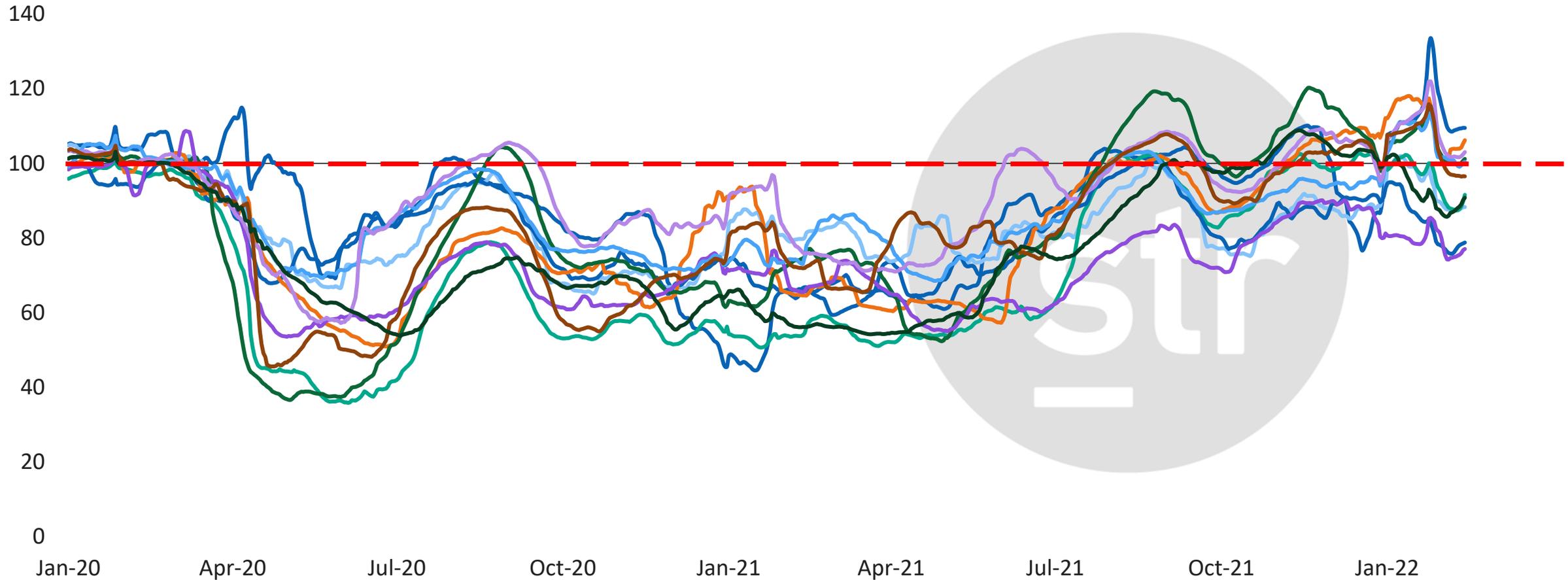


... and ADR levels recovering well

European key markets, ADR (Local Currency) R28 Jan 2020 to Feb 2022, indexed to 2019



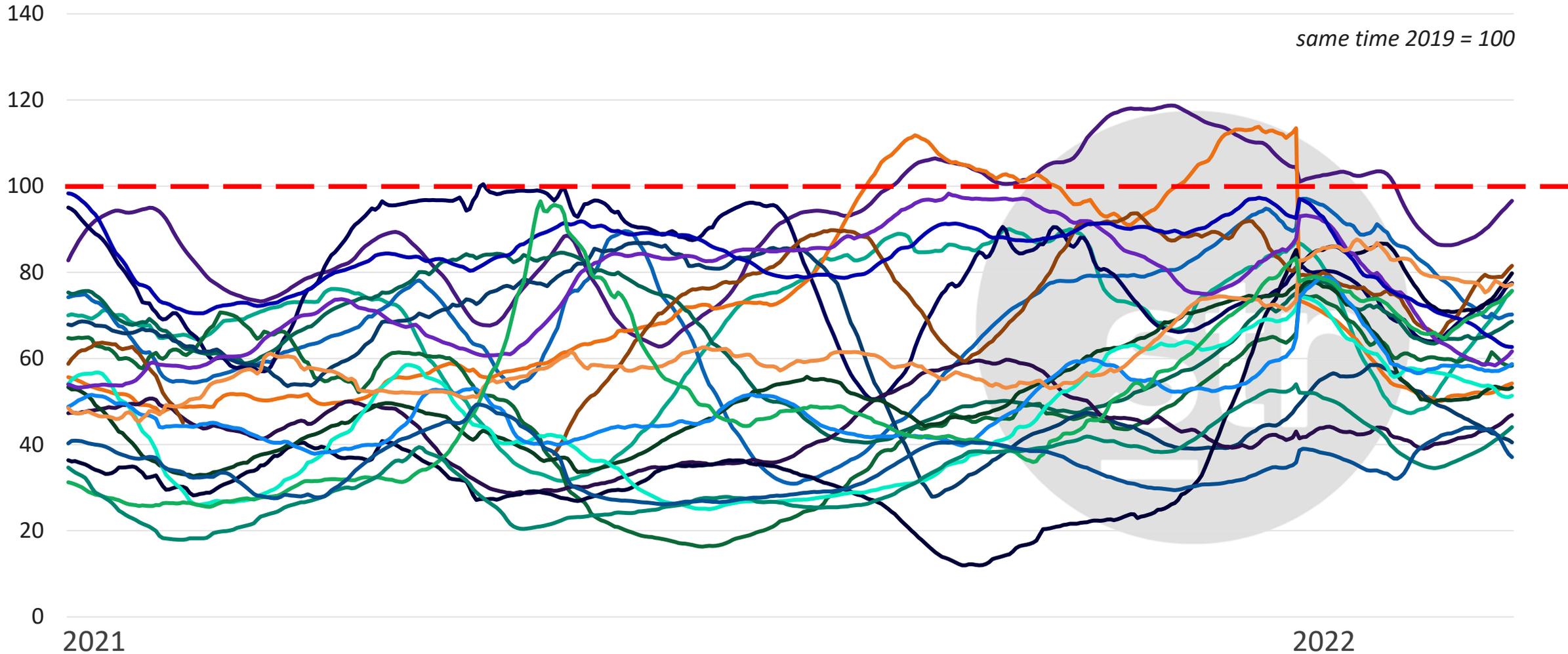
same time 2019 = 100



I may have told you before – but it's different in APAC



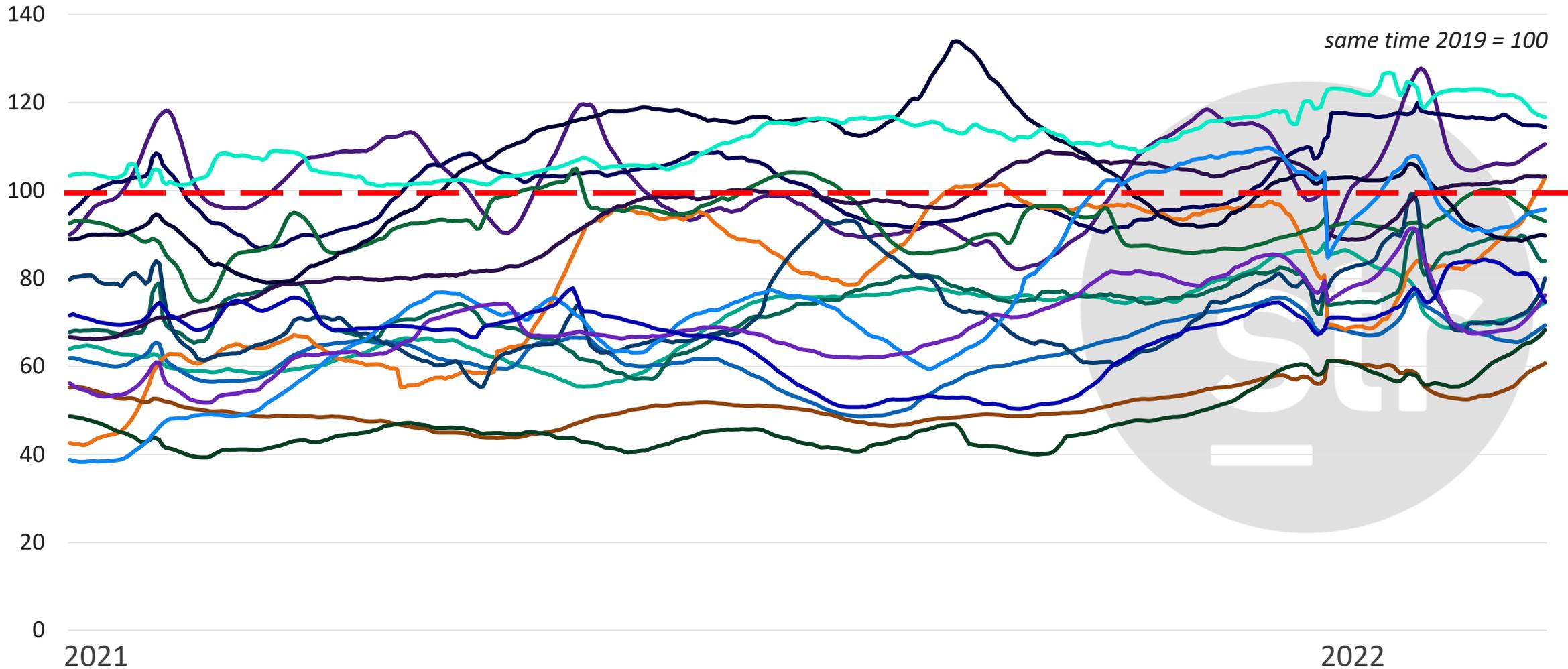
APAC countries, Occupancy (%), R28 Jan 2021 to 5 March 2022, both years indexed to 2019



Dependency and other factors explaining rate gap



APAC countries, ADR (local currency), R28 Jan 2021 to 5 March 2022, both years indexed to 2019



Our most recent buckets and movement potential



Mainland China
Hong Kong S.A.R | Taiwan
New Zealand | Australia
Japan | South Korea
Laos | Myanmar
Singapore | Malaysia
Vietnam | Thailand | Philippines



Maldives | India | Indonesia

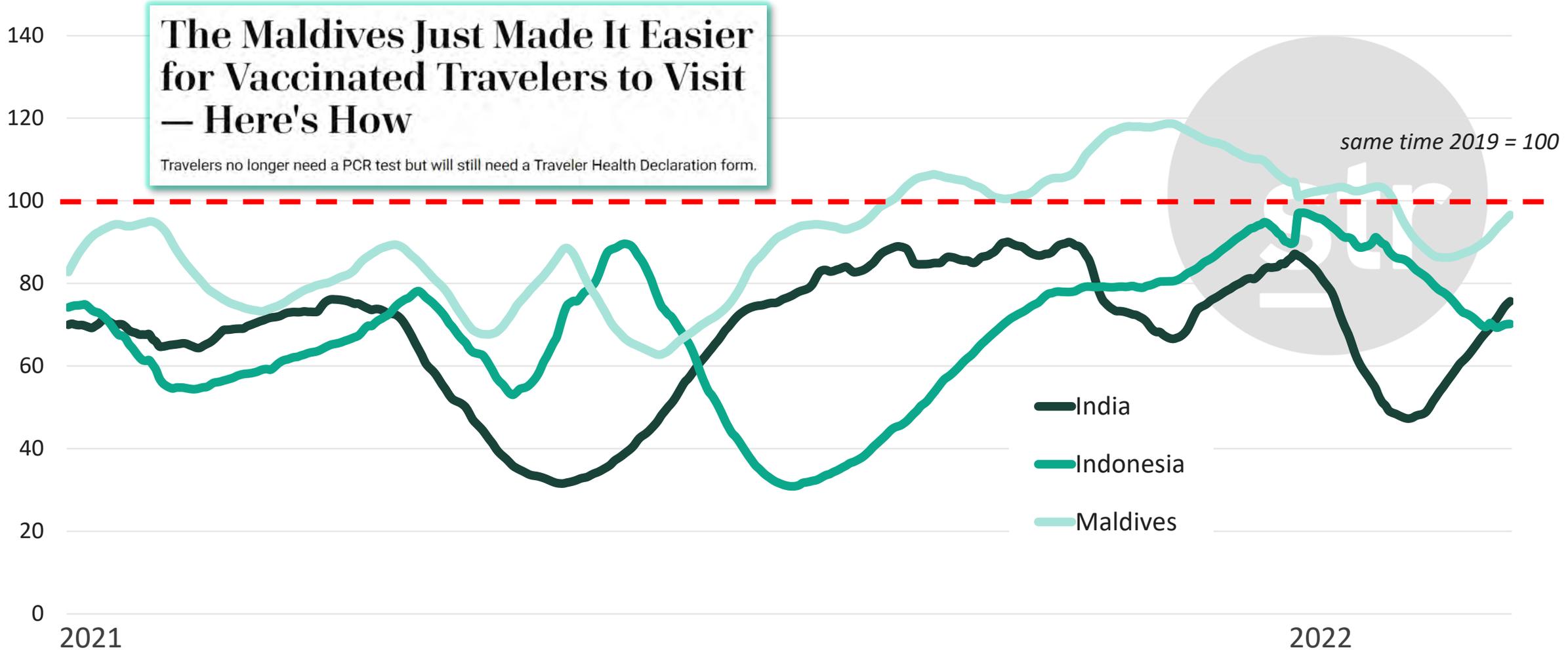


Cambodia | Sri Lanka | Fiji
French Polynesia



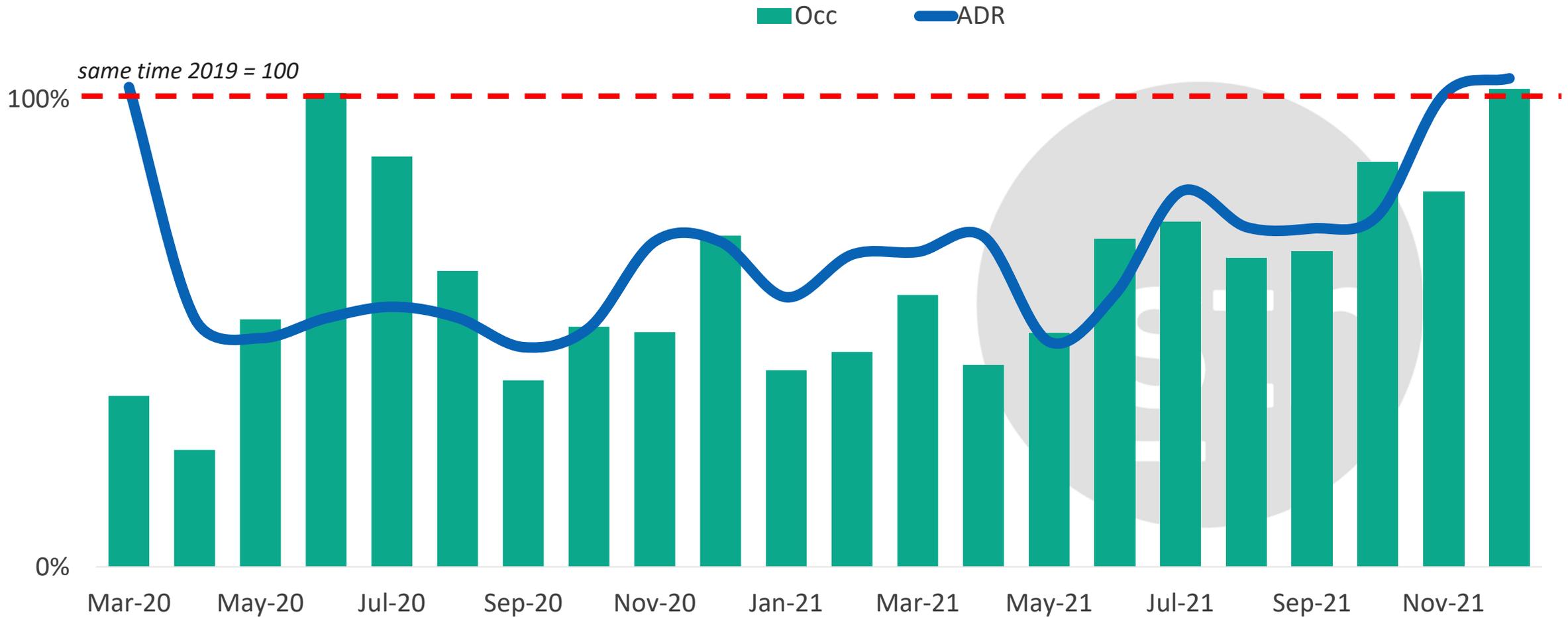
There is a lot like in India, Indonesia and the Maldives

Even if methods vary, they show an ability to move faster across all segments
Occupancy (%) R28 Jan 2021 to 5 March 2022, both years indexed to 2019



In India, Group business touched on full recovery end of 2021

India, group Occ & ADR, indexed to 2019, March 2020 to Dec 2021

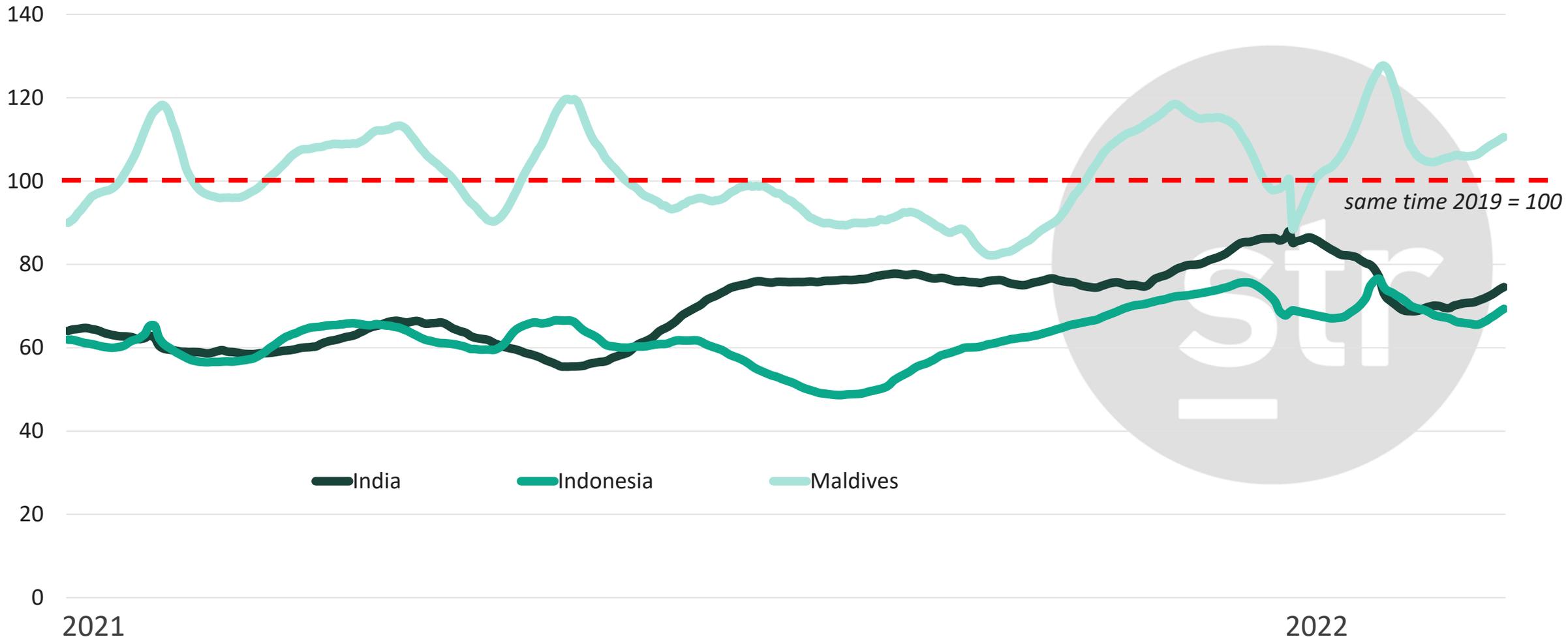


There is of course more to life than demand



Indonesia likely to continue to search for 2019 rate levels

ADR (local currency) R28 Jan 2021 to 5 March 2022, both years indexed to 2019



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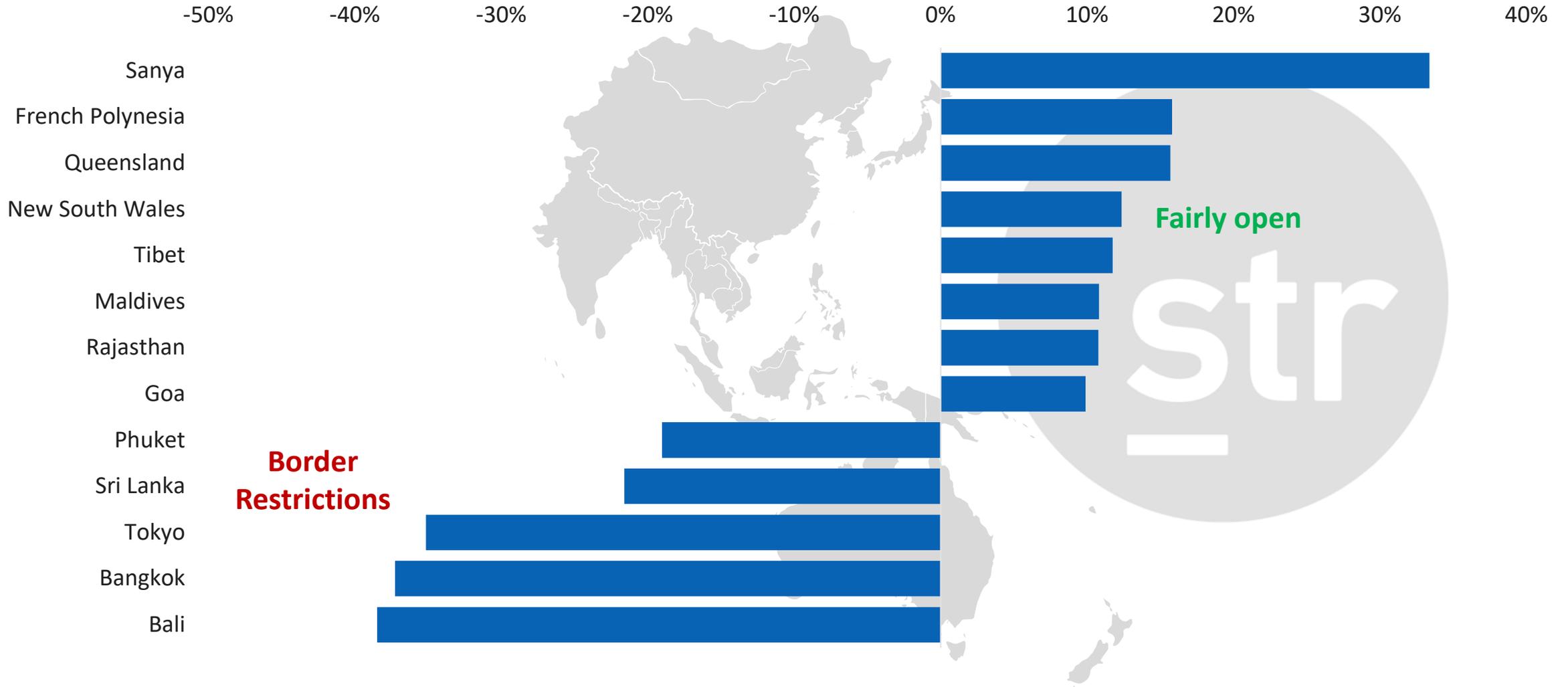
Maldives | India | Indonesia



Cambodia | Sri Lanka | Fiji
French Polynesia

Leisure travellers willing to pay... restrictions played a role...

Select APAC regions, CY 2021 ADR Percent change from CY 2019

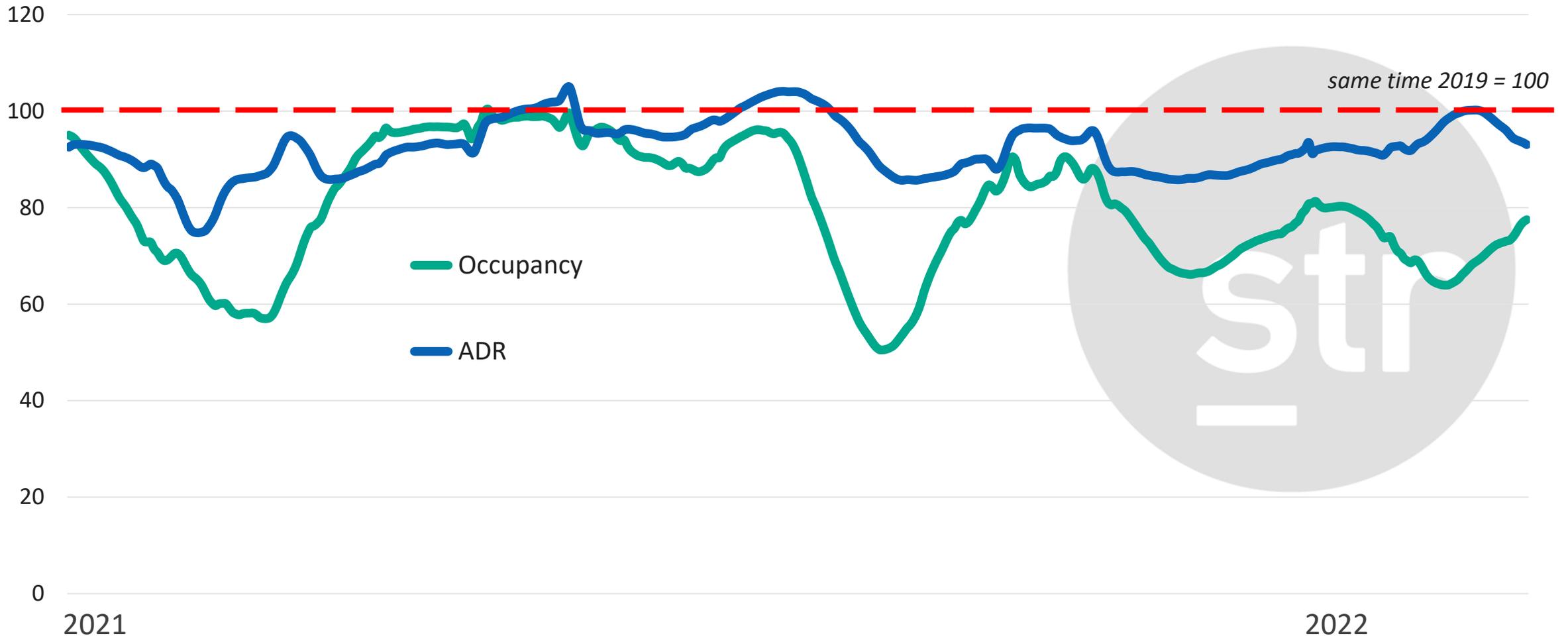


Restrictions suppress overall recovery in Mainland China



Rates not largely impacted, still close to 2019 levels

ADR (CNY) R28 Jan 2021 to 5 March 2022, both years indexed to 2019

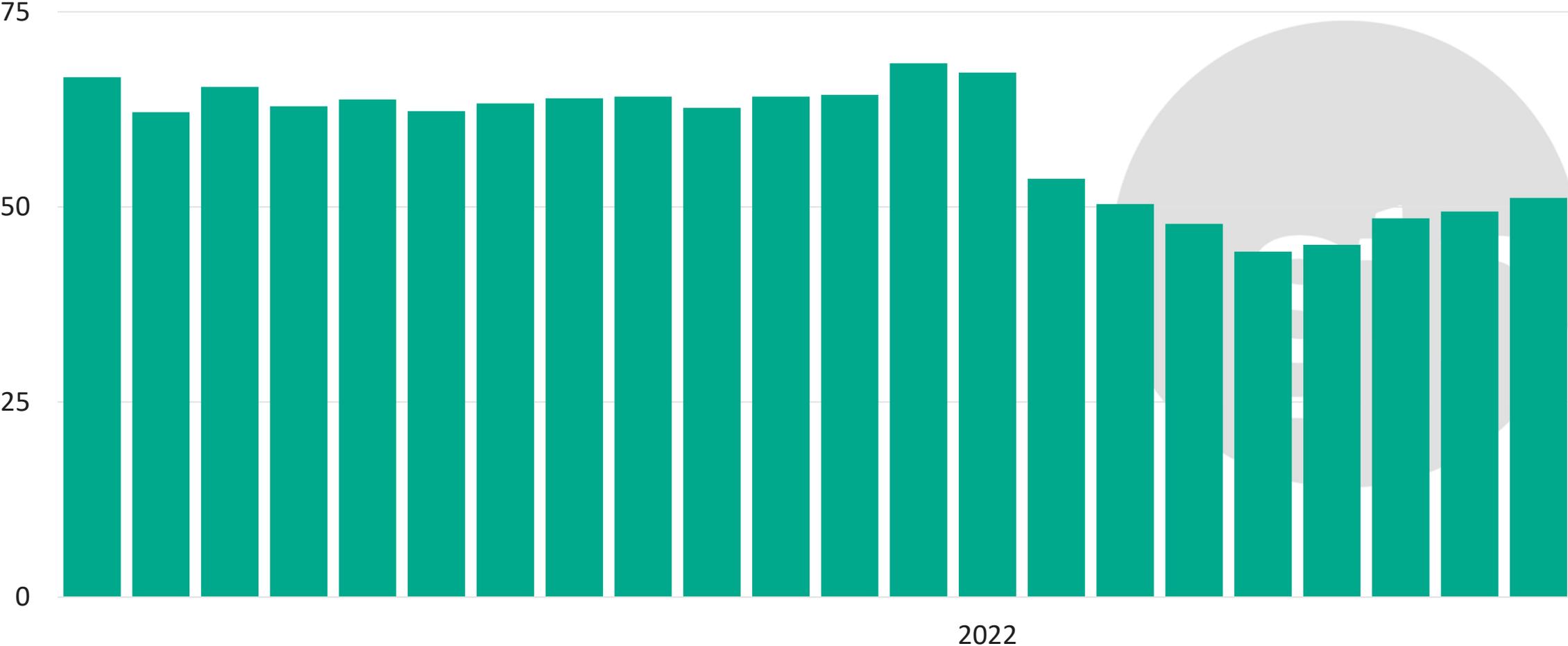


Similar approach in Hong Kong S.A.R, similar consequences



Rates now below 60% of 2019 levels

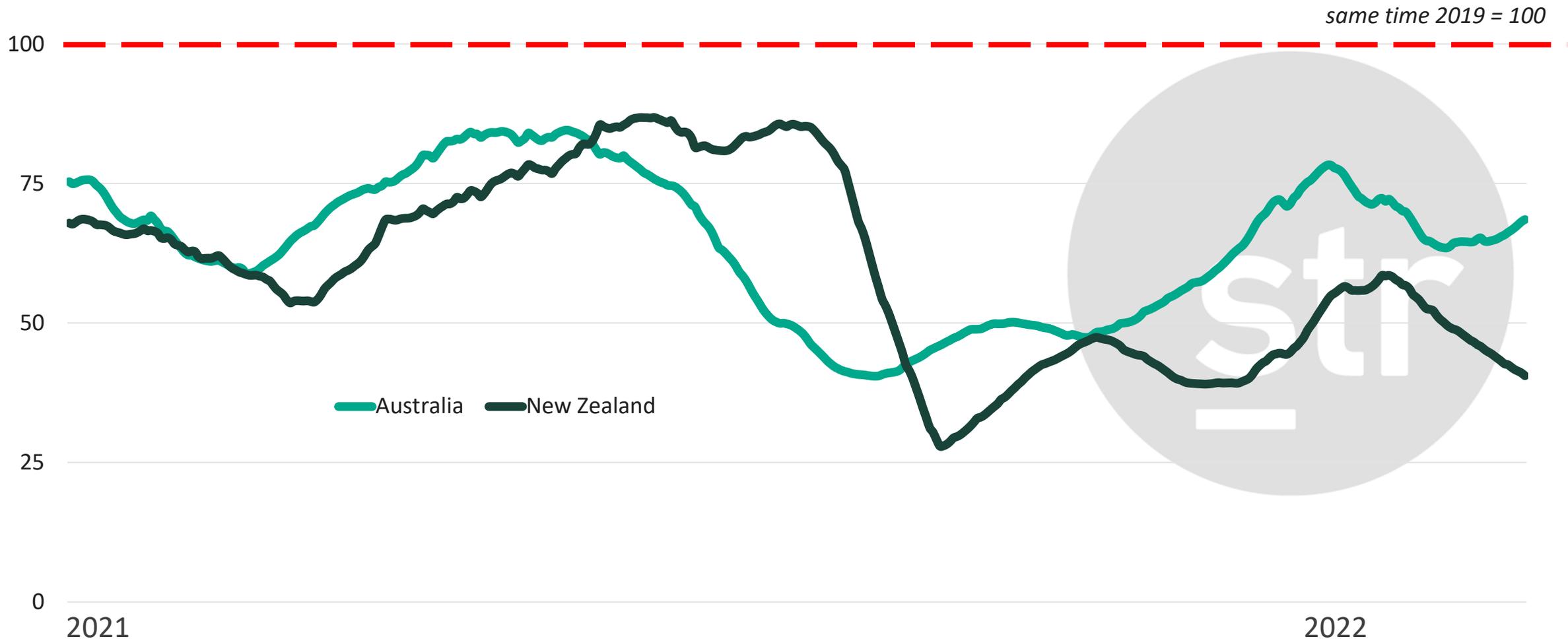
Hong Kong S.A.R, Weekly rolling Occupancy (%) Q4 2021 – 5 March 2022



NZ stance very visible - AU diverse

Next couple of quarters could be interesting

Occupancy (%) R28 Jan 2021 to 5 March 2022, both years indexed to 2019



Quarantine holding back large Northeast Asia markets



Japan



South Korea



Taiwan

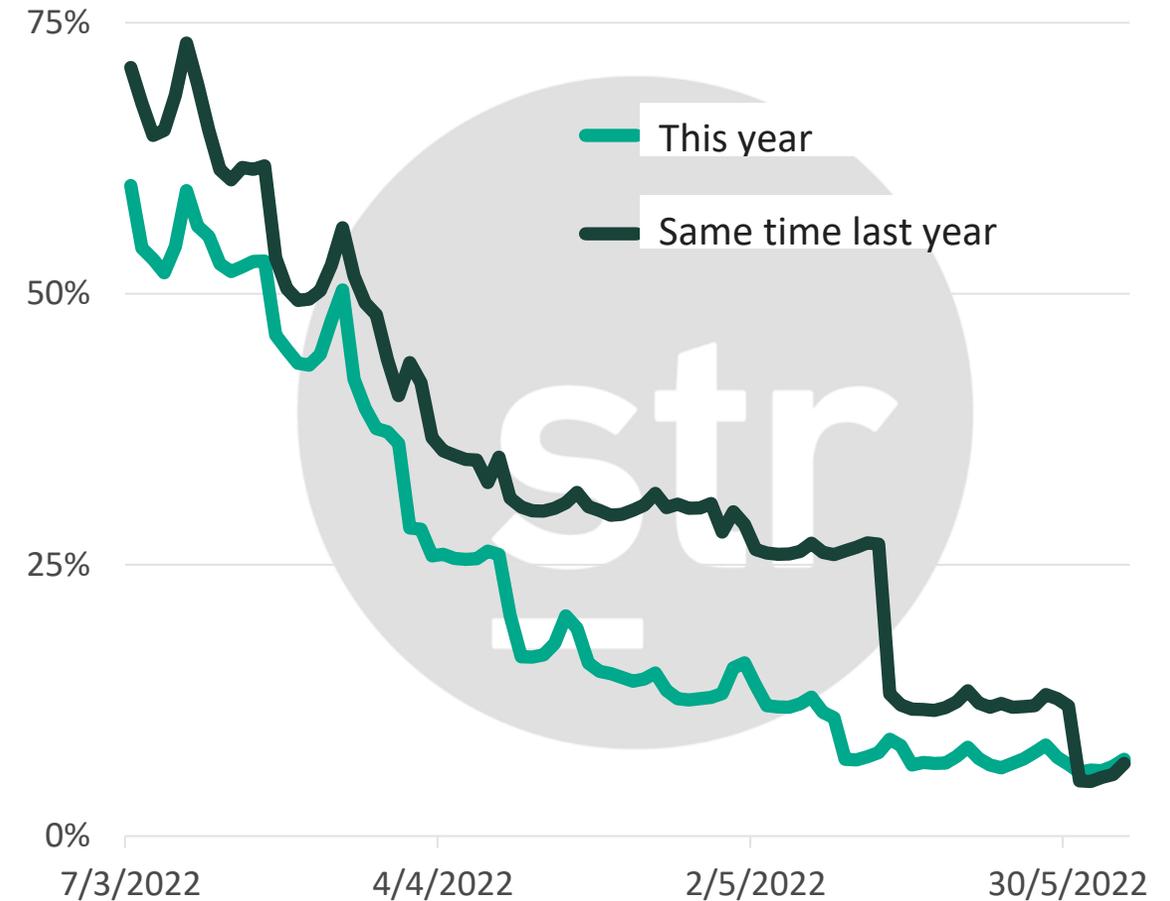
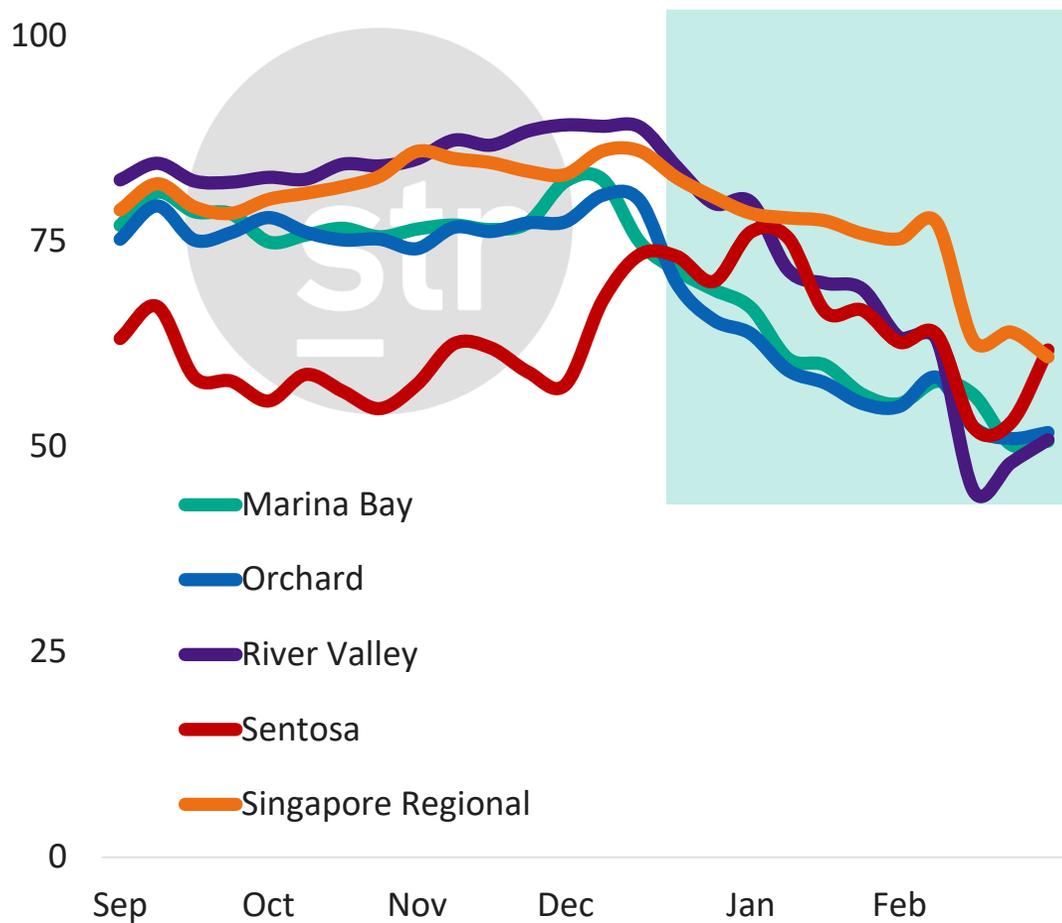


Singapore: Less quarantine needed means drop in Occupancy



Inbound so important as progressive stance continues to develop

Singapore Submarket Occupancy (%) Sep 21 – Feb 22 | Occupancy on the Books as of 7 Mar 22
(and at last year same time)



Time to get going – What’s holding things back?



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Profitability highlights



Omicron, inflation and labour slow down profitability early 2022

Labour costs rising in many areas, full-service more affected again in GOP and EBITDA after pre-Omicron progress

Profit margin metrics adjusted... but expenses counter rate progress

Conclusions

Some risk replacement - But upsides gaining strength

Endemic from theory to practice

Tolerance for **caseloads** is increasing, and restrictions are... 'over'

Return to office to continue – and the need for **business travel**

Can take time for **booking windows** to stretch out

But expect all segments to continue growing in 2022, especially H2...

...As **protocols ease** and alignment continues into Q2

Source markets and seasonality to fluctuate

Pricing power continues in 2022 – even if return of normal mix will dilute ADR somewhat

Cost remains a concern for many

New Supply can limit demand growth – New and Delayed product coming soon

Buyer/Seller gap... But **investors are clearly ready for more**

Forecast 2024 for many markets still – but swift trajectory can create some profit margin

Things likely to feel back much more '**normal**' by the end of 2022



War
Oil price
Inflation



Thank you | Contact

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**HOTEL DATA
CONFERENCE**
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