



International flight ramp up pushing diversity in geographic source markets

Regional and Middle East visitors highlight Q2

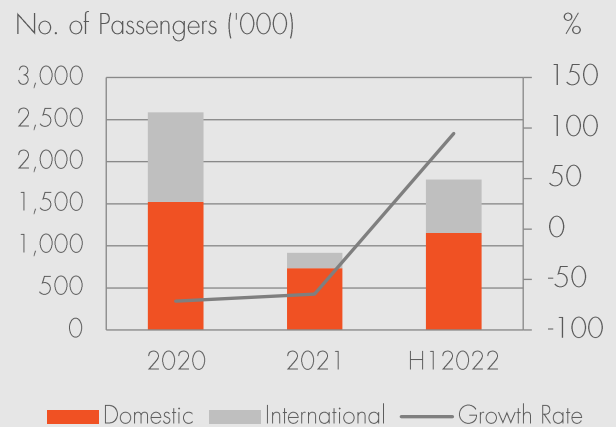
“Since the easing of travel restrictions in Thailand, pentup demand has continued to push travelers to Phuket. The first half of 2022 created positive market sentiment, as the Island welcomed 1.78 million visitors, a 342% increase over the same period last year.

European source markets delivered higher volumes in the first quarter, while Asian source markets gained traction in international visitation in the second quarter. As regional countries in Asia reopened borders to overseas travel, Phuket has seen an influx of family-oriented travelers.

With an increase in international travelers, Phuket’s hotel sector performance is starting to see a recovery trend in occupancy. As a result of more airlift, the Island registered an overall occupancy rate of 31.5% in H1 2022, up from 5.1% in the first half of 2021. The upswing in demand was highest on the Island’s west coast as the preferred choice of travelers.

Looking forward, a seasonal transition will see international scheduled and charter flight winter schedules come into effect at the end of October and continue through March 2023.

Phuket Airport Arrivals



Source: Airports of Thailand

C9 is forecasting an optimistic outlook that Phuket tourism will continue recovering, albeit at a moderate pace moving into 2023. Factors driving this view are the continued zero-COVID policy in Mainland China, and limited airline seats for Russian snowbird travelers this winter season”

Bill Barnett, Managing Director, C9 Hotelworks

Trends

- Phuket’s tourism continues to be fragmented without Mainland China. India by mid-year pushed to the top of geographic source markets.
- Newly opened demand generators include Andamanda Phuket Water Park and Robinson Lifestyle Thalang Shopping Mall.
- A rising number of brand conversions and shift to franchises in chain managed properties is being seen at midscale and upscale hotel tiers.

Forward Outlook

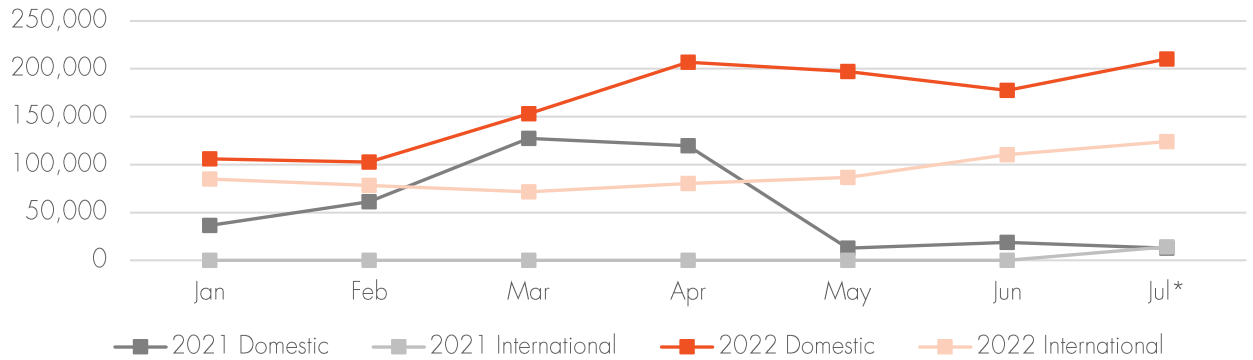
- The Island’s Light Rail Mass Transit project is continuing at the feasibility and public consultation stage.
- Lack of development debt financing continues to impact the incoming hotel pipeline with 31% of new projects remaining on hold.
- Despite an extended period of stress for hotel owners in Phuket, only one significant transaction was recorded over the two-year pandemic period.

TOURISM MARKET REVIEW

Tourism Indicators

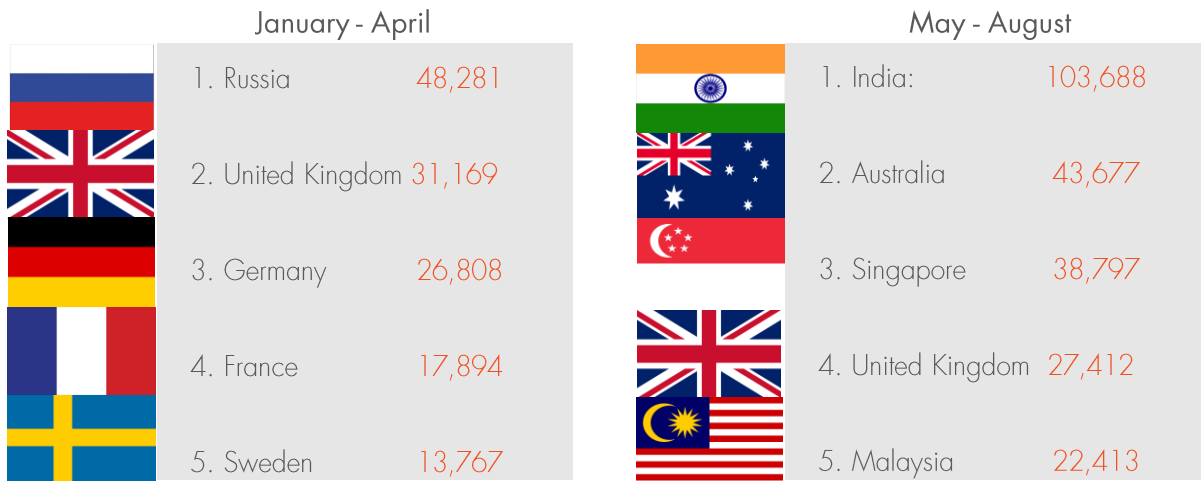
Phuket International Airport Passenger Arrival Trend–January through July 2021/2022

No. of Passengers (M)



Source: Airports of Thailand *Data as of Jul 2022

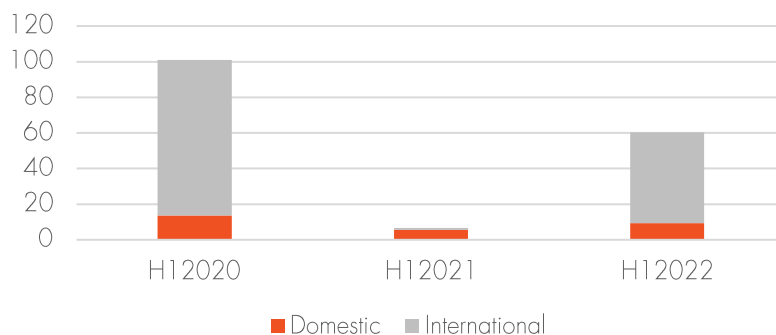
Top 5 International Source Markets – January through August 2022



Source: Phuket Immigration Office*Data as of Jan to Aug 2022

Tourism Revenue – January through July 2022

THB in Billions



Tourism Revenue

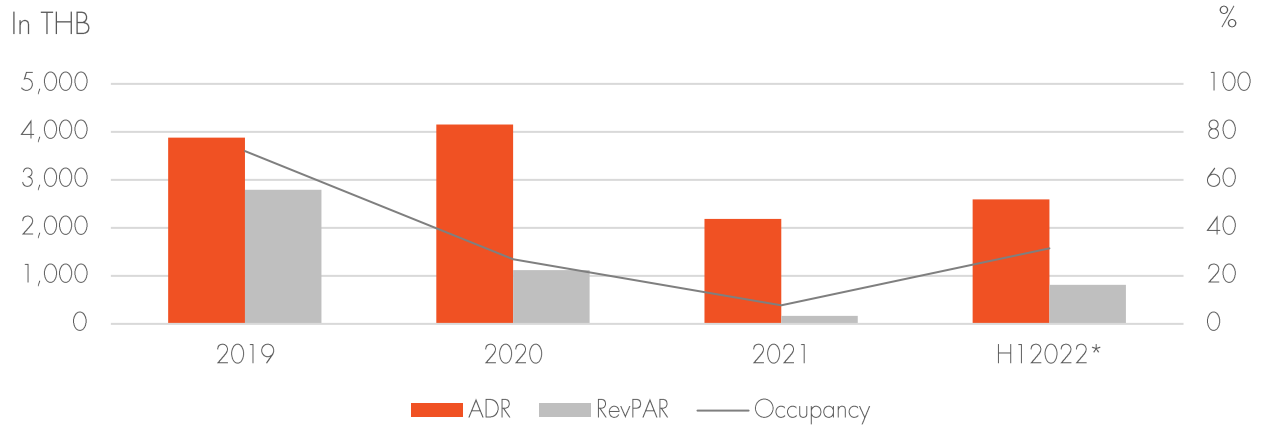
H1 2022: THB60 billion

H1 2021: THB7 billion

Source: Thailand Ministry of Tourism and Sports
*Data as of Jan - Jul 2022

HOTEL MARKET REVIEW

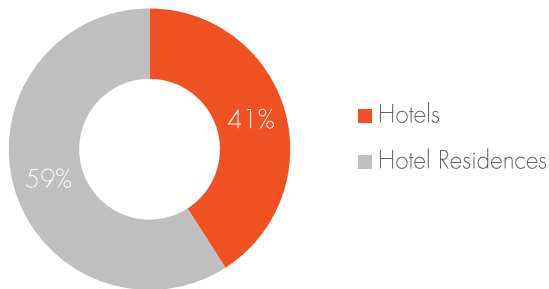
Hotel Performance 2019 – H12022



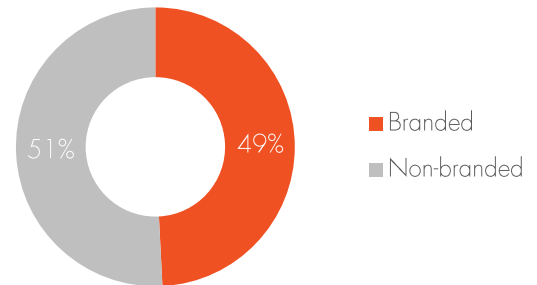
Source: STR and C9 Hotelworks Market Research *Projected Data

Hotel Pipeline Insight

Hotel vs. Hotel Residences



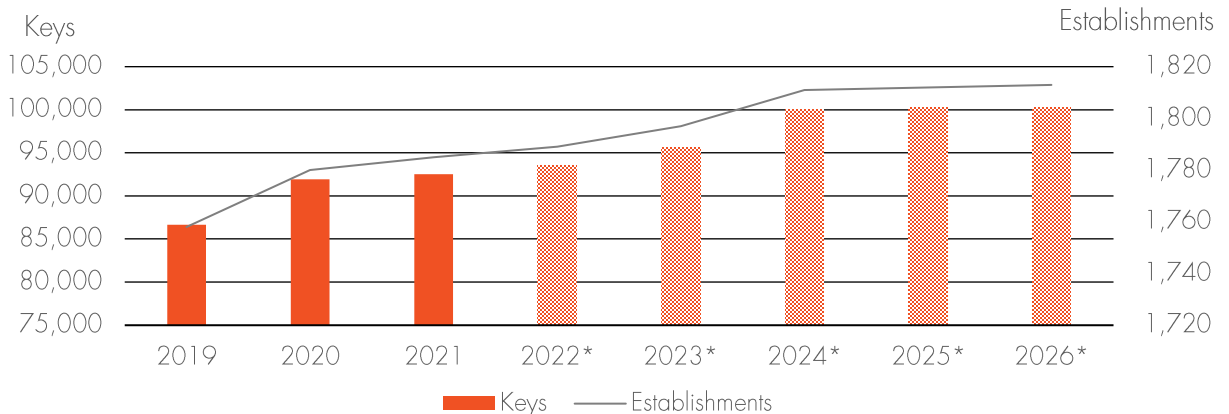
Branded vs. Non-branded



Source: C9 Hotelworks Market Research *Data as of FY2022

Phuket Historical & Forecasted Hotel Supply

- By the end of 2022, Phuket will have 93,499 registered keys in 1,789 establishments.



Source: C9 Hotelworks Market Research *Projected Data

HOTEL PIPELINE

- Currently, Phuket has a total of 11,927 keys with 44 developments in the island's pipeline.

Hotels	Location	Keys	Opening
Angsana Oceanview**	Bangtao	116	2023
Radisson Hotel Mai Khao	Mai Khao	222	2023
Holiday Inn Phuket Kata Beach	Kata	140	2023
Holiday Inn Express and Suites Kata Beach	Kata	135	2023
HOMA Bangtao Phuket	Bangtao	423	2023
Holiday Inn Vana Nava Phuket	Kathu	255	2024
MGallery Hotel MontAzure Lakeside Phuket	Kamala	236	2024
Movenpick Phuket Kamala Beach	Kamala	185	2024
Hyatt Regency Mai Khao Beach	Mai Khao	219	2024
Tribe Phuket Patong Avista	Patong	230	2025
JW Marriott Phuket Resort & Spa Chalong Bay	Chalong Bay	189	2025
Courtyard by Marriott at Chalong Bay	Chalong Bay	277	2025
W Phuket Nai Harn Beach	Nai Harn	60	2026
Meliá Phuket Karon	Karon	214	TBA
The Beach Plaza Phase 1	Kata	730	TBA
Centra Central Phuket	Kathu	170	TBA
COSI Central Phuket	Kathu	180	TBA
Centra by Centara Maikhao Resort Phuket	Mai Khao	280	TBA
Holiday Inn Express Phuket Kata	Kata	300	TBA
Tonino Lamborghini Boutique Hotel Phuket	Ao Por	51	TBA
Sheraton Phuket Grand Bay Resort	Ao Por	270	TBA
Total		4,882	
Hotel Residences with Mandatory Rental Program	Location	Keys	Opening
Platinum Bay Phuket	Kamala	432	2023
Oceana Surin - Hotel Zone	Surin	333	2024
Angsana Oceanview Residences**	Bangtao	33	2024
Dhawa Phuket Residences	Bangtao	175	2024
Patong Bay Hill 2	Patong	199	2024
Patong Bay Seaview Residence	Patong	454	2024
Himalai Oceanfront Condominiums	Kamala	427	TBA
Grand Himalai Oceanfront Residences	Kamala	426	TBA
Patong Bay Oceanview Cottages	Patong	300	TBA
Patong Bay Residence Phase 3	Patong	114	TBA
Total		2,893	
Hotel Residences with Optional Rental Program	Location	Keys	Opening
Utopia Thalang	Thalang	129	Sept 2022
Utopia Yamu	Yamu	81	Oct 2022
The Marin Phuket	Kamala	260	Oct 2022
Wyndham La Vita, the VIP Mercury	Rawai	516	Dec 2022
Utopia Central	Kathu	405	2023
Utopia Karon	Karon	238	2023
Laya Condominium and Resort	Layan	926	2024
Oceana Surin - Residential Zone	Surin	555	2024
Beachfront Bliss Naiyang	Nai Yang	96	2024
Utopia Mai Khao	Mai Khao	92	2024
Utopia Dream	Nai Harn	633	2024
VIP Galaxy Villas Rawai	Rawai	114	TBA
The Residences at Sheraton Phuket Grand Bay	Ao Por	107	TBA
Total		4,152	
Grand Total		11,927	

**Additional Keys for Existing Hotel with Residences;
Source: C9 Hotelworks Market Research

About C9 Hotelworks



BILL BARNETT

MANAGING DIRECTOR

C9 Hotelworks is an internationally recognized consulting firm with extensive experience in the Asia Pacific region. Its core business focus includes:

- Hotel and Resort Development
- Mixed-Use Branded Residences Advisory
- Project Feasibility and Analysis
- Hotel Operator Search

Key competencies include international hotel operator search, selection and contract negotiation, mixed use hotel and residential planning and operation reviews.

A wide range of both institutional and private developers and a comprehensive portfolio of completed projects give C9Hotelworks the skill set and background to focus on key issues, evaluate complex ones and assist clients in achieving solid results. Based in Phuket, Thailand and led by Managing Director Bill Barnett, who has over 35 years of experience in Asia Pacific, the firm is well positioned to serve an increasing demanding marketplace.

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