2023 Outlook: Strong Travel Outlook Ahead

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THE LEADING HOTELS OF THE WORLD®

Overall health markers signal an impressive outlook for 2023. The Leading Hotel's of the World's current and projected performance is up globally, not just in fully recovered markets. Average daily rate (ADR) remains elevated (+3% vs. 2022), but the real revenue drivers are reservations and room nights, which are projected to hit pre-COVID levels. Despite economic uncertainty and fears of recession, LHW travelers continue to hit the road with consumed & on the books (OTB) revenue up nearly 40% vs. 2022.

2023 Q1 Highlights

→ **LHW's OTB performance** is up nearly 60% vs. 2019.

→ **Travel Trade business** is booming; consumed + OTB revenue is up an impressive +45% YoY and +36% vs. 2019.

→ **Asia Pacific** is experiencing significant consumed and OTB YoY growth; 2023 projected revenue is expected to exceed 2019 for the first time since COVID.

→ Increased **booking lead time** vs. prior years means guests are planning trips further in advance.

Guests Are Booking Travel Further in Advance

Q1 production showed an average booking lead time of 10 weeks (70 days), +1 week vs. 2022 and +2 weeks vs. 2019.

2023 YTD PRODUCTION VOLUME BY BOOKING LEAD TIME

Month	2019	2022	2023
January	57	67	71
February	56	60	69
March	53	57	61

(# OF DAYS)

■ 2019 ■ 2022 ■ 2023

2023 Performance KPIs

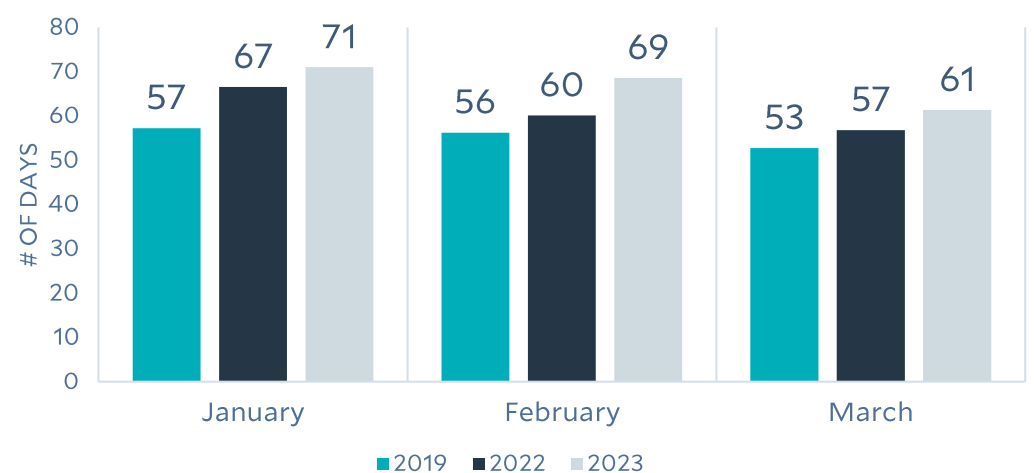Sustained revenue performance is driven by a rebound in reservations and room nights, not only high ADR.

2023 CONSUMED + OTB KEY PERFORMANCE INDICATORS

	VS. 2022	VS. 2019
REVENUE	+ 38 %	+ 48 %
RESERVATIONS	+ 36 %	-
ROOM NIGHTS	+ 33 %	-
AVERAGE DAILY RATE	+ 3 %	+ 46%

All Regions Set to Outperform 2022

Consumed and OTB performance is up YoY across all regions with notable wins in Asia Pacific.

2023 CONSUMED + OTB REVENUE ORIGINATION (YOY)

NORTH AMERICA +36%
SOUTH AMERICA +57%
EUROPE +24%
MIDDLE EAST & AFRICA +73%
ASIA PACIFIC +114%
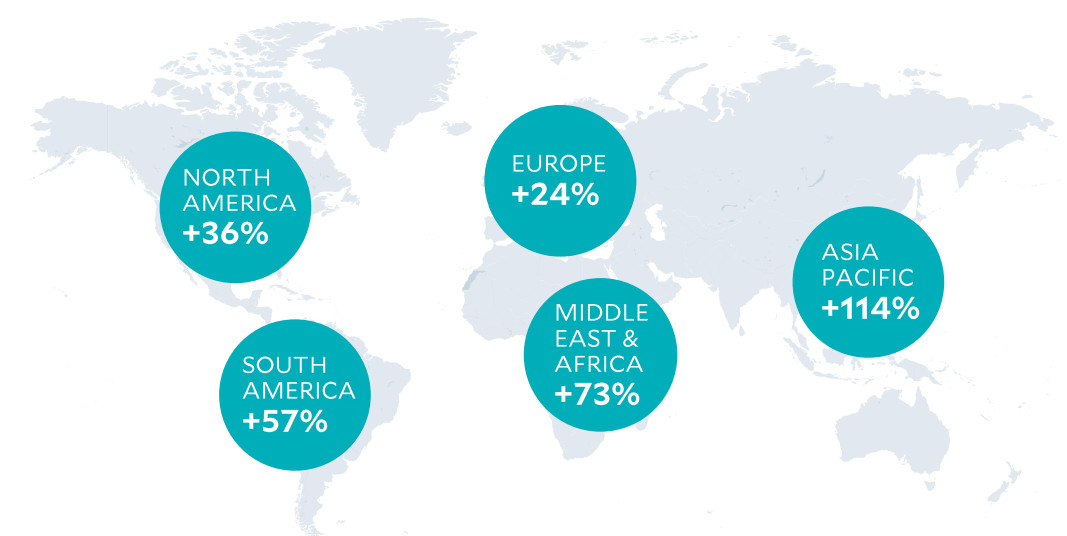
Where to Next

The most popular destinations booked by LHW travelers for summer (June - August 2023)

1. Italy
2. France
3. Switzerland
4. United States
5. Spain
6. Portugal
7. Greece
8. Turks & Caicos
9. United Kingdom
10. Monaco