



Hotel Trends Lithuania & CEE

November 19th, 2024

Hotel and Restaurant Association Annual Meeting

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Agenda



Performance YTD across Europe

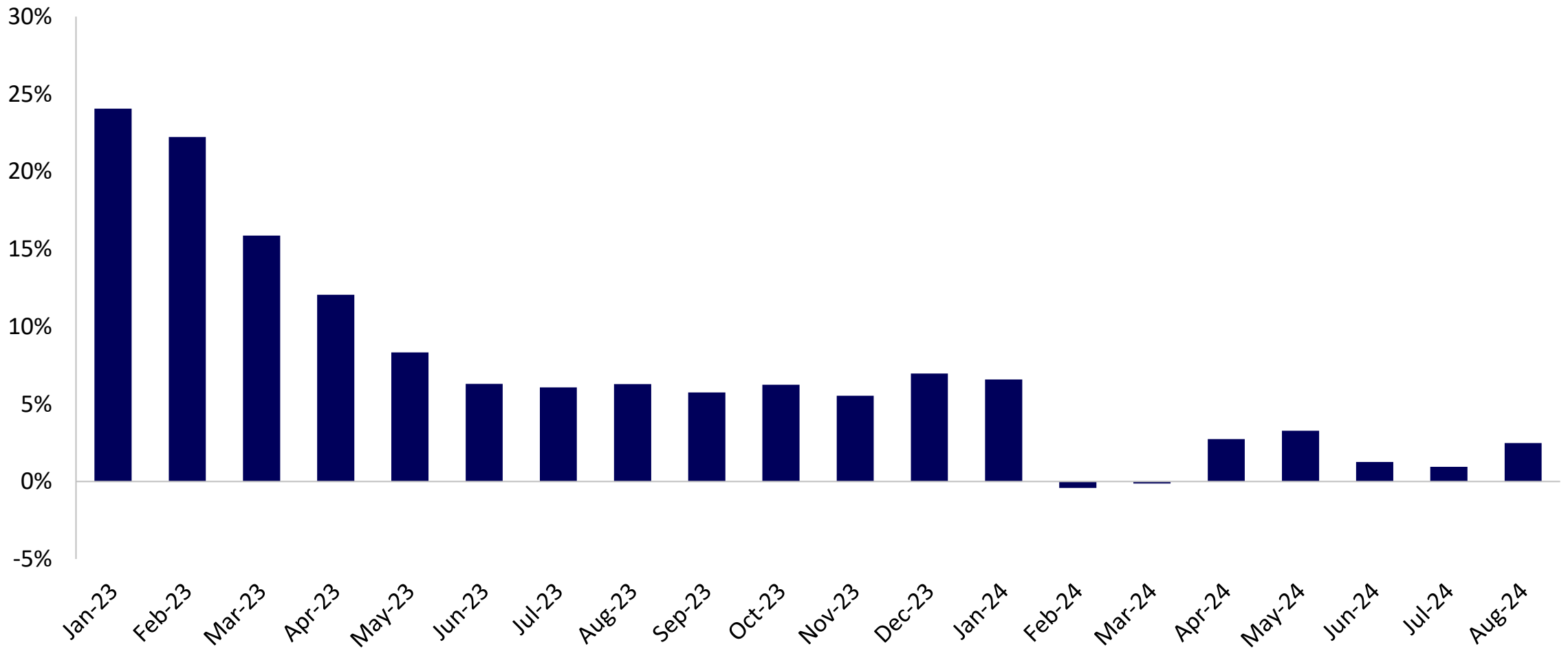
Key drivers of growth so far

Performance YTD across Central Europe & Vilnius

What to expect

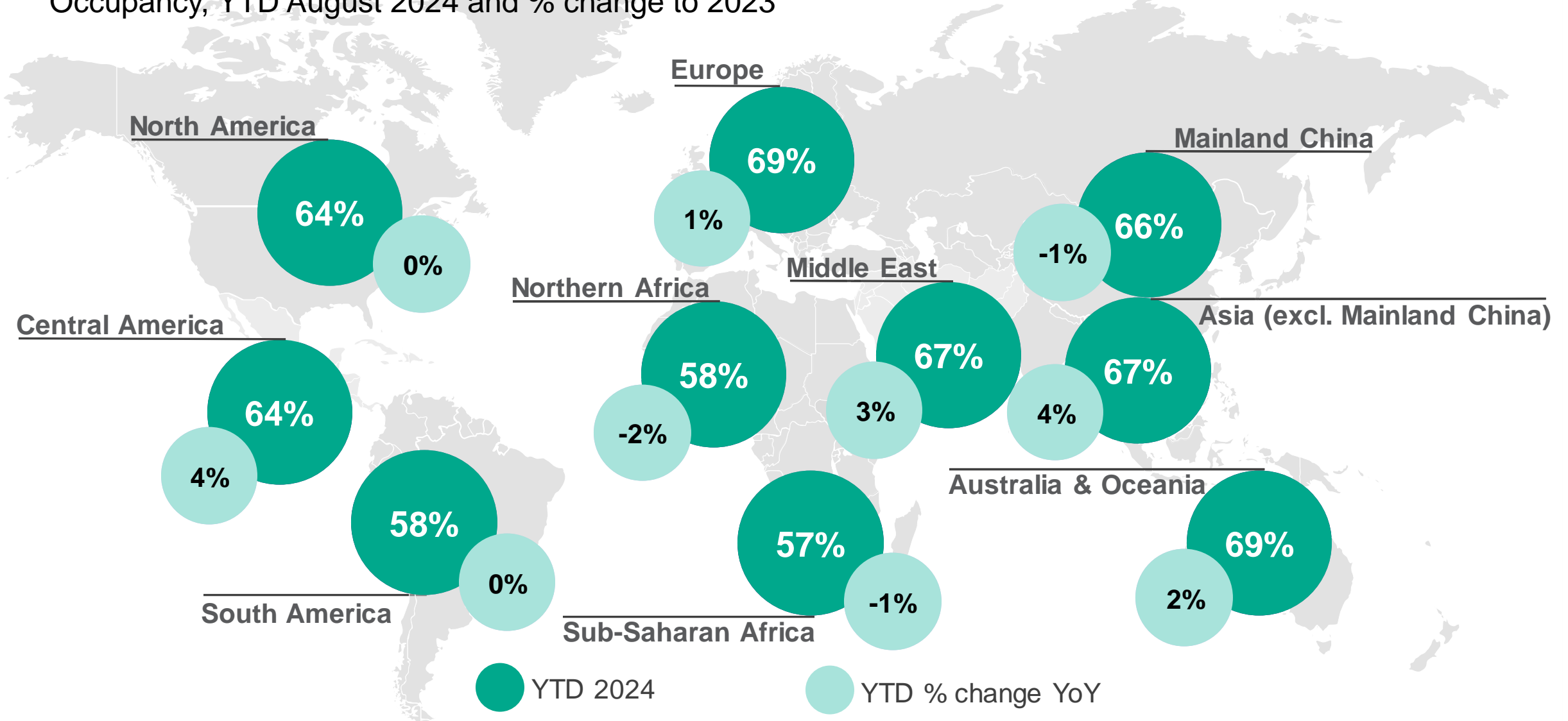
Demand keeps growing

Global demand YoY % chg., Jan 2023 – August 2024



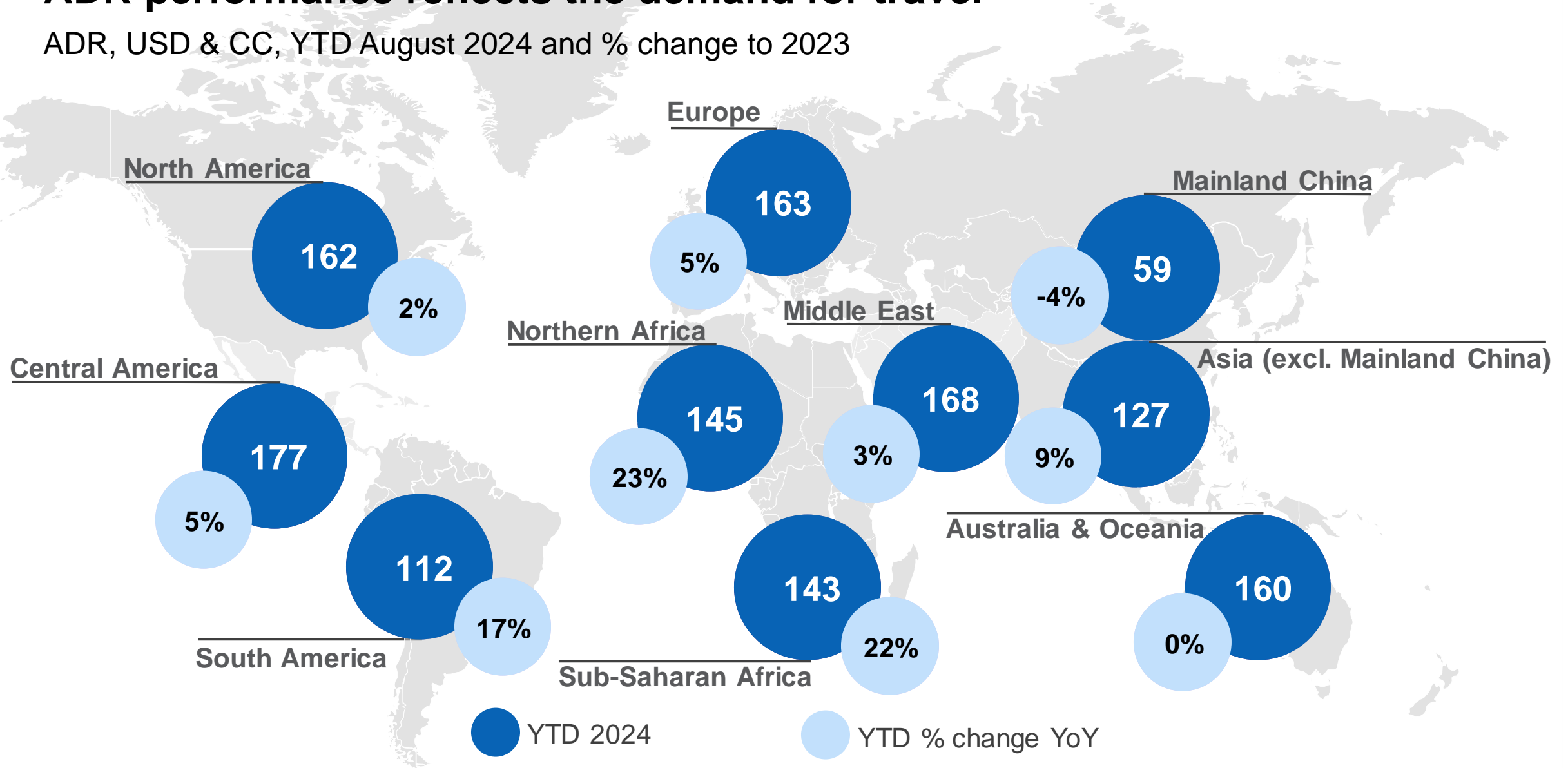
European occupancy the highest, and (slowly) growing

Occupancy, YTD August 2024 and % change to 2023



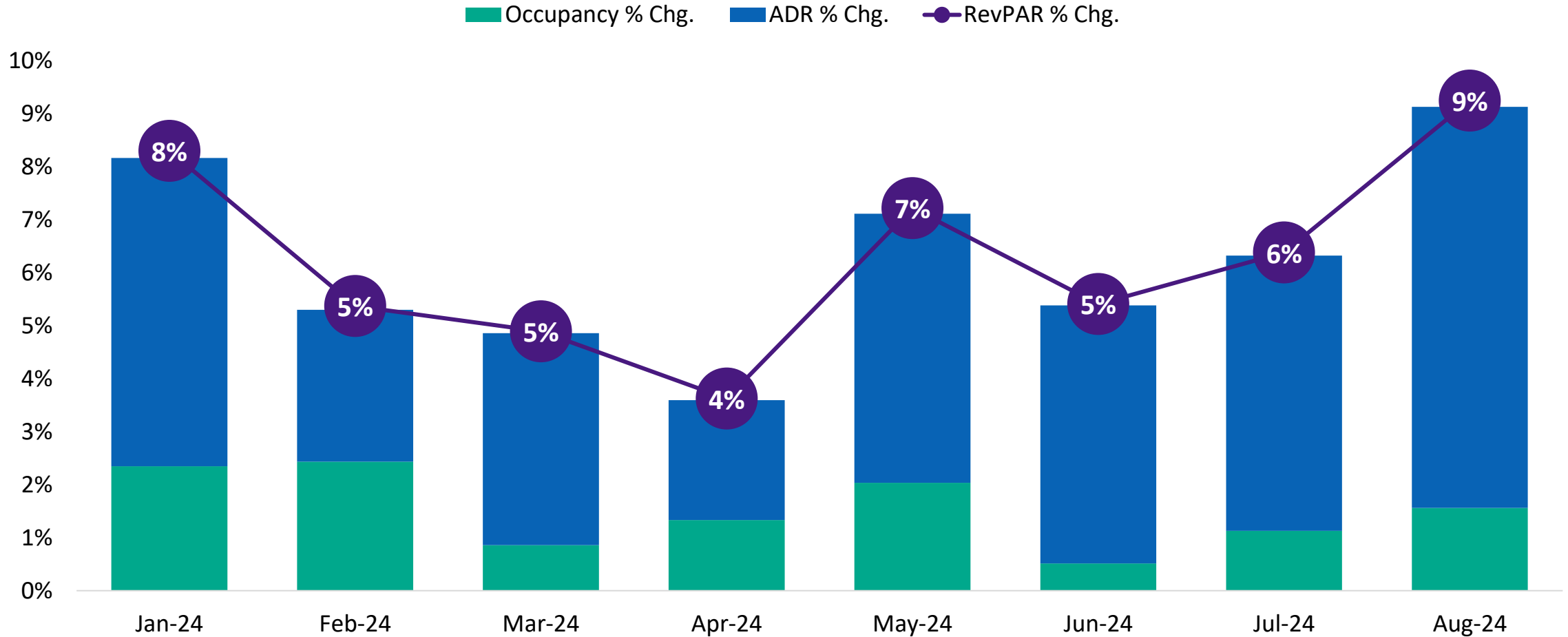
ADR performance reflects the demand for travel

ADR, USD & CC, YTD August 2024 and % change to 2023



ADR the consistent driver of European growth in 2024

Europe, EUR & CC, KPI % change YoY, Jan 2024 – Aug 2024



Return to 2019 occupancies led by UK&I and Southern Europe

Occupancy, indexed to 2019, R12 August 2024

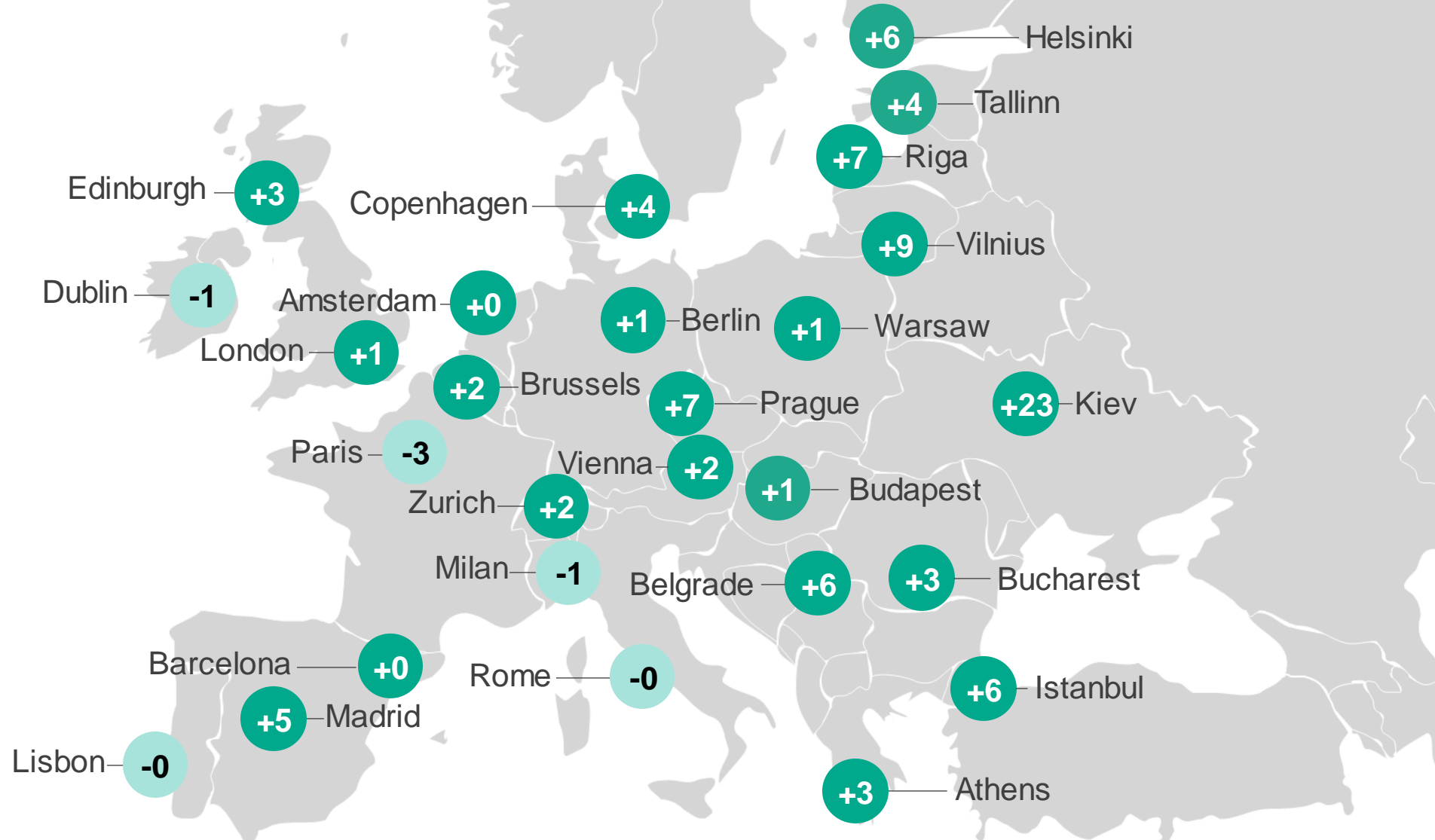


Nordics = Denmark, Finland, Iceland, Norway, Sweden

CEE = Bulgaria, Czech Republic, Estonia, Hungary, Lithuania, Latvia, Poland, Romania, Slovenia, Slovakia

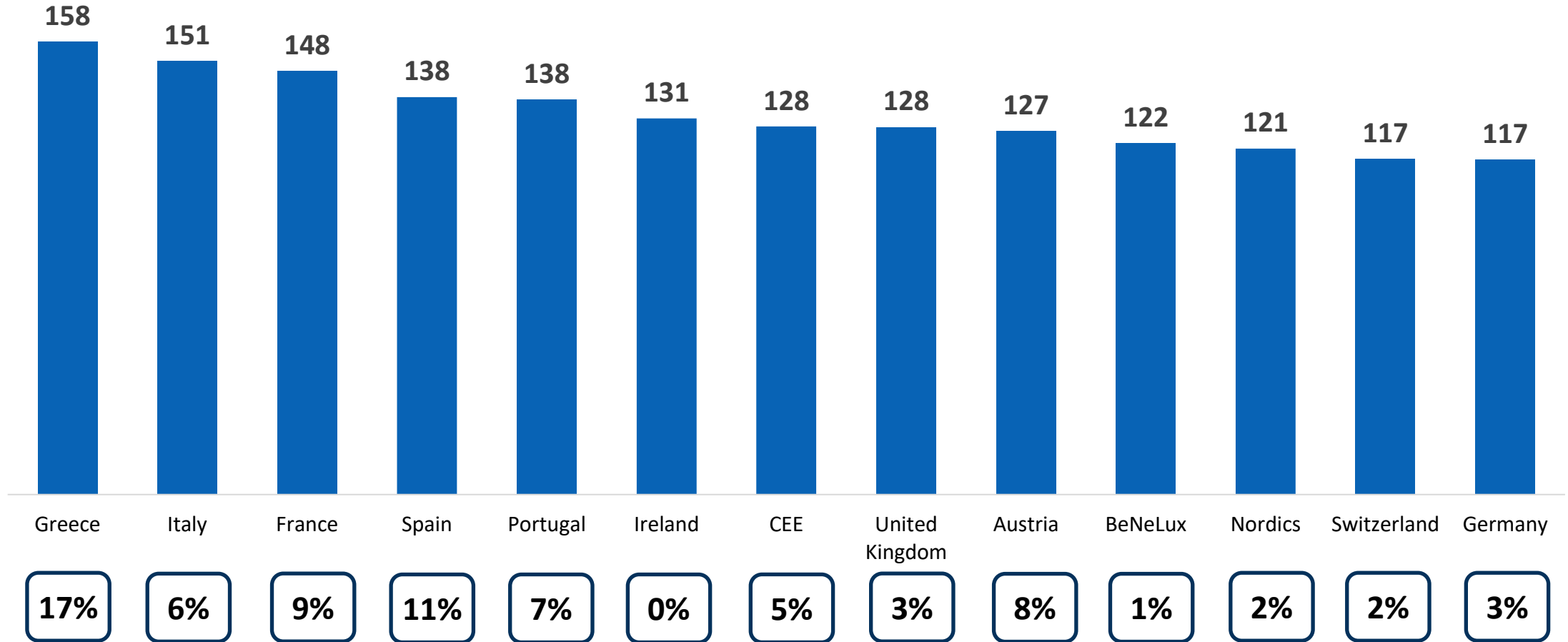
'Early recovery' markets show little change YoY.....

European markets, Occ, YoY % change, August YTD 2024



ADR recovery showcases a north - south divide

ADR, indexed to 2019, R12 August 2024

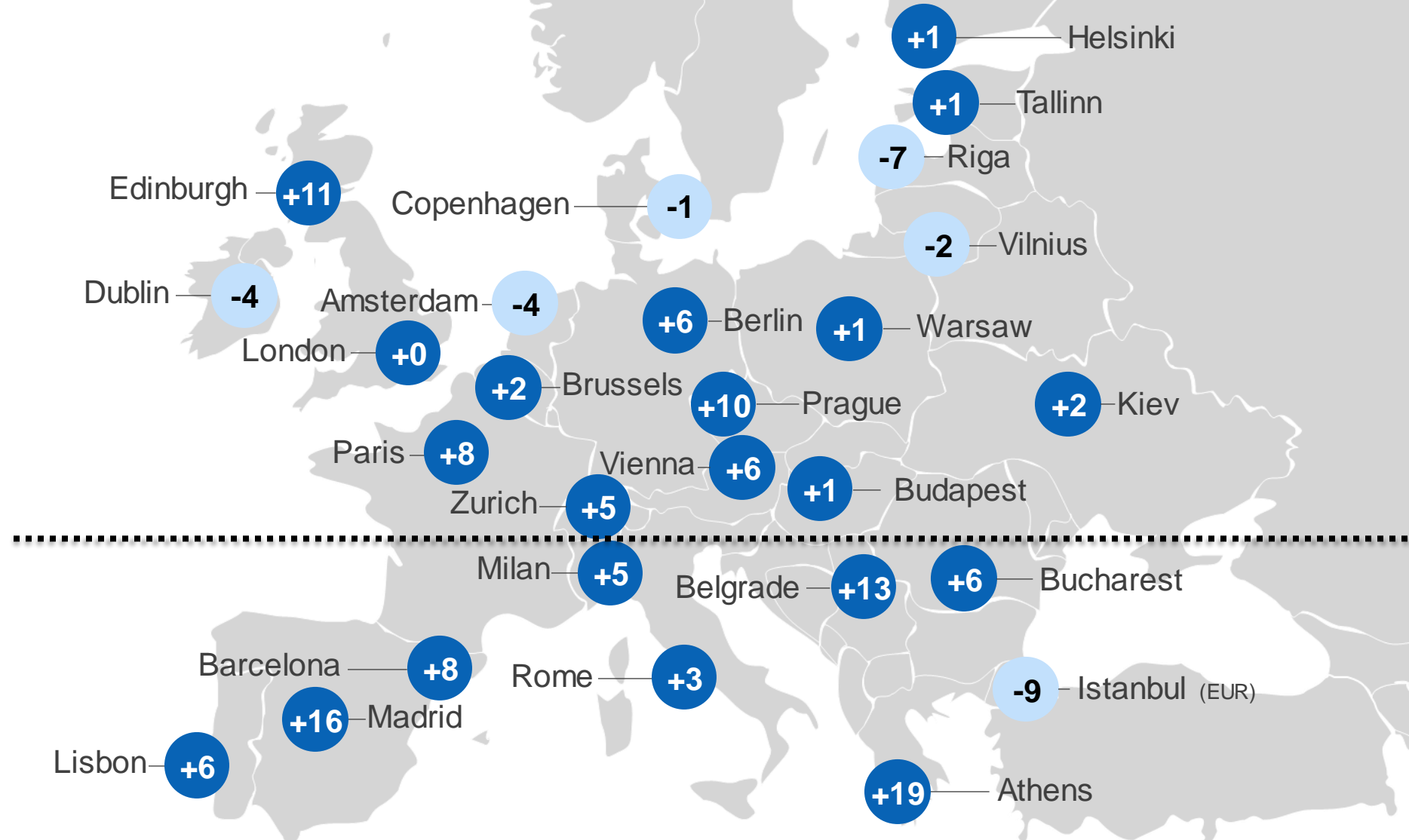


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This divide emerges at a city level

European markets, ADR (LC), YoY % change, August YTD 2024



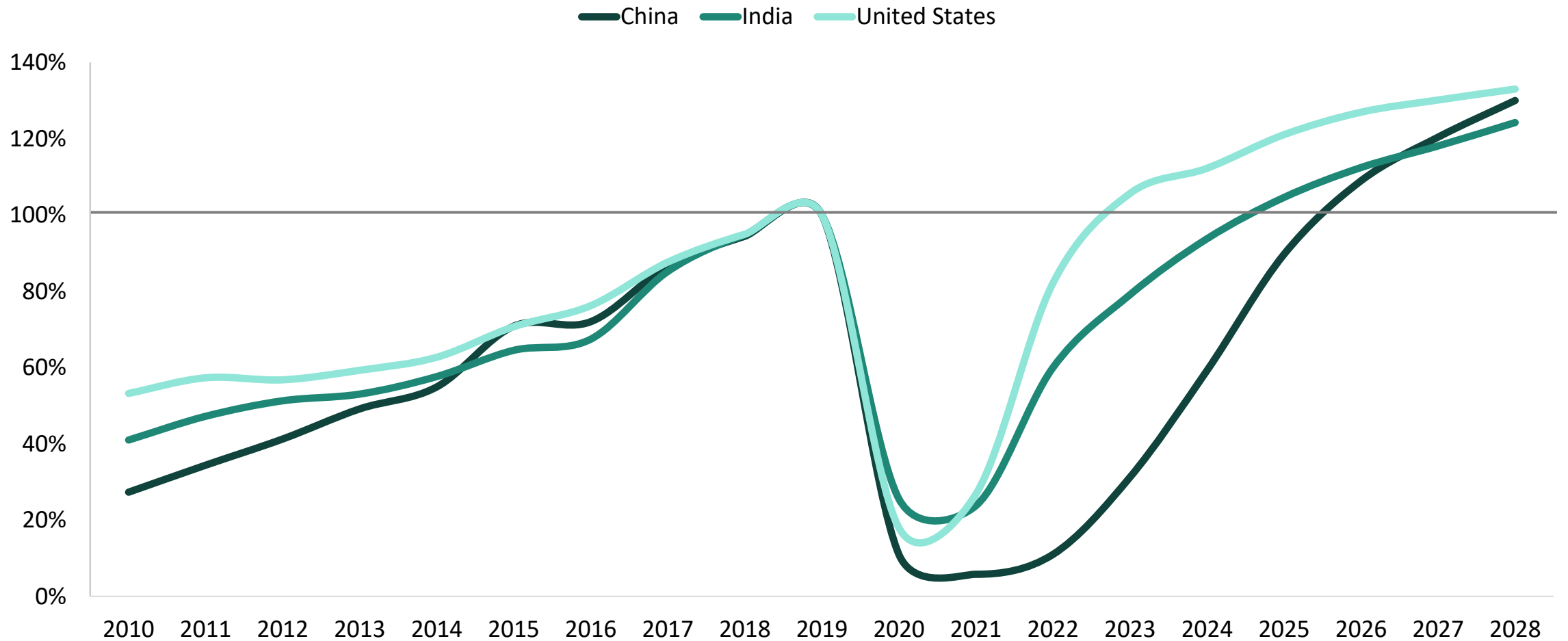


Key RevPAR Drivers



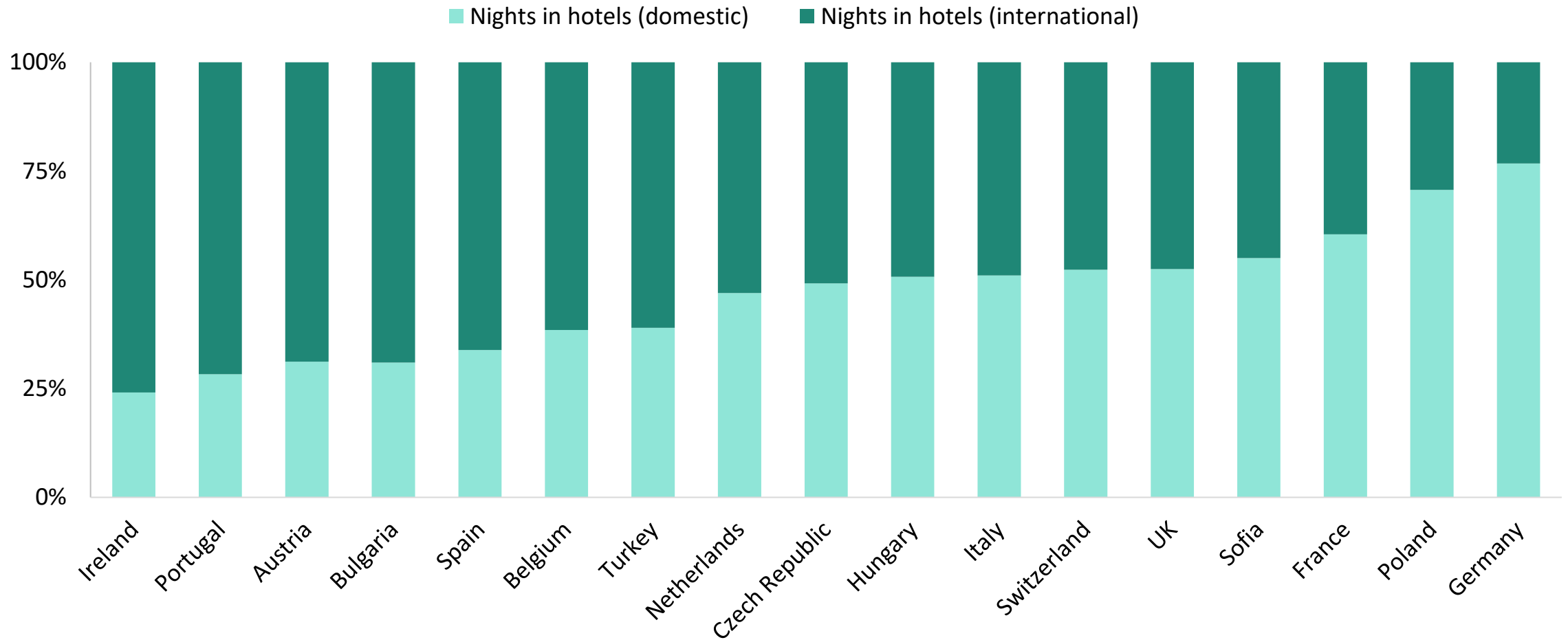
Let's start with the key driver for many markets.

Arrivals to Europe from select markets, indexed to 2019, 2010-2025F



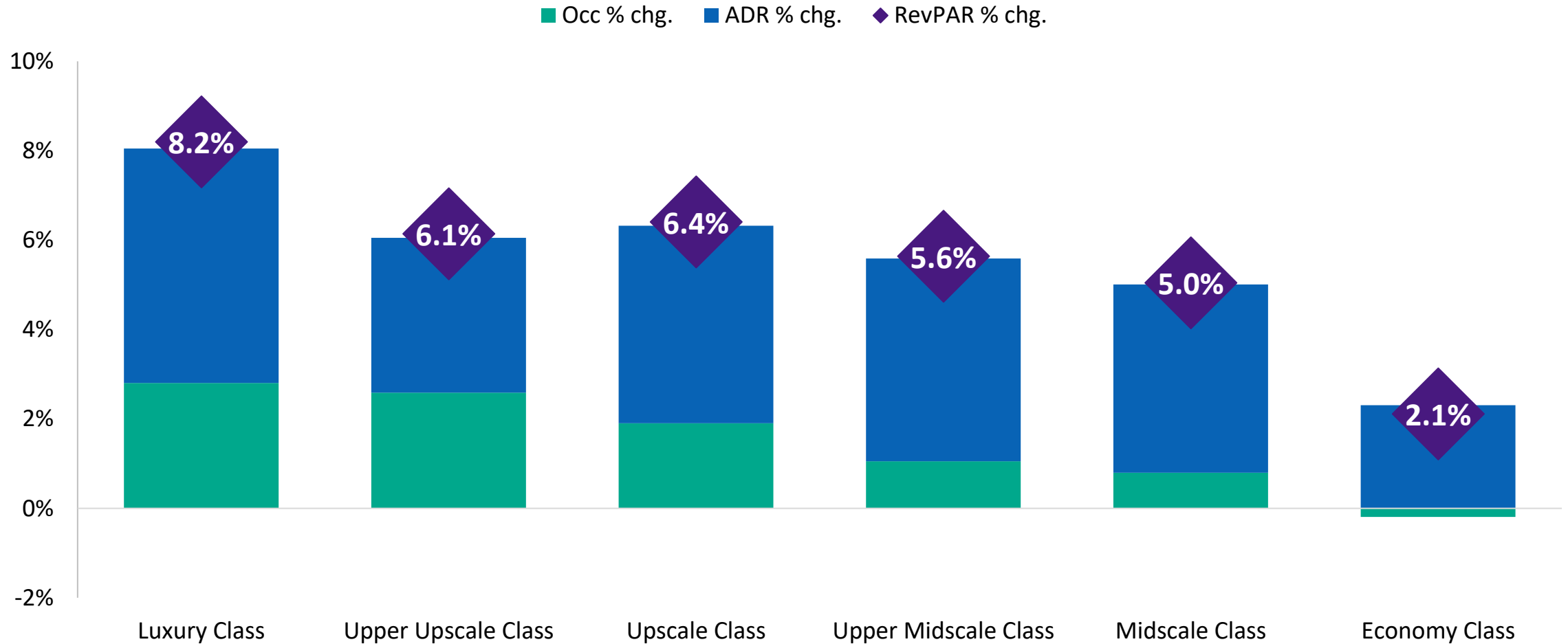
International importance does vary widely across Europe.

Share of nights in hotels by source, 2024F



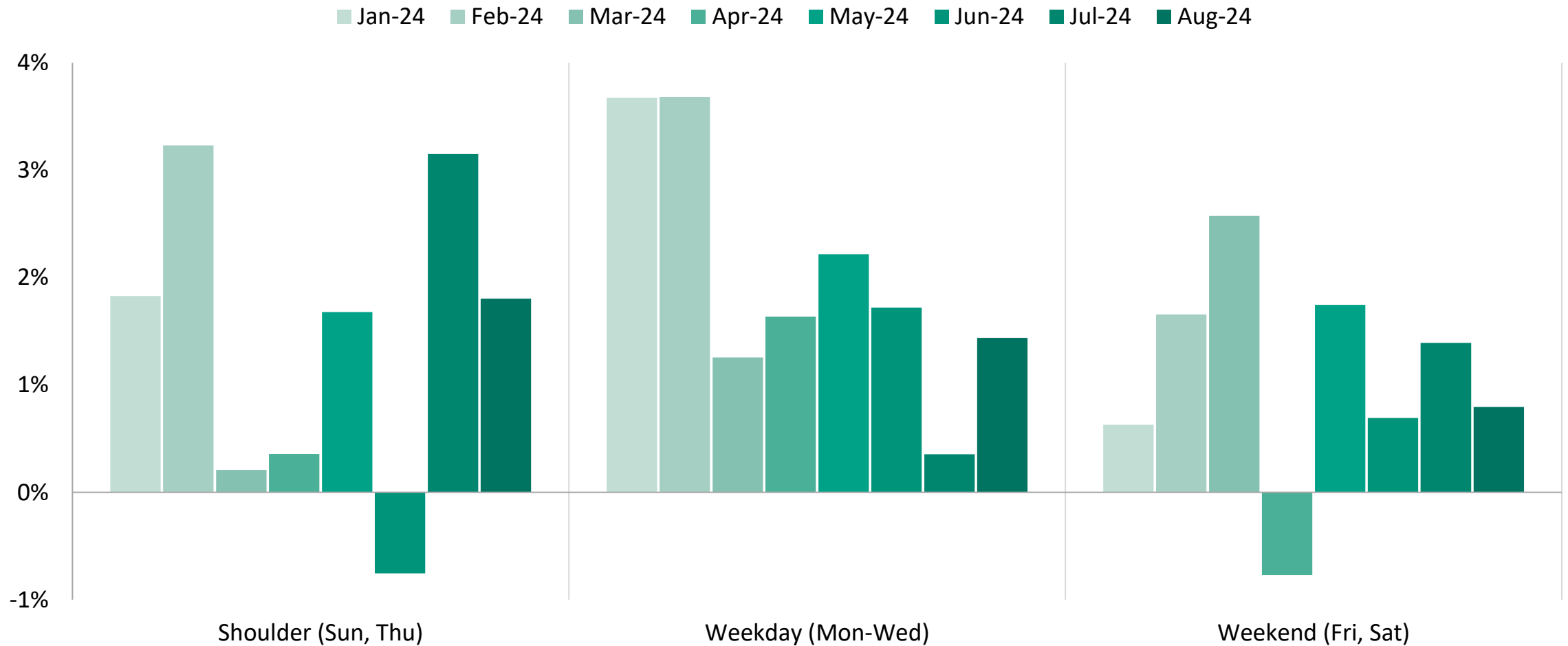
Thanks to ADR, positive RevPAR is achieved across all classes

Europe, EUR & CC, KPI % change YoY, August YTD 2024



Leisure's not leading, but it's not dead either

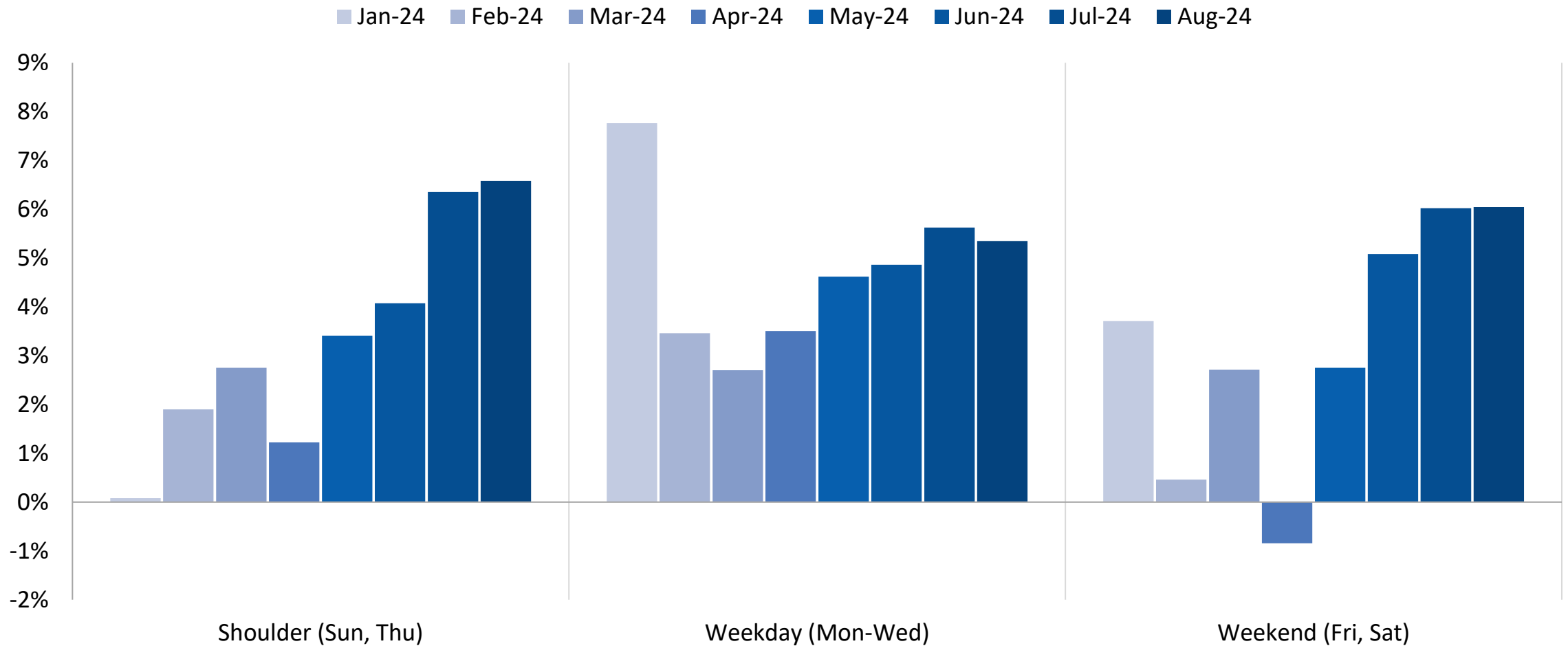
Europe*, Occupancy % chg. YoY, Jan 2024 – Aug 2024



*Excluding Turkey

Rates continue to pleasantly surprise

Europe*, ADR (EUR, CC) % change YoY, Jan 2024 – Aug 2024



*Excluding Turkey

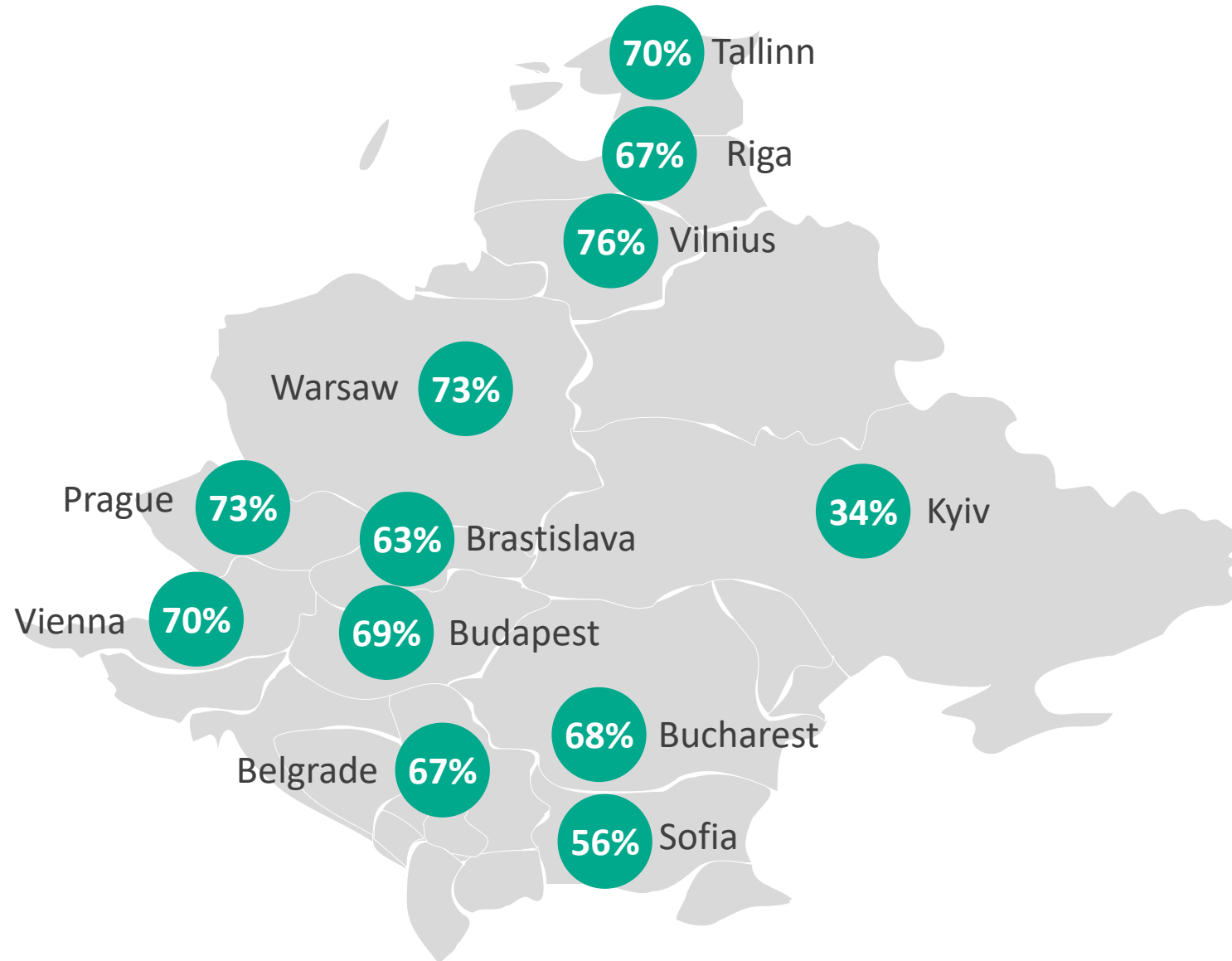


Central Europe & Lithuania



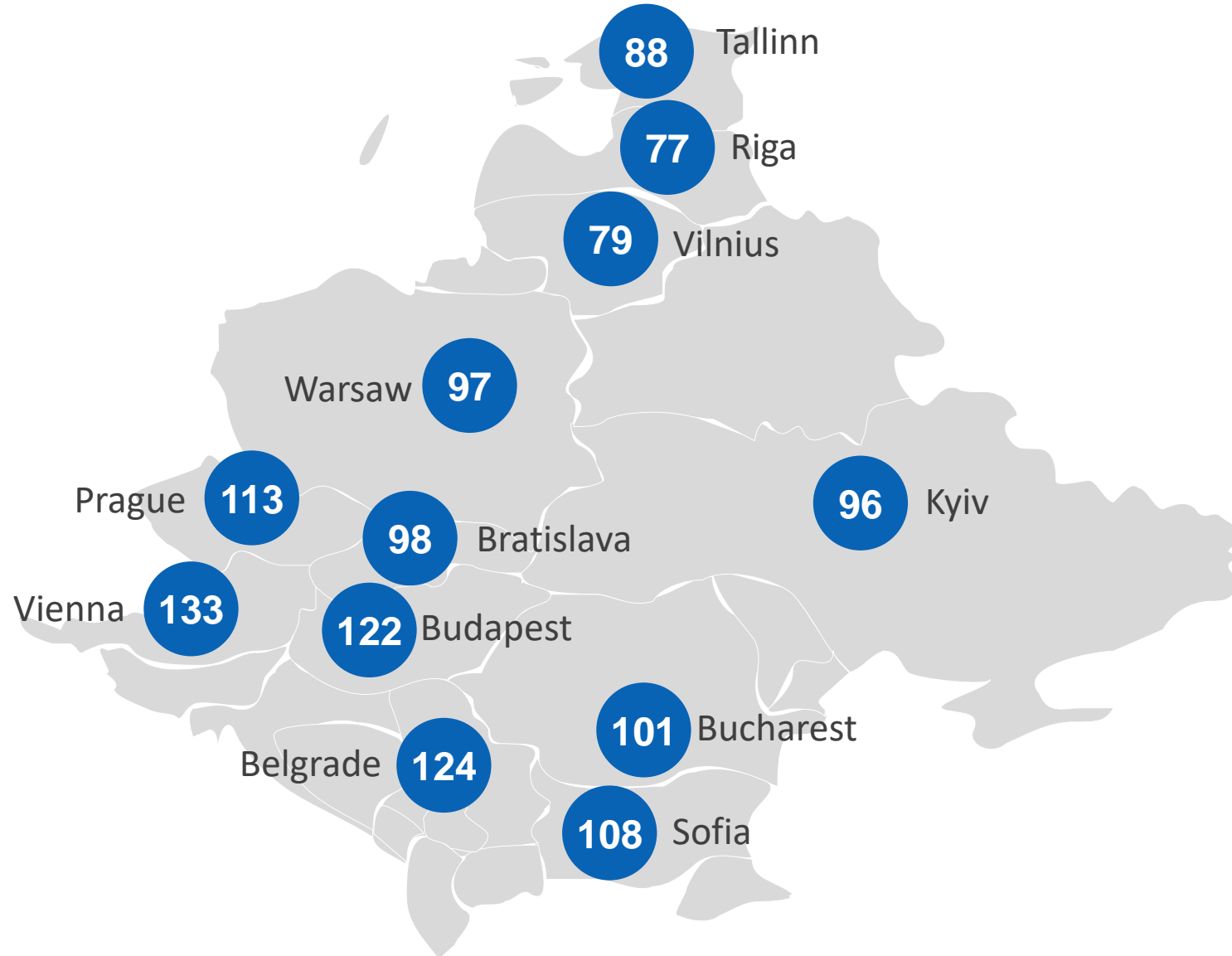
Most markets across recovered

Occupancy, Sep YTD 2024



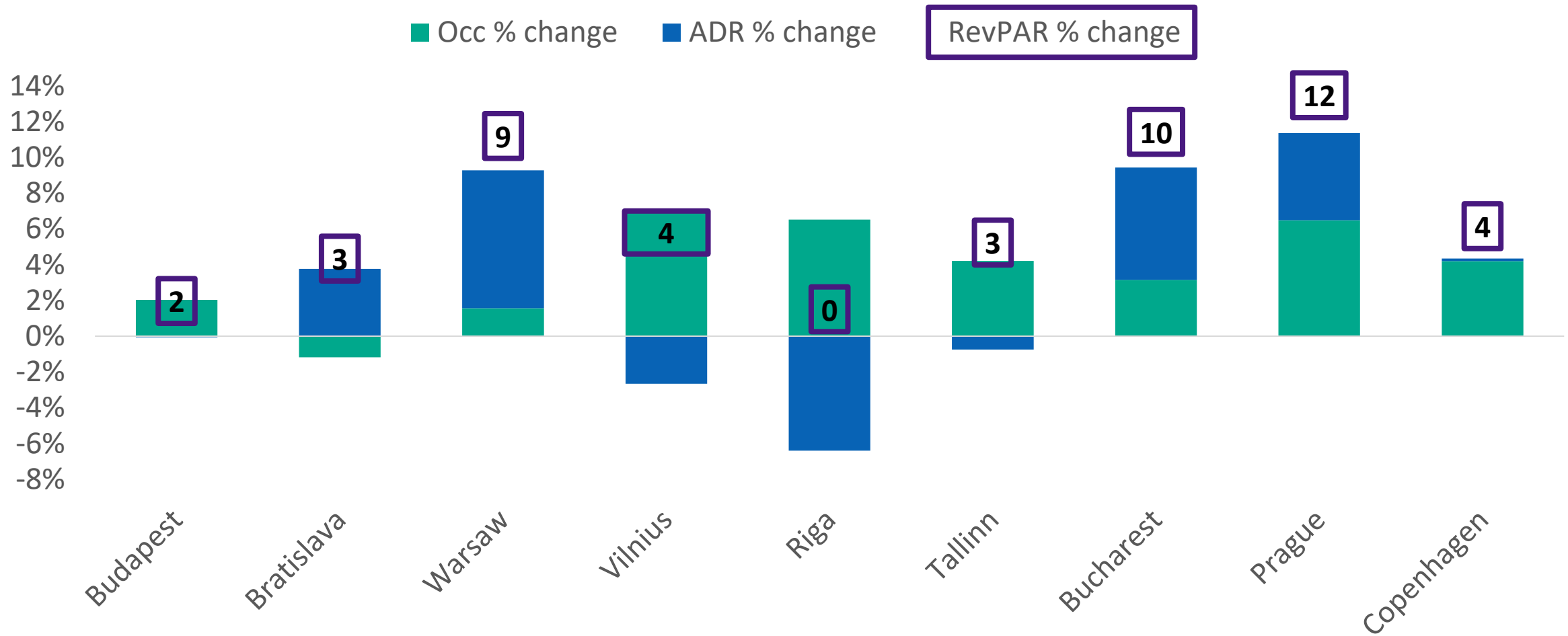
Average rate break EUR 100 across the region

ADR (EUR), Sep YTD 2024



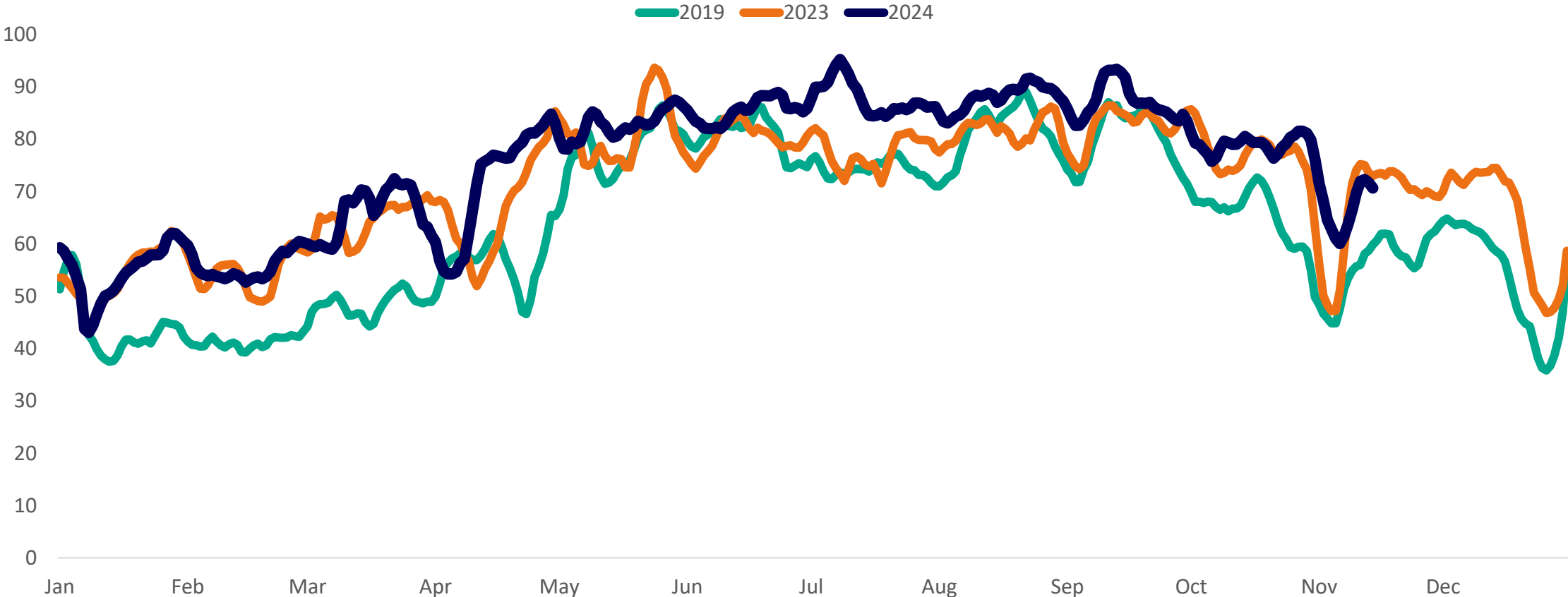
Prague leading growth table

CEE Occ (STD) and ADR (LC), YoY change %, August YTD 2024



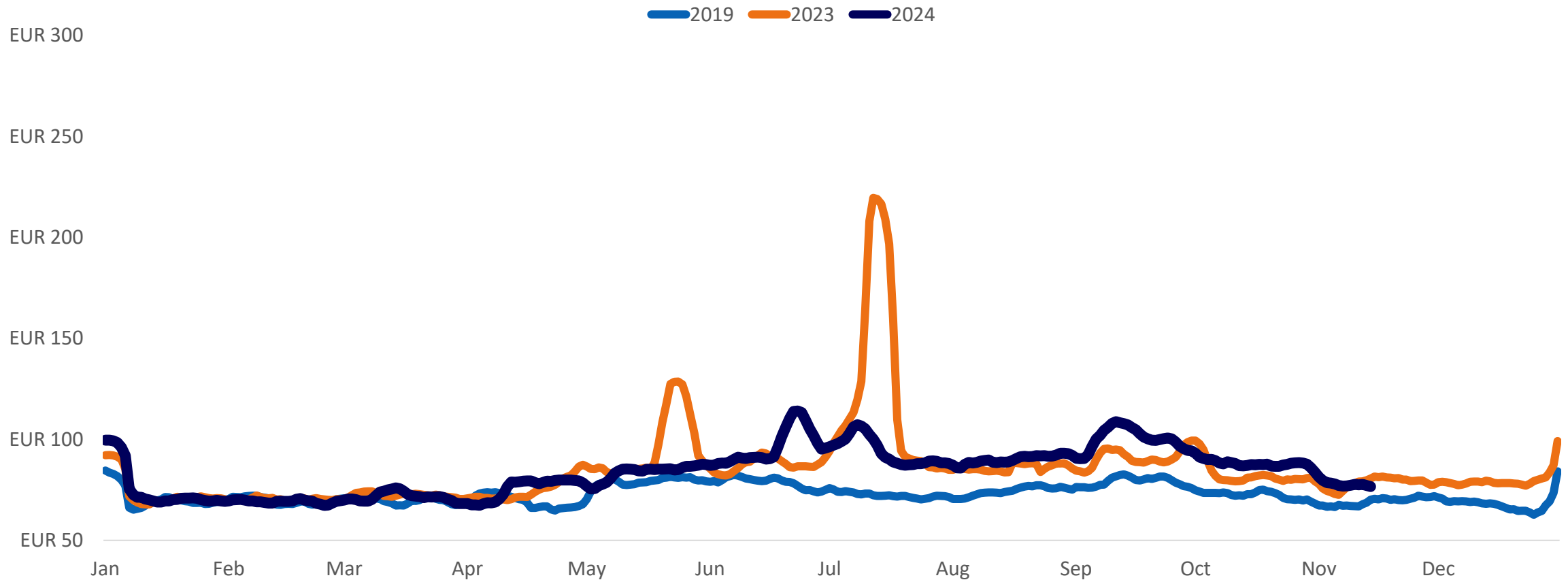
Occupancy continues to improve...

Vilnius Occupancy % R7, 2019, 2023 & 2024 YTD



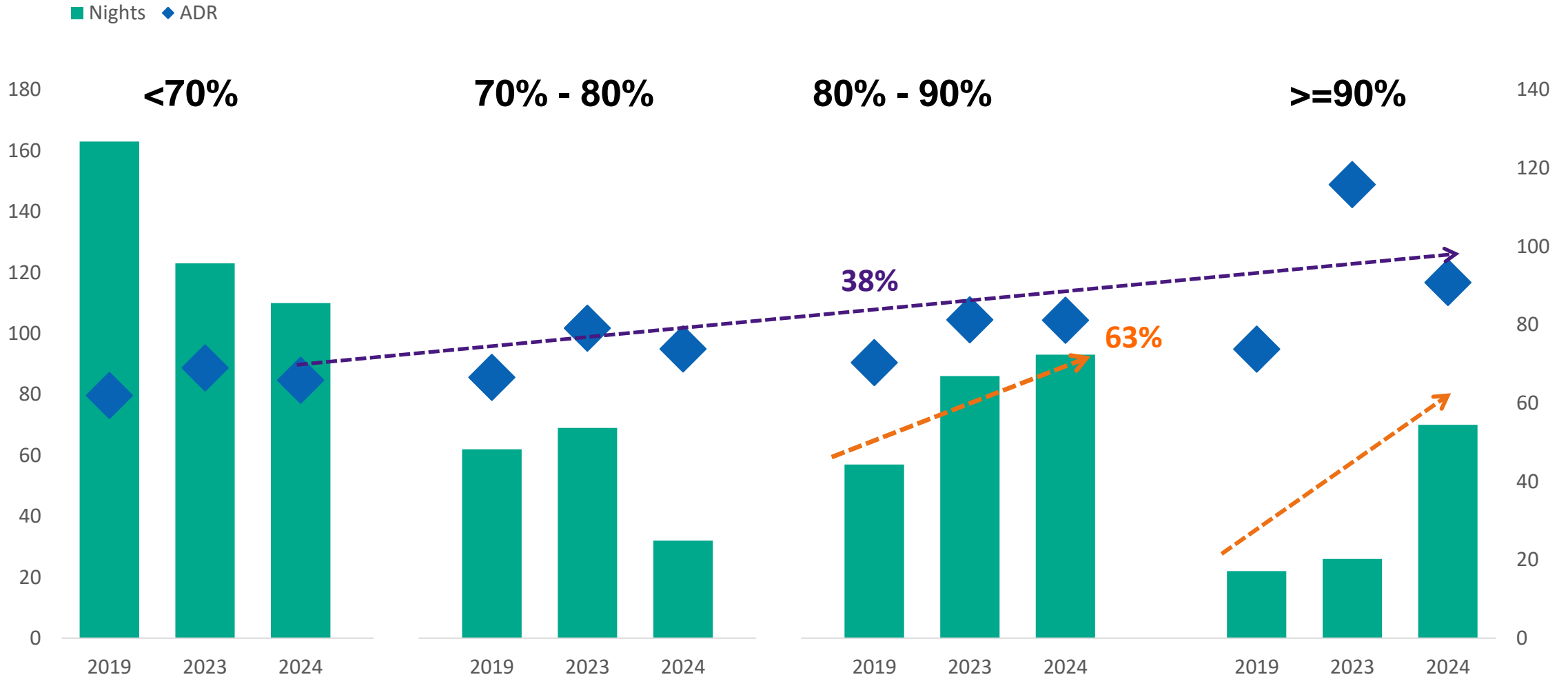
...while ADR grows at calmer pace exc Nato impact

Vilnius ADR R7, 2019, 2023 & 2024 YTD



High compression nights has grown in 2024 compared to 2019

Vilnius, Occupancy and ADR by bucket 2019, 2023 & 2024, October YTD





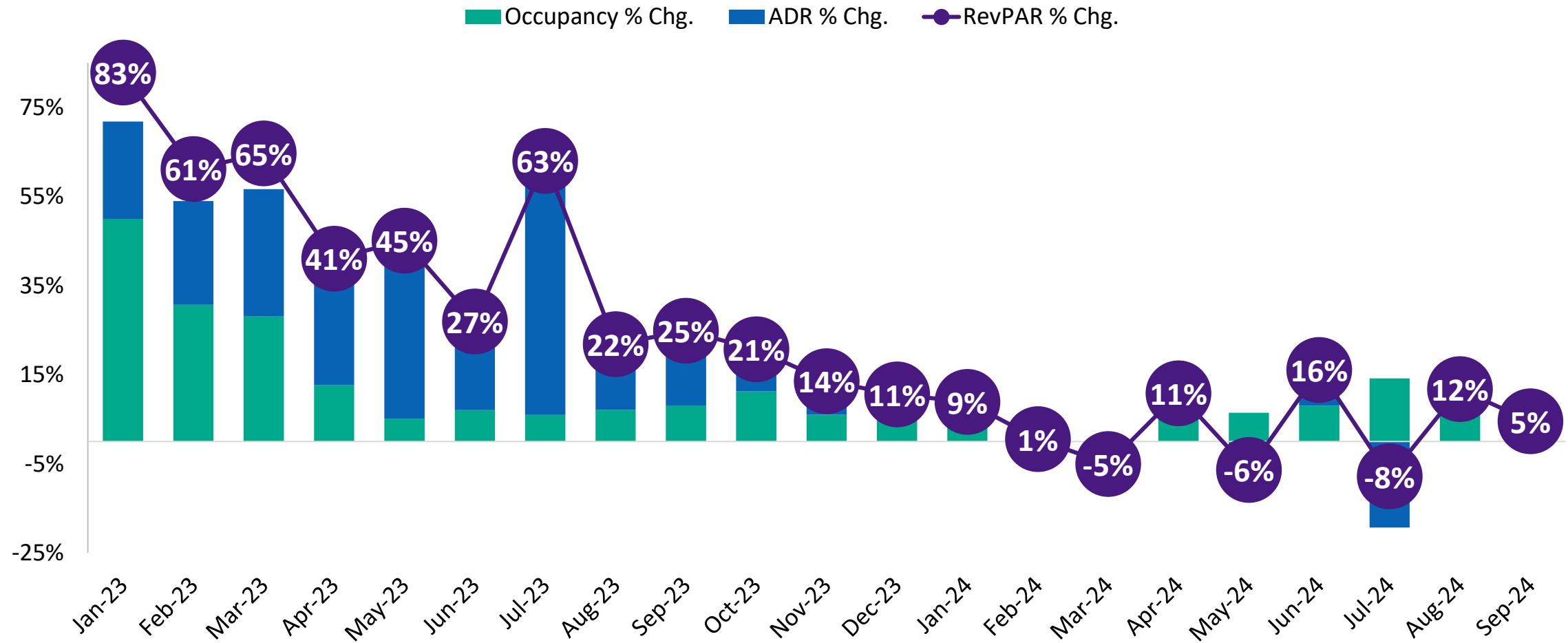
Vilnius

Vilnius Total Room Count Inventory: 5,946 rooms.
STR Sample: 51% of total room count.

Forward star reports are active for all forward star data submitting clients.

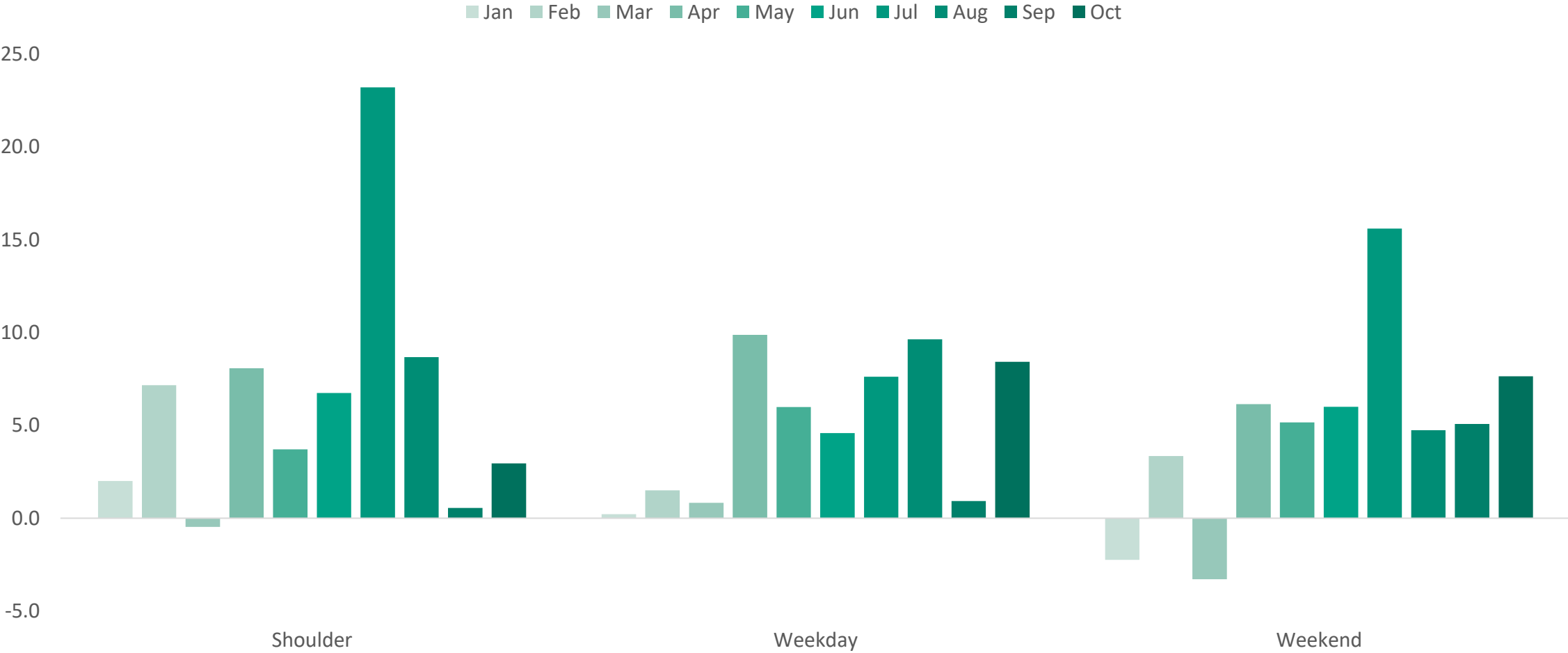
ADR Growth has slowed in 2024

Vilnius, YOY% performance change



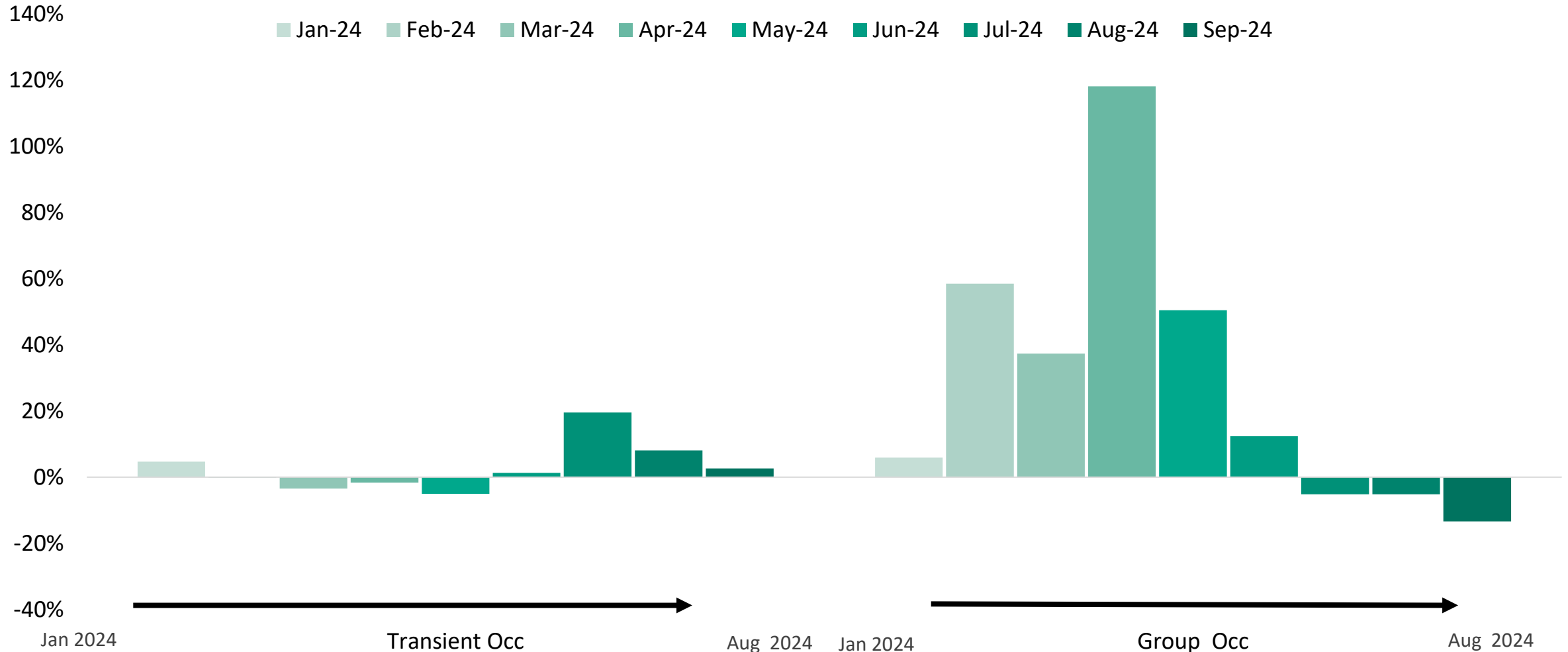
Occupancy improved at all days

Vilnius, Occupancy by day of week, % change to YoY Jan – Oct 2024



Groups finally started to recover

Vilnius segmentation YoY % change, group recovery in Jan – Aug 2024



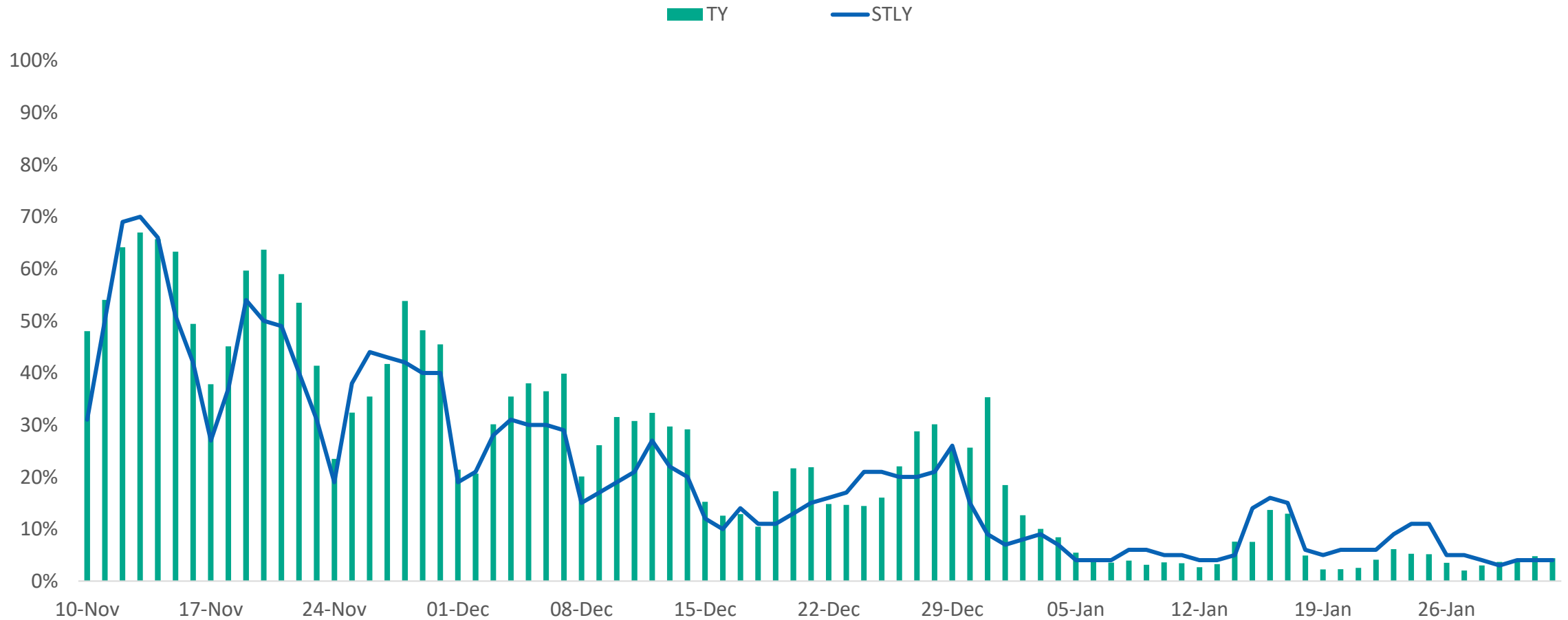


What to expect



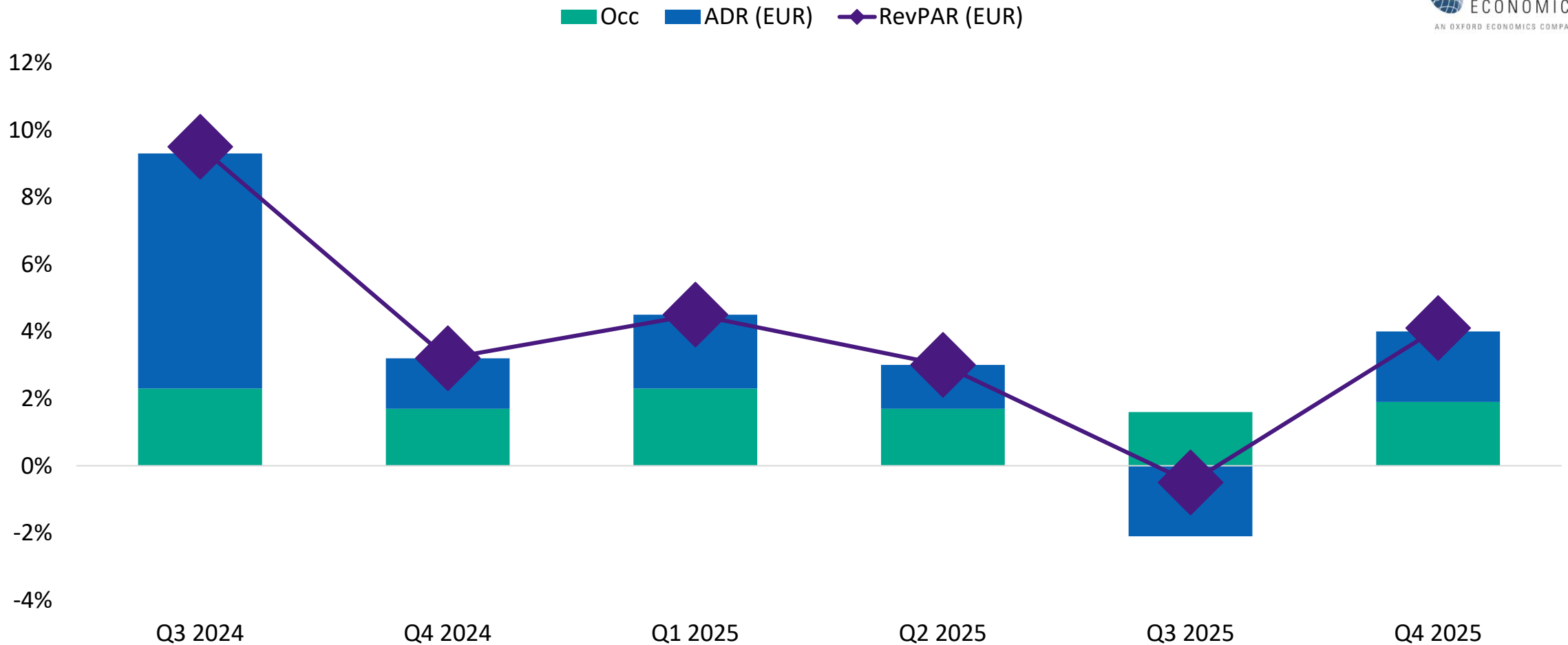
Winter occupancy on the books

Vilnius Occupancy on the books next 90 days as at 10th November 2024



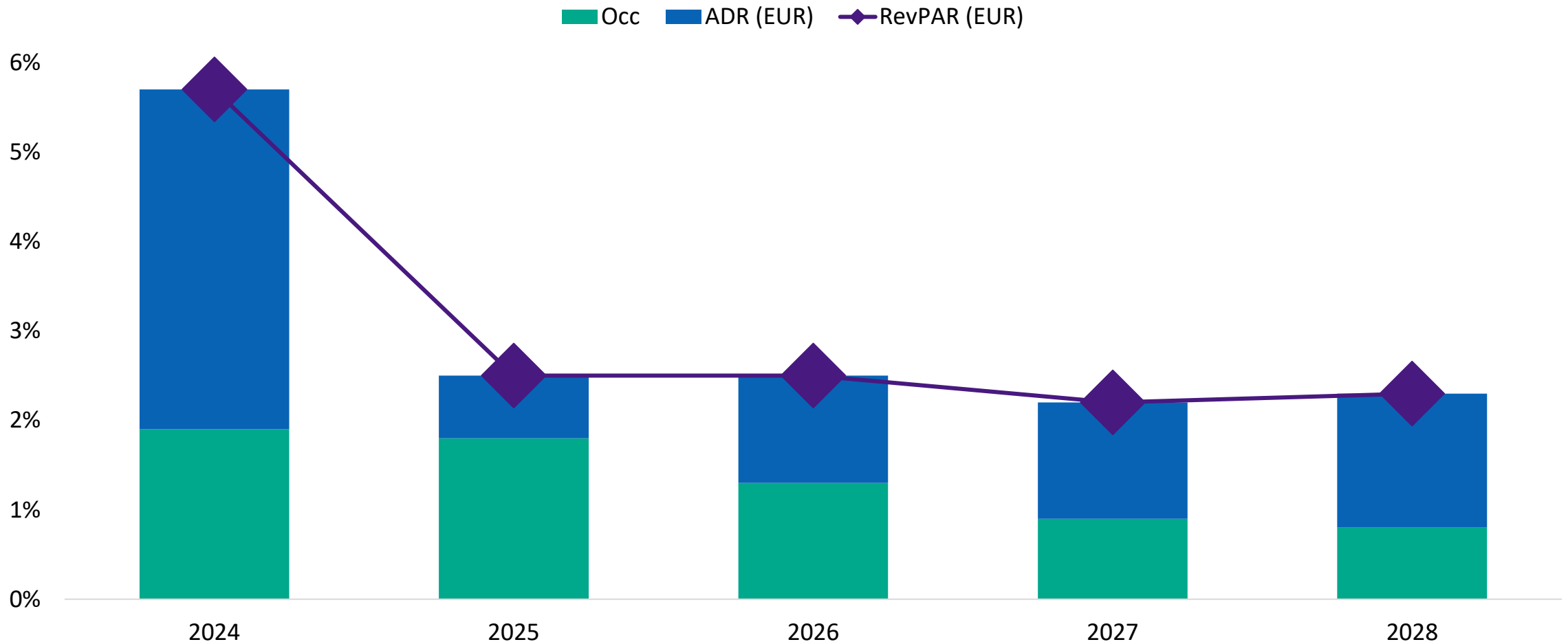
'Price sensitive' travel turns RevPAR composition on its head from Q4

European markets*, KPI YoY % change, Q3 2024 – Q4 2025 (August 2024 Release)



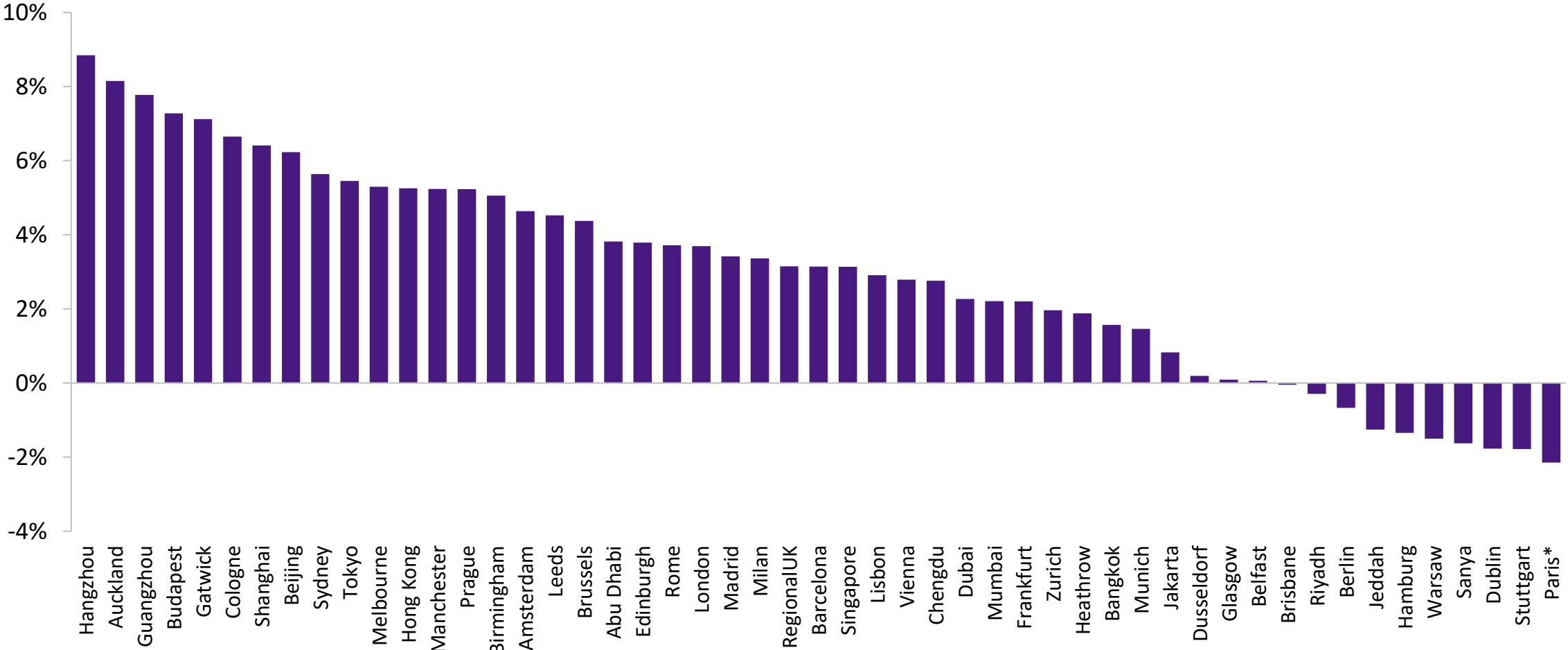
For the medium term, European RevPAR growth will be driven by Occupancy

European markets*, KPI YoY % change, 2024-2028 (August 2024 Release)



Supply and event offsets causing declines in some markets.

2025 Forecast RevPAR (local currency), % change YoY



*Paris market is Luxury and Upper Upscale only

Key Takeaways.



Europe on track to surpass pre-pandemic levels in 2024, RevPAR up 5.7% on LY

Core inflation stable and interest rates cuts, supports spending dynamics.

RevPAR balance will shift in 2025 – moderate occupancy and ADR growth potential.

Price sensitivity evident at a market level, not helped by non-repeat events, change in business mix and moderate occupancy growth potential.



Thank you

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