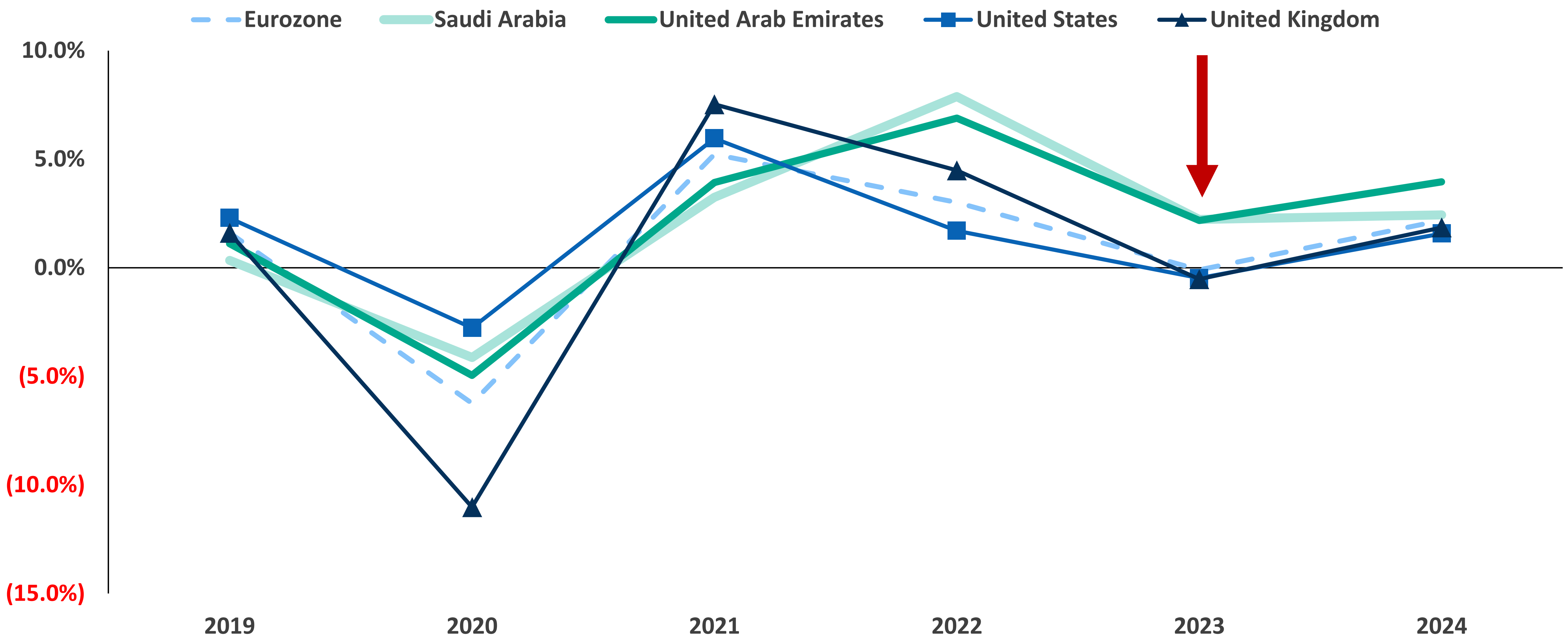
The 2022 Stakeholder Conference

19 October 2022

Philip Wooller – Area Director MEA

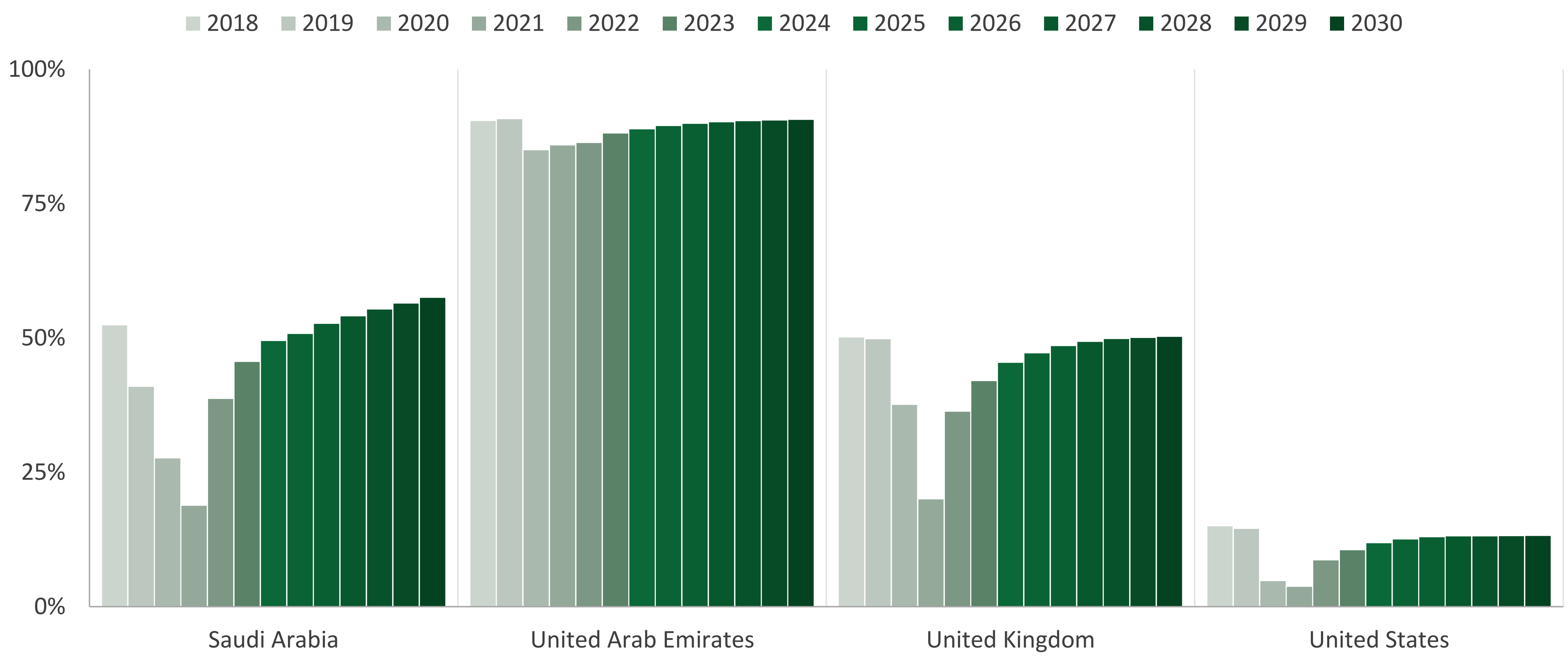
Middle East one of few regions looking at Recession-Free 2023

Real GDP, year-over-year % change, 2019 – 2024 F



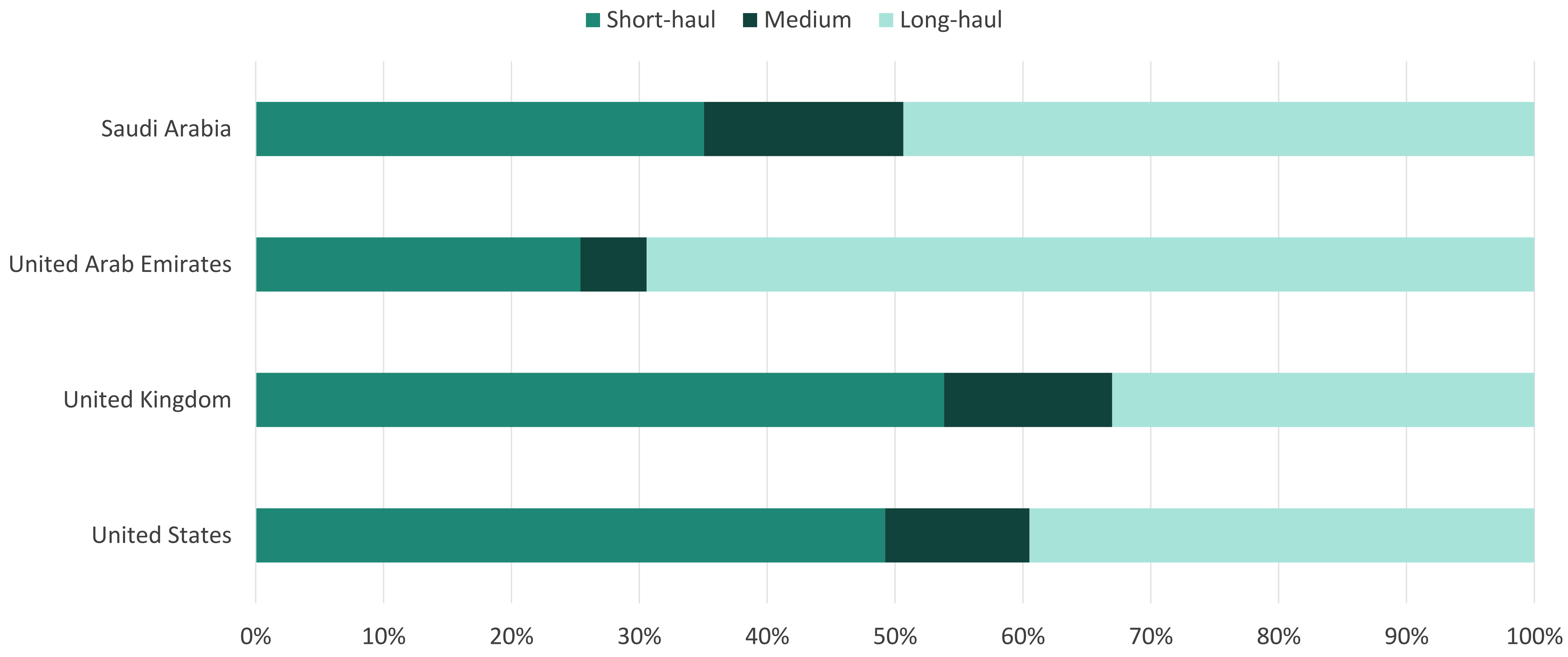
Which is great, except ME isn't all that domestic

% of international nights in hotels, 2018-2030



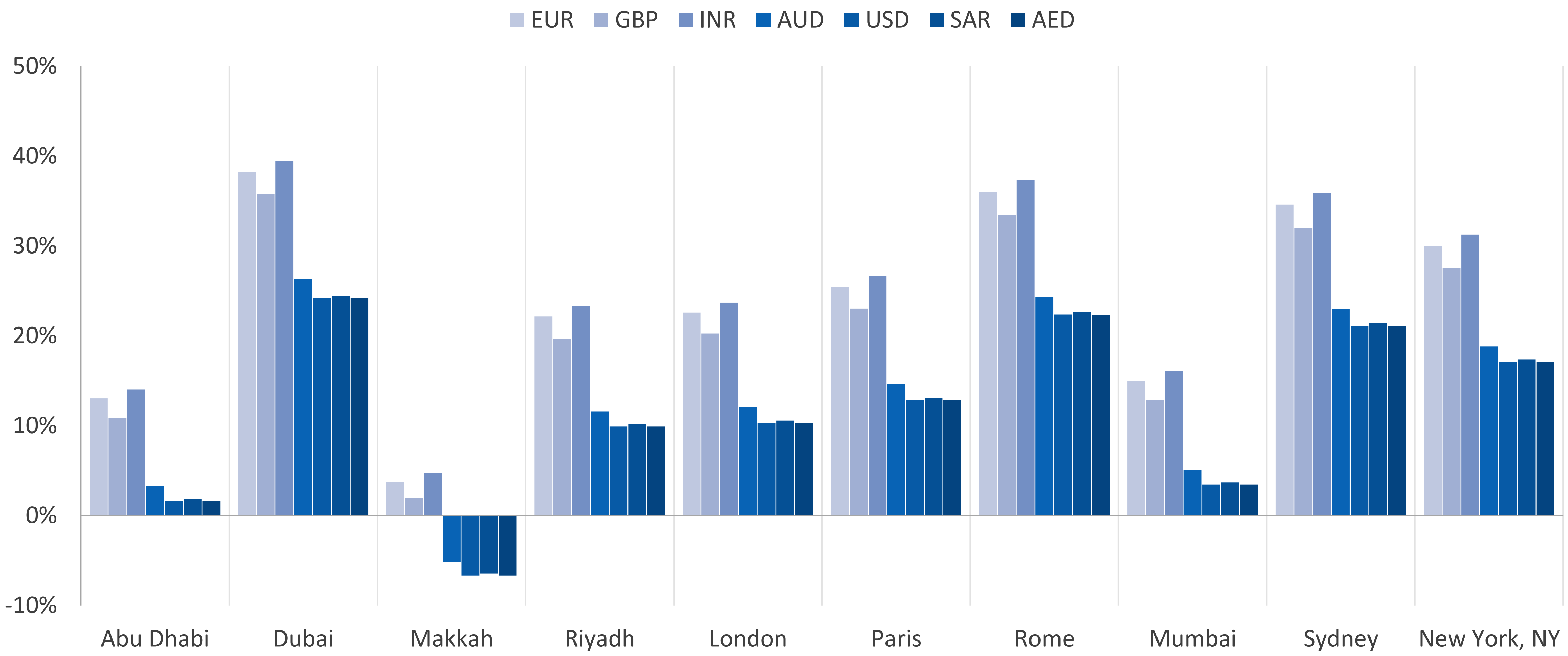
And most arrivals are traveling a fair distance

International overnight visits by distance traveled, 2019



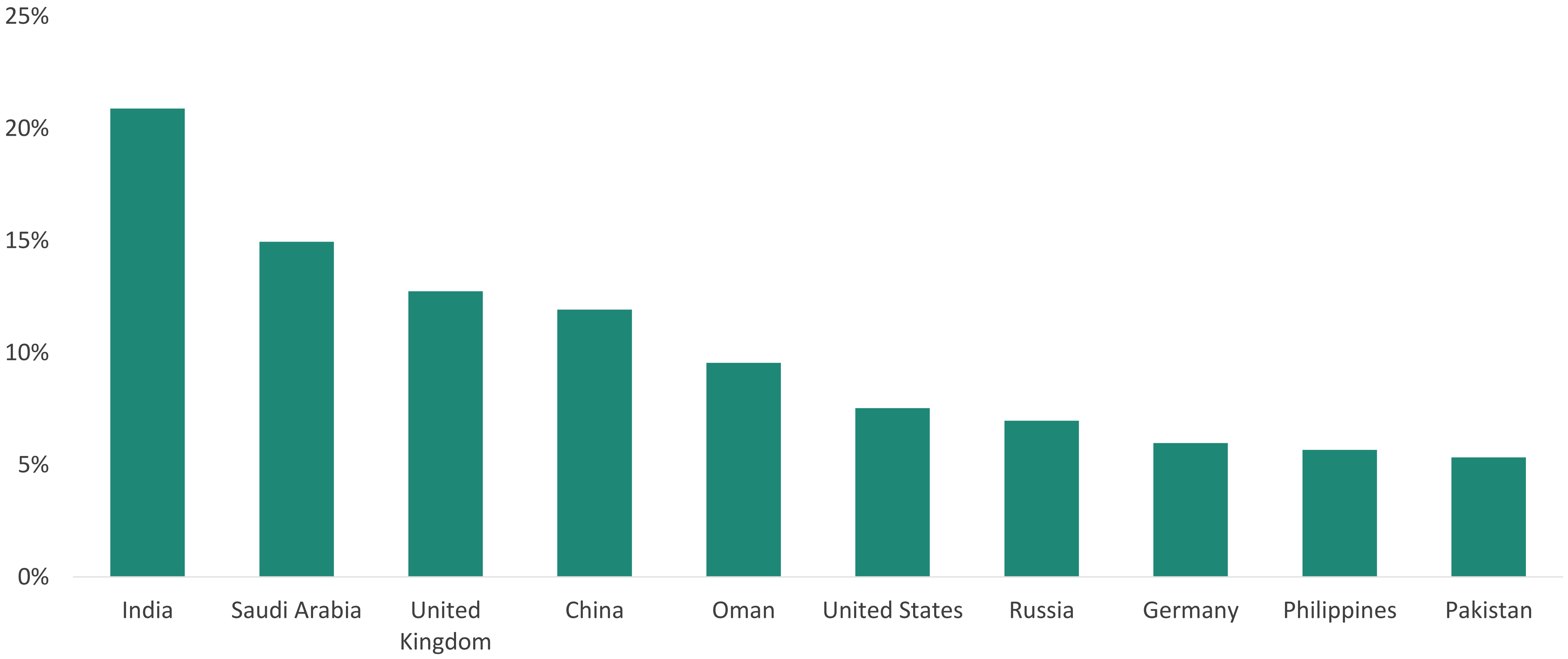
GBP, Euro users taking a massive hit on FX rate fluctuations

ADR, % change to 2019, Sep 2022 prelim



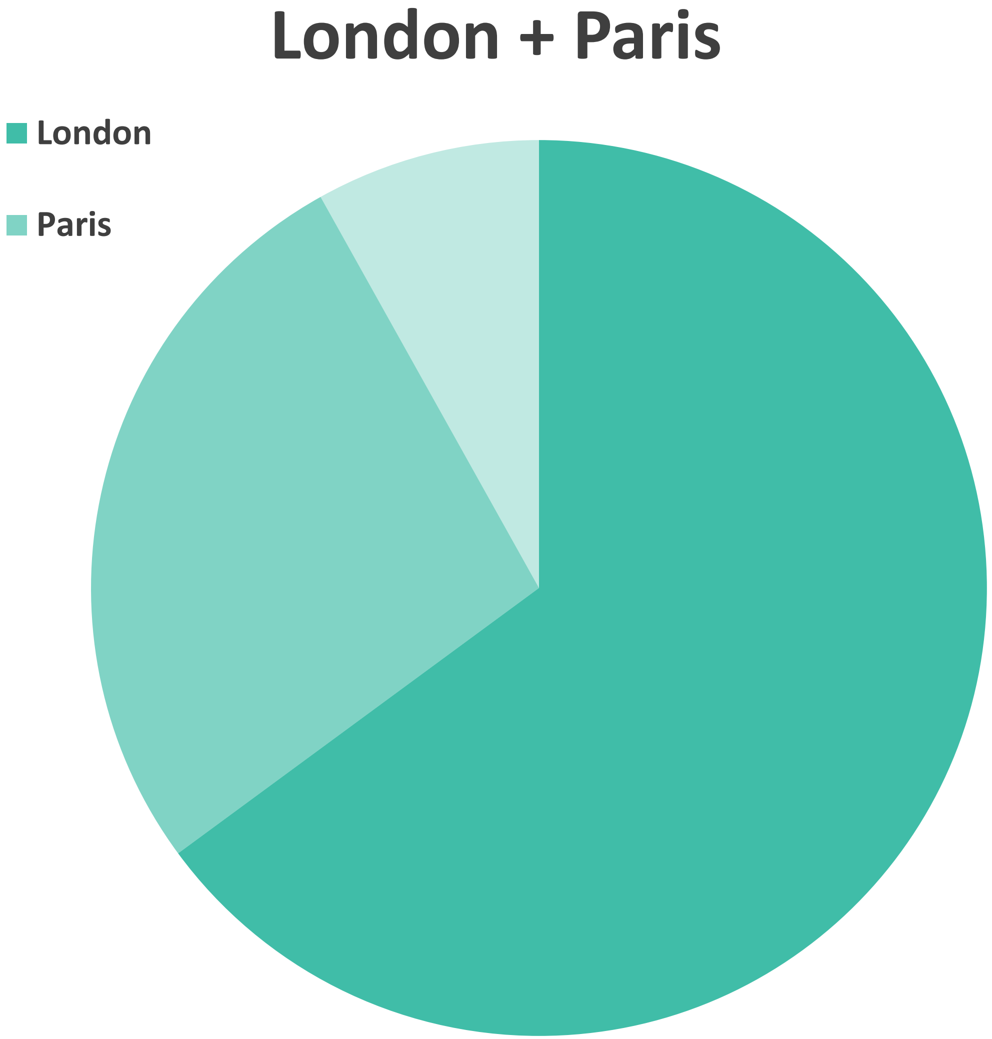
Some of UAE's key source markets are risky bets for 2023

UAE, % total international arrivals, 2019



Two ways to reach 31.2 million rooms occupied

Hotel Room Demand, Full Year 2021



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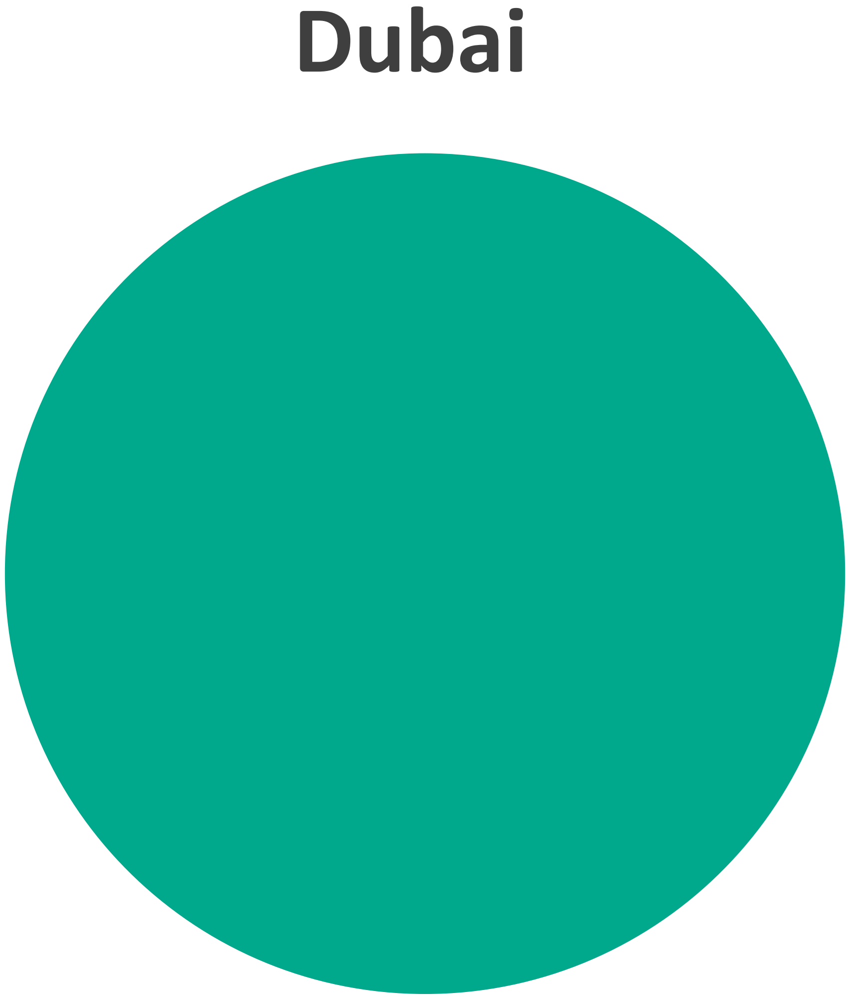
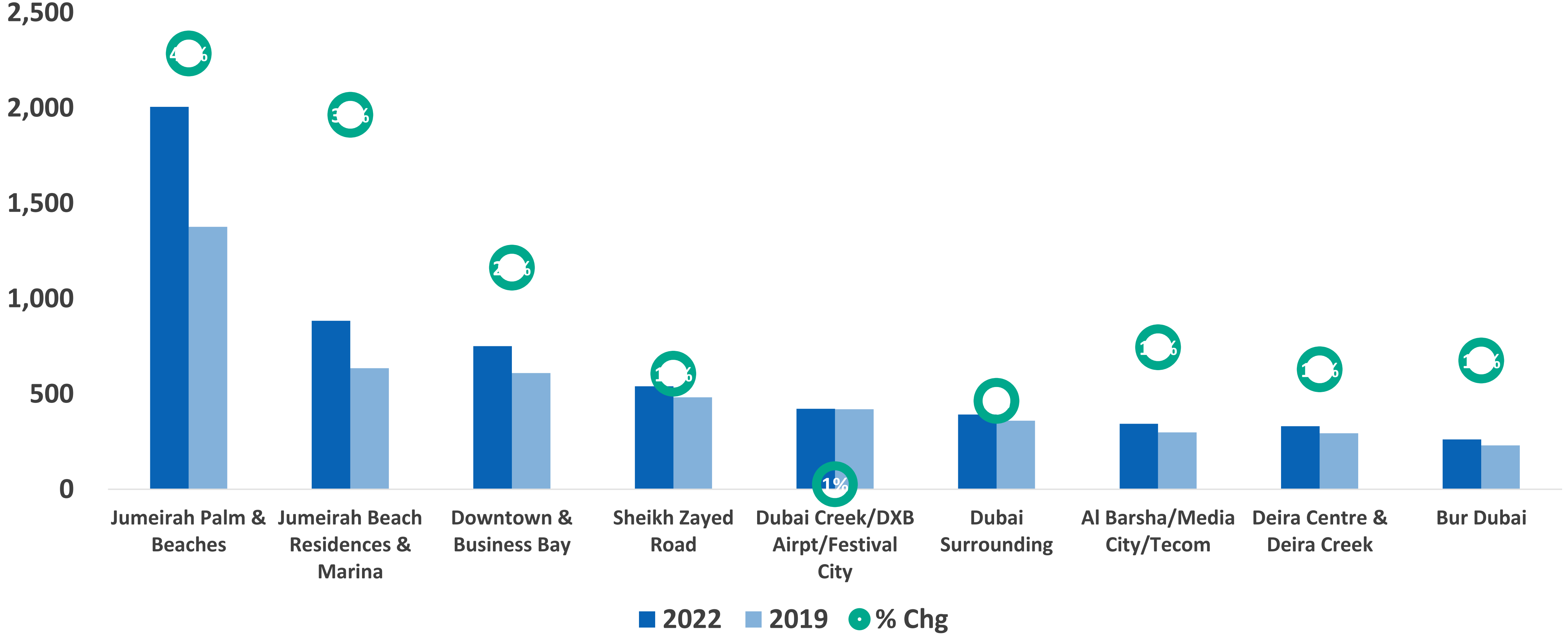


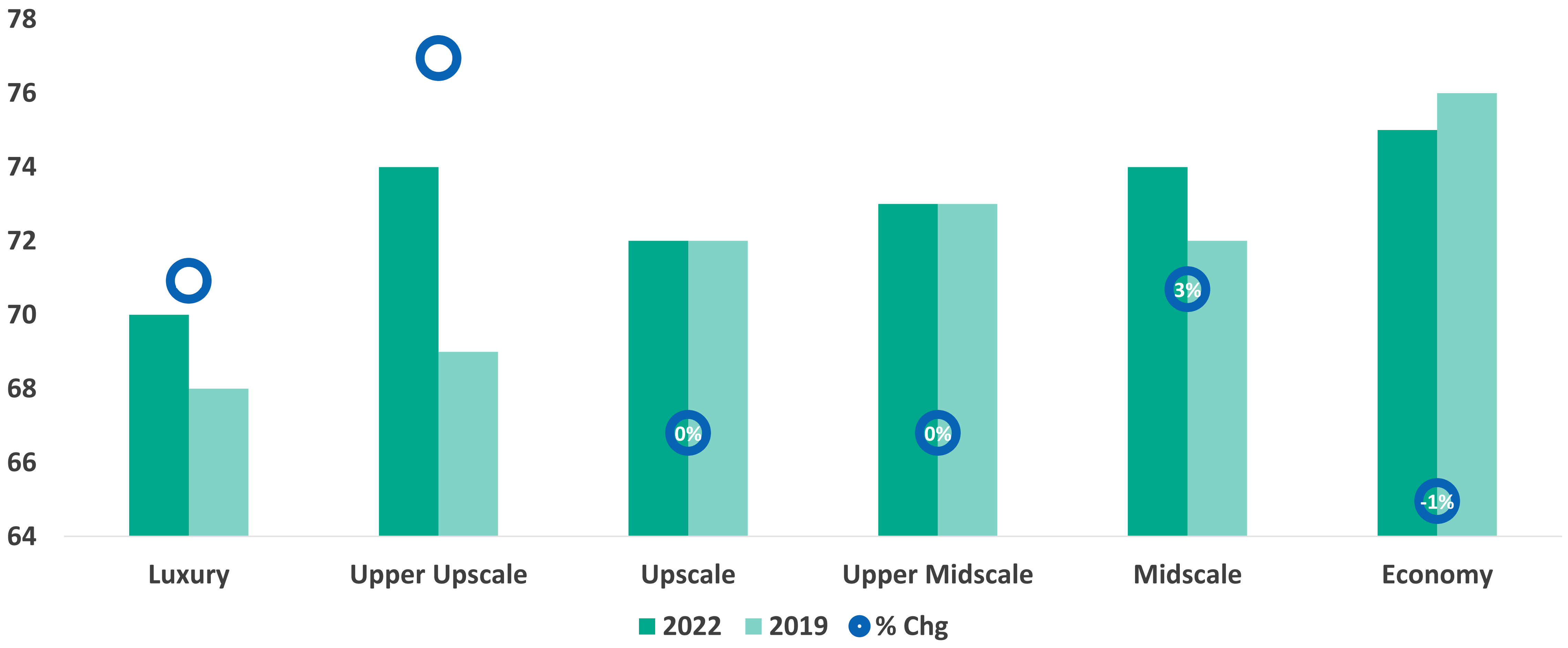
The other half of the story is ADR – Palm/Beaches is up 46%

Dubai Submarkets, ADR & % Chg, Aug YTD 2022 vs. 2019



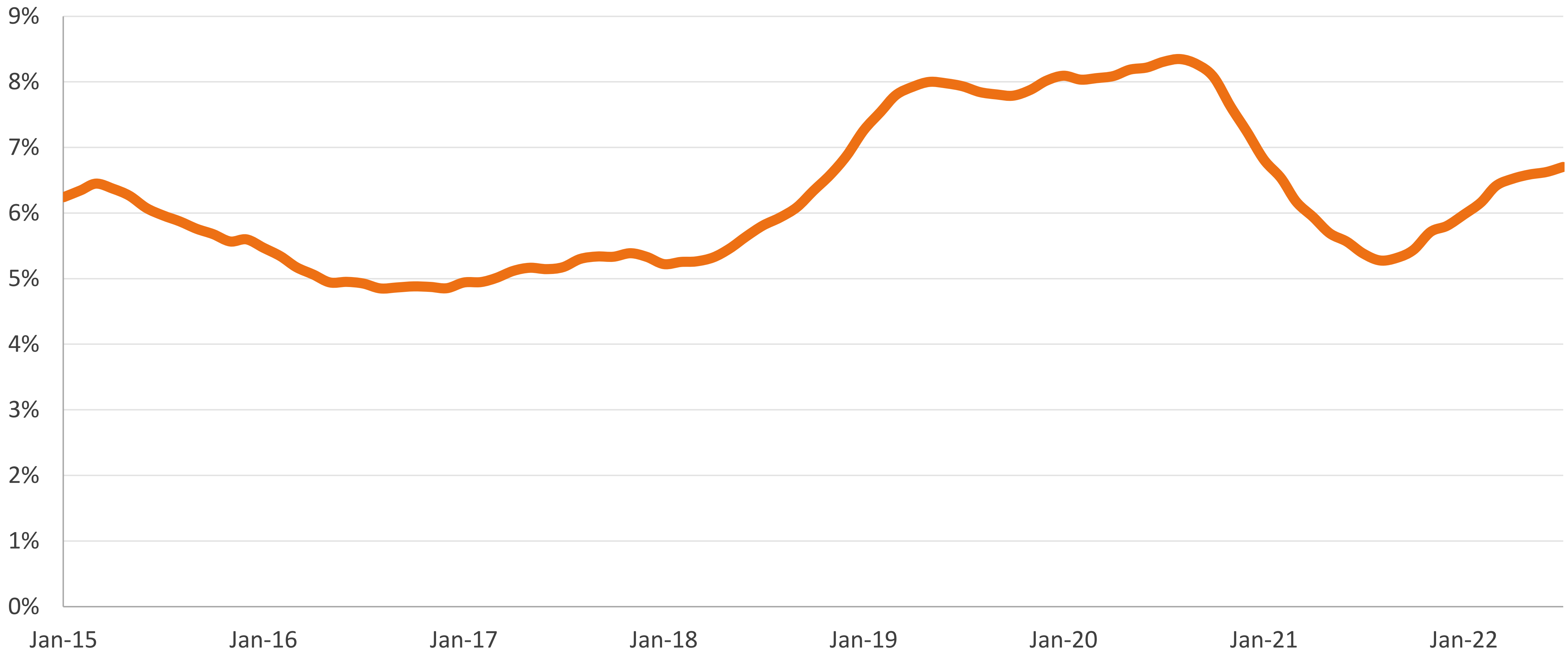
Dubai luxury, upper upscale & midscale are all growing occupancy

Dubai by Class, Occupancy & % Chg, Aug YTD 2022 vs 2019



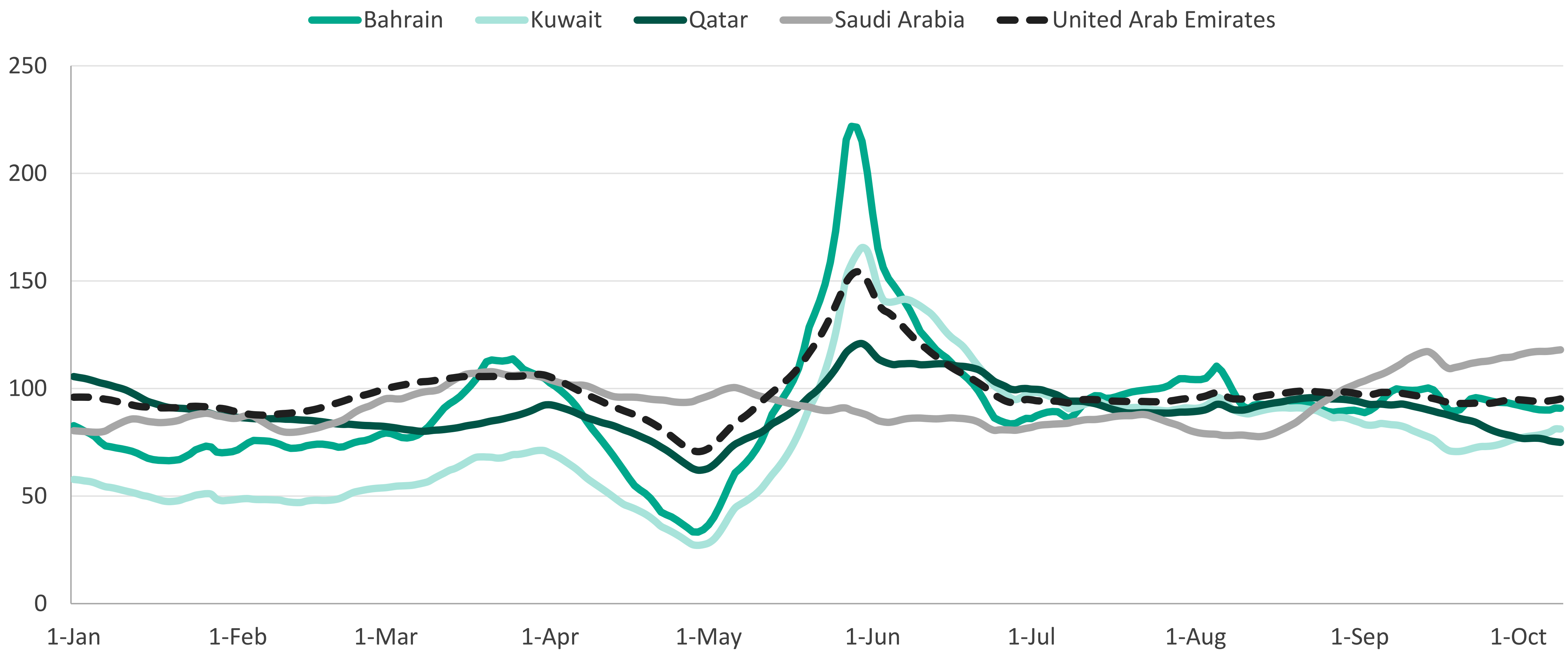
Dubai: Land of new supply

Dubai, R12 supply (TRI), % change from prior year, Jan 2015 – Jul 2022



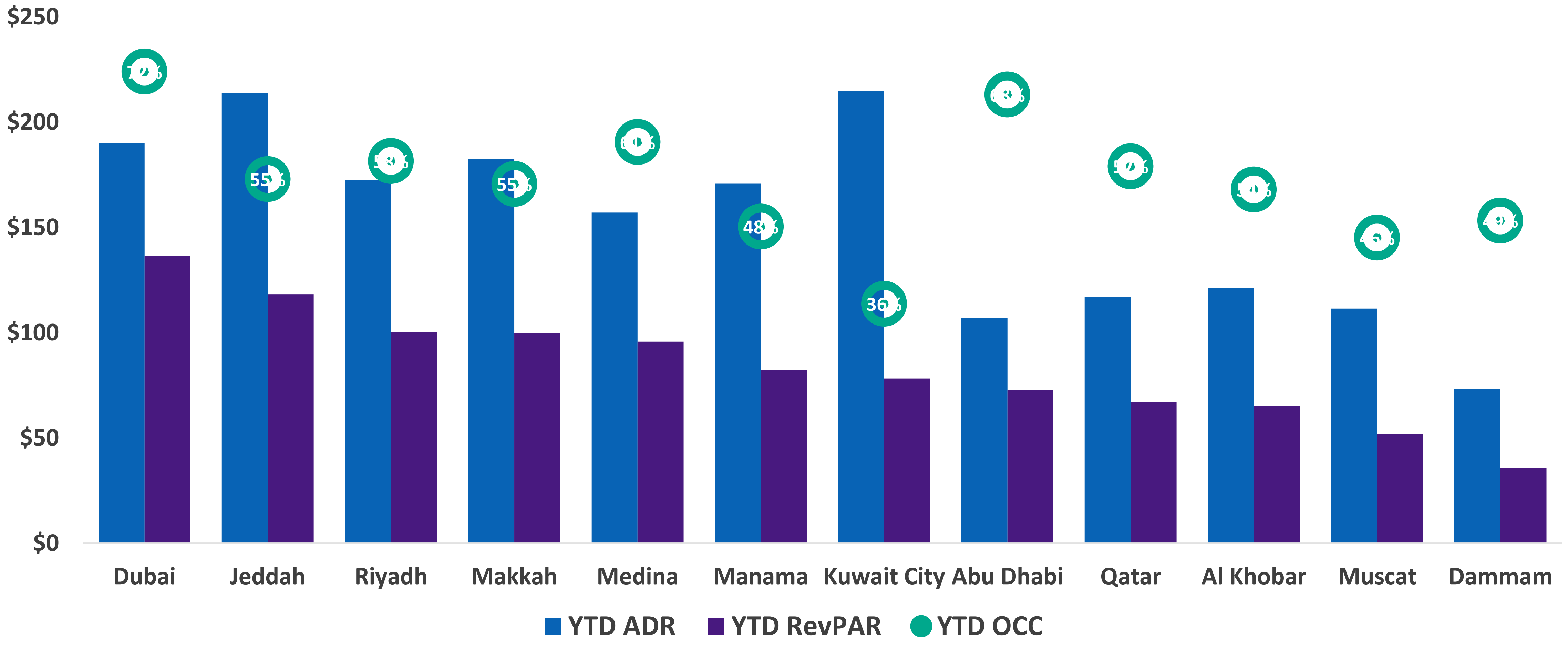
Significant occ recovery YTD across all regions…

R28 occ indexed to 2019, 2022 YTD



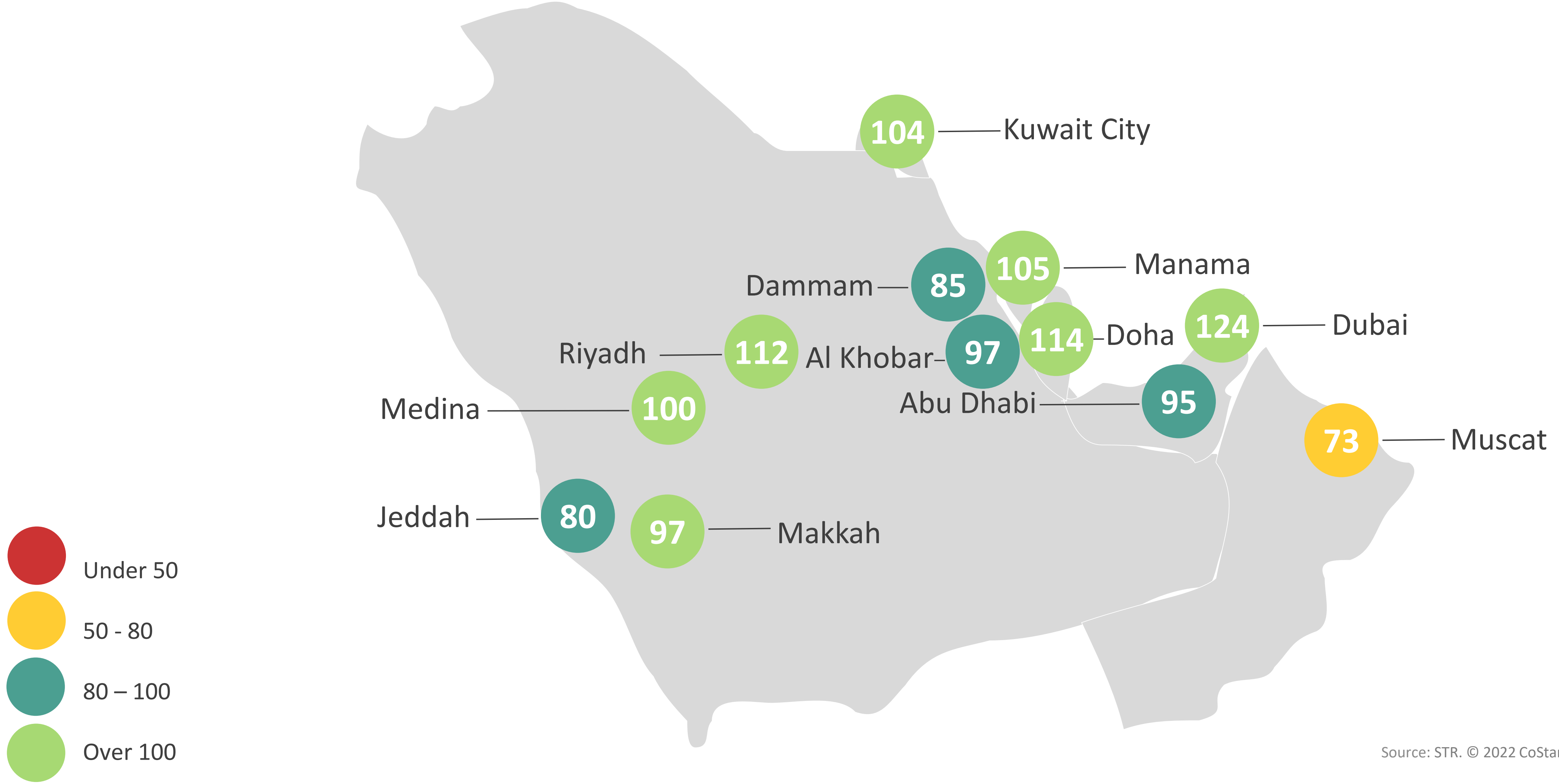
Kuwait wins the ADR race & Dubai takes the occ & RevPAR top spots

Occ, ADR, & RevPAR, August YTD 2022, USD



… and Saudi ADR growth in line with the region

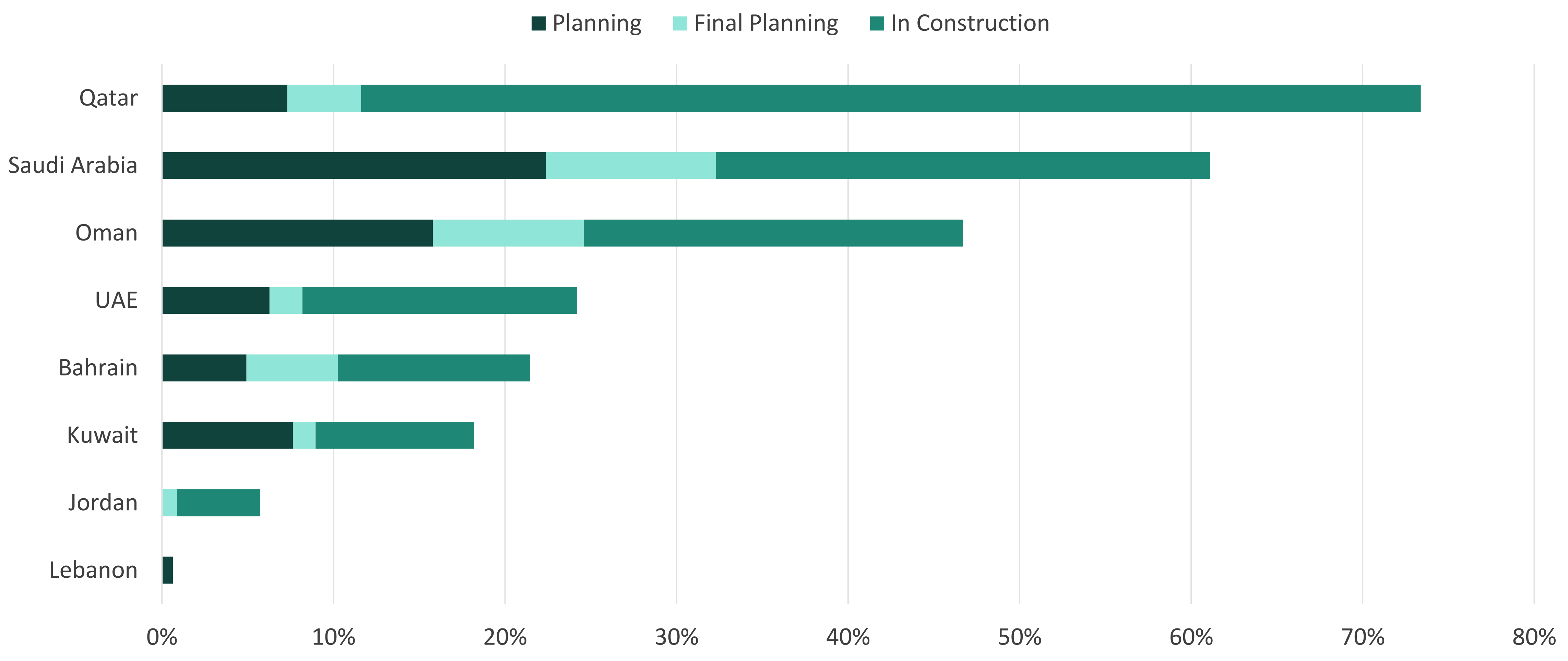
ADR (Local Currency) Aug YTD 2022 indexed to Aug YTD 2019



Supply and Pipeline

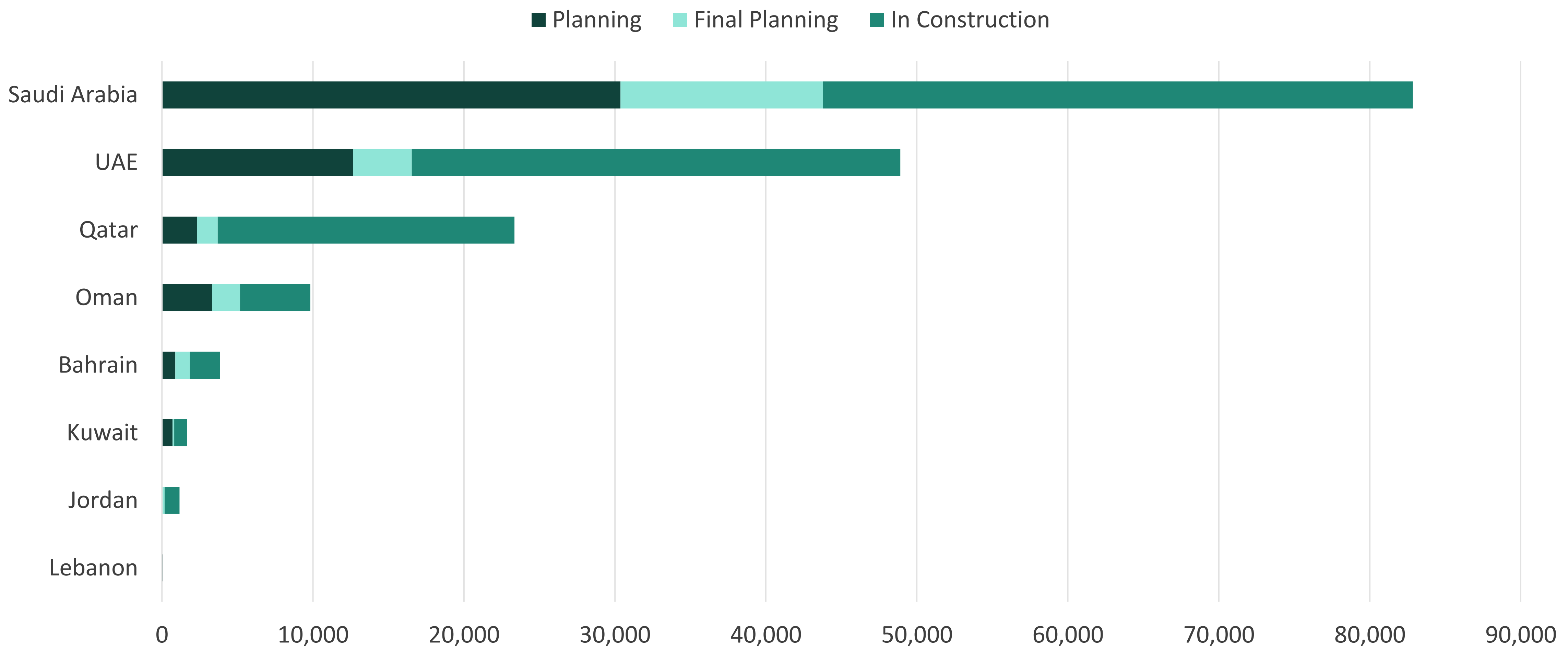
Growth the name of the game in the Middle East

Middle East, rooms in pipeline as % of existing supply, Sep 2022



Pipeline remains strong across mega-event markets

Middle East, rooms in pipeline, Sep 2022

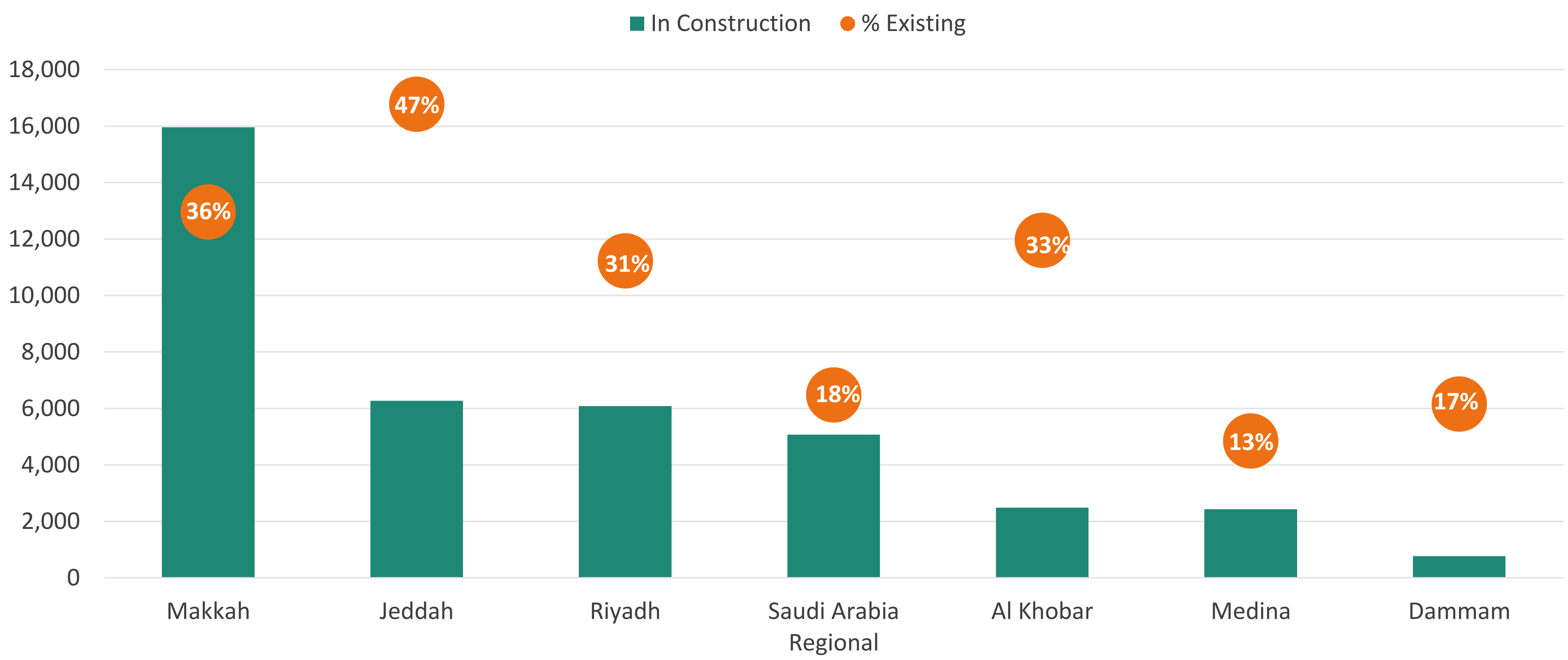


Marjan Island – Ras Al Khaimah – The Wynn Hotel

Opening 2027

Makkah with the most rooms but Jeddah with highest growth

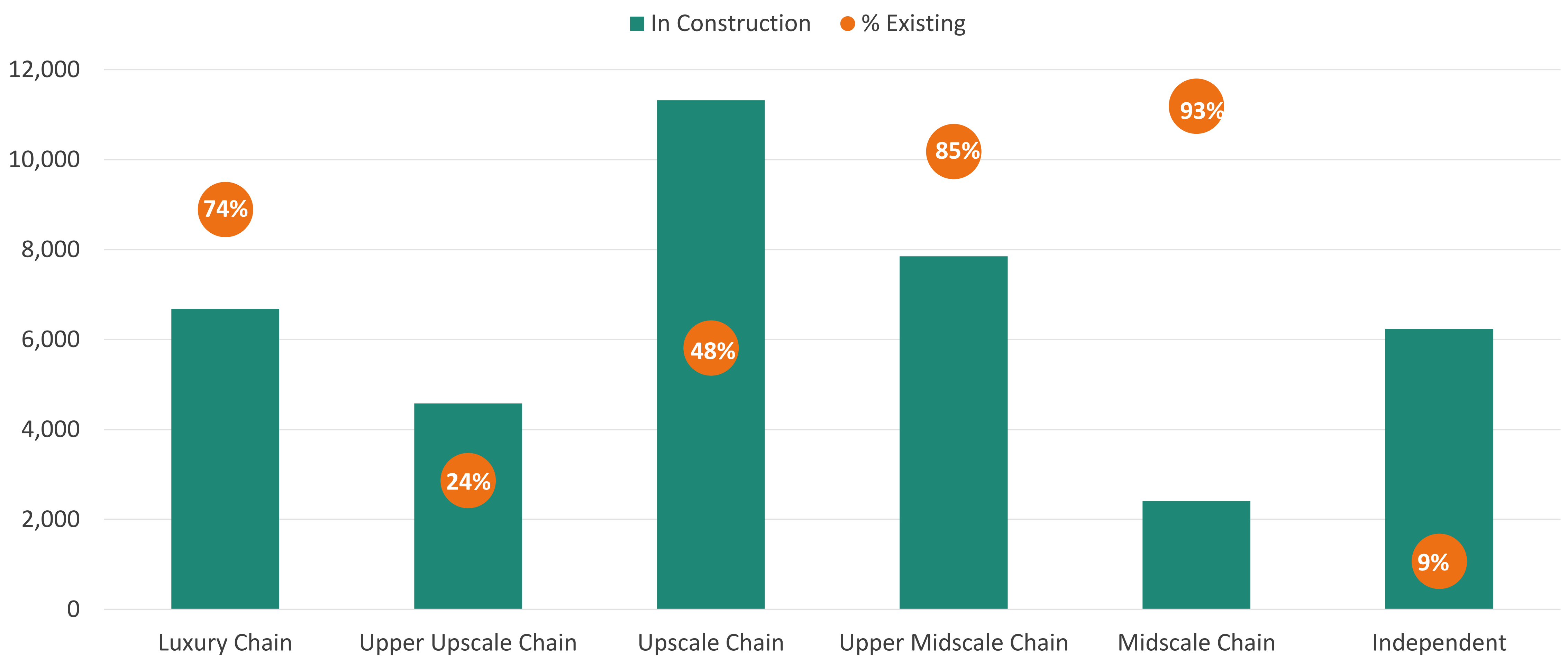
Saudi Arabia, rooms in construction, actuals and % of existing rooms, Sep 2022



Source: STR. © 2022 CoStar Group

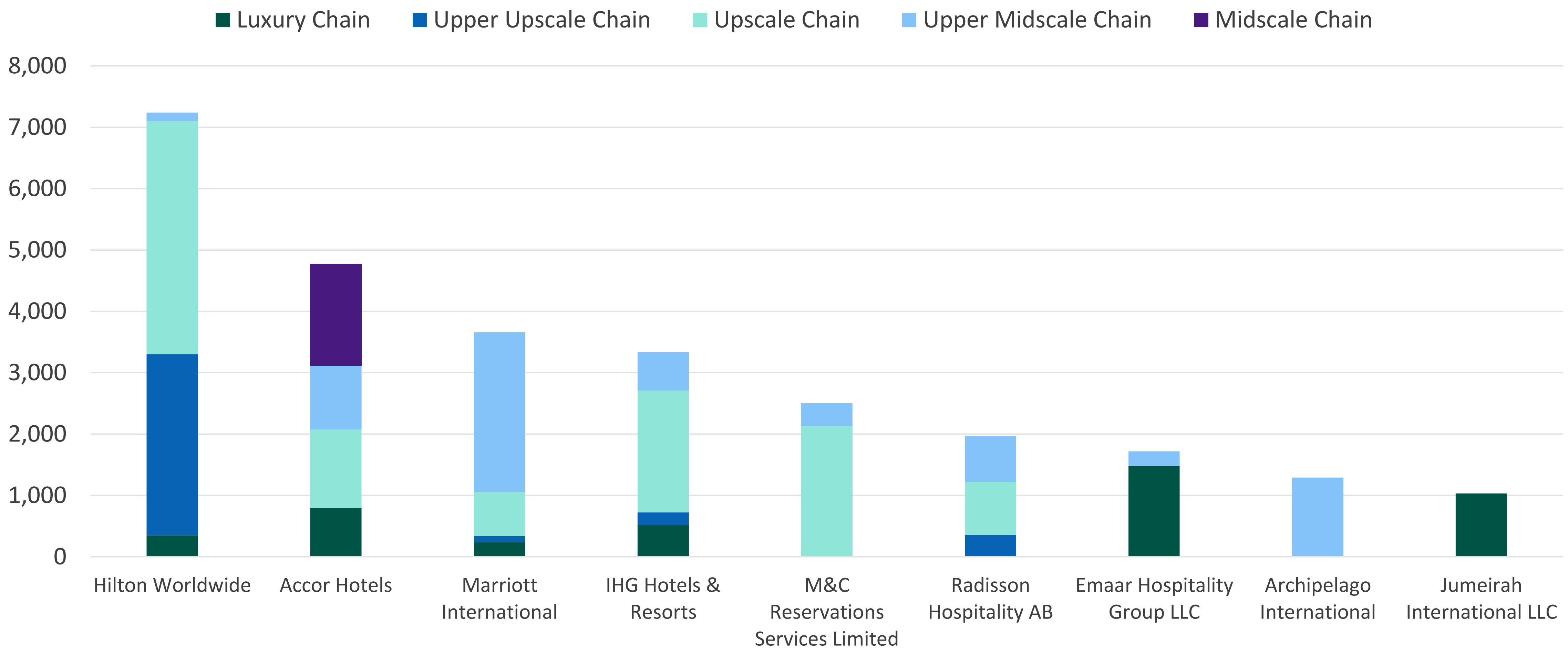
The chains are coming

Saudi Arabia, rooms in construction, actuals and % of existing rooms, Sep 2022



Biggest Operators by Pipeline across the Gulf.

Saudi Arabia, rooms in construction, Sep 2022

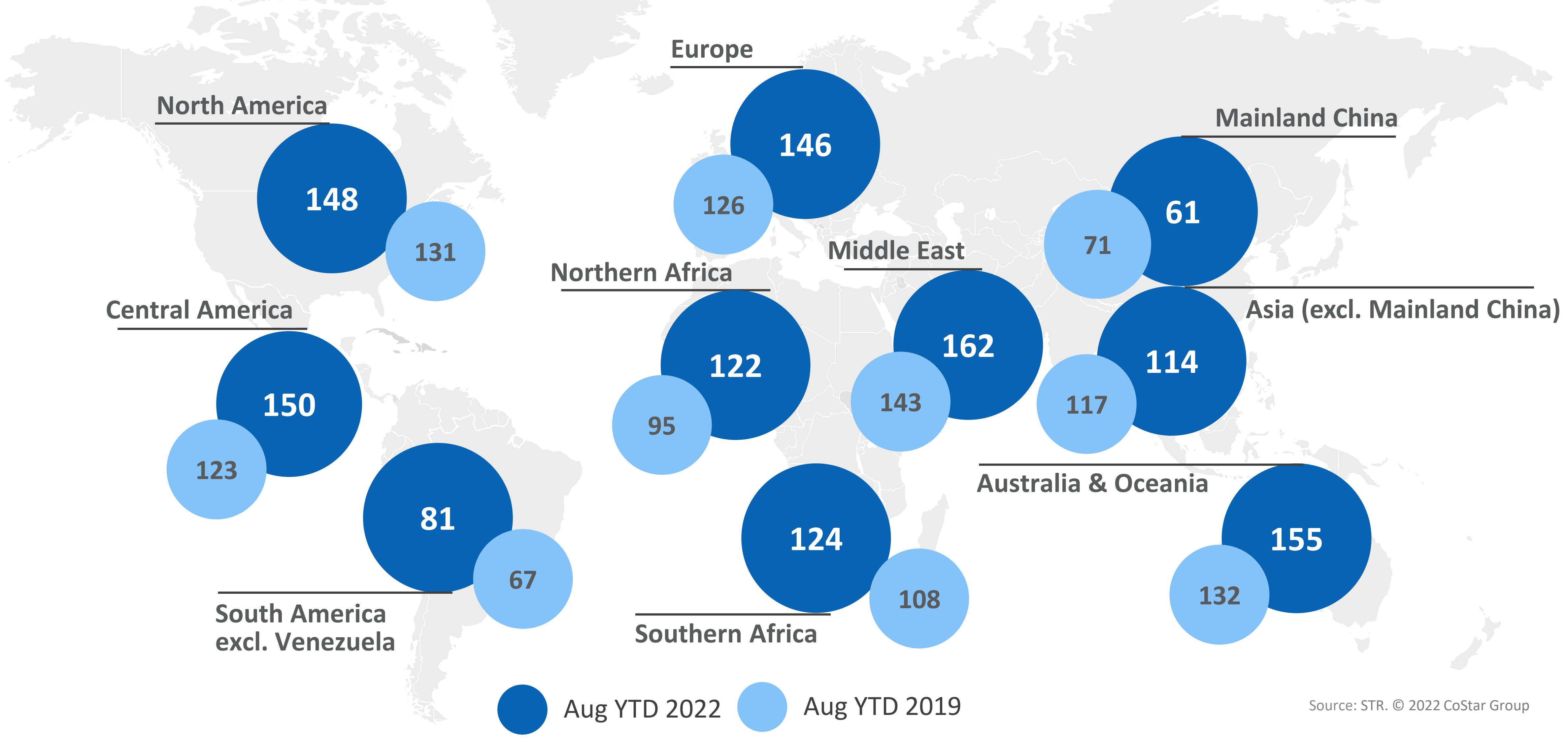


Saudi Arabia - No end in sight to new supply – 82,458 pipeline rooms

Global Forecast

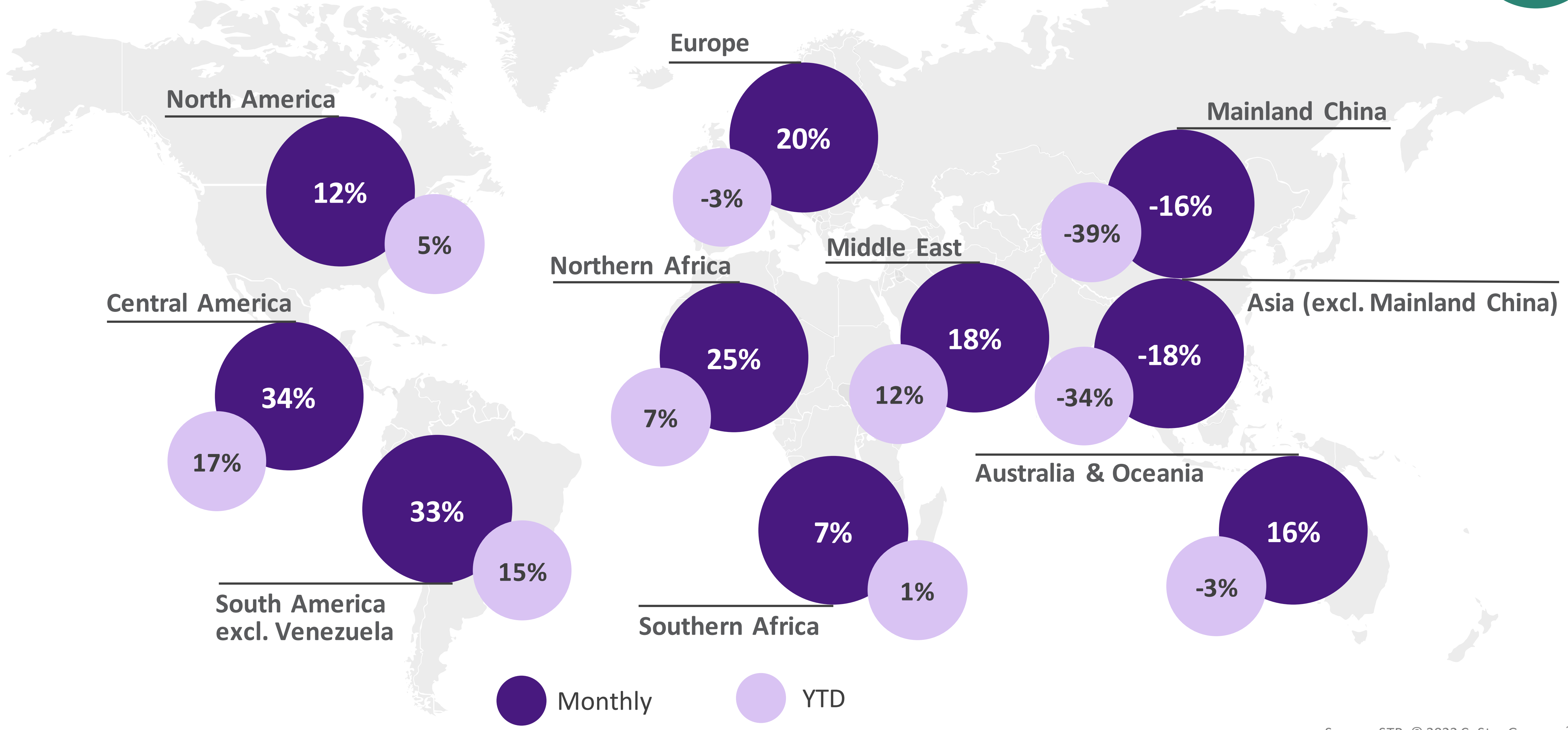
Middle East leading with YTD August ADR over $140

ADR USD (Constant Currency) YTD Aug 2022 and YTD Aug 2019



RevPAR ‘recovered’ for most regions even YTD

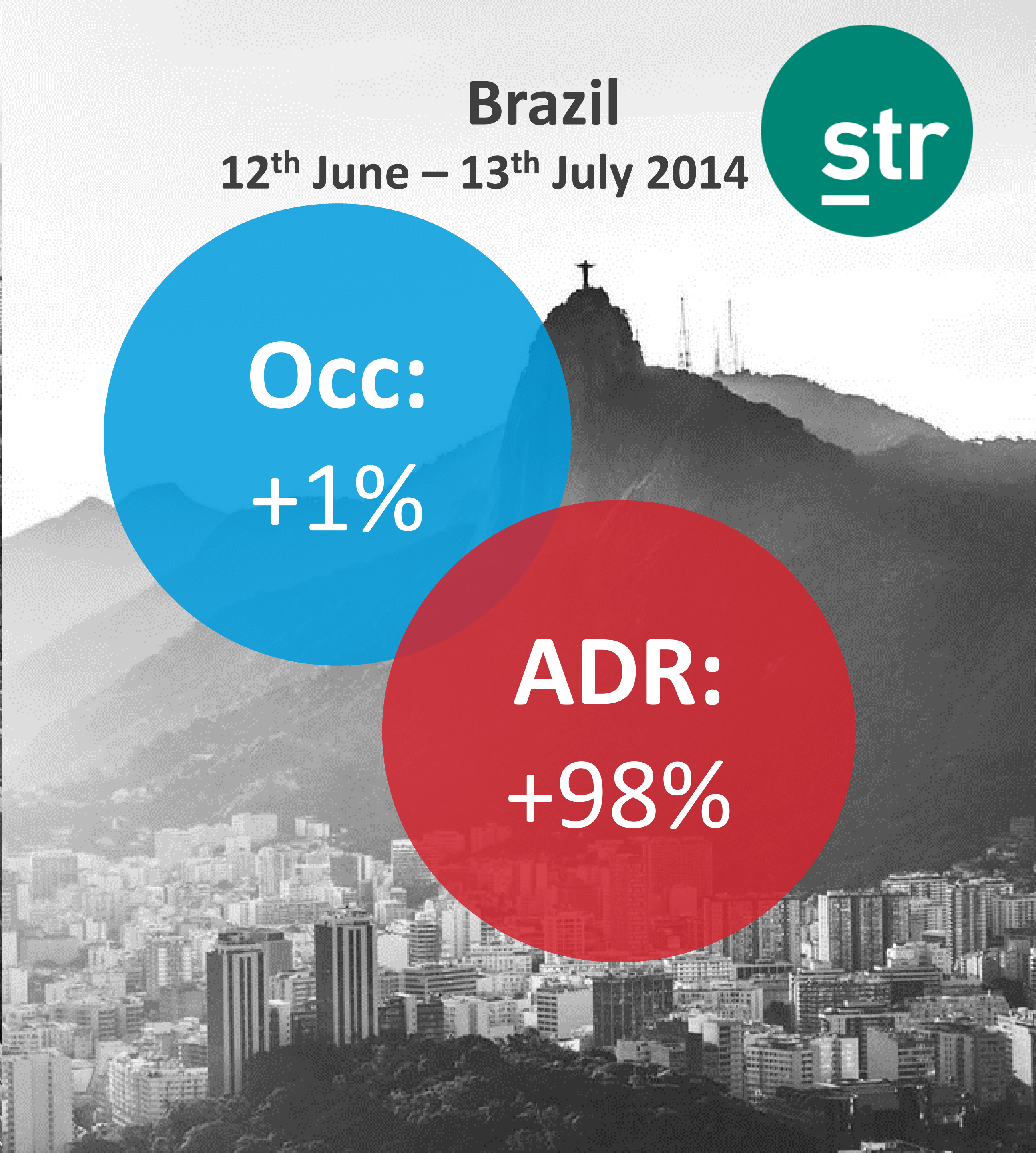
RevPAR (standard), % change to 2019, USD, constant currency, YTD August 2022



Source: STR. © 2022 CoStar Group

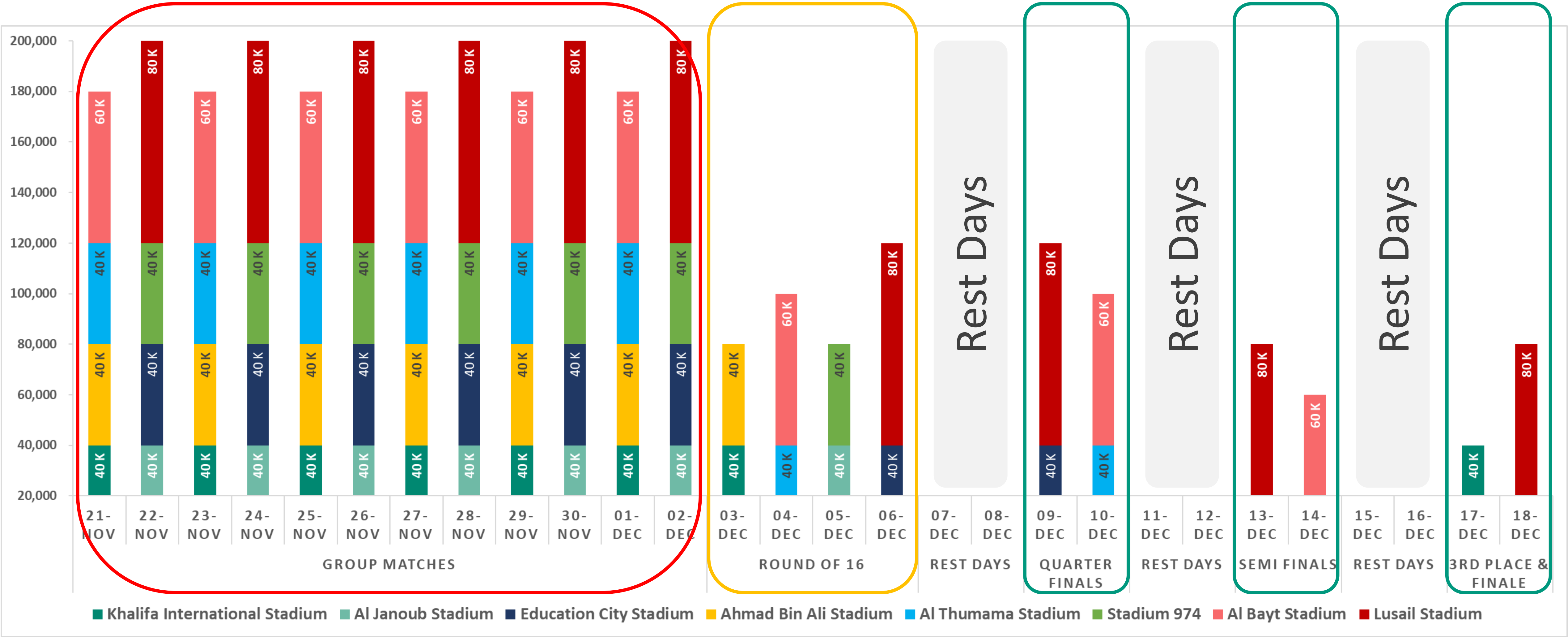
FIFA WORLD CUP
Qatar2022


Russia
14th June – 15th July 2018
Occ:
-1%
ADR:
+179%


Brazil
12th June – 13th July 2014
Occ:
+1%
ADR:
+98%

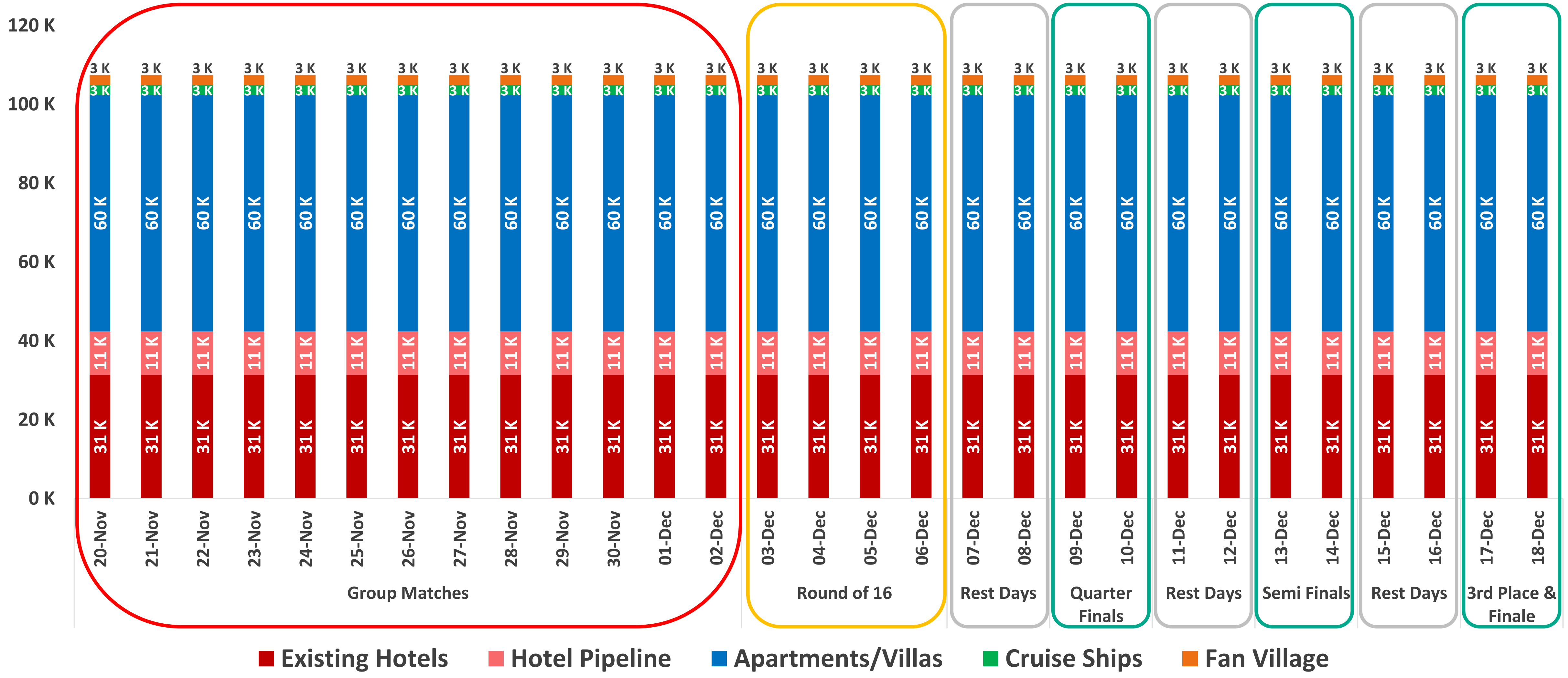
Qatar stadium capacities by day

stadium seats



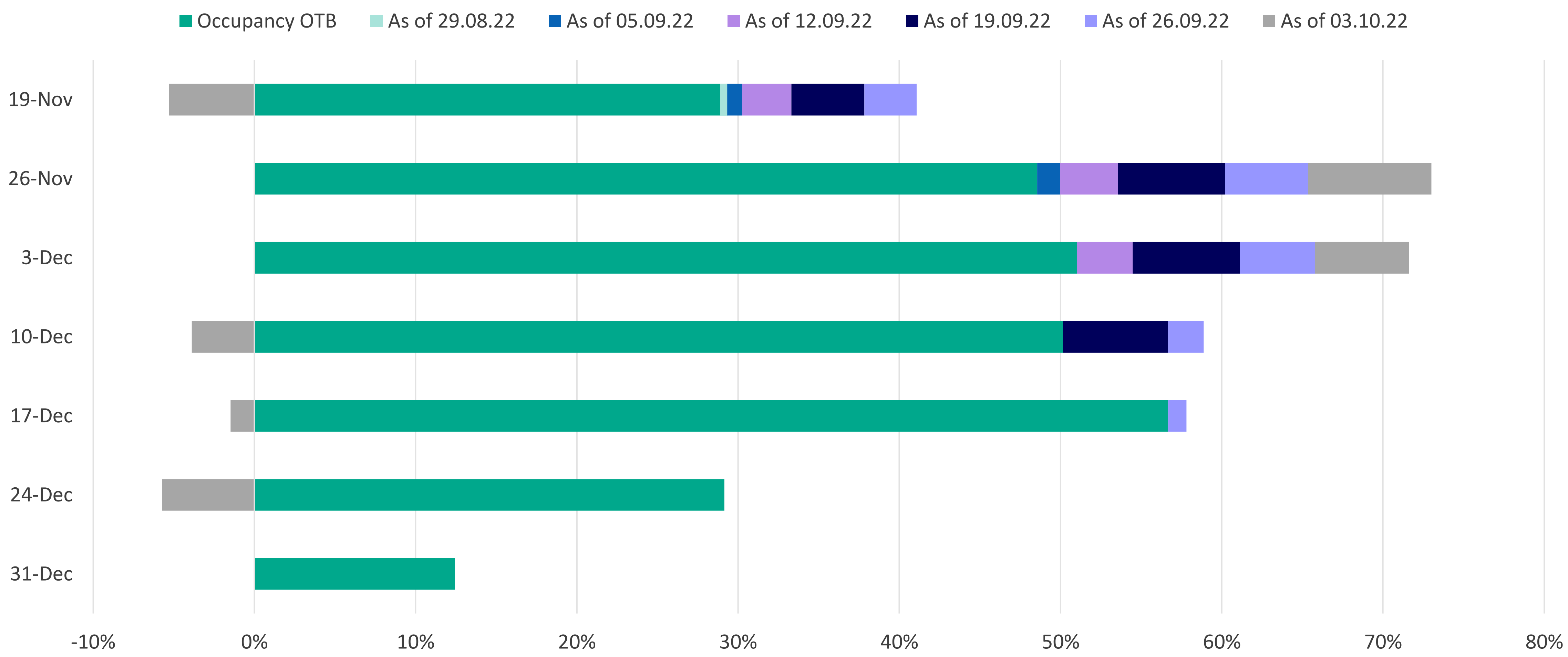
Qatar Supply may exceed 100,000 Rooms

Qatar Supply & Pipeline per Type



Fans hedge bets: Occ OTB falls after Group stage ends

Qatar, weekly occupancy on the books and pickup, as of 22 Aug – 3 Oct 2022



FIFA WORLD CUP
QATAR
2022

str

88% Occupancy	**20%** Percent Change
798 USD Average Daily Rate	**561%** Percent Change
704 USD RevPAR	**691%** Percent Change

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