



APEX
ALLIANCE

“NT vertę kuriantys sprendimai”

Situacija viešbučių rinkoje ir rinkos
plėtros perspektyvos viešbučių valdytojo
akimis

2022. 09. 15

APEX ALLIANCE HOTEL MANAGEMENT

SHORT SUMMARY ABOUT THE COMPANY :

- **Apex Alliance Hotel Management** is a third party hotel operator, which focuses on establishing and developing longstanding partnerships with hotel owners, individual and institutional investors, and other market players
- **AAHM was established in 2016**
- **Company shareholders:** 51% - Apex Alliance B.V. and 49 % Gemini Group, UAB
- There are 21 **employees** working in the company
- **The differentiators:** quick ramp up, high top lines, highest priority on bottom line, flexibility in negotiations, focus on quality, fast decision making, creativity
- Cooperates with **Marriott, Hilton** and in good relationship with Accor, Intercontinental Hotel Group, Louvre Hotels, Radisson and many other
- There are **10 hotels** in operations by now: **5 Marriott brand** and **5 Hilton brand hotels**
- **13 hotels** will be in operations by the end of **2022**
- Around **2 feasible projects** in negotiation status, finalization by the end of **2022**

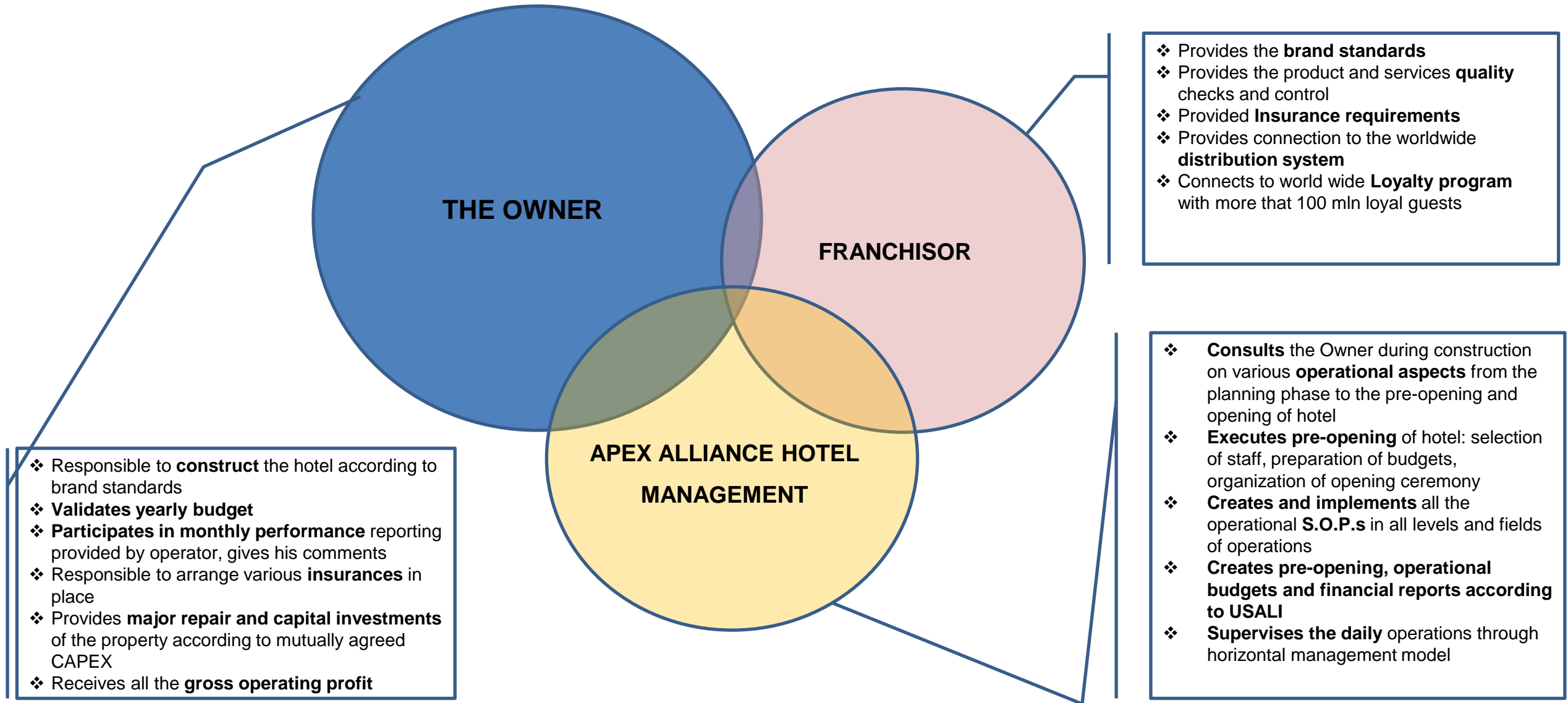


AREAS OF EXPERTISE

Partner for innovative thinking, operational understanding, management & services



APEX ALLIANCE HOTEL MANAGEMENT- THIRD PARTY HOTEL OPERATOR



APEX ALLINACE HOTEL MANAGEMENT – REASONS TO COOPERATE



TOP LINE

Increasing return on investment while striving for growth in sales & revenue



BOTTOM LINE

Efficiency in spending and managing operational costs to achieve the best possible performance



ENHANCED VALUE

Quality control & innovative approach implementation into the daily operations



WHITE LABEL

Third-party management company certified by Hilton and Marriott Worldwide



WIDER APPROACH

Understanding owners concerns and problems during the stages of the development and management



FLEXIBILITY

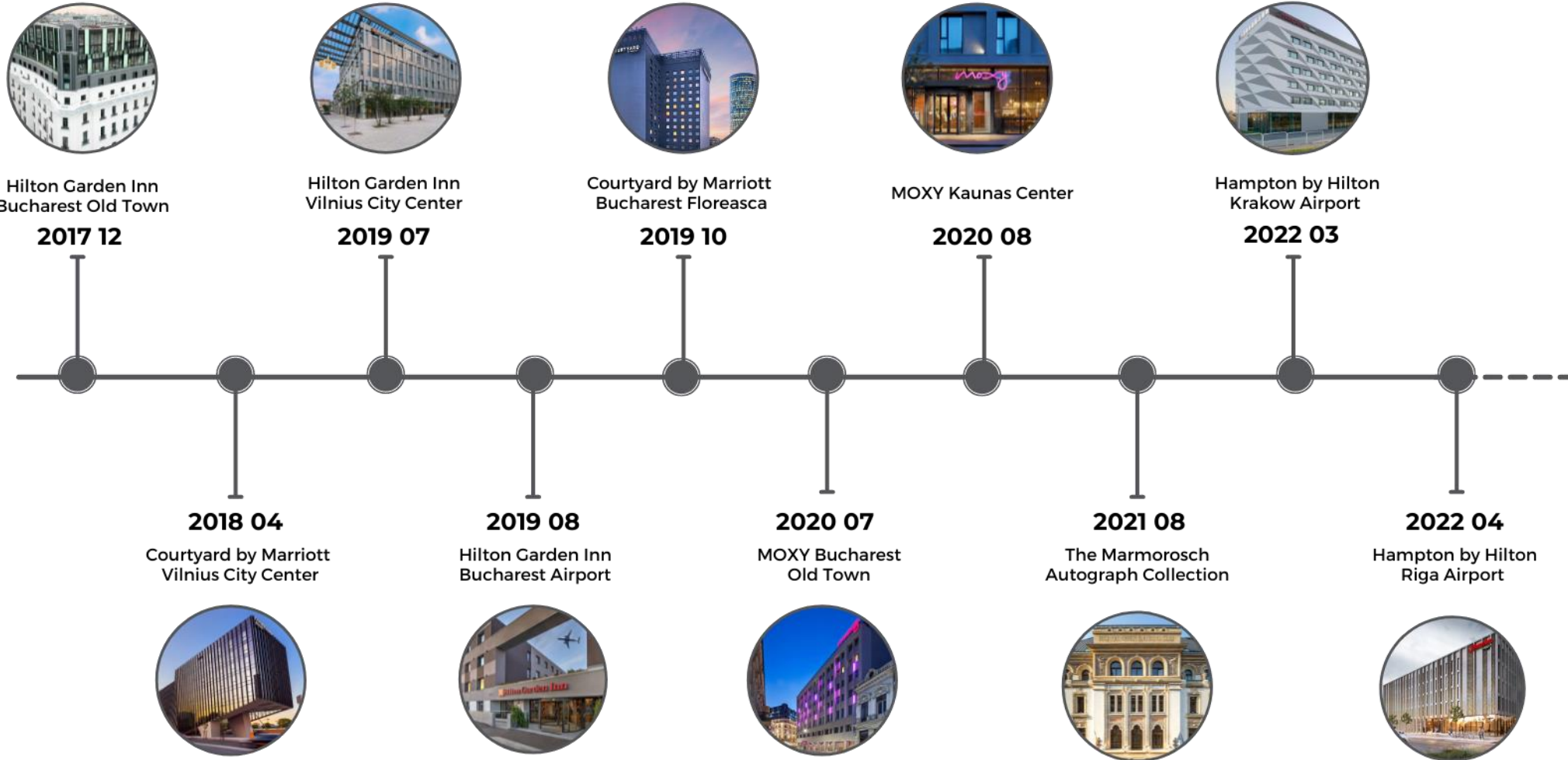
In comparison to the International hotel chains we offer balanced agreement for the both parties.



REDUCING RISK

By being responsible for the brand standards, insurance policies and know-how in daily hotel operations.

AAHM CURRENT PORTFOLIO



AAHM portfolio
currently comprises
1875 hotel rooms across **10**
hotels in **4** countries.



LATVIA, Riga

1 hotel

189 rooms

**LITHUANIA,
Vilnius, Kaunas**

3 hotels

538 rooms

**POLAND,
Krakow**

1 hotel

173 rooms

**ROMANIA,
Bucharest**

5 hotels

975 rooms



HILTON GARDEN INN BUCHAREST OLD TOWN

ADDRESS	12 Doamnei Street, District 3, Bucharest, Romania
ROOMS	Total: 201; Size: 23 - 102 m ²
RESTAURANT / BAR	Beef Room Restaurant: 96 seats; Bar: 8 seats; Terrace: 60 seats, 114 m ²
PARKING	Off-site parking: 500 lots
FITNESS	24/7 Fitness Room
THE SHOP	6 m ² Open 24/7

CONFERENCE / MEETING ROOMS

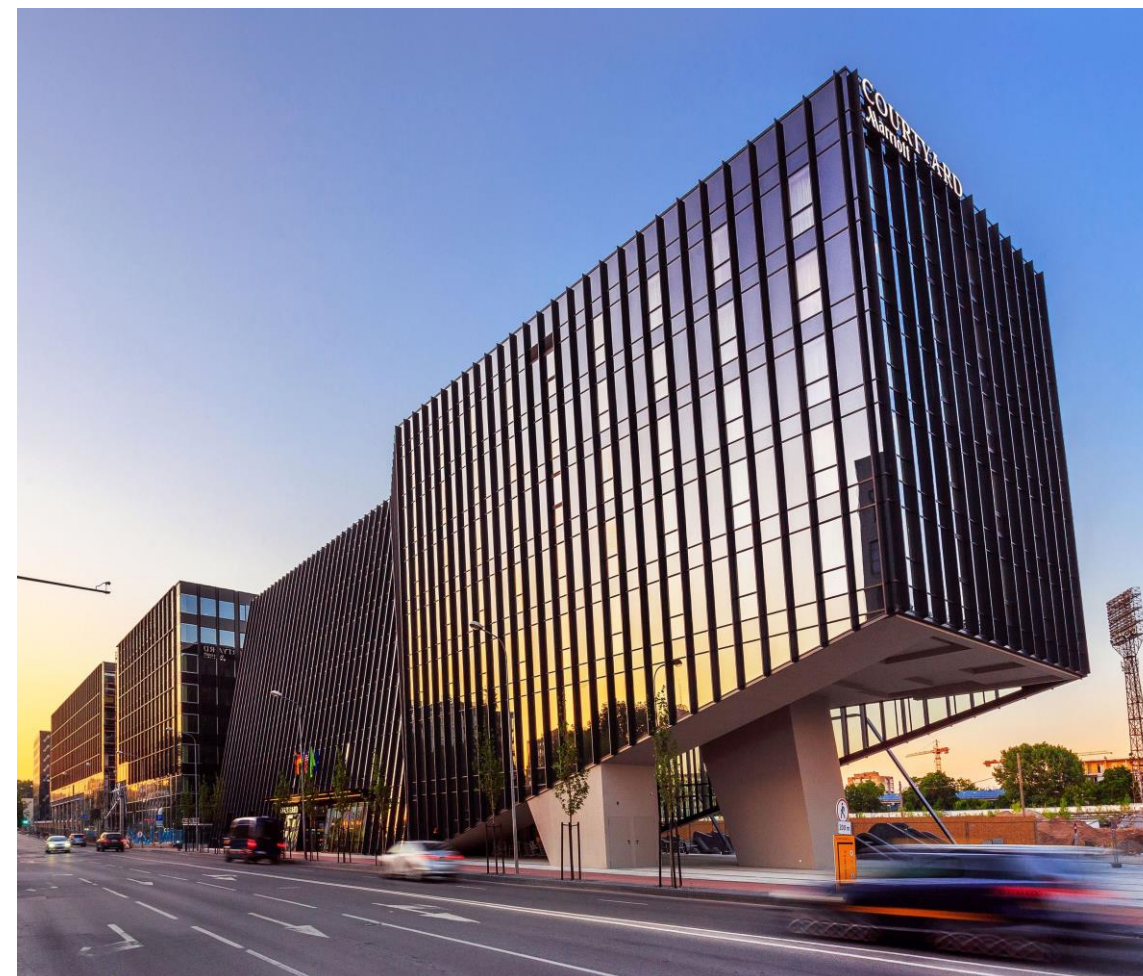
Room Capacity	Area m ²	Theatre	Classroom	U Shape	Board Room	Reception	Banquet
Cismigiu	110	120	60	36	30	120	60
Cismigiu North	55	60	30	24	20	60	30
Cismigiu South	55	60	30	24	20	60	30
Floreasca	163	160	80	n/a	n/a	160	80
Floreasca North	82	80	40	30	30	80	40
Floreasca South	82	80	40	30	30	80	40
Herestrau	26	24	12	12	12	n/a	n/a



COURTYARD VILNIUS CITY CENTER

ADDRESS	Rinktinės str. 3, Vilnius, Lithuania LT-09234
ROOMS	Total: 199; Room size: 21-24 m ²
RESTAURANT / BAR	Solt Dining Restaurant: 130 seats; Lobby Bar: 32 seats; Terrace: 150 m ² , 40-120 seats in theatre style
PARKING	Direct access to underground parking
FITNESS	24/7 Fitness Room
THE MARKET	Lobby shop, Open 24/7

CONFERENCE/ MEETING ROOMS	NO. OF SEATS	SIZE (m ²)
Stadium yard	40	463
Promenade yard	49	431
Plaza yard	40	463
Castle yard (From 2 parts)	150	1,615



HILTON GARDEN INN VILNIUS CITY CENTER

ADDRESS	Gedimino ave. 44A, Vilnius LT- 01400
ROOMS	Total: 164; Size: 24-34 m²
RESTAURANT / BAR	Beef Room Restaurant: 180+ seats, 145 m²; Lobby Bar: 43 m², 38 seats. Rooftop terrace: 200 m², 80 - 150 seats
PARKING	Direct access to underground parking.
FITNESS	24/7 Fitness room
THE SHOP	Lobby shop, open 24/7

CONFERENCE / MEETING ROOMS	NO. OF SEATS	SIZE (m²)
Prussian room	48	55
Curonian room	48	55
Selonian room	40	47



HILTON GARDEN INN BUCHAREST AIRPORT

ADDRESS	Bulevardul Aeroportului 13, Otopeni 075150
ROOMS	Total: 218; Room size: 23,5 m ²
RESTAURANT / BAR	Wright Flyer Restaurant: 126 seats, 257 m ² Lobby Bar: 38 seats, 20 m ² Summer Terrace: 30 seats, 34,22 m ²
PARKING	Direct access to underground parking. Total: 90 parking spaces.
FITNESS	24/7 Fitness Room
THE SHOP	Lobby shop, open 24/7

CONFERENCE / MEETING ROOMS

Room Capacity	Area m ²	Theatre	Classroom	U Shape	Board Room	Reception	Banquet
Cumulus	138	120	80	n/a	n/a	120	80
Cumulus 1	74	56	40	24	n/a	56	40
Cumulus 2	65	38	32	20	32	48	32
Cirrus	46	38	26	16	24	38	24
Altostratus	23	n/a	n/a	n/a	16	n/a	n/a
Nimbostratus	22	n/a	n/a	n/a	12	n/a	n/a



COURTYARD BUCHAREST FLOREASCA

LOCATION	Pompeiu str. 2A, Bucharest
ROOMS	Total: 259, size: 23,5 m ²
RESTAURANT / BAR	Solt Dining Restaurant: 80 seats, 195 m ² ; Lobby Bar: 15 seats, 29 m ² ; Summer Terrace: 50 seats, 210 m ²
PARKING	Direct access to underground parking.
FITNESS	24/7 Fitness Room
THE MARKET	Lobby shop, Open 24/7

CONFERENCE / MEETING ROOMS

Room Capacity	Area m ²	Theatre	Classroom m	U Shape	Board Room	Reception	Banquet
Alfa	185	170	102	50	36	170	100
Beta	114	106	74	48	28	110	70
Gamma	107	100	56	36	32	90	60
Delta	45	40	24	20	20	35	20
Zeta	35	30	18	16	16	20	16
Sigma	35	30	18	16	16	20	16
Tau	12	8	n/a	n/a	6	n/a	10



MOXY BUCHAREST OLD TOWN

ADDRESS	Doamnei str. 17-19, Bucharest
ROOMS	Total:119, size 17-20 m ²
RESTAURANT / BAR	Moxy 24/7 Bar: 57 seats, 140 m ² ; Summer Terrace: 22 seats, 38 m ²
MEETING ROOMS	1 conference room with a total capacity of 6 people
PARKING	City Parking
FITNESS	24/7 Fitness room
THE MARKET	Lobby shop, open 24/7



[See Hotel's Website](#)



MOXY KAUNAS CENTER

ADDRESS	Maironio street 19. Kaunas, Lithuania	
ROOMS	Total: 175 ; Size: 17-24 m ²	
RESTAURANT / BAR	Moxy 24/7 Bar: 90 seats, 190 m ² ; Summer Terrace 63 m ² , seats: 24	
PARKING	Underground city parking	
FITNESS	24/7 Fitness room	
THE MARKET	Lobby shop, Open 24/7	
CONFERENCE/ MEETING ROOMS	NO. OF SEATS	SIZE (m ²)
Conference room	20	39
Meeting room	5	5



THE MARMOROSCH BUCHAREST, AUTOGRAPH COLLECTION

LOCATION	Doamnei str. 2, Bucharest, 030053
ROOMS	Total: 217, Size: 21- 117 m²;
RESTAURANT	The Blank Restaurant: 84 Seats, 205 m²
BLANK BAR & LOUNGE	55 Seats; 359 m²
THE VAULT BAR	40 Seats; 142 m²
MBB COFFEE	33 Seats;
BALANCE SPA	300 m²
FITNESS	60 m² ; 24/7 Fitness room

CONFERENCE / MEETING ROOMS

Room Capacity	Area m²	Theatre	Classroom	U Shape	Board Room	Reception	Banquet
Vienna	148	80	40	40	25	120	50
Istanbul	50	n/a	n/a	n/a	12	n/a	n/a
New York	134	110	40	40	25	120	50
Paris	34	n/a	n/a	n/a	10	n/a	n/a



HAMPTON BY HILTON KRAKOW AIRPORT

ADDRESS	Kapitana M. Medweckiego str. 22 Balice, 32-083	
ROOMS	Total: 173	
RESTAURANT / BAR	Restaurant & Lobby Bar 130 seats; 500 m ²	
PARKING	30 Parking Spaces	
FITNESS	24/7 Fitness room	
THE MARKET	Lobby shop, Open 24/7	

CONFERENCE/ MEETING ROOMS	SIZE (m ²)	CAPACITY / SETUP
Meeting room A	20	10 pax / board
Meeting room B	23	10 pax / board



[See Hotel's Website](#)



HAMPTON BY HILTON RIGA AIRPORT

ADDRESS	Priekalni A, Riga, LV-2167
ROOMS	Total: 189
RESTAURANT / BAR	Restaurant and Lobby Bar: 167 seats, 386 m ²
PARKING	74 Parking Spaces
FITNESS	24/7 Fitness room
THE MARKET	Lobby shop, Open 24/7

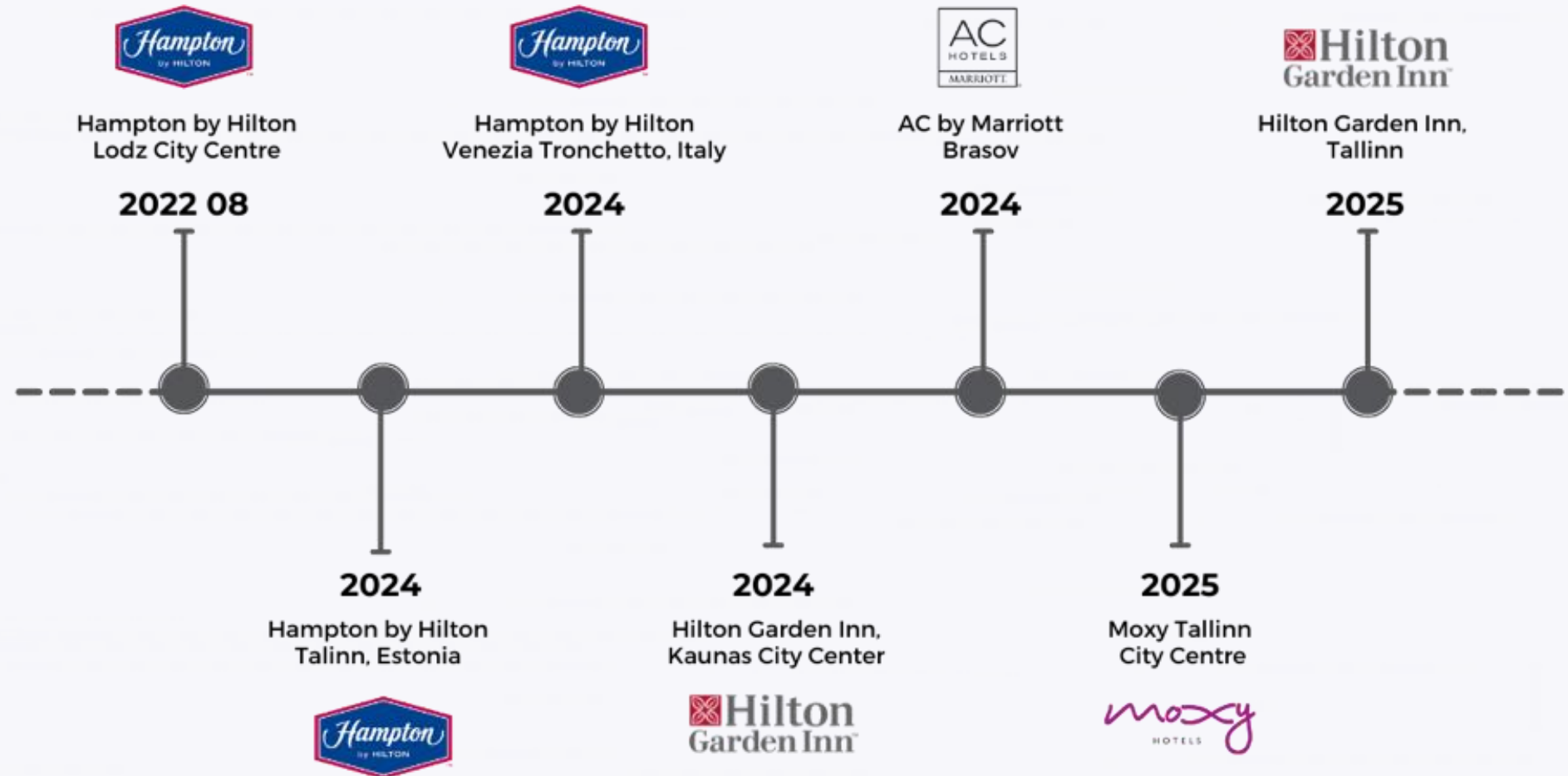
CONFERENCE/ MEETING ROOMS	SIZE (m ²)	CAPACITY / SETUP
Meeting room A	62,3	30 / theatre
Meeting room B	37,7	12 / theatre
Meeting room A+B	101	54 / theatre



[See Hotel's Website](#)



SECURED PIPELINE



AAHM secured hotel pipeline currently comprises of **1298** hotel rooms within **7** hotels accross **5** countries.



ESTONIA, Tallinn

3 hotels
455 rooms

LITHUANIA, Kaunas

1 hotel
205

POLAND, Lodz

1 hotel
149 rooms

ROMANIA, Brasov

1 hotel
165 rooms

ITALY, Venice

1 hotel
324



Hotel Management Matrix (Score) - Owner's view

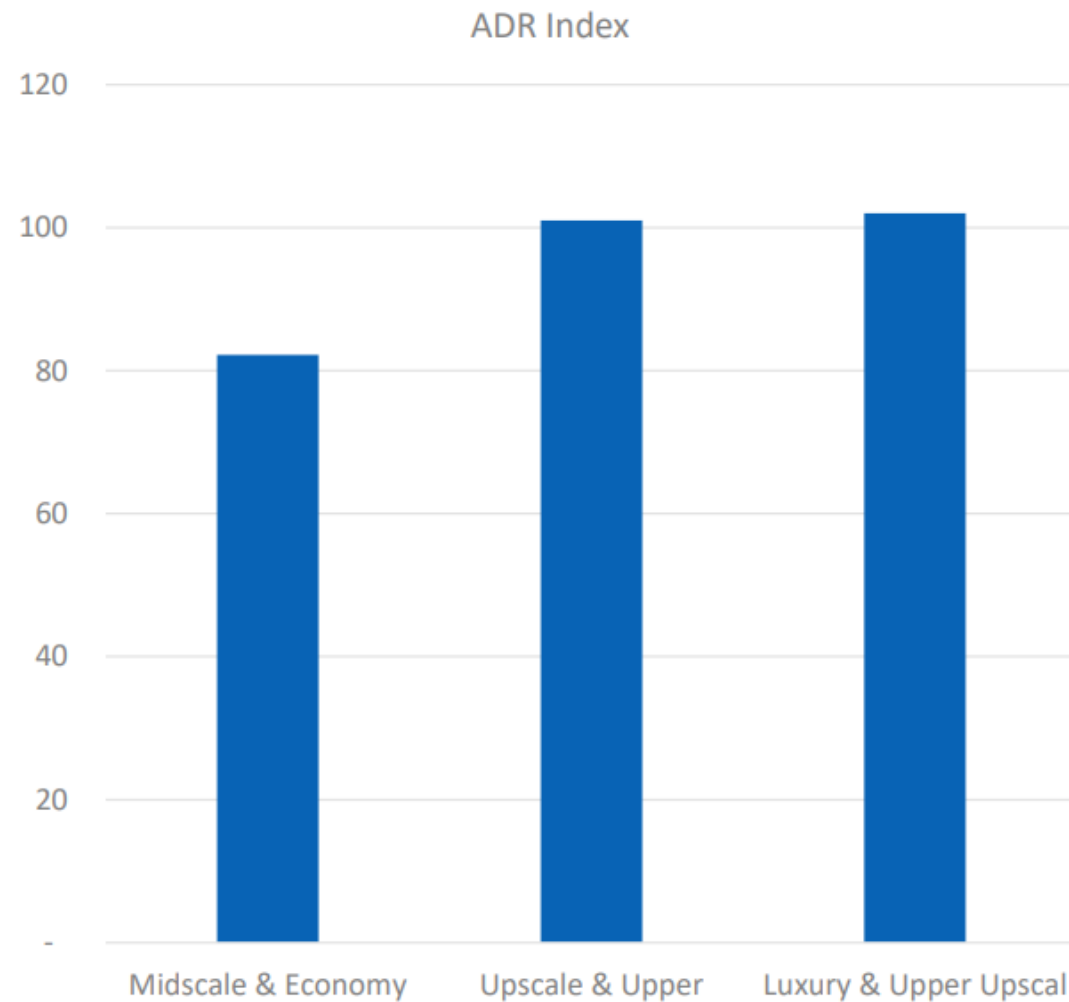
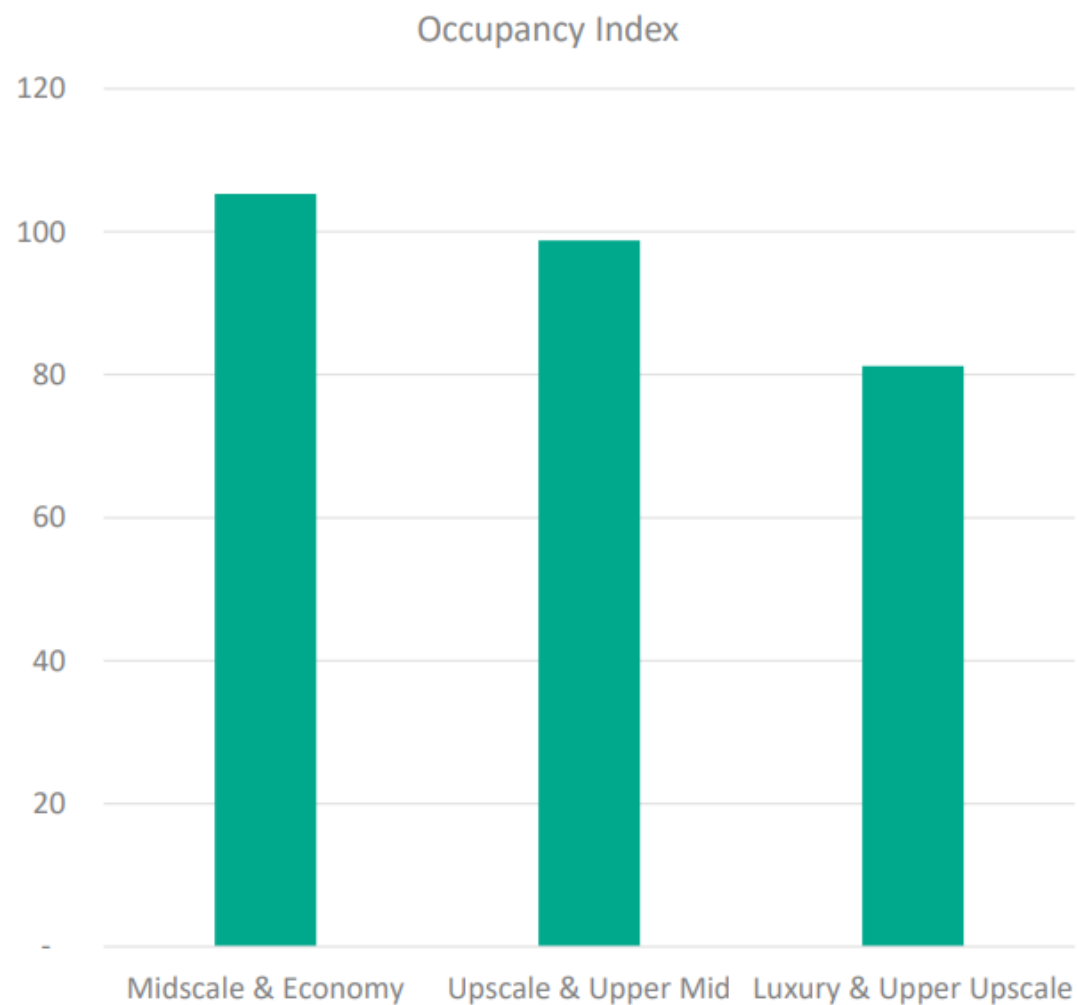
	Financing	Investment	Income	Cost of Management	Value Preservation	Value Enhancement	Flexibility	Risk profile	<u>SCORE</u>
Branded Management	Med 7	Low (higher Invest.) 6	High 9	Low (higher cost) 7	High 9	High 9	Med 8	Med 8	63
Lease	High 10	Med (lessee FF&E) 8	Med 8	High (no cost) 10	Low 6	Low 6	Low 6	High (low risk) 10	64
Franchise	Low 6	Low (full invest.) 5	Med 8	Med 8	Med 8	Med 8	High 10	Med 7	54
Third Party Operator	Med 8	Low (higher Invest.) 7	High 10	Low (higher cost) 6	High 10	High 10	High 10	High 9	70
SCORE - HIGH (9,10), Medium (7,8), Low (5,6)									

GOLDEN RULE OF HOTEL VALUE CREATION

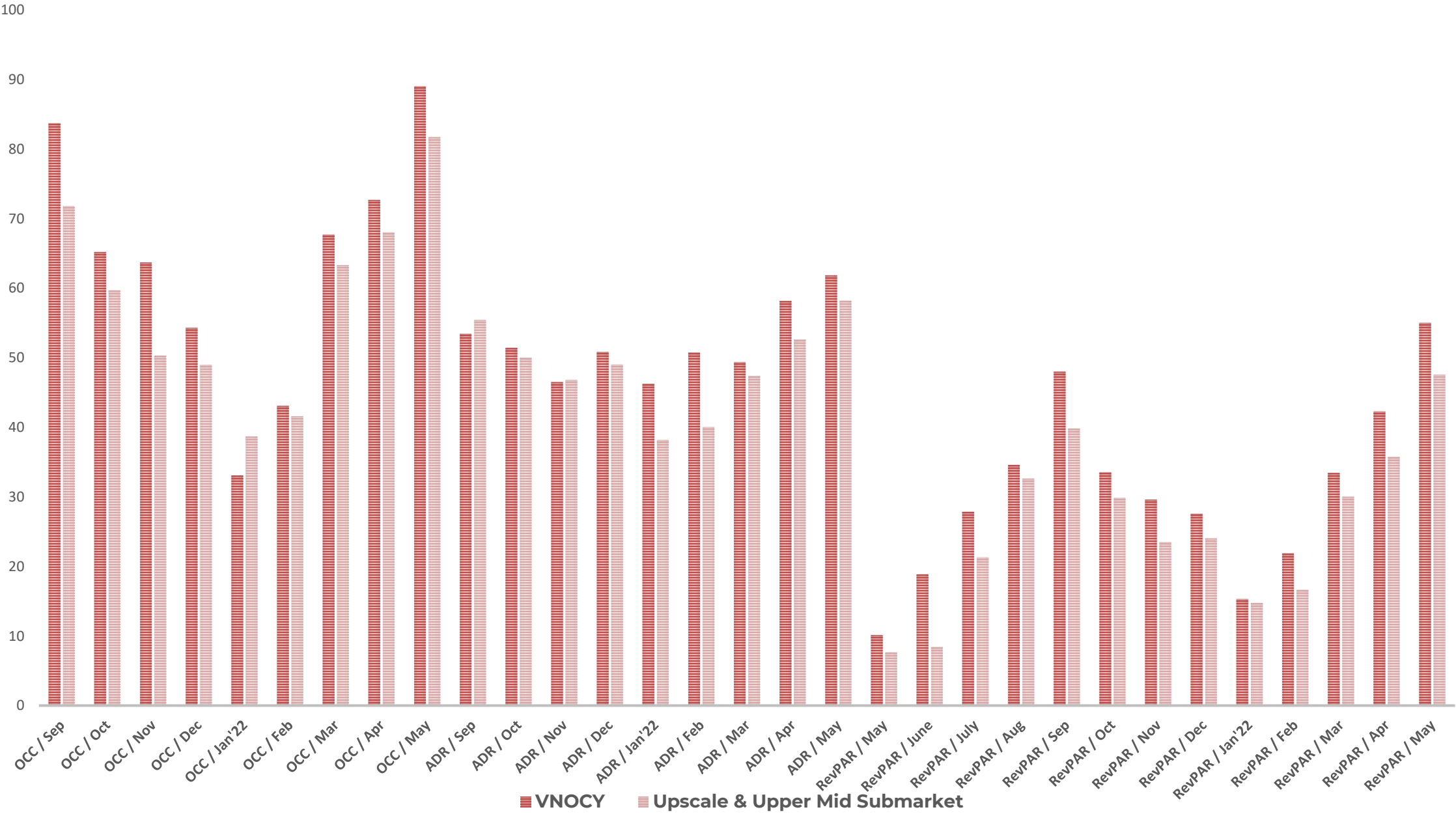


Current trends in Vilnius

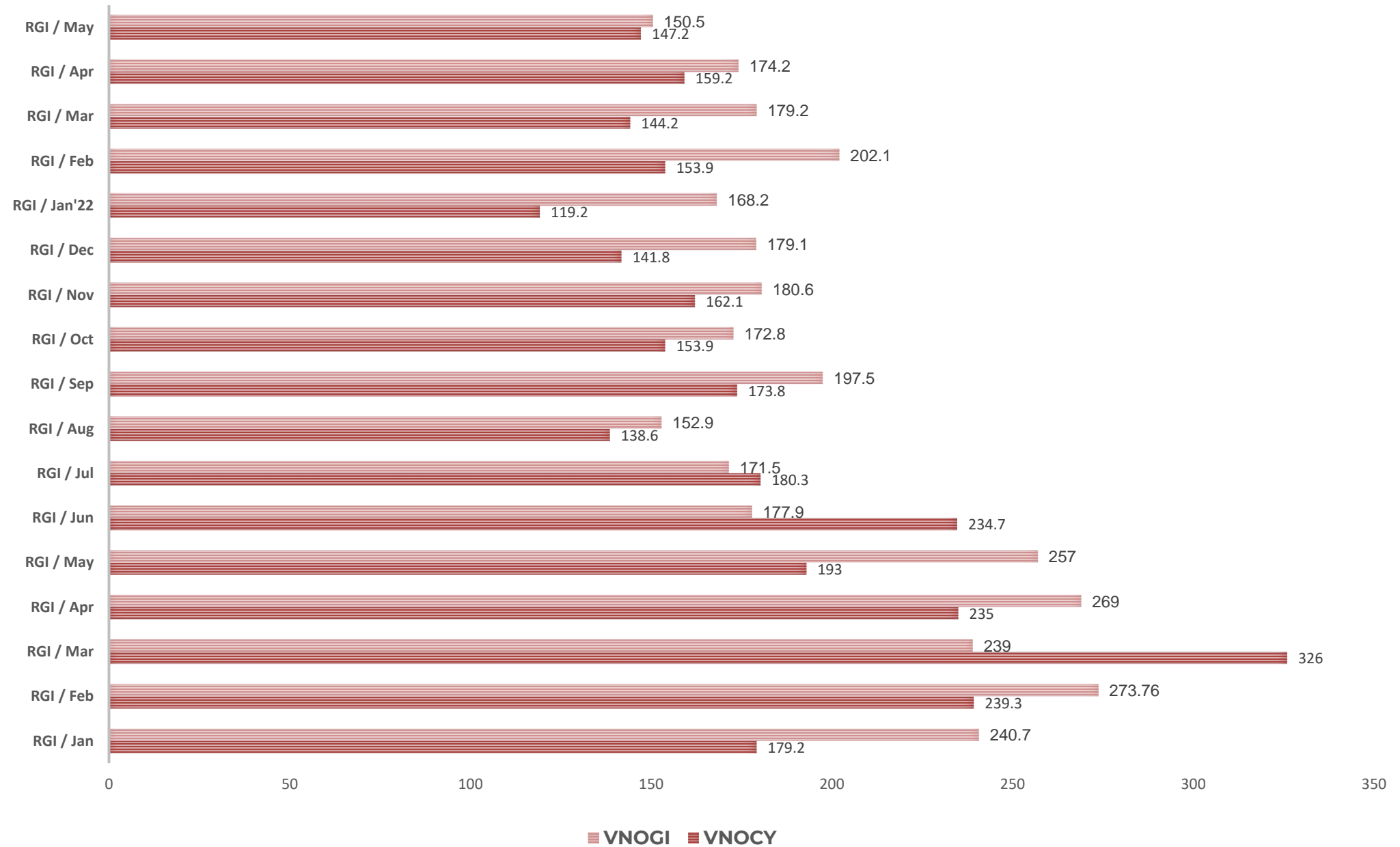
Vilnius, Collapsed Class, April YTD 2022 indexed to April YTD 2019



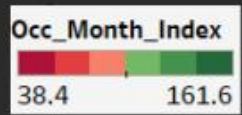
VILNIUS BENCHMARK



VILNIUS Revenue Generation Index, %



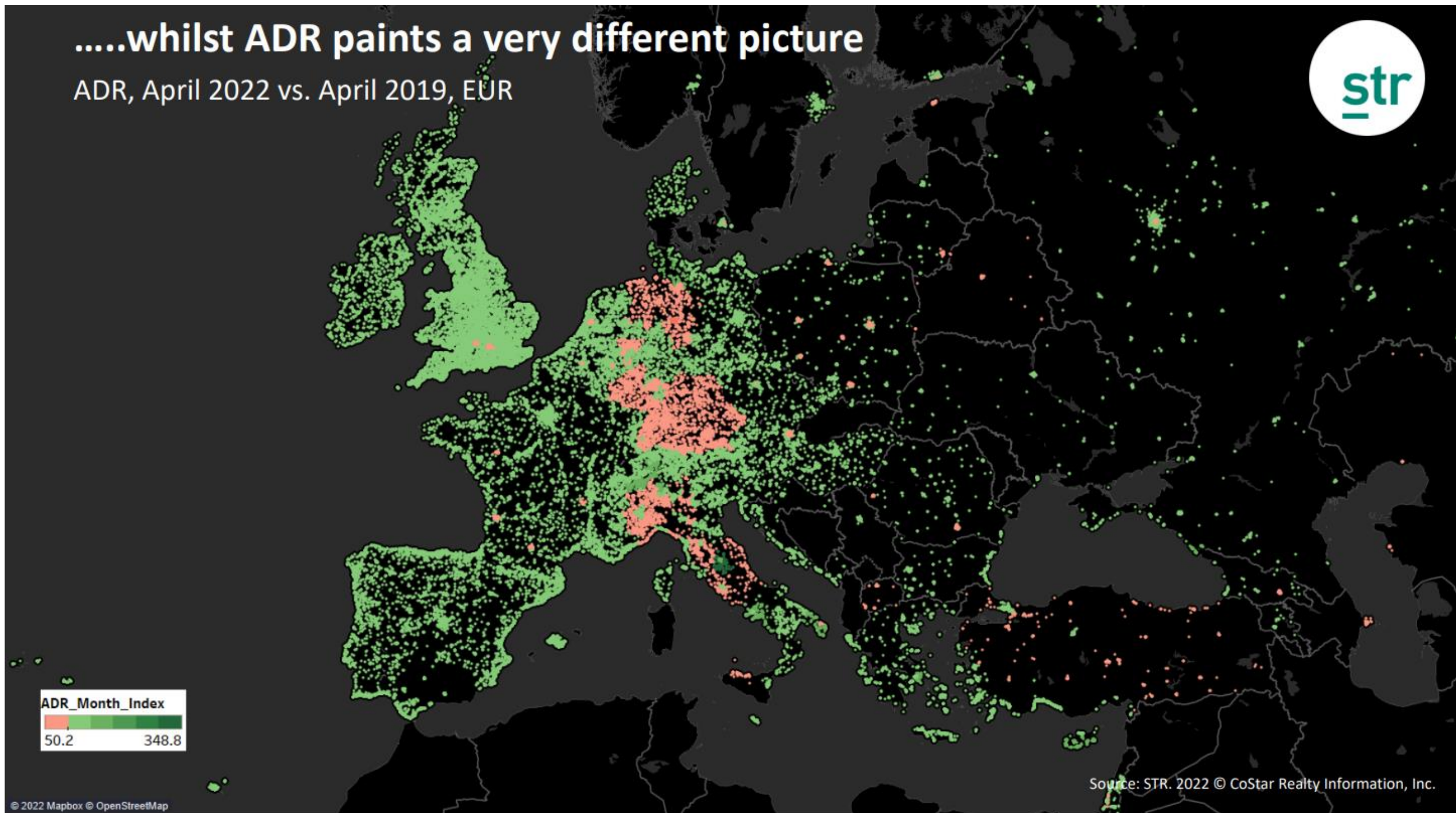
Occupancy, April 2022 vs. April 2019



Source: STR. 2022 © CoStar Realty Information, Inc.

.....whilst ADR paints a very different picture

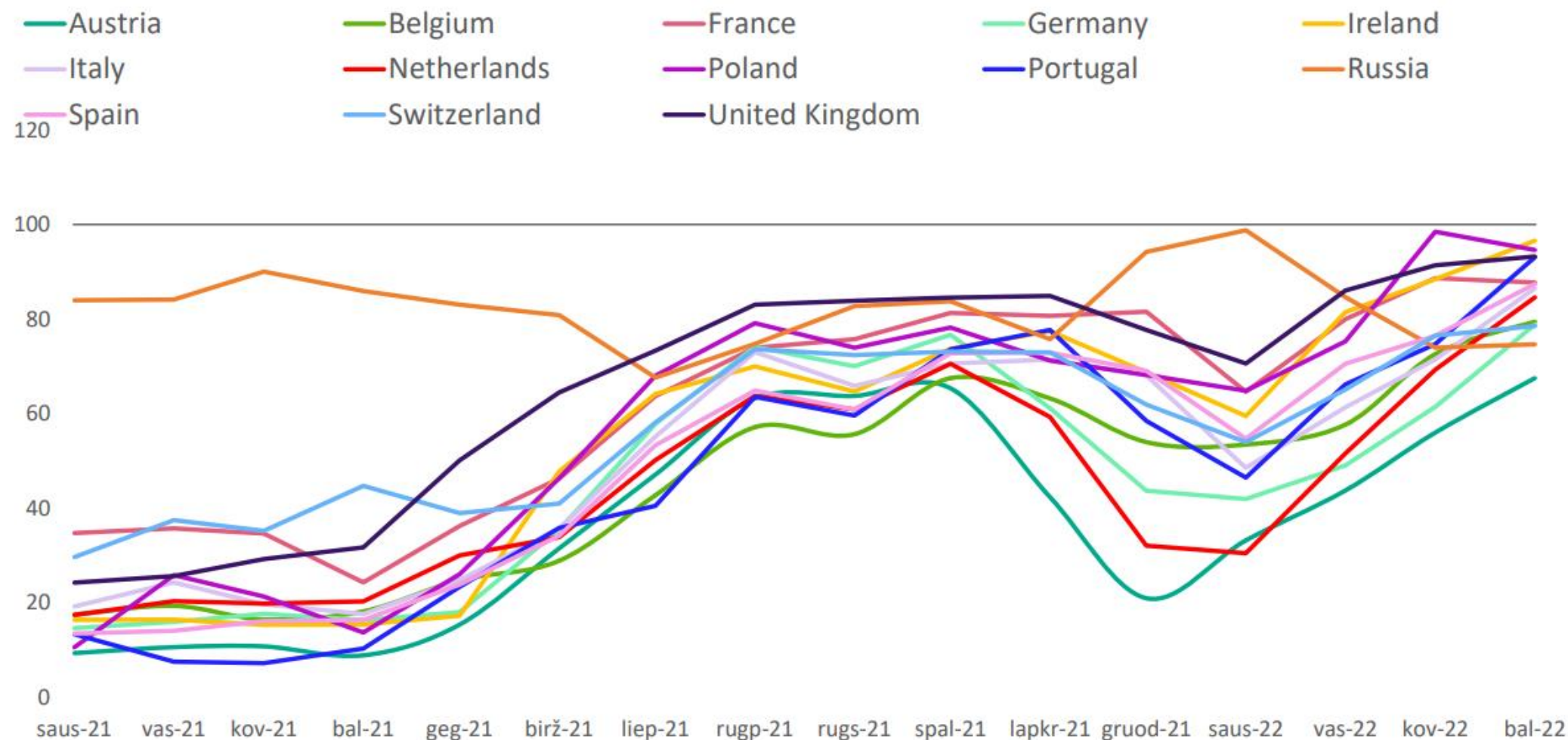
ADR, April 2022 vs. April 2019, EUR



Source: STR. 2022 © CoStar Realty Information, Inc.

European country level occupancy recovering rapidly

Monthly Occupancy (TRI) indexed to 2019, Jan 2021 to Apr 2022



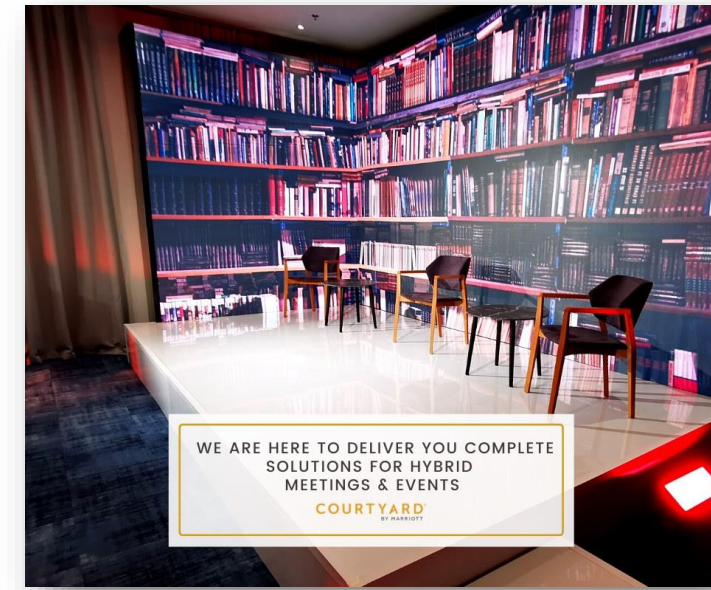
Index		
1		93
2		89
3		84
11		70
12		67
13		61

INCREASING COSTS ARE NOW THE BIGGEST BARRIER FOR FUTURE TRAVEL....



MAIN ACTIONS TAKEN BY AAHM TO SURVIVE THE PANDEMIC

- SAVINGS IN ALL FIELDS OF HOTEL ACTIVITIES, OPTIMIZATION OF OPERATIONS
- CLEAN AND SAFE CAMPAIGN IN ALL HOTELS – FIRST IN THE MARKET
- CREATIVE APPROACH – DINING IN THE ROOM FOR TWO, CINEMA IN THE ROOMS, BEAUTY TREATMENTS, MEETINGS
- CONSTANT OBSERVATION OF MARKET TRENDS AND MARKETING CAMPAIGNES
- FAST REACTION TO MARKET CHANGES: ADJUSTMENT OF ROOMS, SPECIAL AMENITIES, SAFE ENVIRONMENT



MAIN OBSERVATIONS AND CONCLUSIONS

1/2

- Hospitality sector was the most affected sector by pandemic with a drop in revenues by as much as 99 % in certain locations and segments of hotels. MICE segment hotels dropped the most of all as meetings, gatherings, conferences restrictions prevailed.
- During pandemic, the sector had to become extremely creative in order to survive crises showing the great resilience to difficult situations, inventing various improvements of hotel operations (multifunctional staff), digitalisation (digital key, dialogue boxes)
- The guarantee of success is a complex approach: operational excellence, financial decisions, strength of the brand, loyalty and dedication of teams
- The development of new hotels became complicated: banks saw threats and risks of hotel projects, development costs increased, some main elements of the construction such as metal parts, glass, cement has increased by 30 % and more.



MAIN OBSERVATIONS AND CONCLUSIONS

2/2

- Nevertheless, a lot of opportunities opened up for reconstructions, renovations, re-brandings of the hotels, good time to upgrade the existing hotels and successfully reposition them in the market by cooperating with experienced market players: management company, international hotel brands, designers and architects
- Pandemic has shown, that Lease type of cooperation agreement does not protect the owner during the crises as both, the Lessor and the Lessee will have to renegotiate the conditions during the bad times, whilst, when the times are good, and the revenues are high, the owners are deprived from his upside part of revenues.
- Rediscover the hotel project adjusting it to long stays, self isolation and overall being more flexible and adoptive



AČIŮ