Pandox Q1 Earnings Call

Robin Rossman – Managing Director, STR

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Agenda: What we were saying in January this year…

… is what we are still saying now

1. **Patience will be a virtue in Q1**

2. **Domestic recovery should start in Q2**

3. **Get ready for the ketchup effect in Q3**

4. **Long-term recovery begins in Q4**

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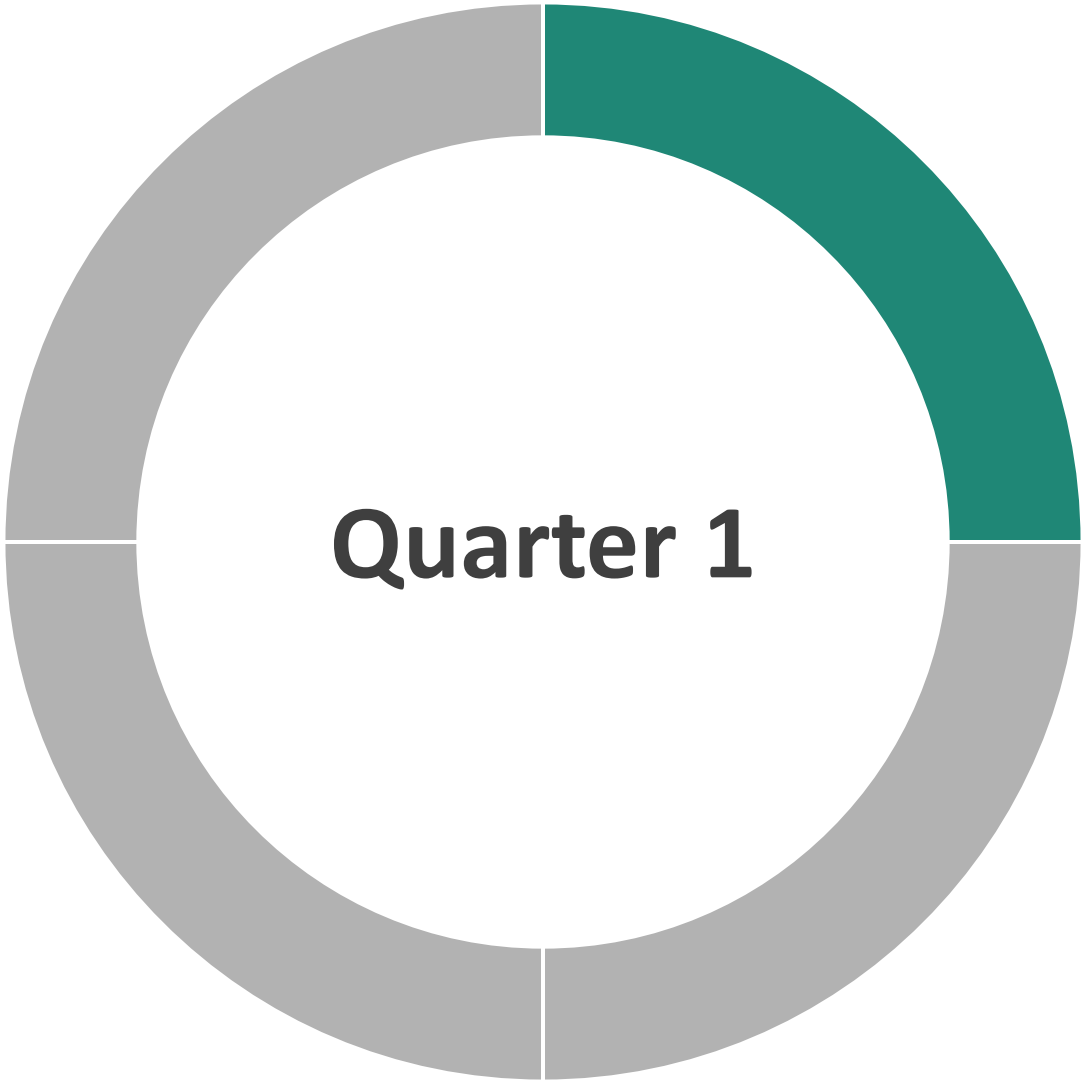

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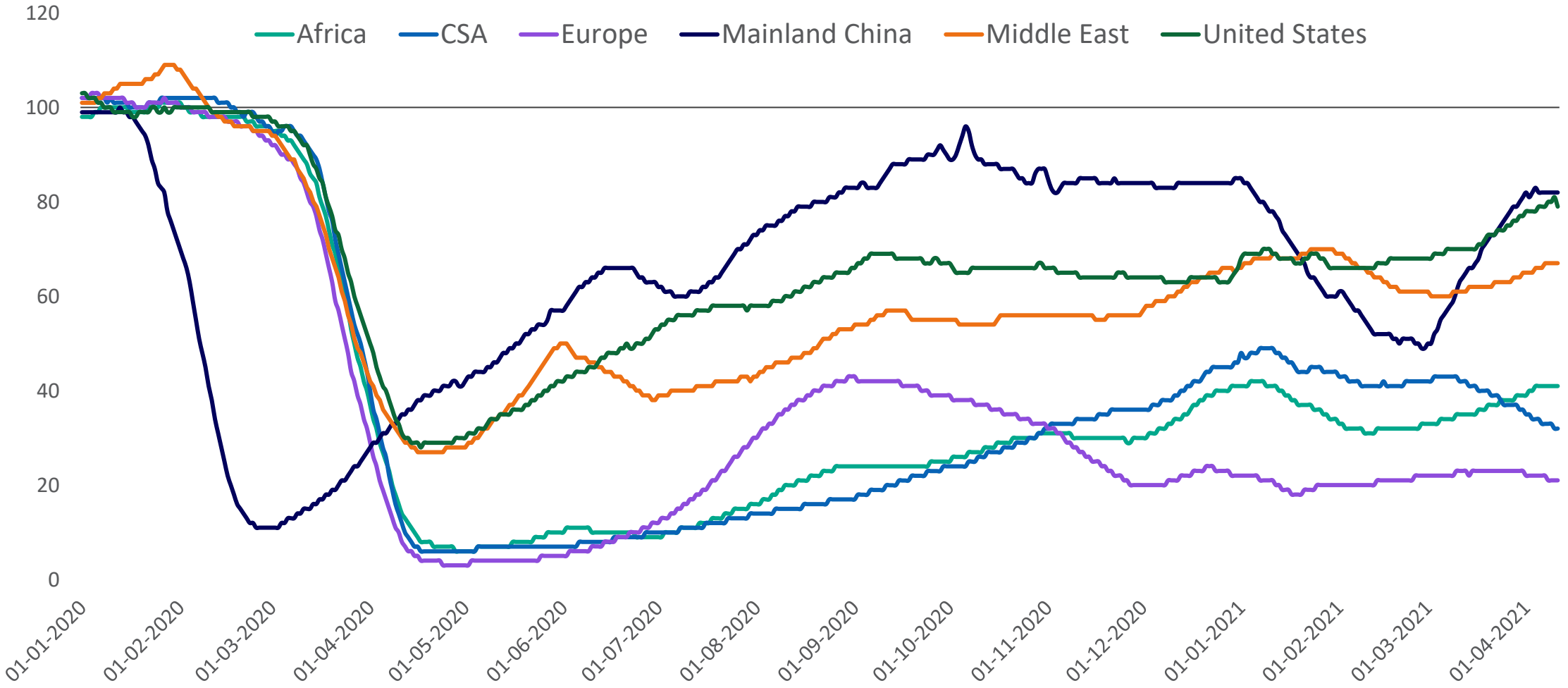
Occupancy rising in three of five regions

Rolling 28 days occupancy (full inventory) indexed to 2019, Jan 2020 – April 2021



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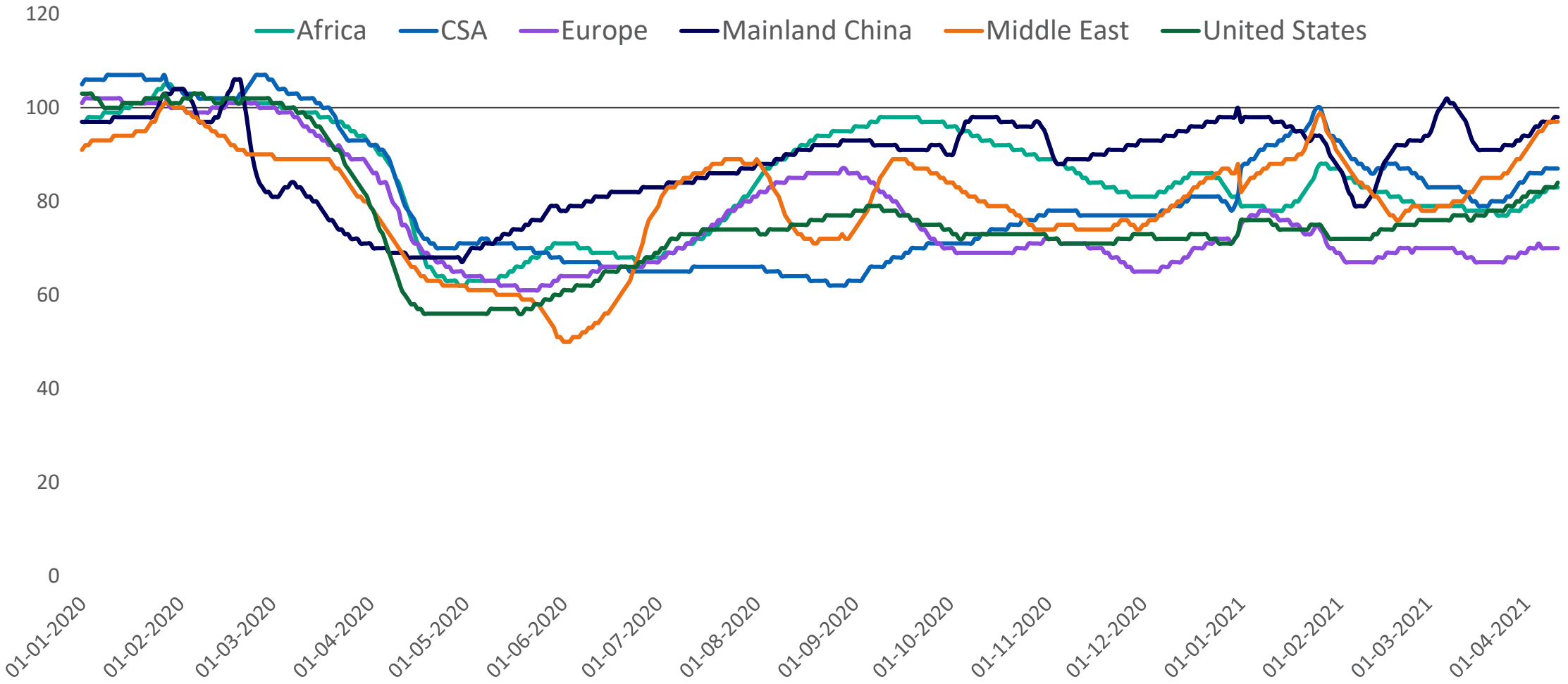
Mainland China, Middle East race to recover rates

Rolling 28 days ADR indexed to 2019, USD, Constant Currency, Jan 2020 – April 2021



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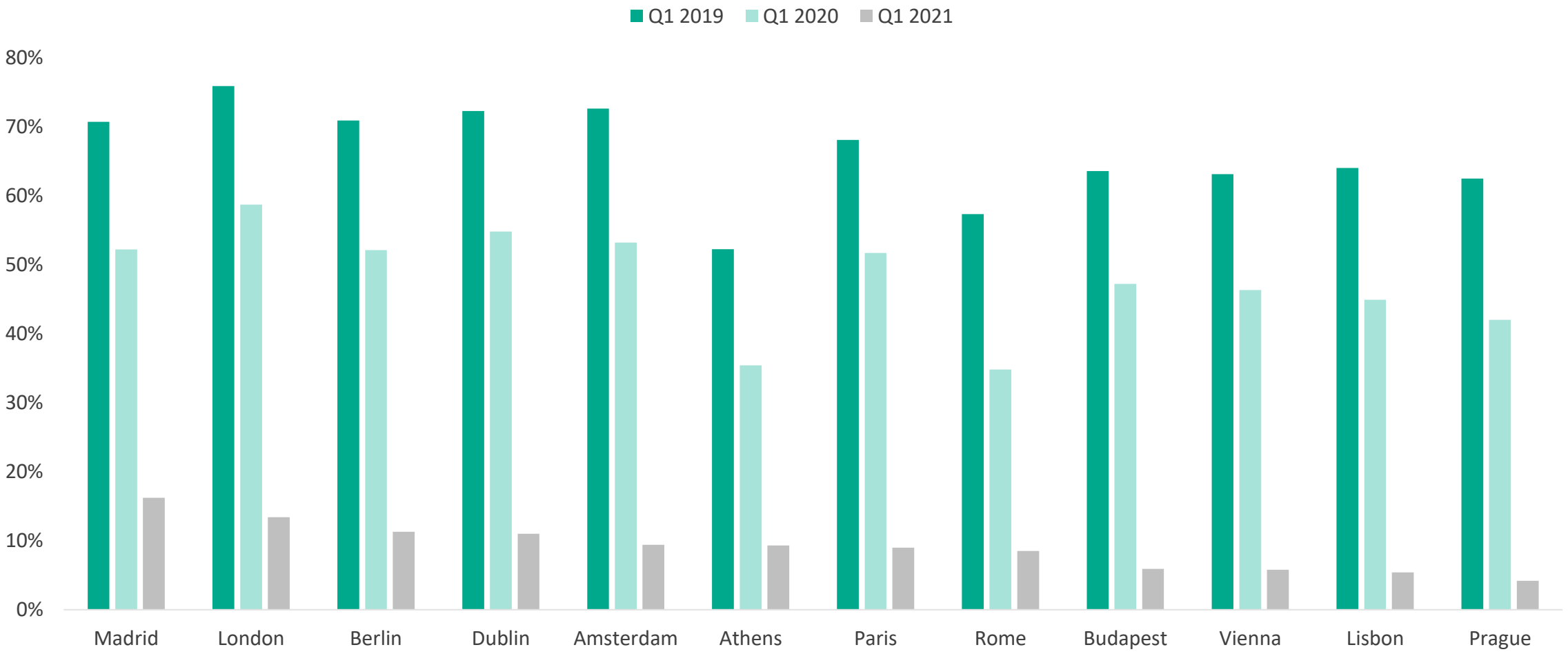
Recovery out of view across Europe

Select European cities, Occupancy (TRI), Q1 2019, 2020, 2021



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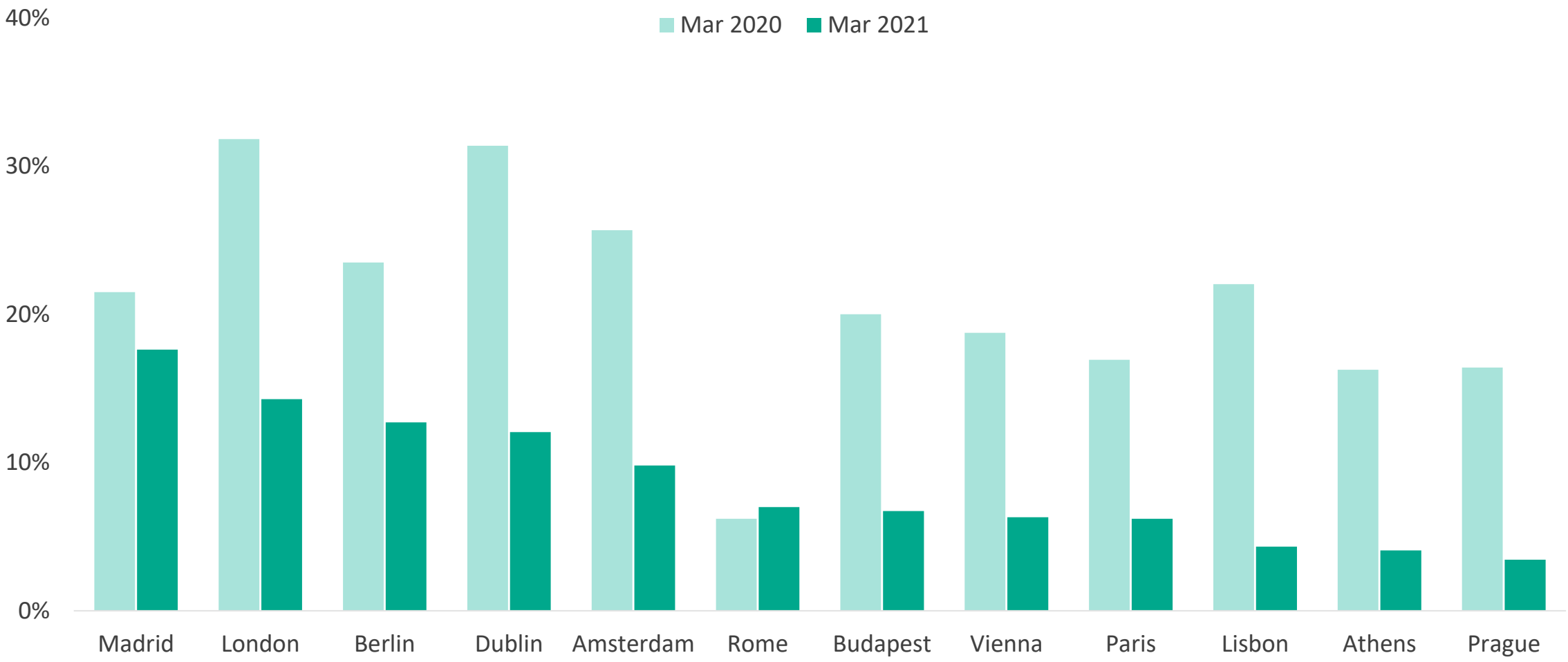
Full-month lockdown vs. partial month lockdown

Select European cities, monthly occupancy (TRI), March 2020 and 2021



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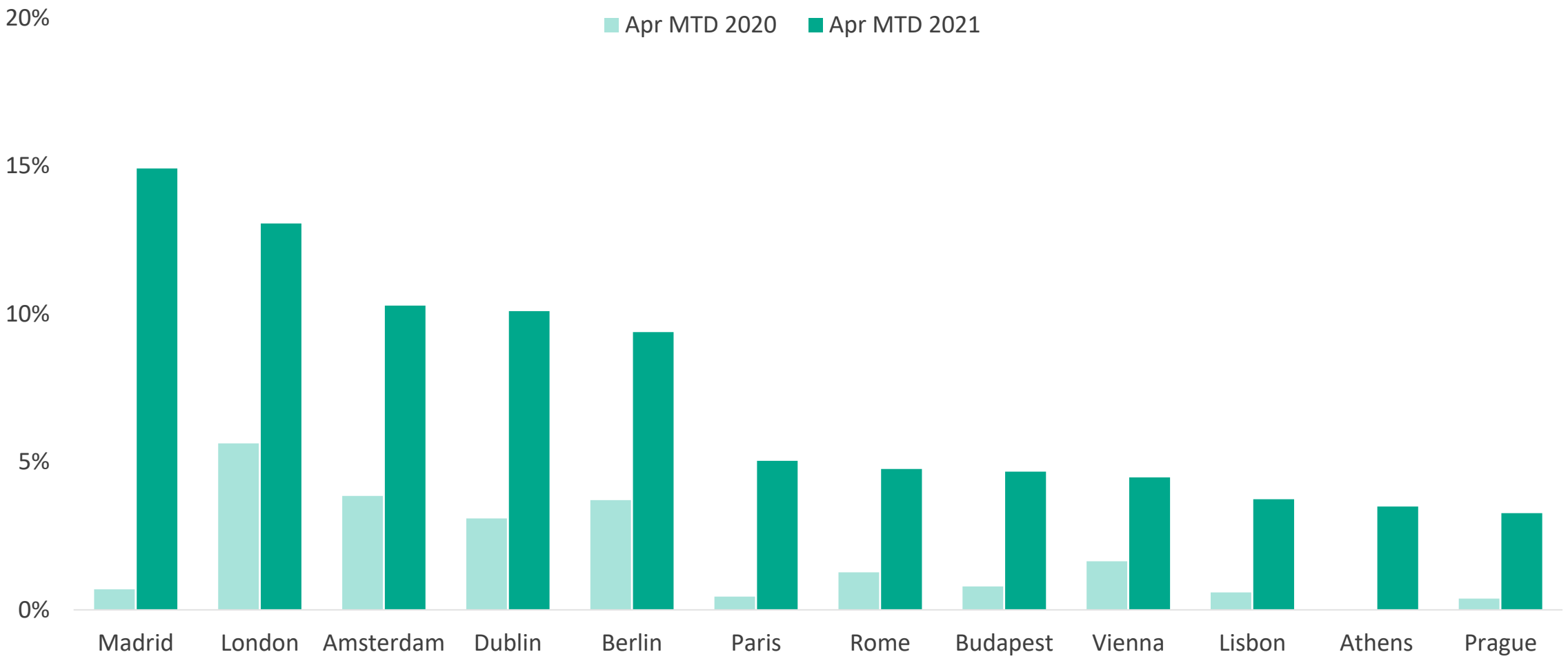
Apples-to-apples, things *are* better

Select European cities, occupancy (TRI), April MTD 2020 and 2021 [through 11 April]



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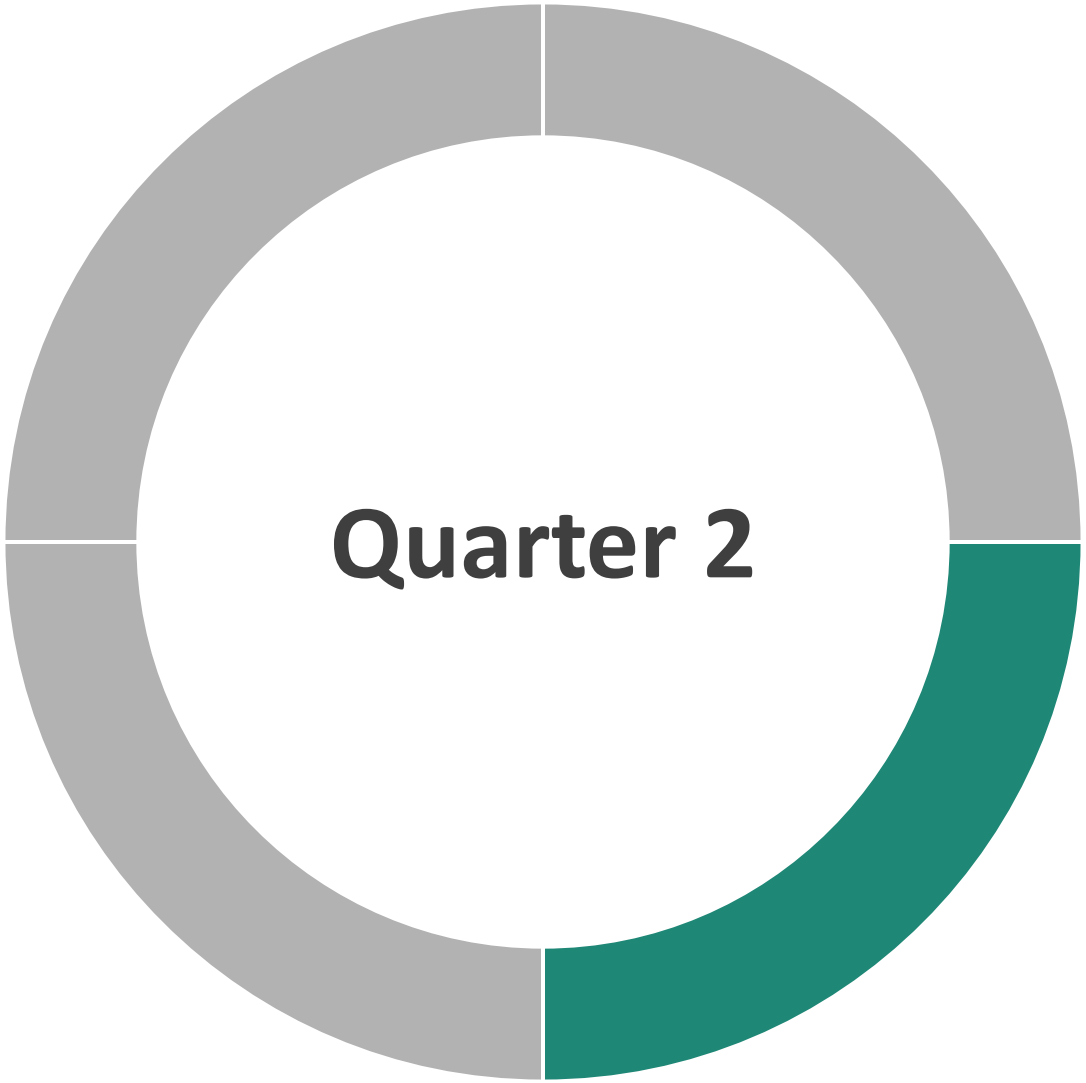

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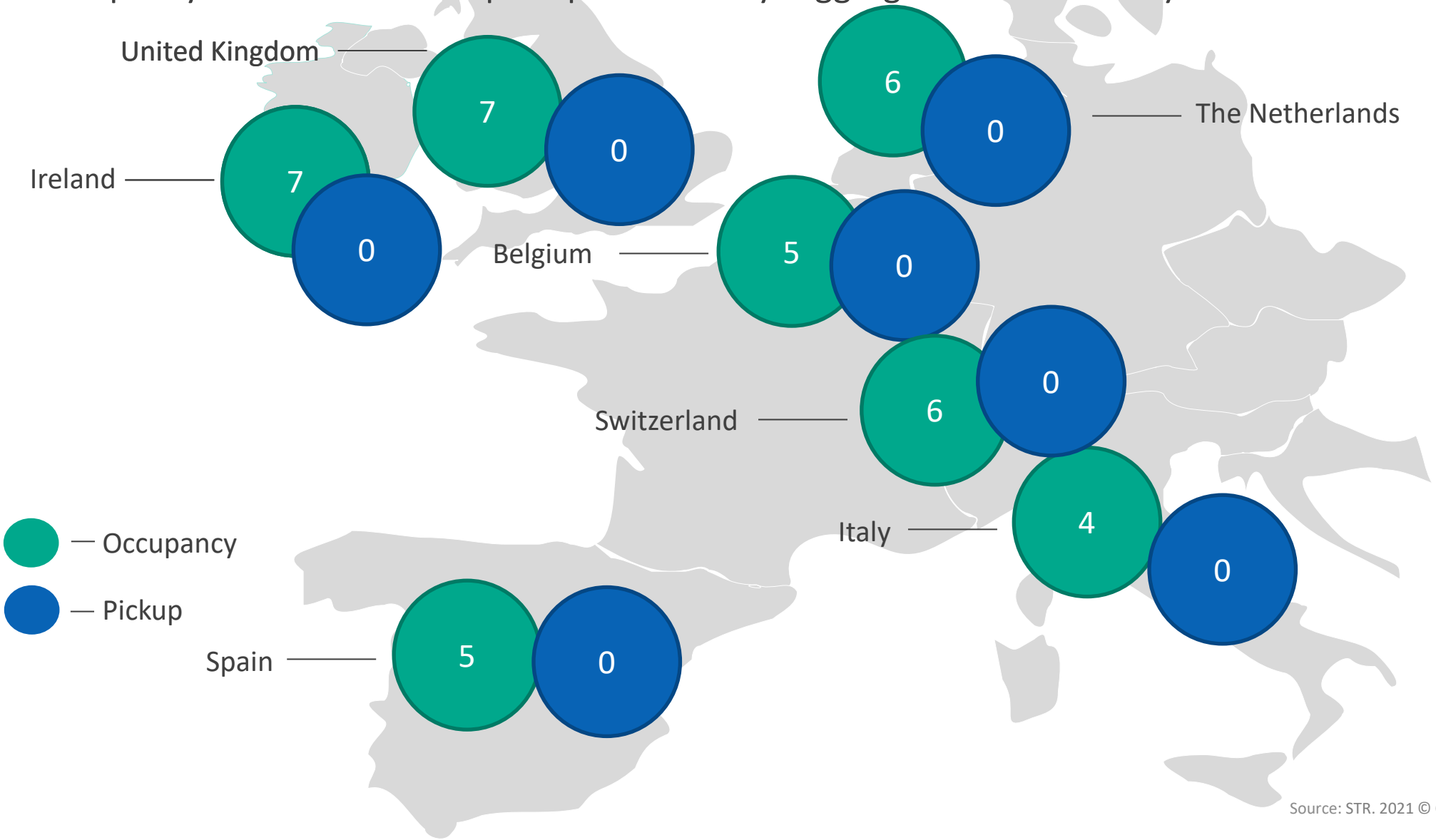
We knew Q1 was going to be tough…. But what about Q2?

Occupancy on the books and pickup next 14 days aggregate as of February 8th 2021



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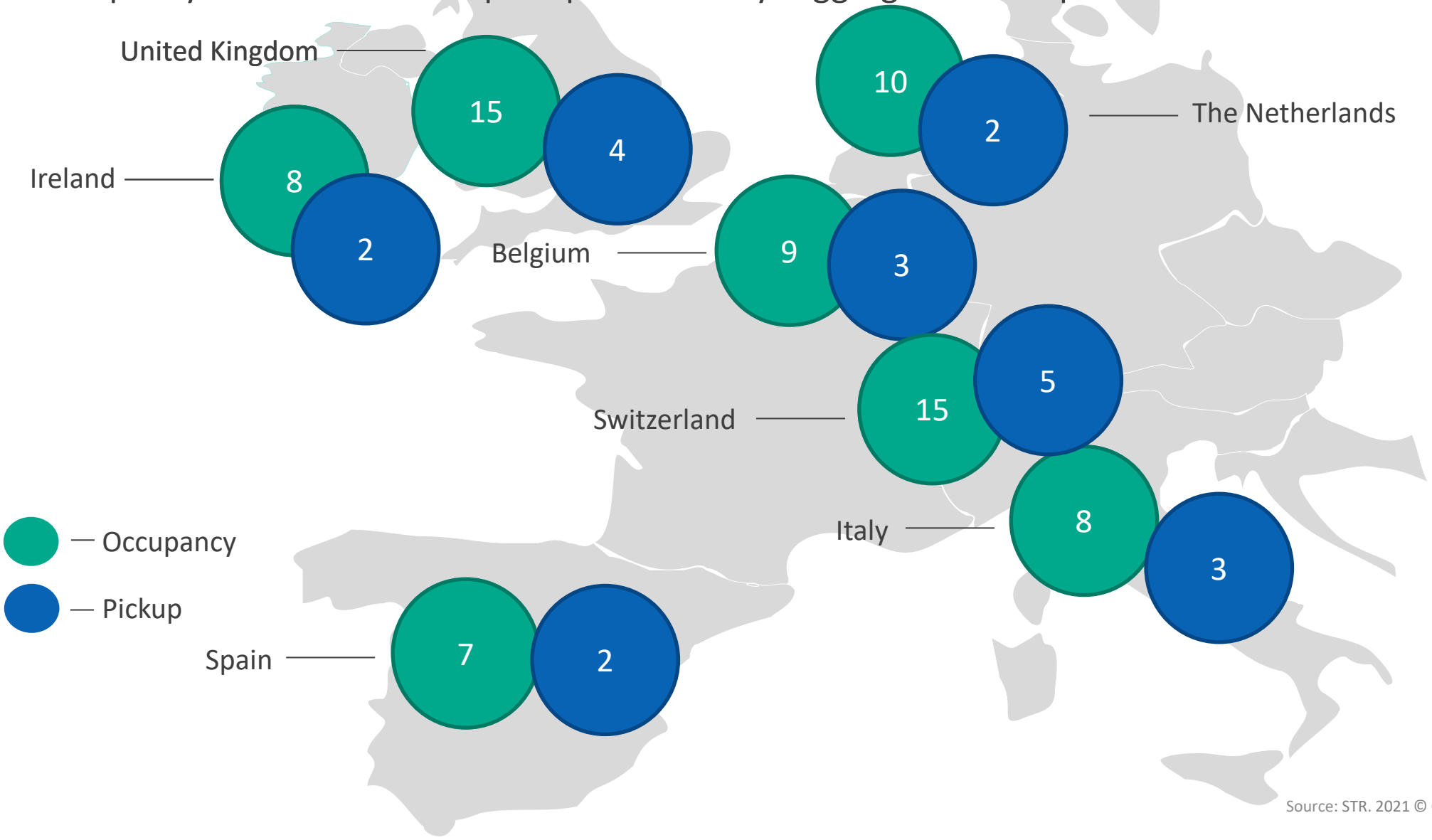
… Forward STAR shows recovery starting….

Occupancy on the books and pickup next 14 days aggregate as of April 19th 2021



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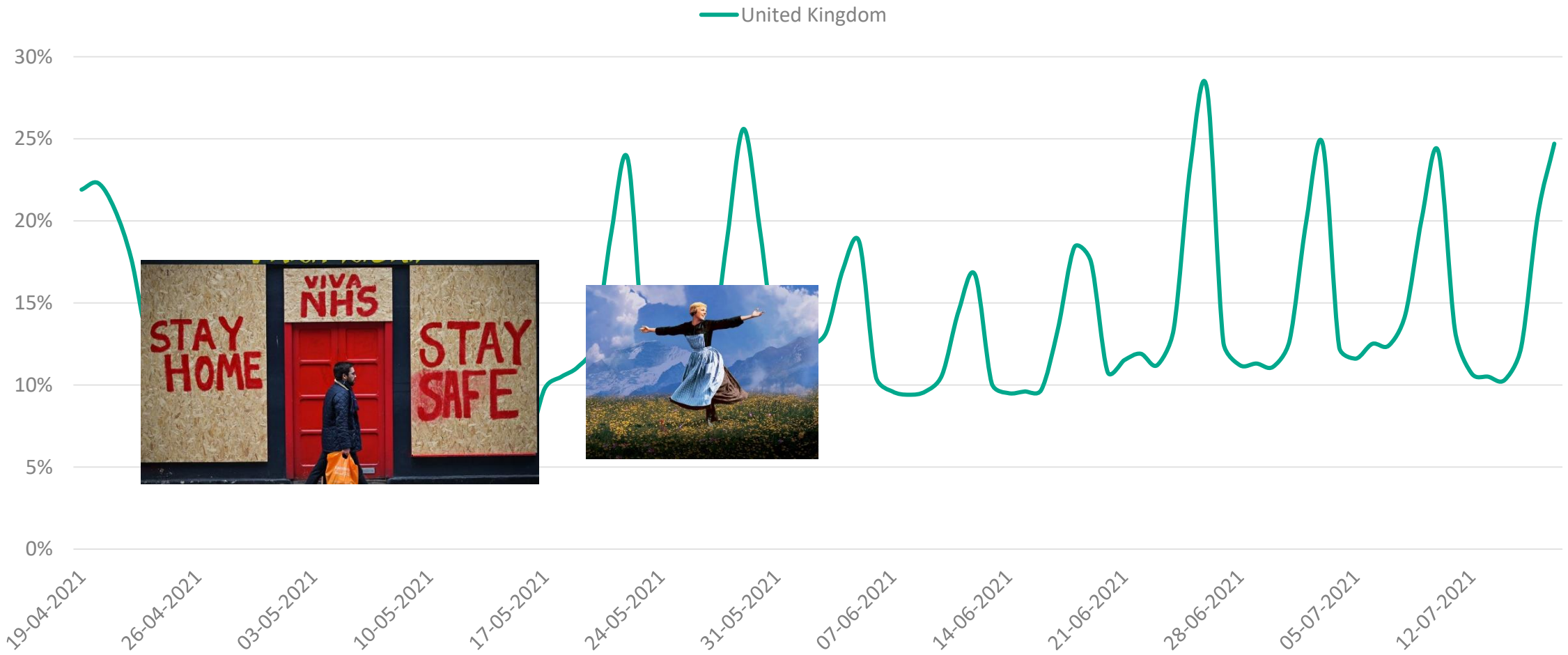
UK ramping up significantly when allowed to fully re-open

Occupancy on the books, next 90 days, as of April 19th



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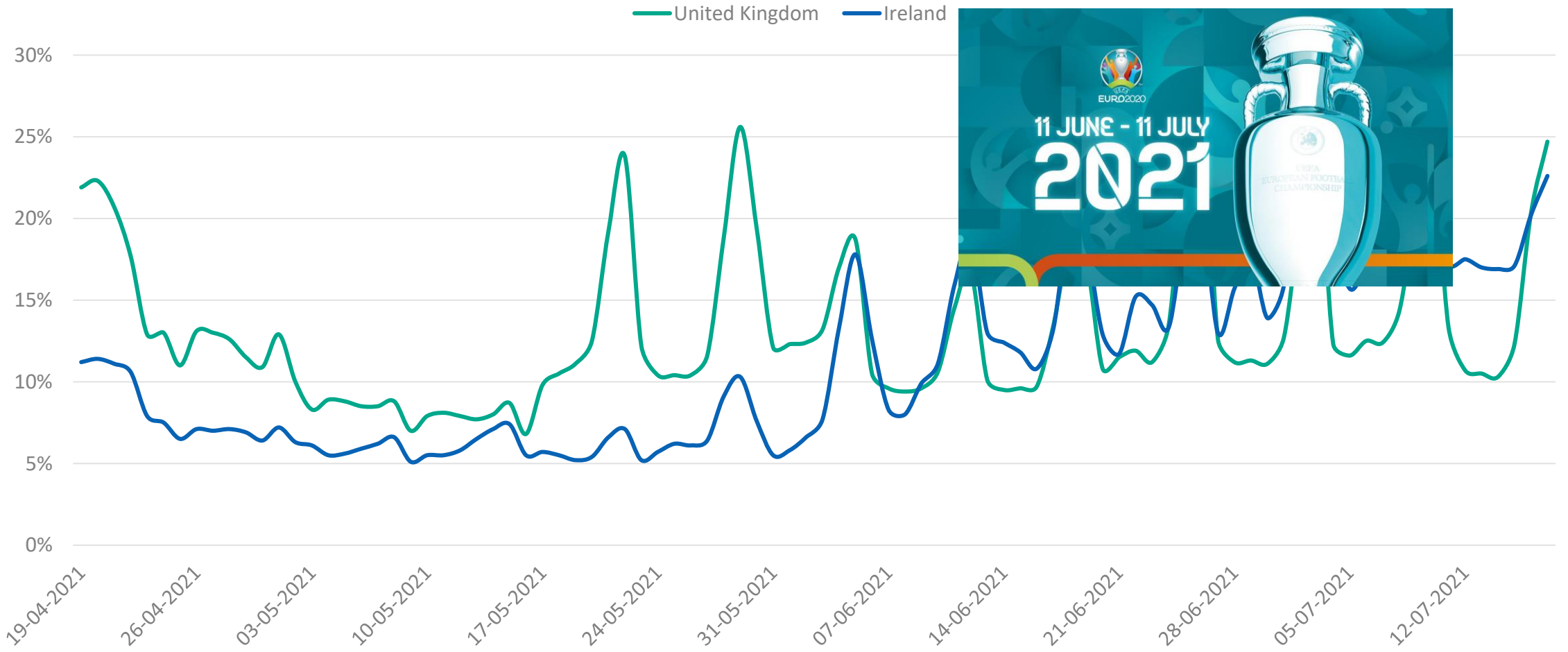
… Irish are betting they'll re-open 2-3 weeks later than UK

Occupancy on the books, next 90 days, as of April 19th



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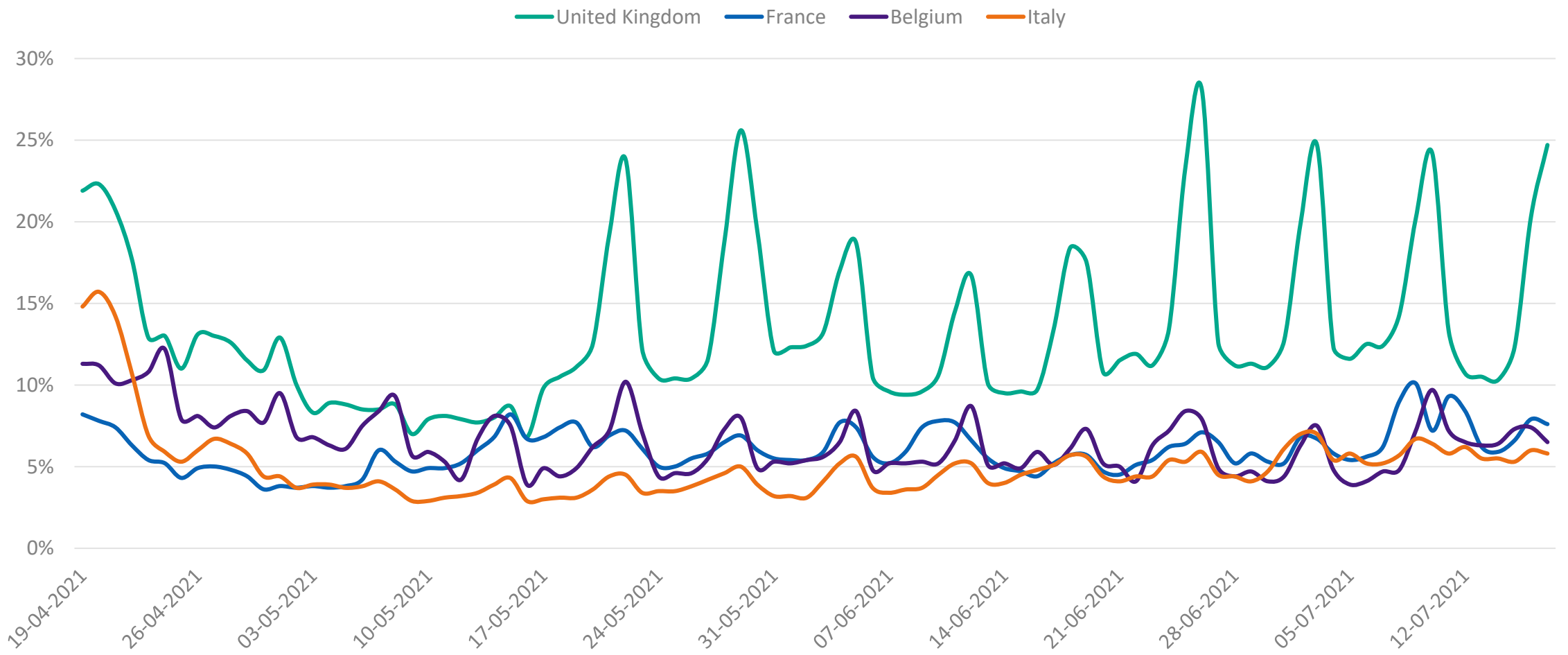
Gap between UK and rest of Europe is clear… and cause for hope

Occupancy on the books, next 90 days, as of April 19th



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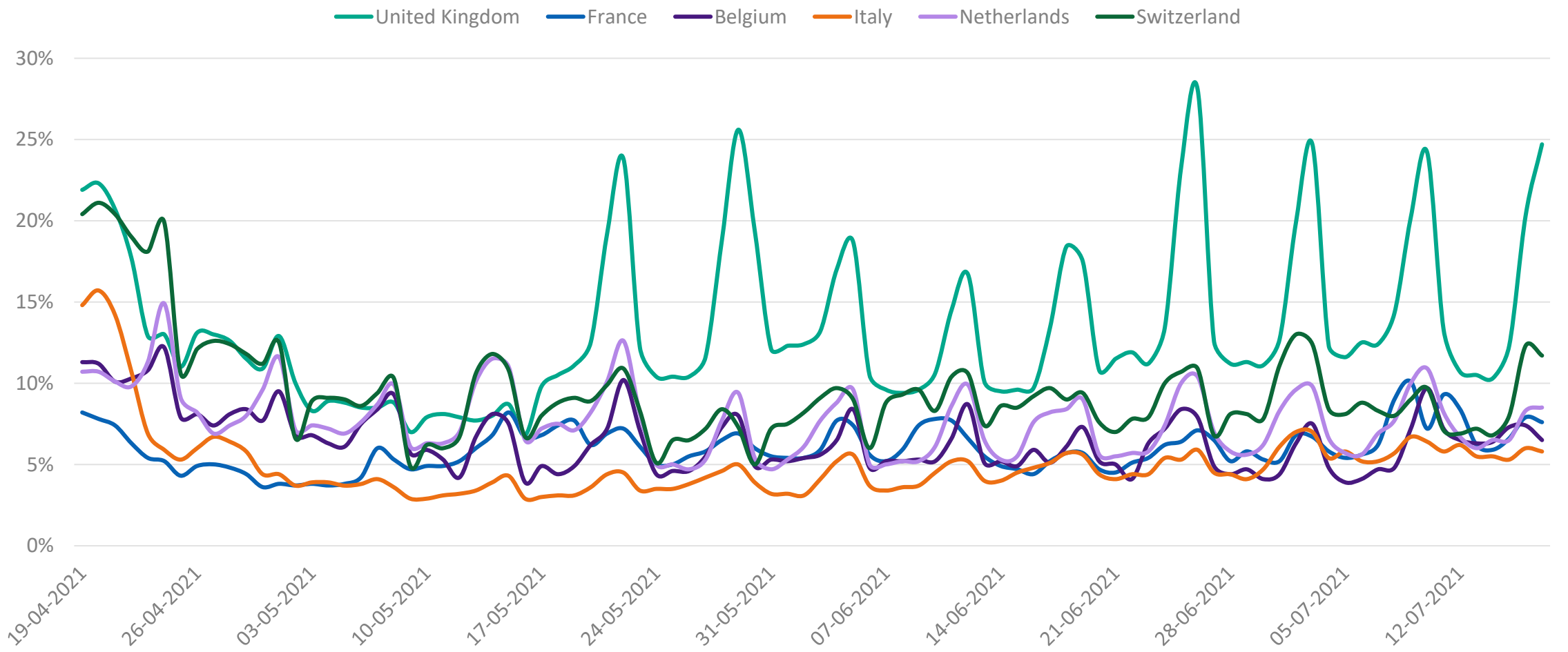
Netherlands and Switzerland looking stronger than F.B.I.

Occupancy on the books, next 90 days, as of April 19th



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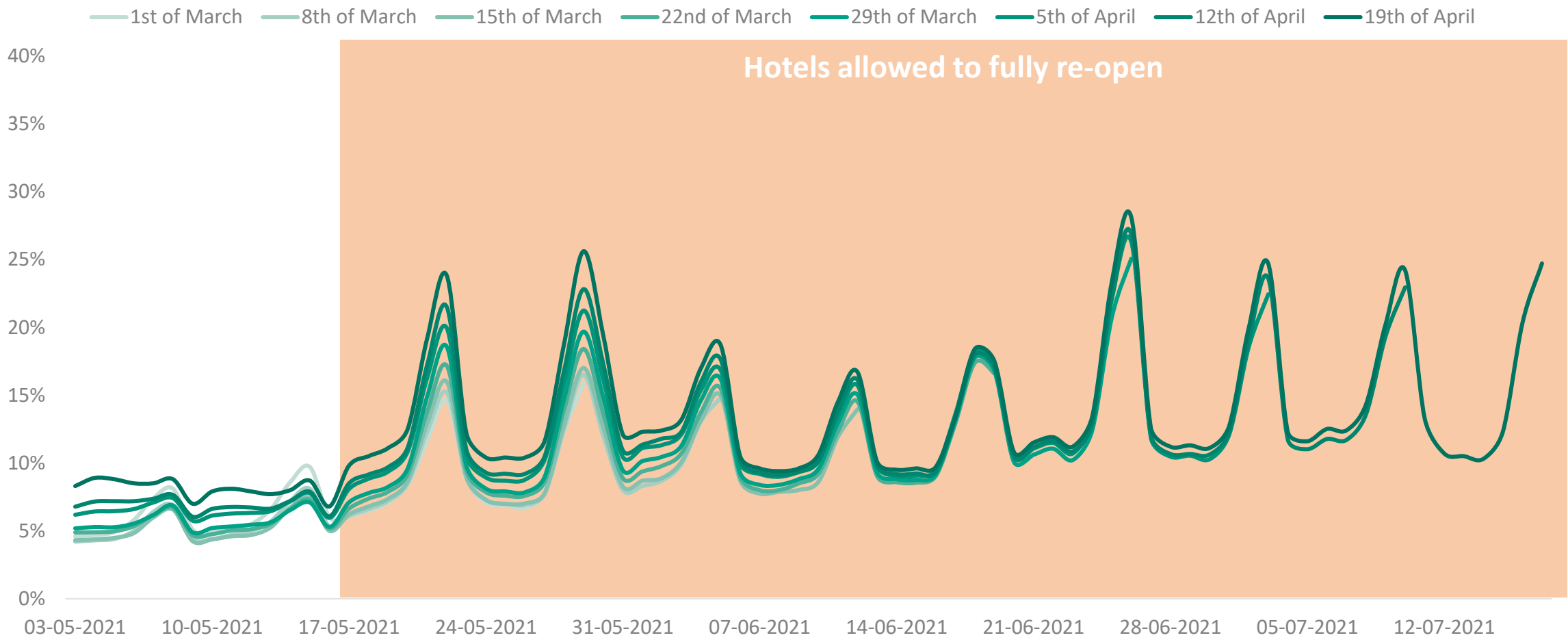
UK Hotel Forward Occupancy improving each weak and stronger further out

United Kingdom, Occupancy on the books, next 90 days



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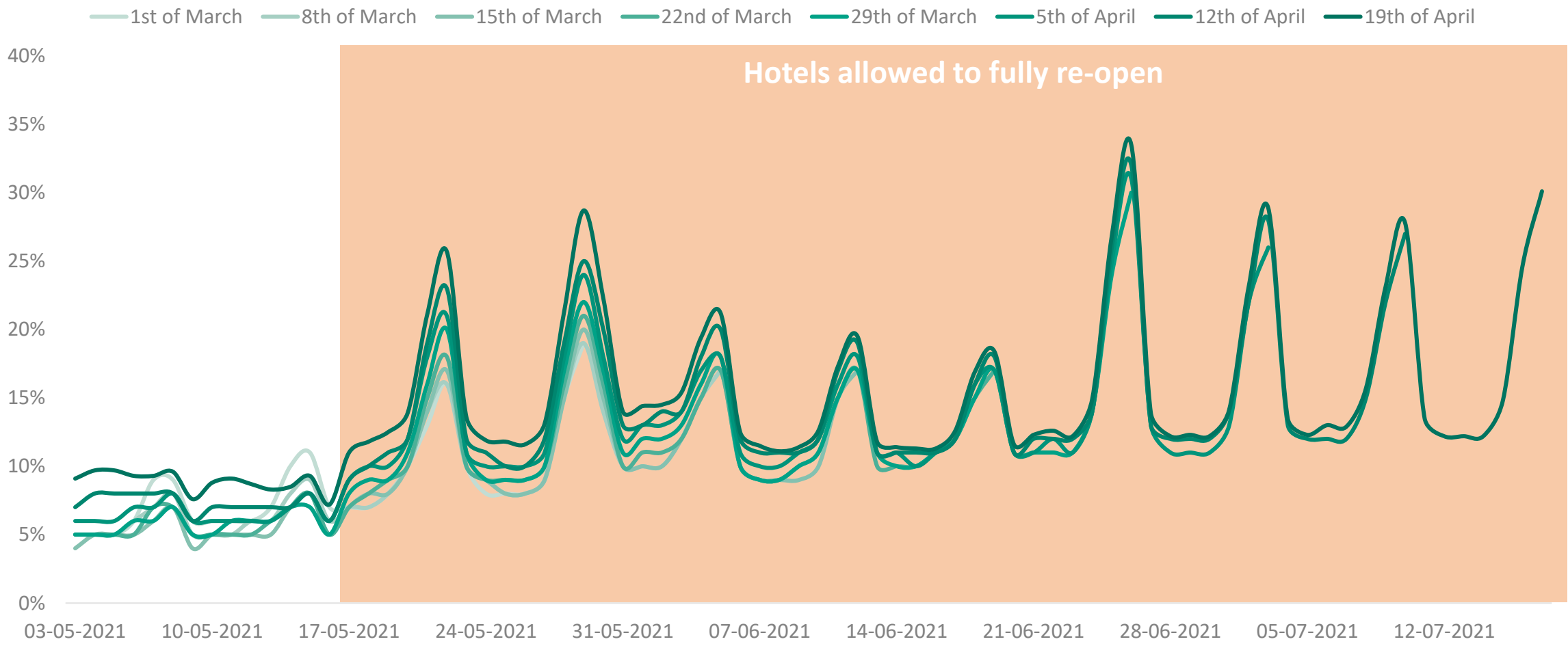
Regional UK weekend peaks are clearly visible post May 17th

Regional UK, Occupancy on the books, next 90 days



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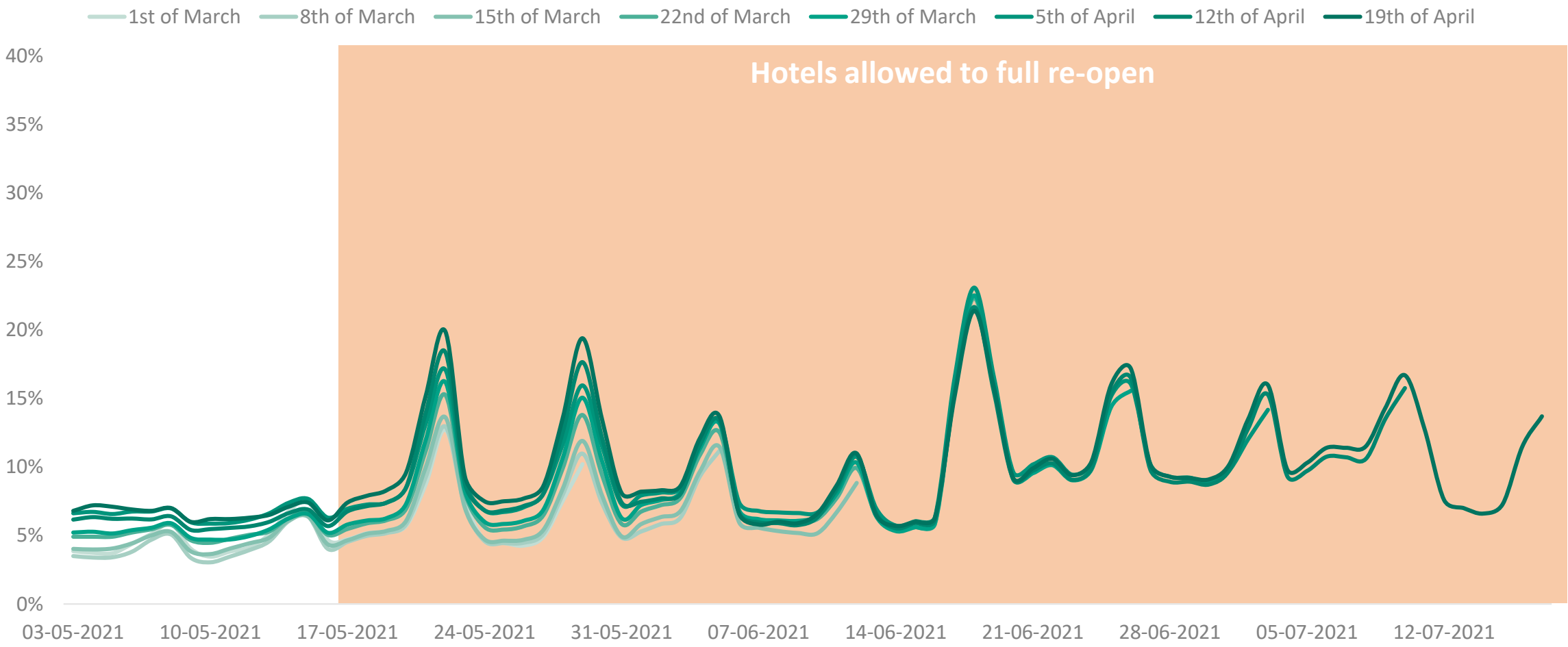
London ‘only’ tracking about 5pp behind the UK average

London, Occupancy on the books, next 90 days



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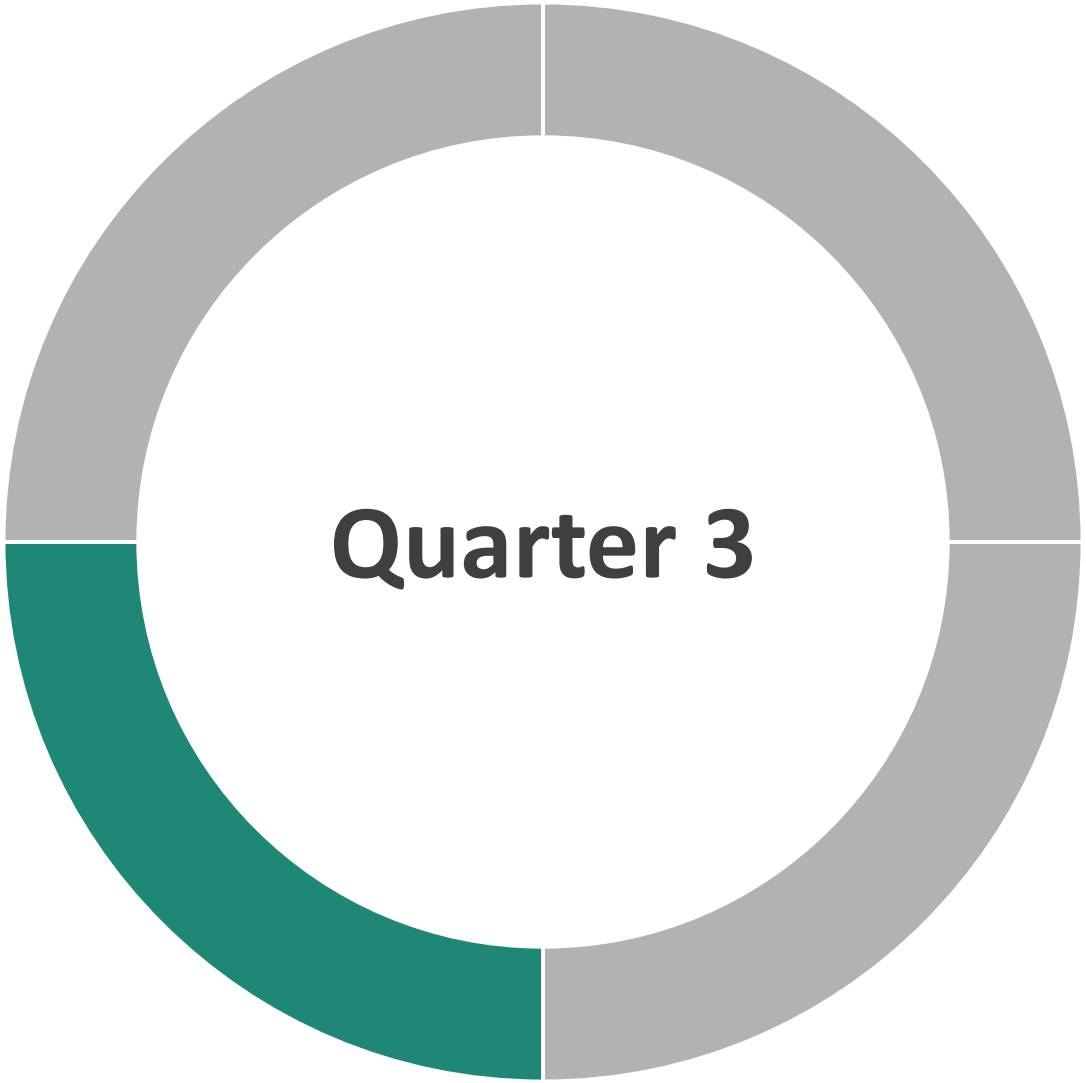

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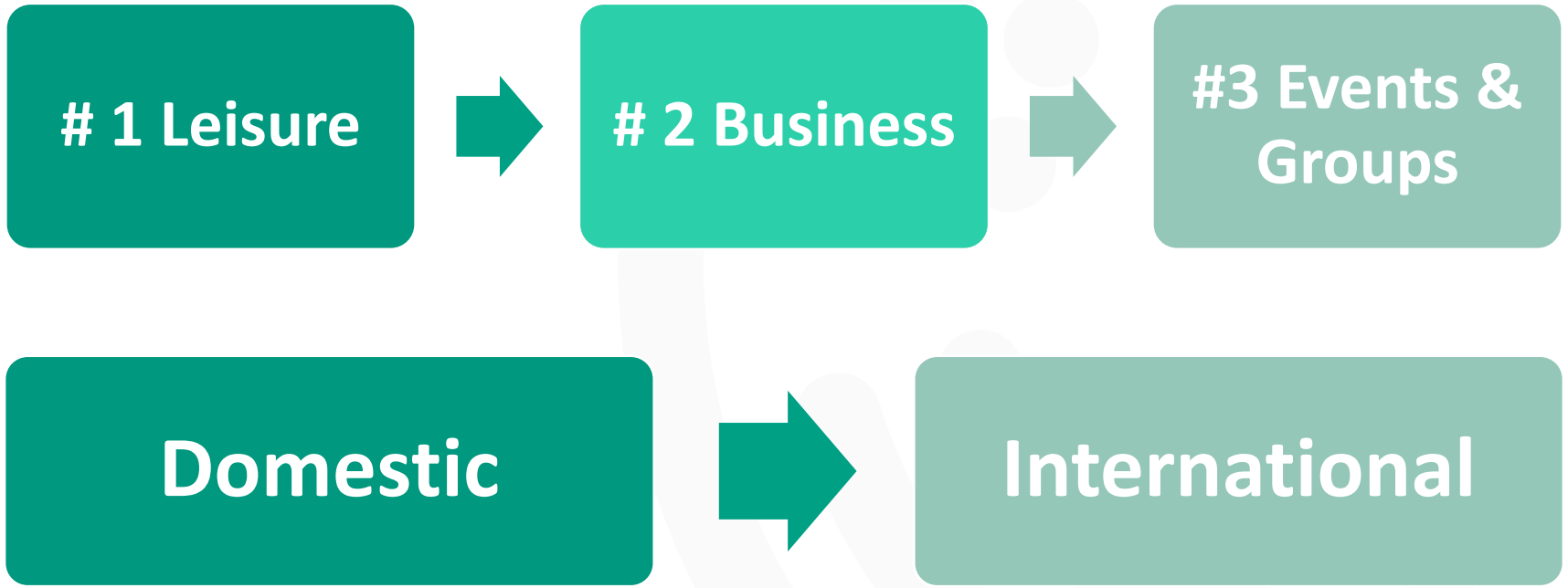
Recovery will differ by type of demand



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GLOBAL EDITION

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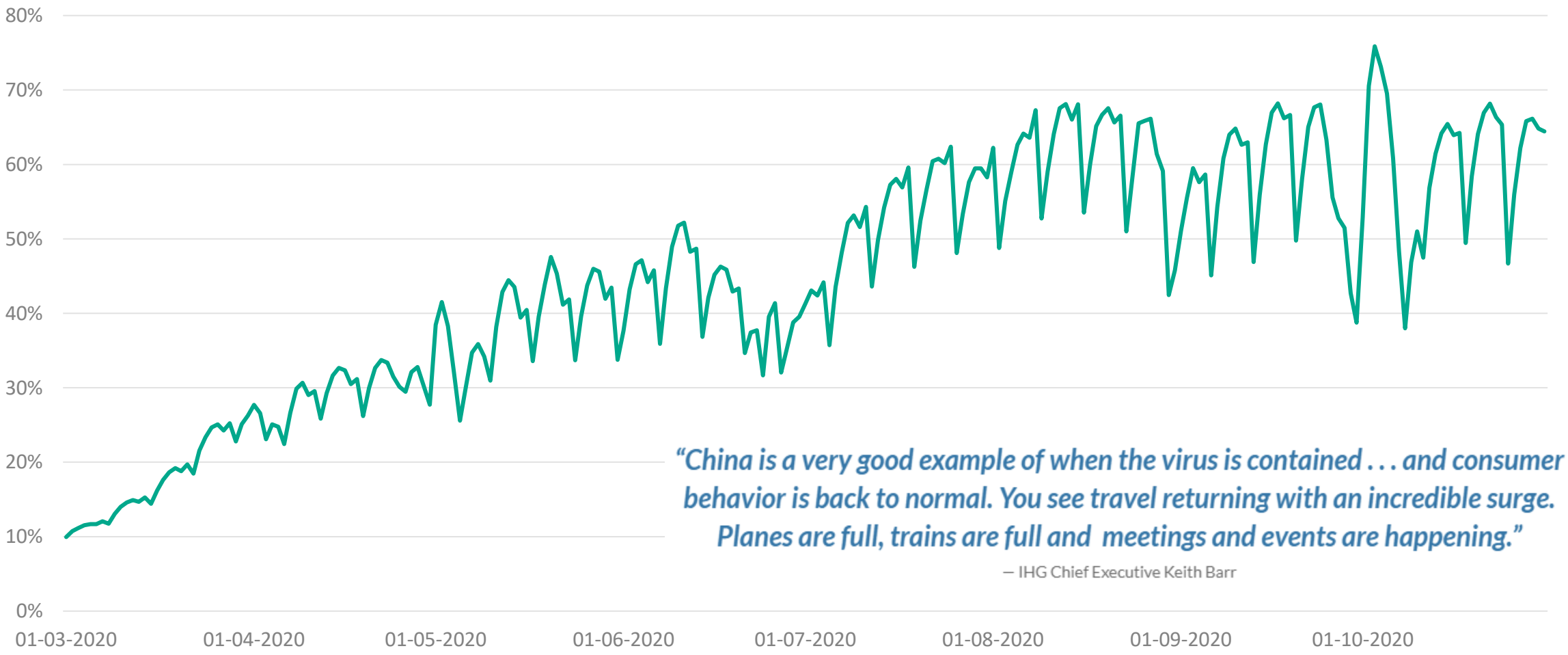
China’s recovery was phased and throughout 2020

Mainland China, Daily occupancy, March 2020 – December 2020



“China is a very good example of when the virus is contained . . . and consumer behavior is back to normal. You see travel returning with an incredible surge. Planes are full, trains are full and meetings and events are happening.”

— IHG Chief Executive Keith Barr

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Expect strong demand in leisure locations in the summer

Demand may exceed supply as CEO of one of the world's biggest hotel groups sees 'surge' in bookings

Last Updated: April 24, 2021 at 3:14 p.m. ET
First Published: April 22, 2021 at 3:54 p.m. ET

By Rupert Steiner

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Hotel and airline industry will begin to bounce back by second half of 2021, according to the chief executive of InterContinental Hotels

"We're seeing, and this is U.S. data, that as vaccine continues to 'move down,' bookings literally surge by age," he says. "First it was over 65s and now we're getting into 50s. And when you think about the trillions of dollars of savings that consumers have had banked in the past year they want to spend it on travel. People are calling it revenge travel and I've heard 'vaccications.'

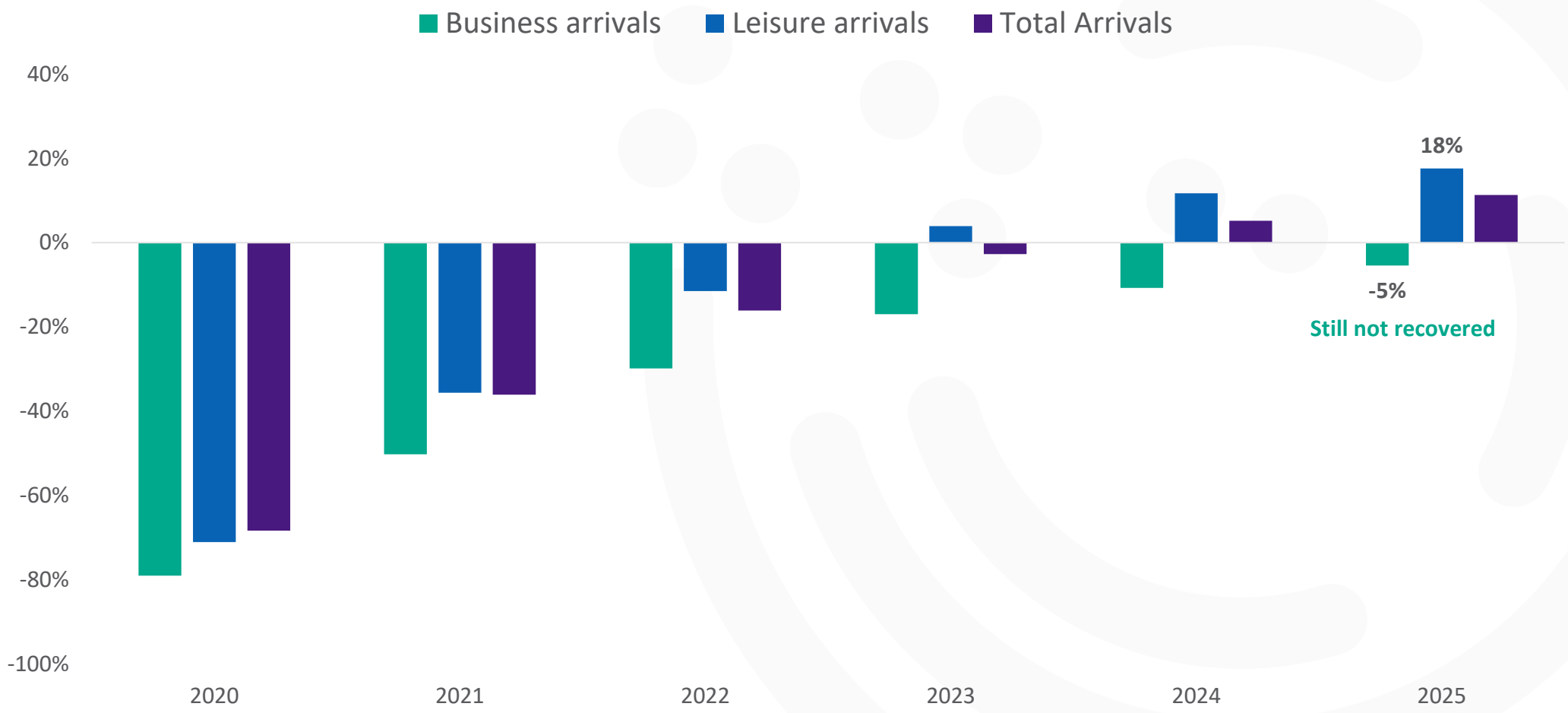
Price of US summer rentals in the great outdoors surges

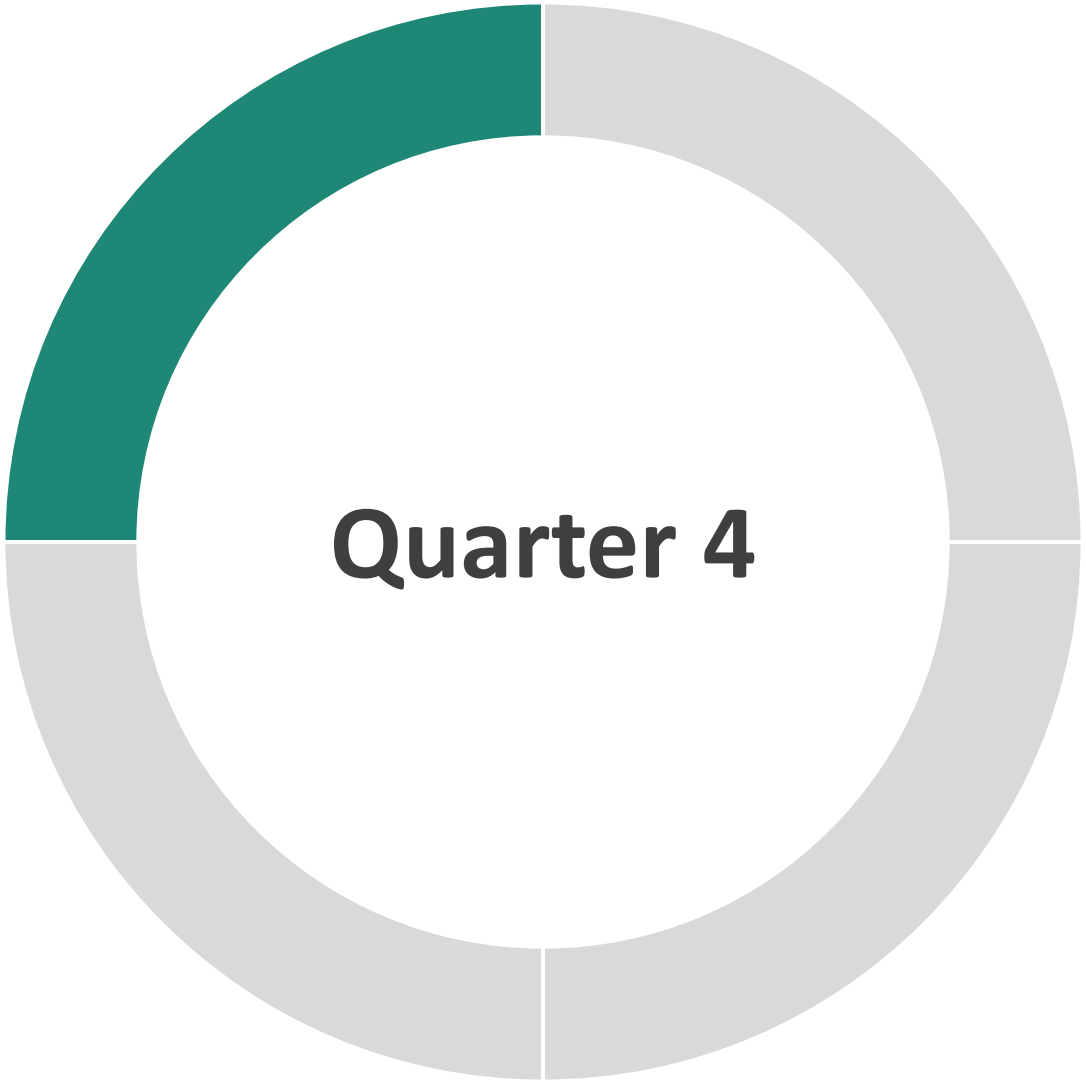
Travellers head for national parks, beaches and hiking destinations as vaccination rates rise

Source: STR. 2021 © CoStar Realty Information, Inc.

Business travel will take time to recover …

Europe, overnight arrivals by segment (business, leisure, total) % vs 2019





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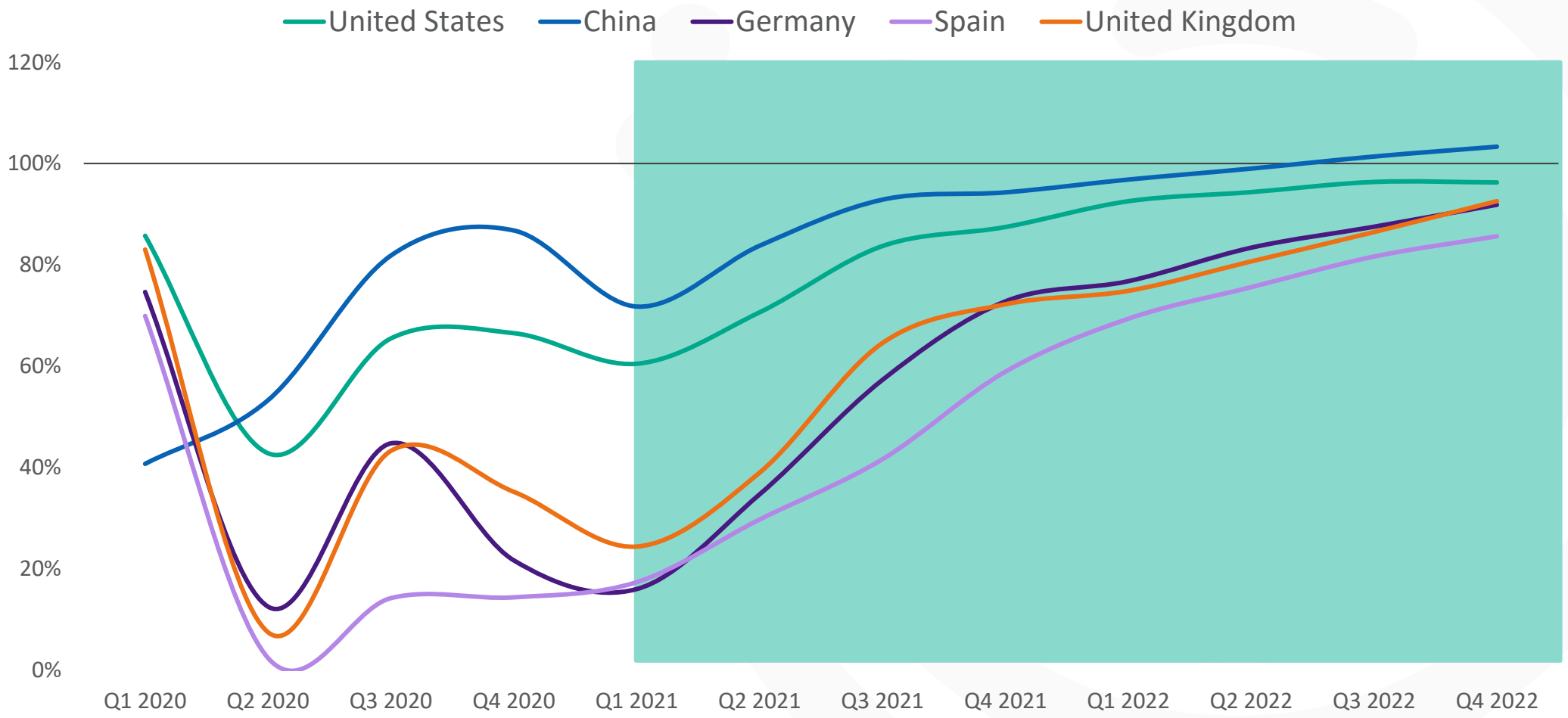
Demand close to the peak by Q42022 – surprised?

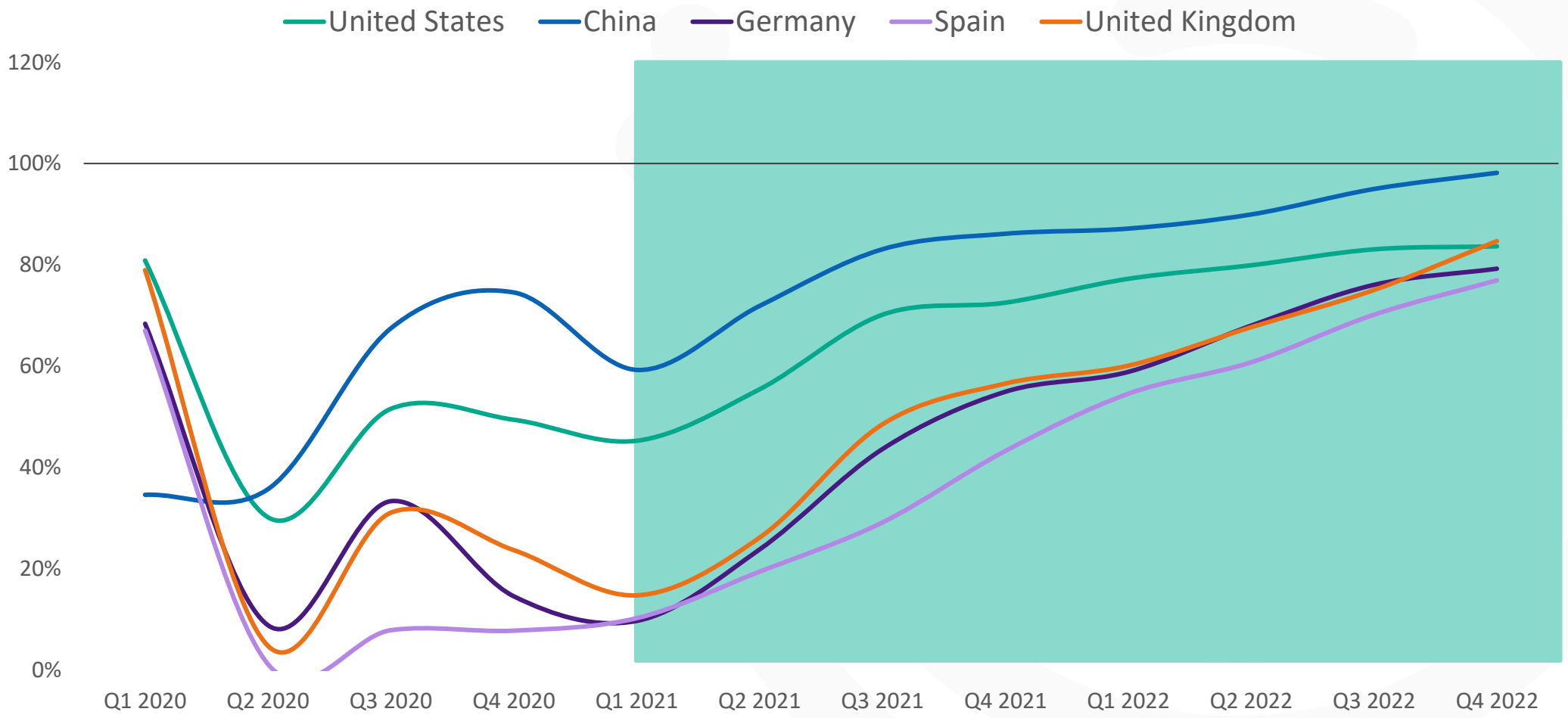
China, Germany, Spain Aggregated Markets – US & UK total forecast, Demand % of 2019



China includes: Beijing, Shanghai, Guangzhou, Hangzhou, Chengdu
Germany includes: Berlin, Cologne, Dusseldorf, Frankfurt, Hamburg, Munich, Stuttgart
Spain includes: Barcelona, Madrid

Meaningful RevPAR recovery by Q4 2022

China, Germany, Spain Aggregated Markets – US & UK total forecast, RevPAR LC % of 2019



China includes: Beijing, Shanghai, Guangzhou, Hangzhou, Chengdu
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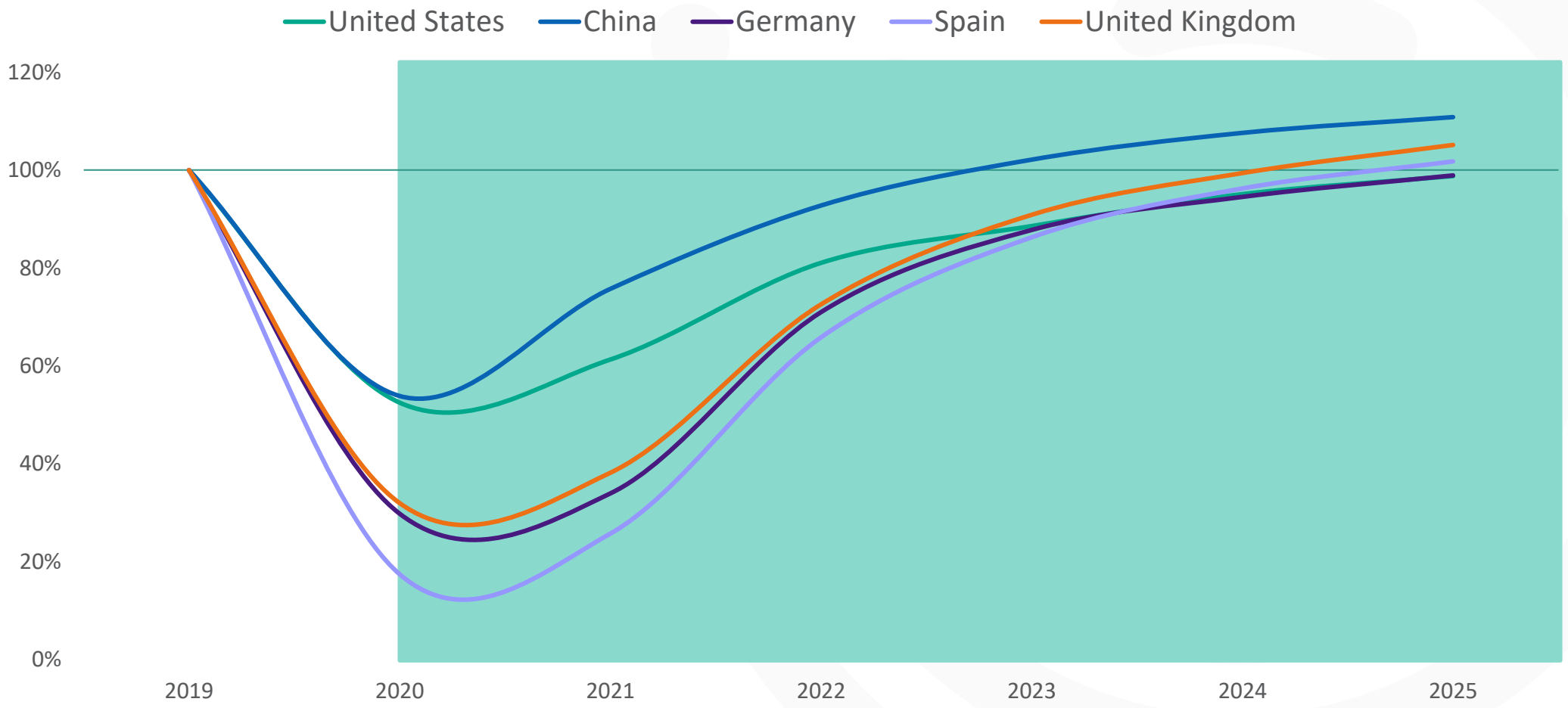
On an annualised basis, RevPAR only recovers to 2019 by 2024/5

China, Germany, Spain Aggregated Markets – US & UK total forecast, RevPAR LC % of 2019



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Questions?

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