

CROSS

HOTELS & RESORTS

Hotel Investments in Emerging Markets Webinar

by: Fenady Uriarte
Development Director

FLIGHT CENTRE
TRAVEL GROUP™

CROSS

CROSS
VTBE

AWAY

LUMEN

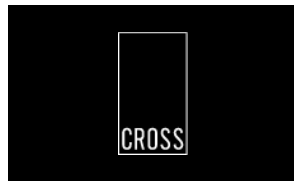
CROSS
COLLECTION

KAURA

LET'S TALK ABOUT CROSS

Cross Hotels & Resorts is Asia Pacific's **leading lifestyle-brand hotel management company**. Since inception in 2007, our brands have been defining guest expectations for experience and design in lifestyle hotels.

Embracing individuality, our brands draw inspiration from the hotel's location and from our guests, channeling these influences into a uniquely tailored experience reflective of the guests' lifestyles.



Luxury by Design



Stay Chill Enjoy



Escape Everyday Life



A Brighter Way to Stay



Uniquely Yours.
Entrepreneurial
Approach.



An Immersive Village
Experience

OUR ACHIEVEMENTS & MILESTONES

CURRENT PORTFOLIO 20+ PROPERTIES 1,500+ KEYS

KEY MILESTONES

2007 - The start of our company



2017 - FCTG Acquisition



2019 - BHMA Consulting / rebranded to CROSS

OUR REGIONAL EXPANSION

2014 - Indonesia Entry



2015 - Vietnam Entry



2021 - Japan Entry

CURRENT PORTFOLIO

20+ PROPERTIES
1,500 KEYS



Thailand, Indonesia
Vietnam and Japan

OUR GOAL

2024



3,000 KEYS

FLIGHT CENTRE TRAVEL GROUP

FLIGHT CENTRE
TRAVEL GROUP™

We stand at every touchpoint of the traveler's journey.

LEISURE

FCTG operates a number of **leisure travel brands**. Its flagship Flight Centre brand is also present in six countries around the world.



CORPORATE

FCTG corporate business includes **six major brands that service the needs of organizations of all sizes across industries**. Its global corporate network spans more than 90 countries worldwide and is made up of company-owned offices and strategic licensing agreements with leading local agencies.



SUPPLY

FCTG owns a number of **supply brands**, which supply products to its national and international network or travel retail outlets. In some instances this will also include direct to the public and other travel agencies worldwide.



FCTG Pathway to Net Zero

Milestone 1



2020

Calculate and compensate for our own business travel inc. flights and accommodation from 2020 onwards.



2022

Baseline FY19 and science based target set



2023

Implementing mitigation activities to reduce scope 1, 2 & 3 emissions



2026

Calculate and compensate for our scope 1 and 2 carbon emissions across our 25 equity countries from 2026 onwards.



2028

Purchasing renewable electricity equivalent to 100 per cent of our power needs across our 25 countries globally from 2028 onwards.



2030

SBTi near term target – reduction of 46.2% from FY19 baseline across scopes 1, 2 & partial * scope 3



**2050
Net Zero**

Milestone 2

Milestone 4

Milestone 3



OUR LIFESTYLE HOTEL BRANDS

Each distinctive, cool and unique in their own way.

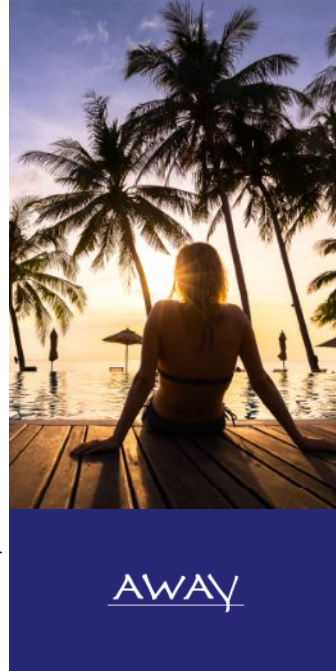
LUXURY / UPPER UPSCALE



UPSACLE / MIDSACLE

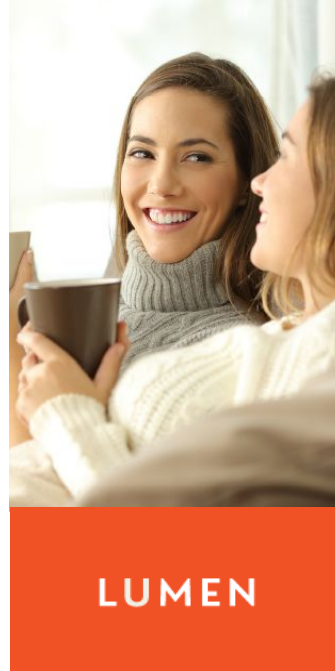


UPSACLE / UPPER MIDSACLE



AWAY

UPSACLE / MIDSACLE



LUMEN

UPPER UPSACLE / UPSACLE / UPPER MIDSACLE



CROSS
COLLECTION

UPSACLE / UPPER MIDSACLE

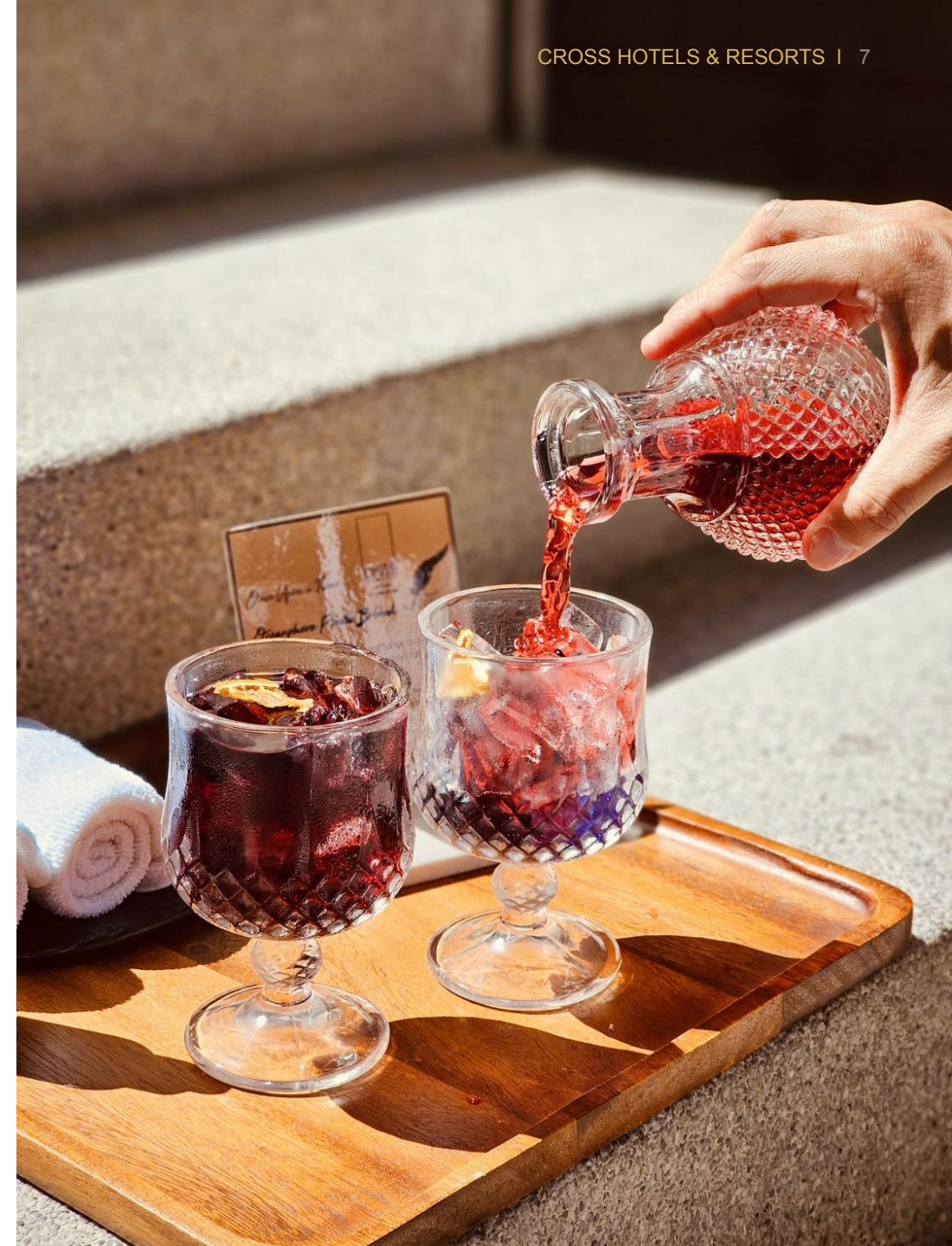


KAURA

CRAFTING STORIES, CREATING VALUE

Every guest experience should tell a unique story, deeply rooted in local culture and crafted with care. Our storytelling approach sets us apart, turning ordinary moments into extraordinary memories.

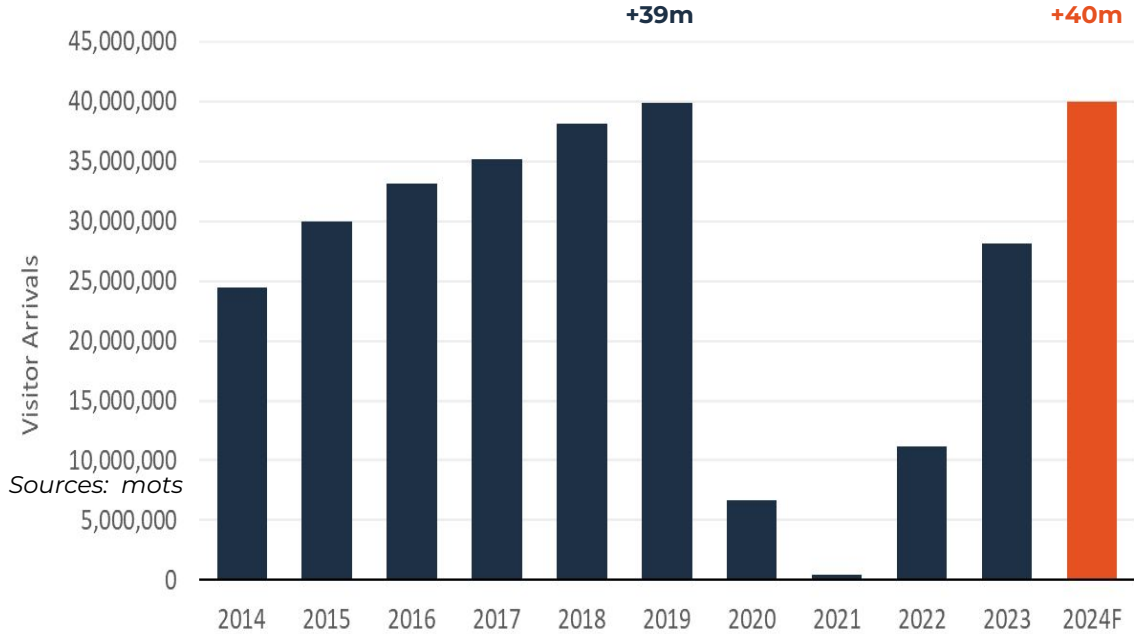
Whether it's our signature welcome drinks inspired by local flavors or thoughtfully designed spaces that reflect the essence of their surroundings, we create a narrative that resonates with our guests.



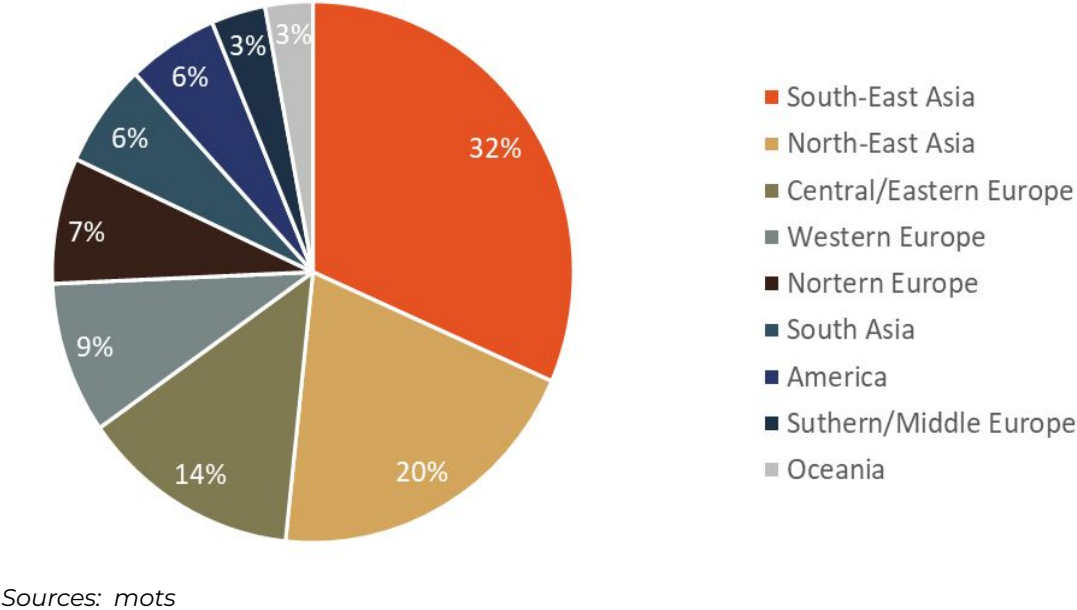
DEMAND - THAILAND

Thailand's tourism arrivals almost surpassed the pre-pandemic levels

Thailand International Tourist Arrivals (2014-2024F)



Visitor Arrivals to Thailand by country in 2023

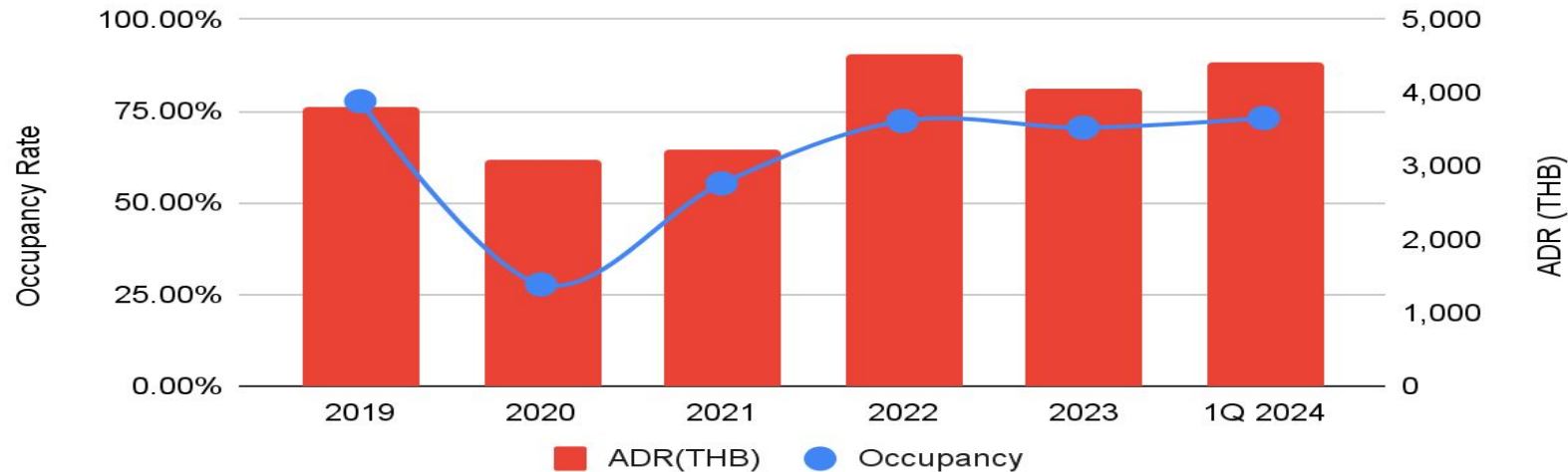


THAILAND's Top Source Markets in 2024
China, Malaysia, India, South Korean and Russian

DEMAND - BANGKOK

Thailand's tourism industry and bring it back to nearly pre-pandemic levels

Hotel Occupancy Rate in Total Bangkok Market (2019-2023)

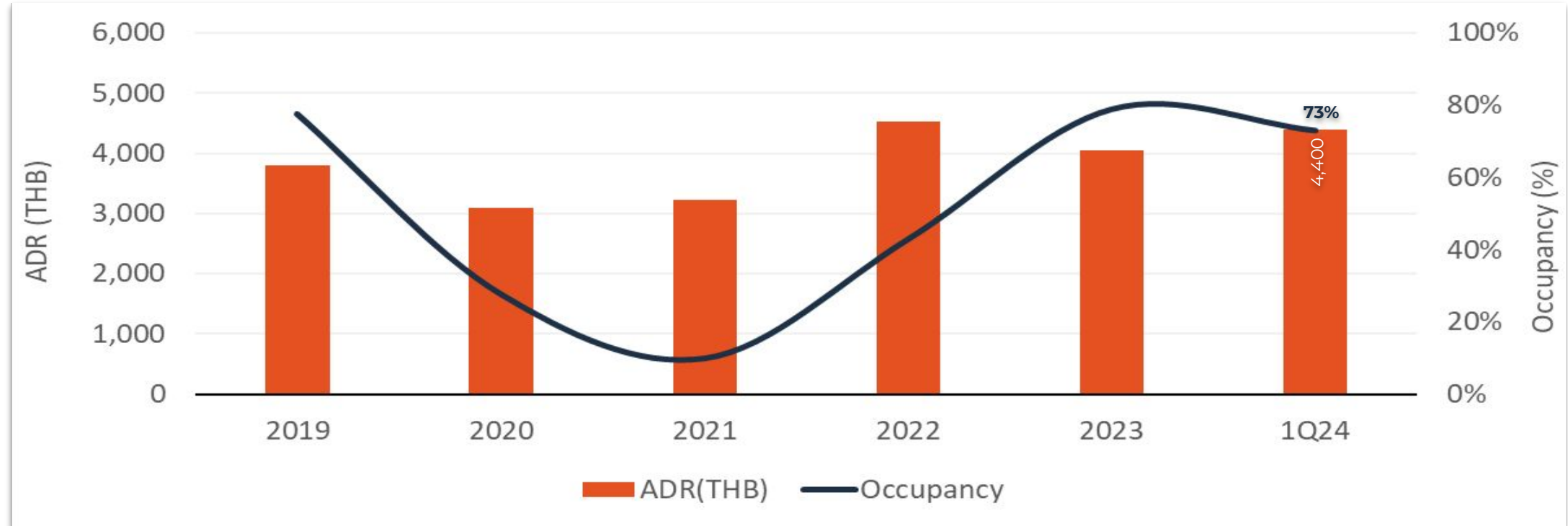


Sources: CoStar/STR

- o The lifting of visa requirements for countries such as China, India, and Taiwan is anticipated to significantly stimulate inbound tourism and boost trading performance.
- o By the end of 2023, **Bangkok had achieved 55 million arrivals**. The figures revealed a significant surge compared to the previous year, as **international arrivals more than doubled, reaching 25 million arrivals**.
- o **Hotel occupancy in Bangkok in the first quarter of 2024 nearly reached pre-pandemic levels**, achieving an impressive **73.1%**. This reflects a remarkable recovery in the city's hospitality sector. However, the occupancy rate fell slightly short of pre-pandemic figures, primarily due to a lower-than-expected influx of tourists from China.

MARKET PERFORMANCE

Phuket's recovery surpassing 2019 levels



Sources: C9 Hotelworks Market Research and Ministry of Tourism & Sport

Phuket's hotel **occupancy rates** exceeded their pre-pandemic levels, reaching 73% in 2023 compared to 72% in 2019.

Average Daily Rate (ADR) saw a staggering 43% increase in 2023, surpassing all previous records.

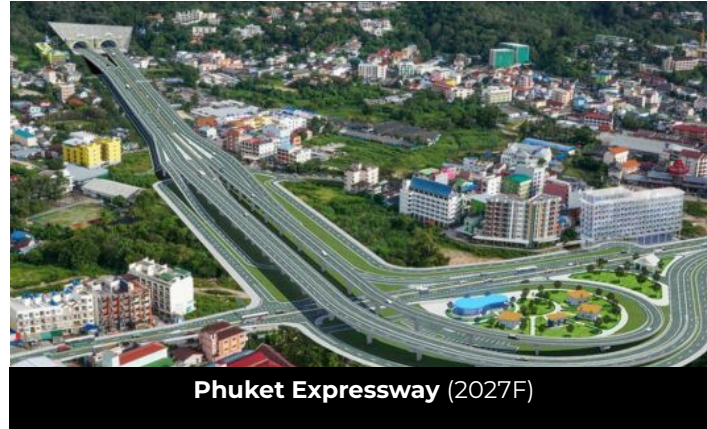
FUTURE DEMAND GENERATORS

Phuket's future projects await to boost future demand growth.

Phuket is one of the destinations in Asia with ambitious infrastructure growth both from the government and private sectors, to boost tourism. The development covers land, sea, air and rail transportation systems.



Bumrungrad Int. Hospital (2027F)



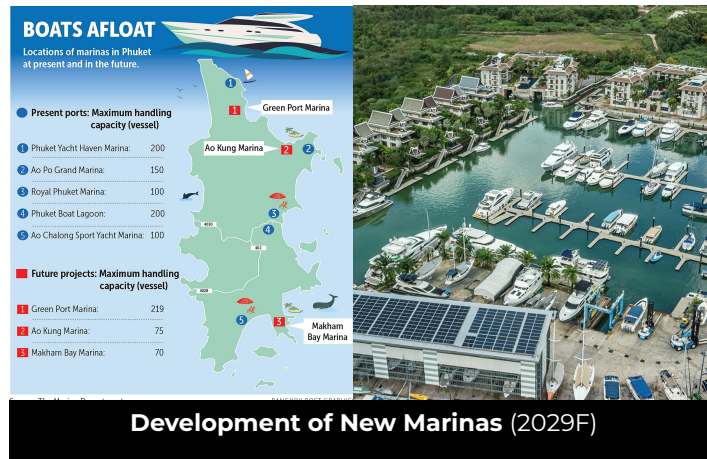
Phuket Expressway (2027F)



Siam Premium Outlets (2026)



Andaman International Airport (2029F)



Development of New Marinas (2029F)

Medical Tourism and Wellness will also be another growth driver to the island's economy as the government has set Phuket to be the medical tourism frontier in the future.

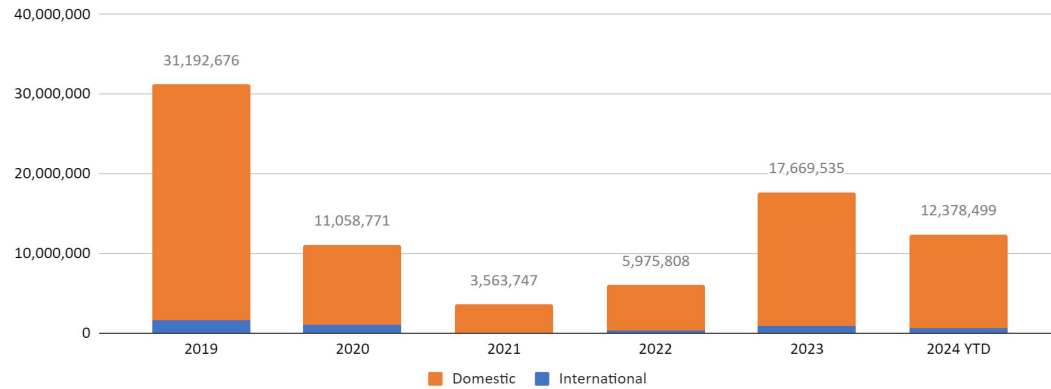
Key developments to fuel the destination:

- Future Bumrungrad International Hospital
- New expressway and Intercity expressway
- Development of seaplane services
- Plans for Andaman International Airport
- Development of Marina including the Green Port Marina in Mai Khao
- Siam Premium Outlets extends to Phuket

OPPORTUNITIES - THAILAND MICE SECTOR

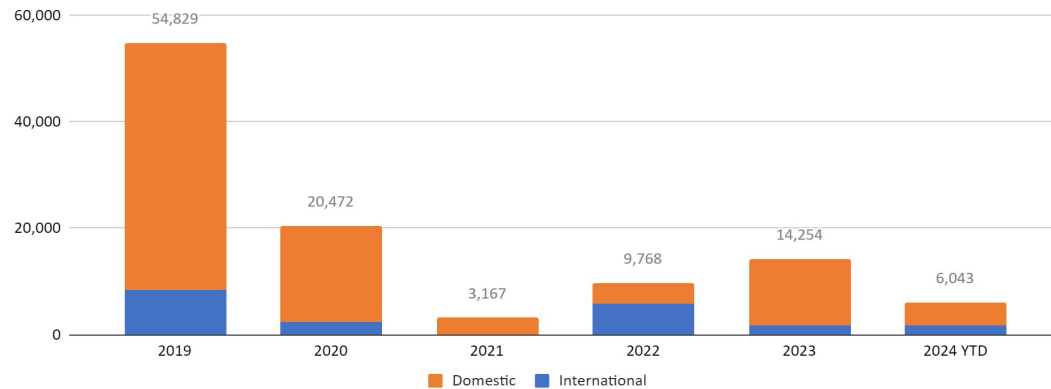
Recovery of Thailand as a premier destination for meetings and events in Southeast Asia

No. of MICE Visitors (2019-2024 YTD)



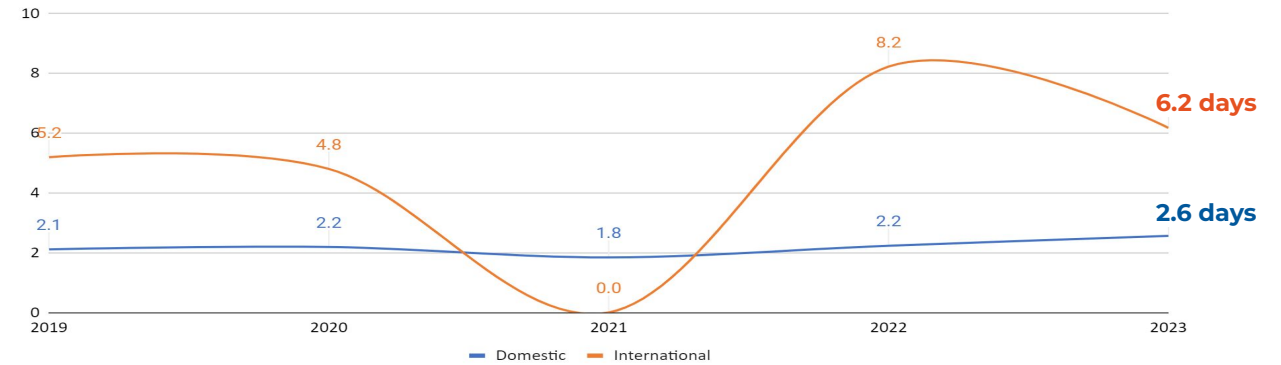
Sources: mots

No. of MICE Events (2019-2024 YTD)



Sources: Thailand Convention and Exhibitions Bureau (TCEB), 2Q24

Average Staying period (2019-2023)

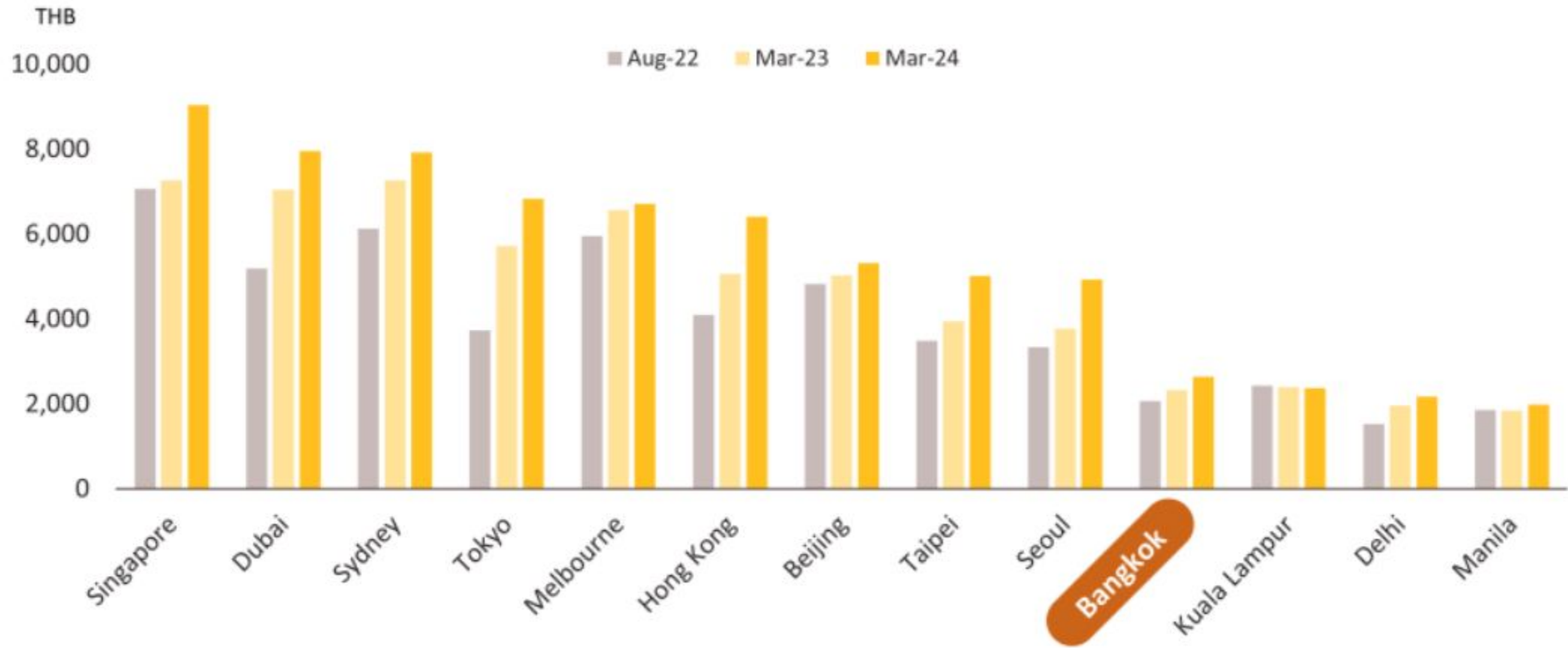


Sources: CoStar/STR

- o **Thailand's MICE sector has experienced dynamic growth in recent years**, rebounding strongly after being hit by the pandemic. **This sector is driven by a robust domestic market and has also attracted a number of international visitors, reaching 12 million people in total in the first half of the year**, halfway to the target of 23.1 million visitors. MICE visitors account for 20% of overall arrivals to Thailand and are recognized as the most desirable category of visitors due to their high-spending potential.
- o While the number of events remains lower than pre-pandemic levels, with 6,000 events in the first half of the year compared to 54,000 events in 2019, we estimate that this growth will continue through the end of the year.
- o Visitors attending MICE events typically choose to stay at nearby hotels for convenience. **International visitors generally have longer stays than domestic visitors, with an average of 6.2 room nights in 2023, compared to 2.6 room nights for domestic visitors.** This trend underscores the importance of the MICE sector in driving hotel occupancy and supporting the broader hospitality industry in Thailand.

KEY DESTINATIONS AFFORDABILITY RANKING

Figure 2: Average Hotel Price in Popular Destination of Asia Pacific



Source: Trivago, as of 2 April 2024