

Navigating the Phuket Property Market

Presentation

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Knight Frank Thailand*

Sept 1, 2023

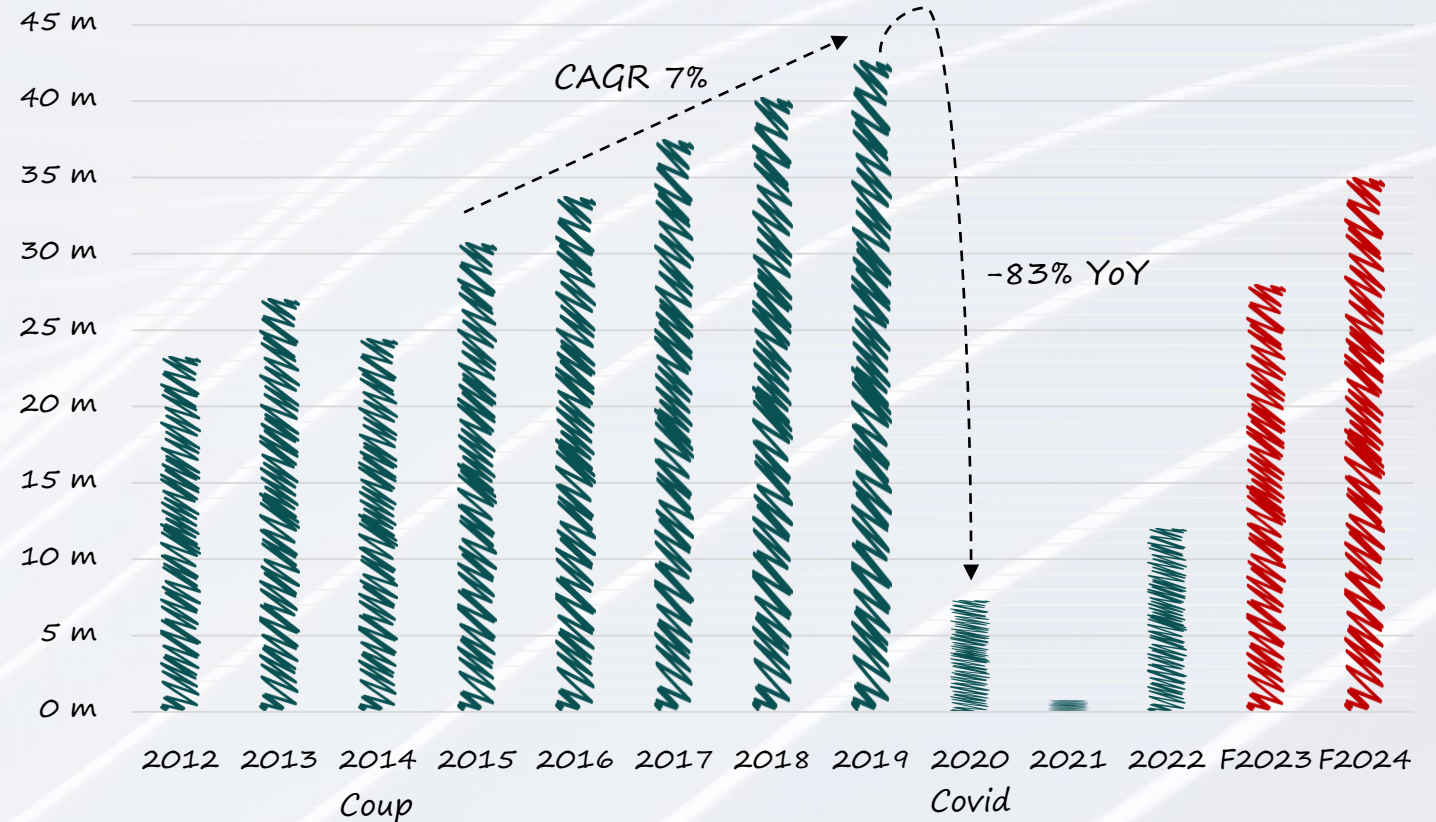
Thailand's Tourism Industry

Number of Tourist Arrivals

Source: Airports of Thailand (AOT)

- ✓ In 2019, highest peak in tourist arrivals totaling 42.6 million.
- ✓ Average growth of Thailand's tourist arrivals between 2015-2019 was 7%.
- ✓ In 1H 2023, Thailand recorded 11.4 million arrivals.
- ✓ Expected 28 million in 2023 and at least 35 million in 2024.

Thailand's Tourist Arrivals



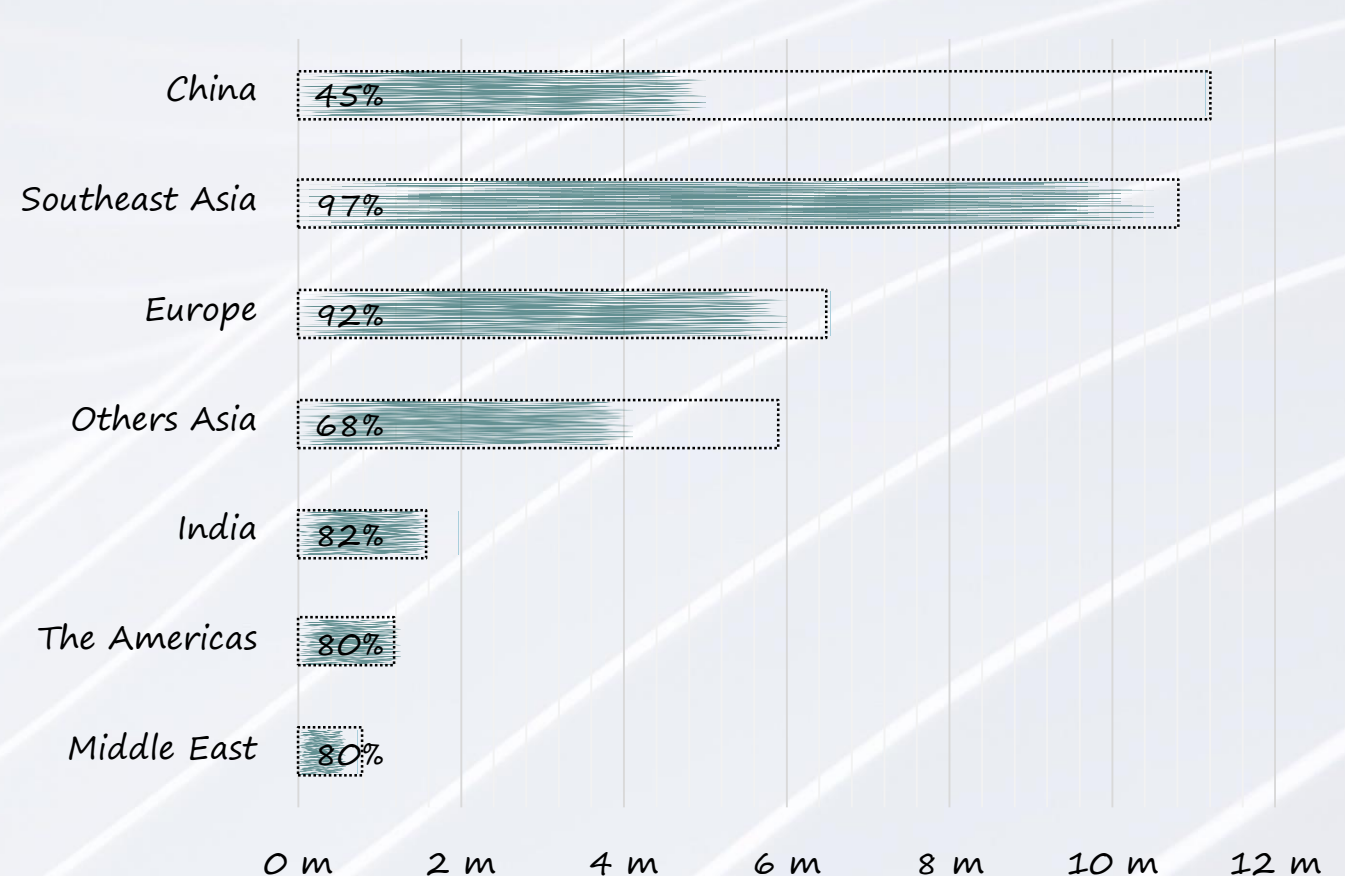
Thailand's Tourism Industry

Recovery Level of Tourist Market Sources

Source: Ministry of Tourism & Sports

- ✓ Chinese to recover 45% of pre-covid levels in 2023
- ✓ Tourists from South-East Asia and Europe are projected to nearly reach pre-covid levels in 2023
- ✓ A sluggish flow of Japanese tourists due to weak Yen.
- ✓ Tourists from India, The Americas and Middle East should recover up to 80%

Thailand's Tourist Pre-Covid Recovery Level, F2023



Thailand's Tourism Industry

Thailand Key Tourist Destinations

Source: Ministry of Tourism & Sports

No.	Destination	No. of Foreign Visitors		
		Pre-Covid 2019	CAGR 2015-19	% Recovery 1H 2023
1.	Bangkok	24,892,715	4%	99%
2.	Phuket	10,598,921	9%	65%
3.	Pattaya	9,966,574	7%	89%
4.	Krabi	4,312,606	4%	34%
5.	Samui	3,591,556	3%	74%
6.	Chiang Mai	3,474,407	4%	80%
7.	Hua Hin	1,236,276	5%	45%
8.	Rayong	566,780	3%	114%



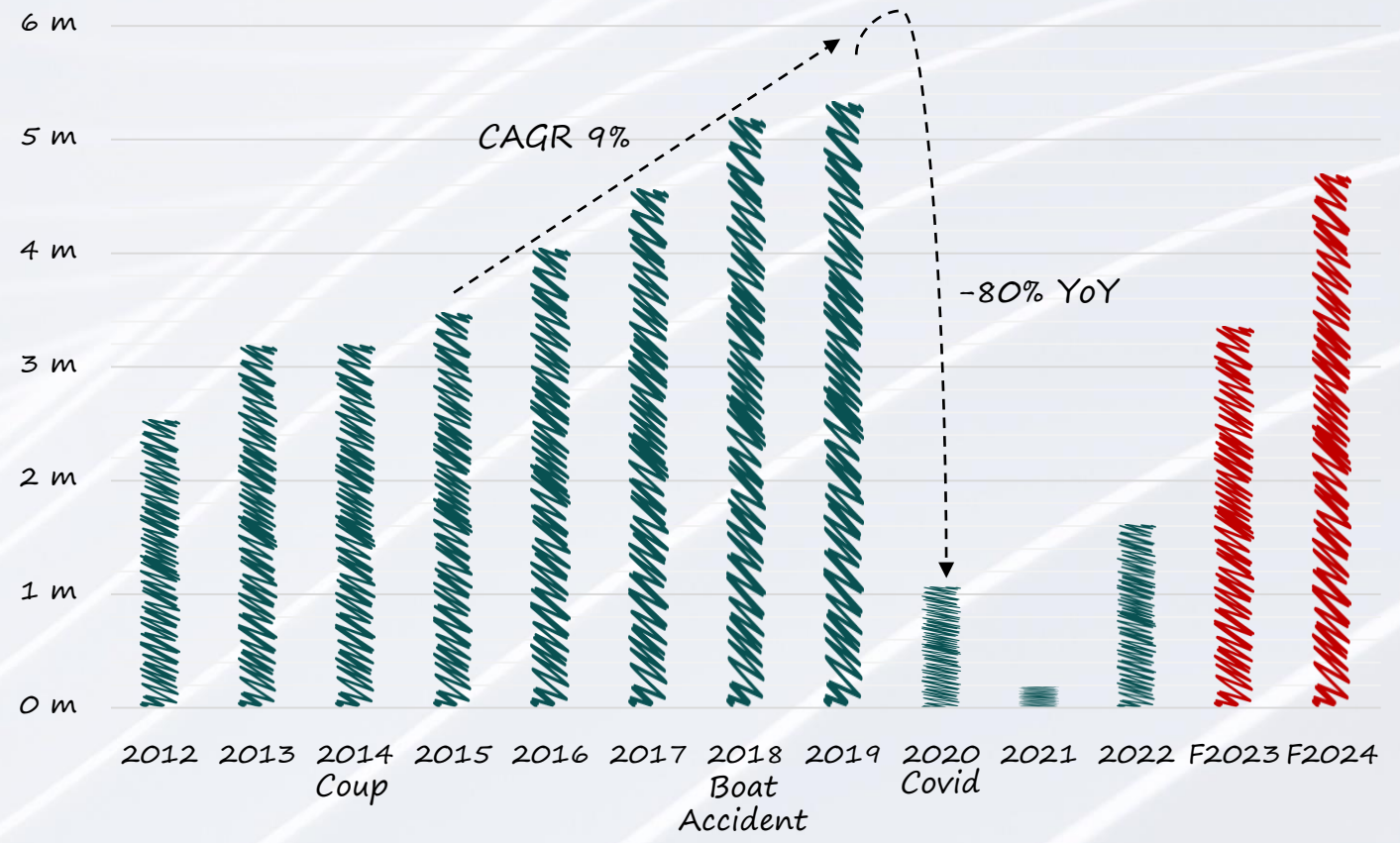
Phuket Tourism

Number of Tourist Arrivals in Phuket

Source: Airports of Thailand (AOT)

- ✓ Peak of 5.4 million foreign arrivals in 2019 (pre-covid)
- ✓ Thailand's foreign arrivals grew 9% annually from 2015 to 2019.
- ✓ Phuket received 1.8 million arrivals in H1 2023.
- ✓ Predictions foresee 3.4 million arrivals in 2023 and 4.7 million in 2024, marking 63% and 88% recovery from pre-COVID levels.

Phuket's Foreign Tourist Arrivals



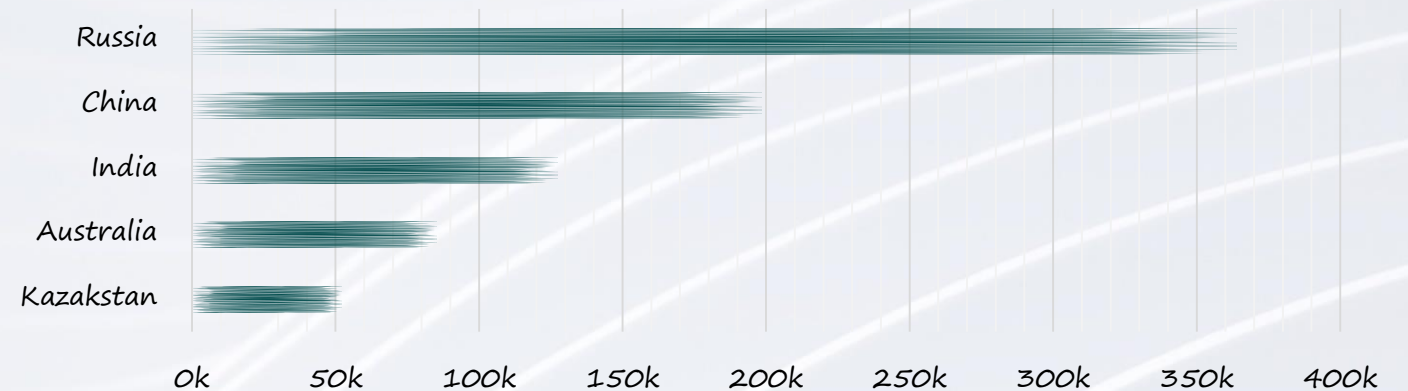
Phuket Tourism

Top Tourist Market Sources

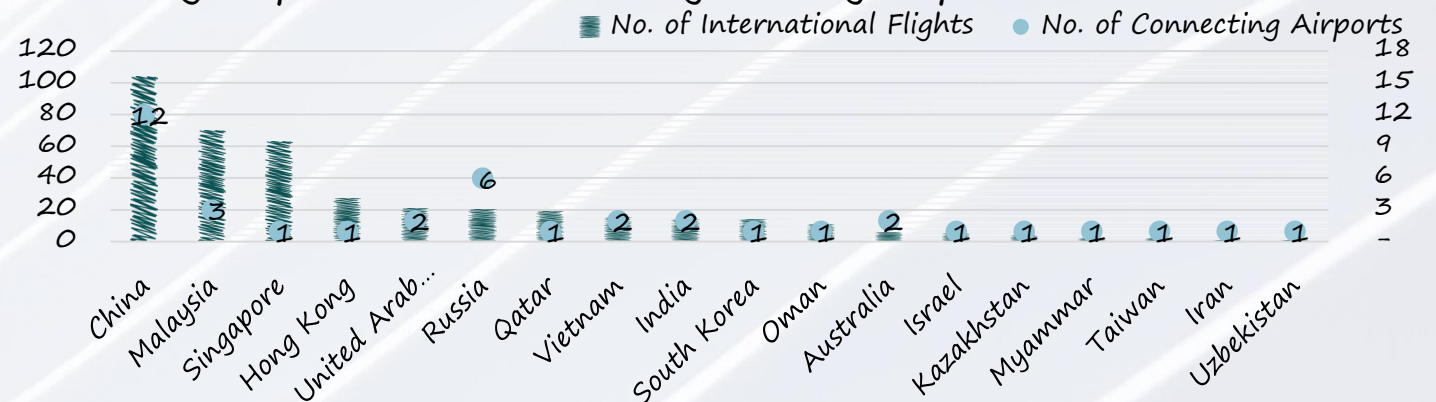
Source: Phuket Immigration Office & Phuket International Airport

- ✓ Dominant sources: Russia and China.
- ✓ China moved to second place post-travel restrictions.
- ✓ China: 12 connecting airports; Russia: 6; Malaysia 3.

Top Five Tourist Market Source by country, 1H 2023



No. of flights per week to Phuket by country, Sept 2023



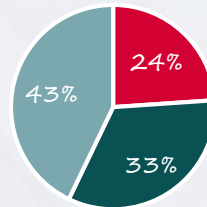
Phuket Hotel Market

Hotel Supply in Phuket, 1H 2023

Source: Knight Frank

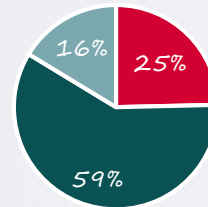
Naiyang

22 hotels
3,386 hotel keys
8% of total supply



Bang Tao / Surin / Kamala

59 hotels
7,391 hotel keys
17% of total supply



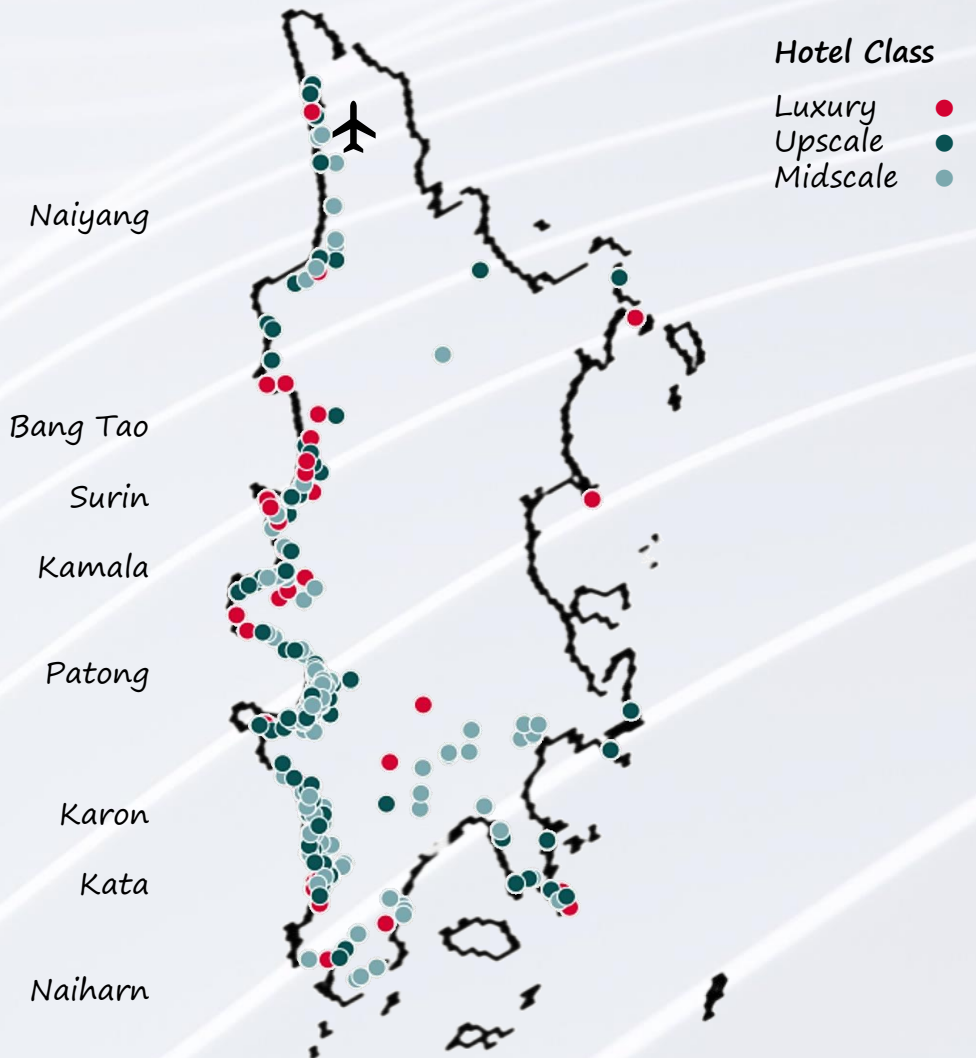
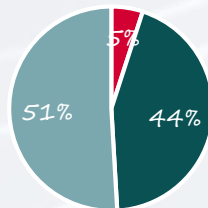
Patong

86 hotels
15,811 hotel keys
36% of total supply



Karon / Kata / Naiharn / Rawai

93 hotels
13,460 hotel keys
31% of total supply



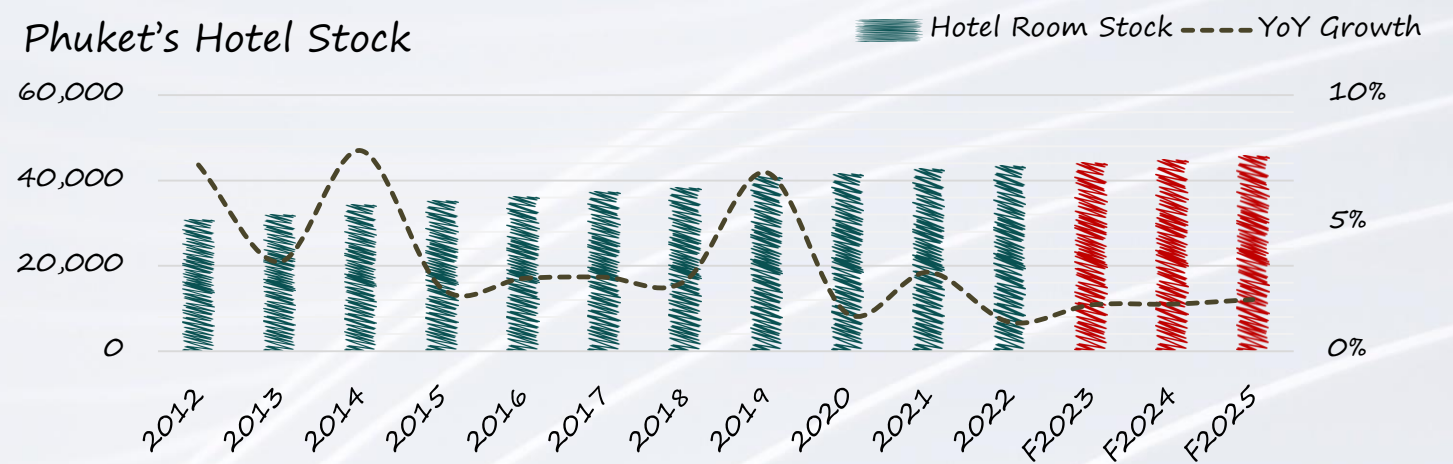
Phuket Hotel Market

Hotel Stock and Performance

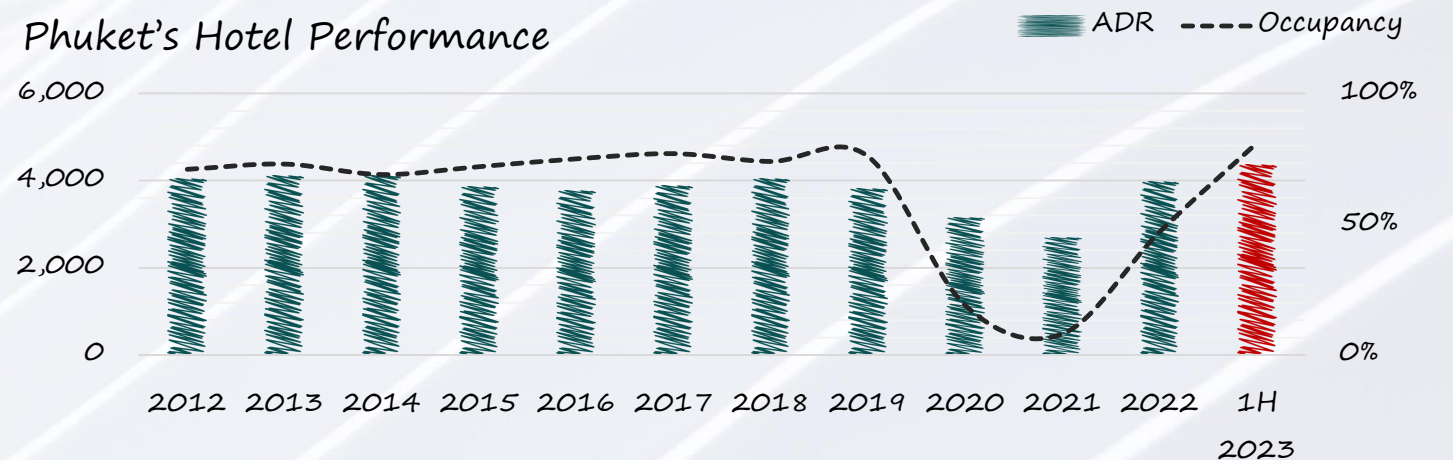
Source: Knight Frank

- ✓ Past 5 years: Growth slowed to 1.5% annually from pre-COVID's 3.1%.
- ✓ Future: 781 new rooms in 2023 (1.8% total stock); 1,716 planned for 2024-25.
- ✓ Some projects delayed due to financing issues.
- ✓ ADR growth stagnant over last decade.
- ✓ ADR exceeded pre-COVID levels by 4.9% in 1H 2023.
- ✓ Notable occupancy rate recovery (49 p.p. YoY increase) in 1H 2023.

Phuket's Hotel Stock



Phuket's Hotel Performance

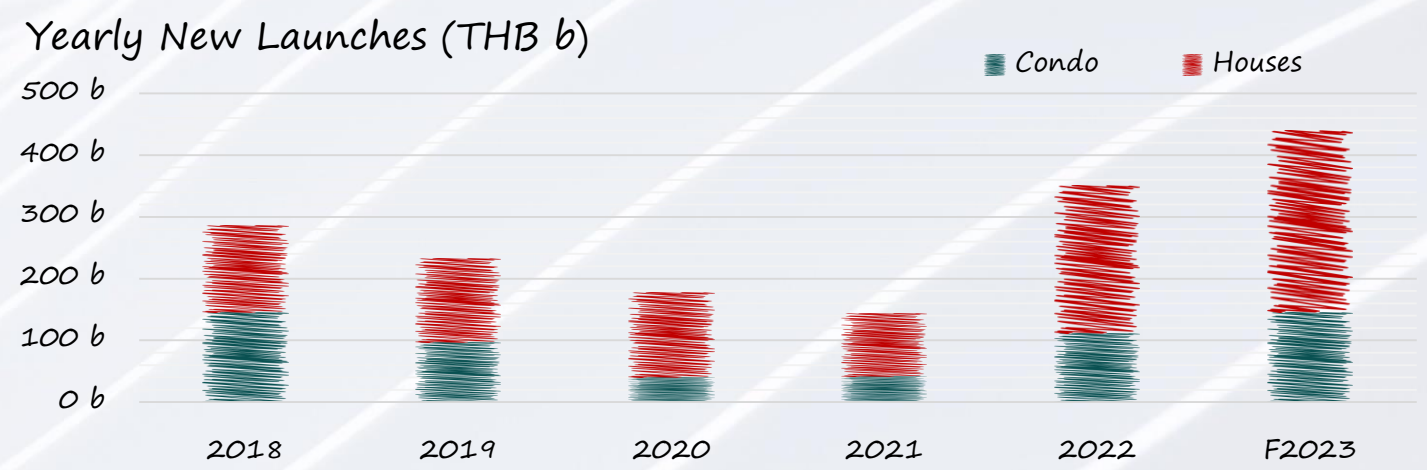
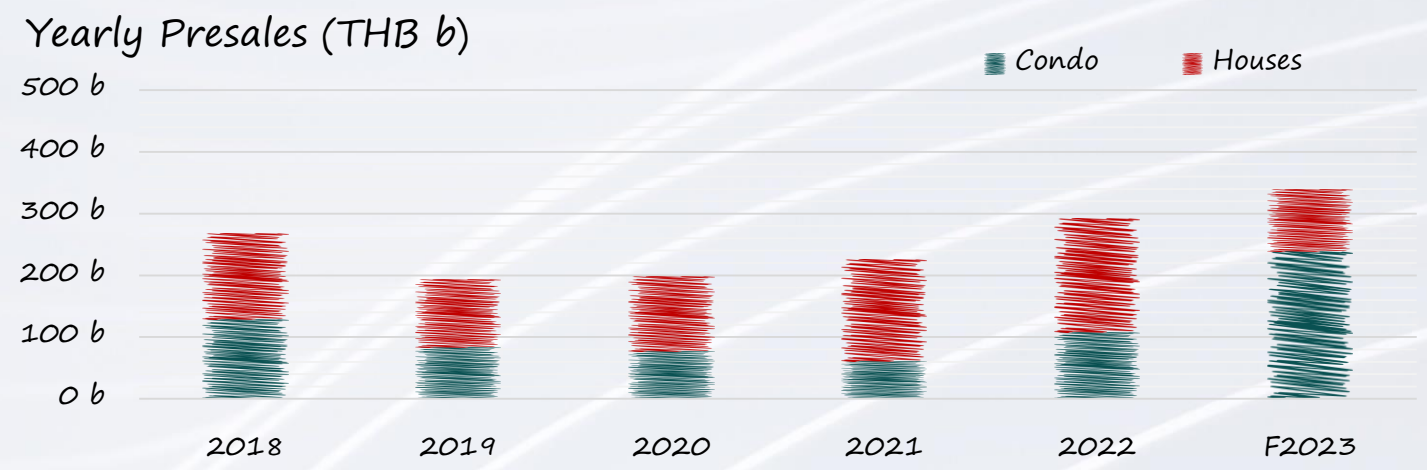


Thailand Residential Market

Listed Developers Performance

Source: Listed Companies Data & Knight Frank's Compilation

- ✓ Demand recovery mostly in tourist destinations, near public transportation and universities
- ✓ High segment slowed due to uncertainty; mid to high segments thrived; low-end weakened by high debt and 50-60% loan rejection.
- ✓ Challenges: Rising interest rates, political uncertainty, LTV limits expiration in 2022.



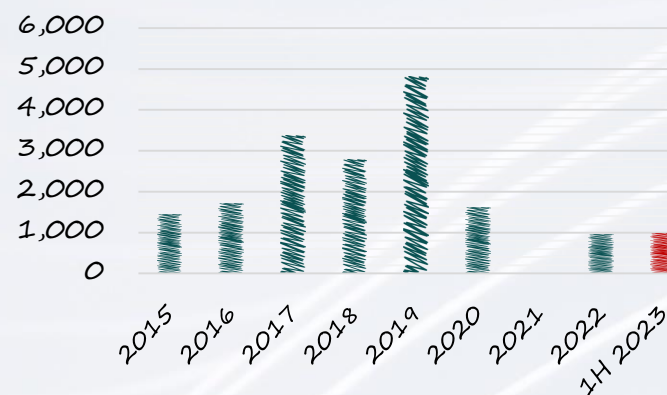
Phuket Residential Market

Condominium and Villa Supply & Demand

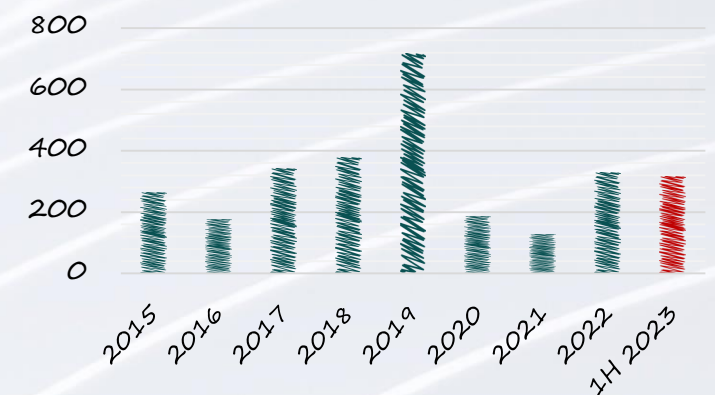
Source: Knight Frank

- ✓ Pre-COVID: Average supply was 2,800 condos and 376 villas annually.
- ✓ Recovery in 2022 and continued growth in H1 2023 after declines in 2020-2021.
- ✓ Bangtao area: 76% new condo supply in 2022, 85% new villa supply in 2022.
- ✓ Future trend: Shift from beachfront/sea-view locations due to land scarcity.
- ✓ Cumulative take-up rates show upward trends in condos and stable trends in villas.
- ✓ Equilibrium with a balanced market state.

Condo New Supply (Units)



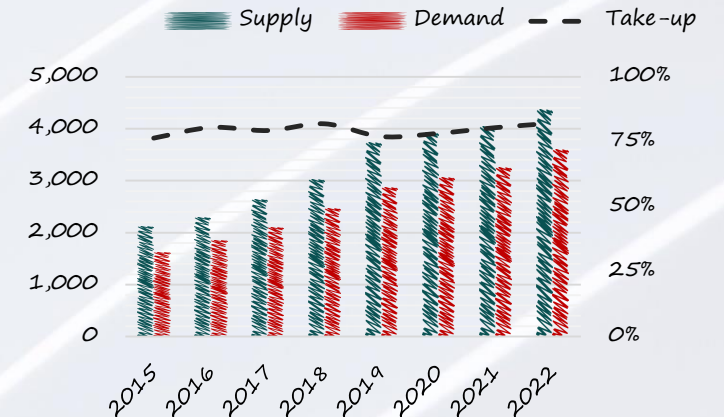
Villa New Supply (Units)



Condo Performance



Villa Performance



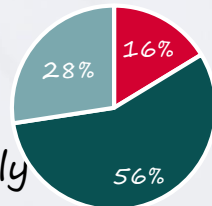
Phuket Residential Market

Residential Supply in Phuket

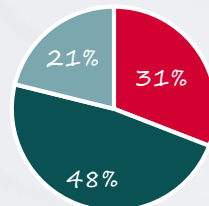
Source: Knight Frank

Condominium Market

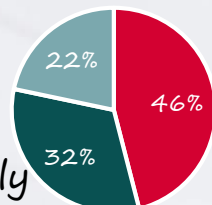
NAIYANG
17 projects
3,711 units
15% of total supply



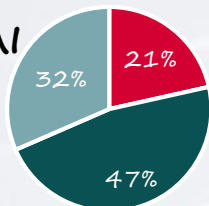
BANGTAO to SURIN
59 projects
10,410 units
43% of total supply



PATONG
31 projects
3,935 units
16% of total supply



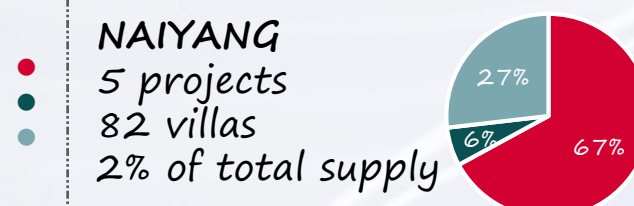
KARON / KATA / RAWAI
50 projects
6,155 units
25% of total supply



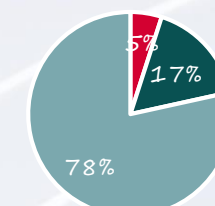
Type
Seaview
Partial Seaview
Non-Seaview

Villa Market

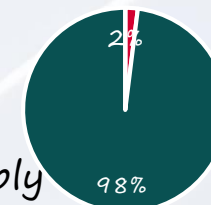
NAIYANG
5 projects
82 villas
2% of total supply



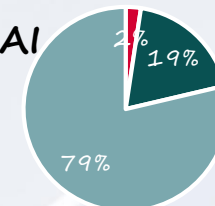
BANGTAO to SURIN
146 projects
3,080 villas
70% of total supply



PATONG
9 projects
505 villas
12% of total supply



KARON / KATA / RAWAI
39 projects
708 villas
16% of total supply



Type
Oceanfront
Seaview
In land

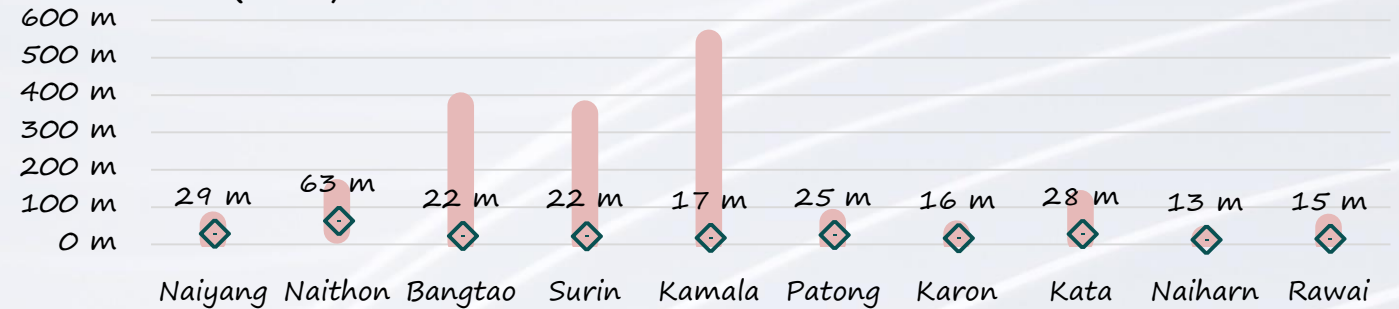
Phuket Residential Market

Unit Price

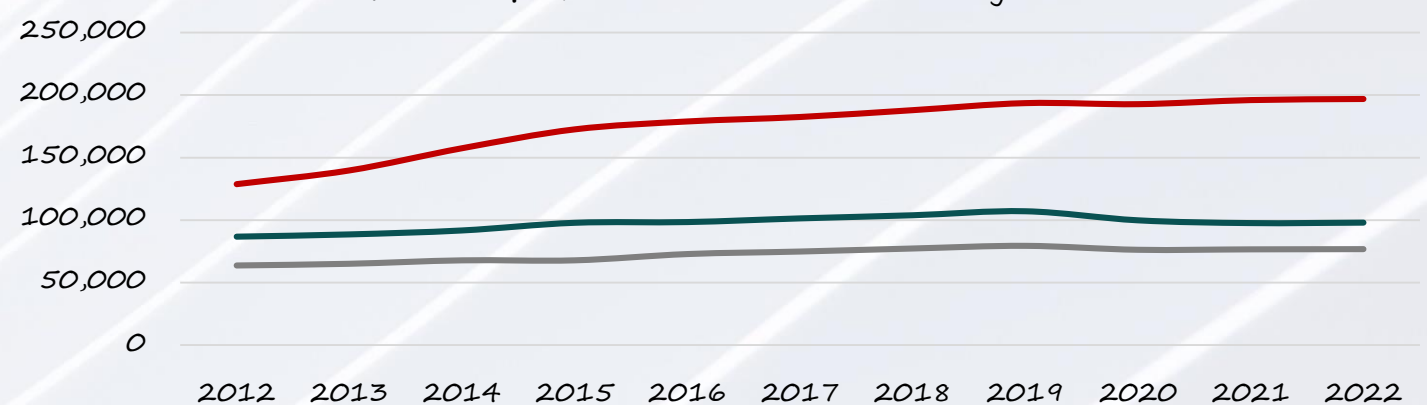
Source: Knight Frank

- ✓ Foreign buyers are led by Russia, China, and Europe.
- ✓ Villa prices range: 6 to 540 million baht; 75% sales in 10-30 million baht range.
- ✓ Luxurious villas in Bangtao, Kamala, Surin.
- ✓ Seaview condos grew 4%, others 1-2%; COVID led to 4%-7% price drop except seaview.

Villa Price (THB) – Max., Min., and Median



Condo Unit Price (THB/sqm)



THANK YOU