



C9 HOTELWORKS

Hua Hin

Hotel Market Update

July 2021

Airport factor propelling Hua Hin to rival other Thai leisure destinations

Branded family-friendly hotels capture domestic demand

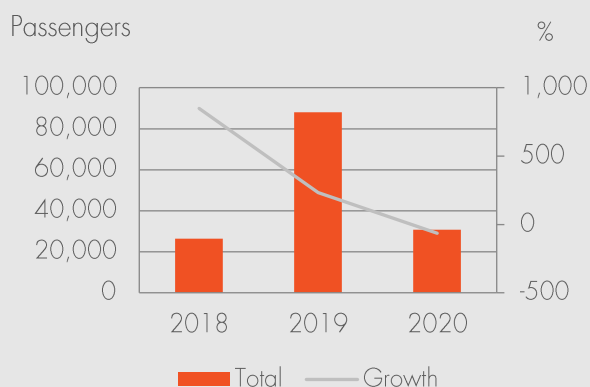
"Unlike other Thai leisure destinations that are heavily reliant on international visitors, Hua Hin receives is strongly leveraged in the domestic market. Pre-COVID, 74% of the total visitors originated domestically.

The destination's legacy is a weekend and holiday getaway for Greater Bangkok. There is robust domestic demand on Friday and Saturday nights, which results in the highest rates of the week. Typically, average occupancy is 90% and above during the weekends and public holidays.

In FY2020, the Hua Hin hotel market posted the highest domestic occupancy with 39% surpassing top tourist destinations such as Pattaya, Phuket, and Bangkok. Although Hua Hin's average room rates were slightly lower than Phuket's, the marketwide RevPAR in Hua Hin was the highest.

Hua Hin Airport has become an important demand generator as demonstrated by 233% passenger growth between 2018 and 2019. The main market feeders included international visitors on AirAsia and high-net-worth holiday travelers flying in on private aircraft.

Hua Hin Airport Passengers



Source: Civil Aviation Authority of Thailand

Hua Hin hotel supply is anticipated to continue to grow at a moderate pace. In 2021 incoming inventory will rise 4%. Of the 2,161 new hotel keys in the pipeline, 74% are in the upper-midscale category, 15% in upper-upscale segment, and 11% at the luxury tier. All the hotels in the pipeline are branded to chains."

Bill Barnett, Managing Director, C9 Hotelworks

Trends

- Tapping on domestic demand, Thai AirAsia has been flying from Chiang Mai and Udon Thani to Hua Hin prior to the current restrictions.
- Benefiting from its drive-in proximity to Bangkok, hotels have pushed demand through various packages such as workcations and long stays.
- With broad hotel demand segmentation relying on family FIT and OTA travelers, wholesale business and MICE groups who fill weekday occupancy, remains challenged.

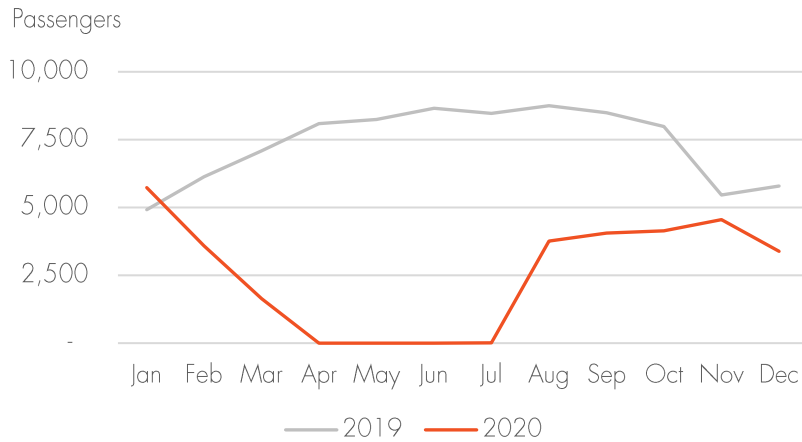
Forward Outlook

- In Feb 2021, the government announced the approval of a significant expansion of Hua Hin Airport. Project completion is slated for 2024.
- After the airport upgrade is complete, larger regional aircraft can be accommodated with potential routes to China, South Korea, and India.
- The ongoing double-track railway project set to finished in 2024 is continuing with the Nakhon Pathom - Hua Hin and Hua Hin - Prachuap Khiri Khan segments now 66% and 82% completed.

TOURISM MARKET REVIEW

Tourism Indicators

Total Passengers at Hua Hin International Airport – 2019 vs. 2020



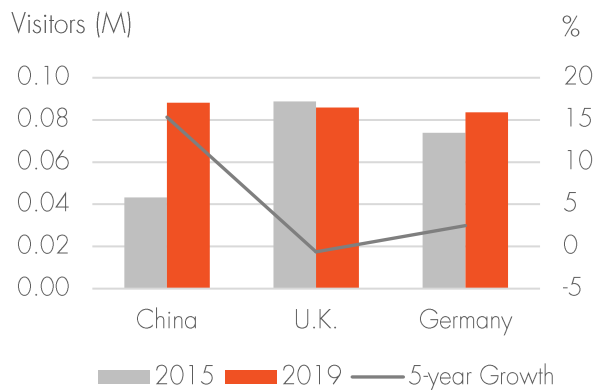
Total Passengers

2020: 30,842

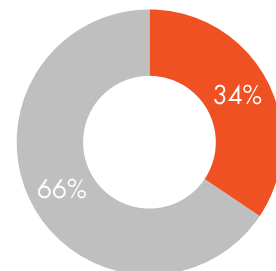
2019: 88,027

Source: Civil Aviation Authority of Thailand

Top International Markets - Five Year Trend



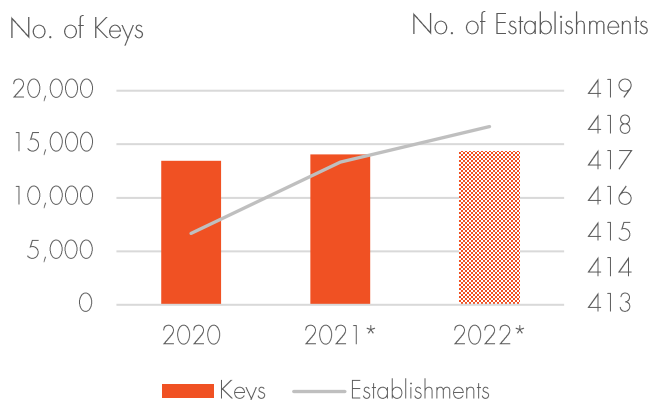
Tourism Receipts



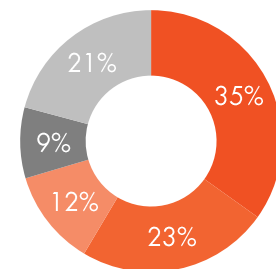
■ International ■ Domestic

Source: Thailand Ministry of Tourism and Sports *Data FY2019

Hotel Supply Growth



Hotel Supply By Area



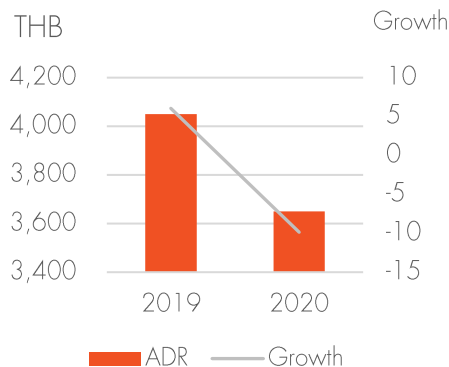
■ Hua Hin Town Center ■ Khao Takiab
 ■ Hin Lek Fai ■ Hua Hin Beachfront
 ■ Others

Source: C9 Hotelworks Market Research
 *Data FY2021

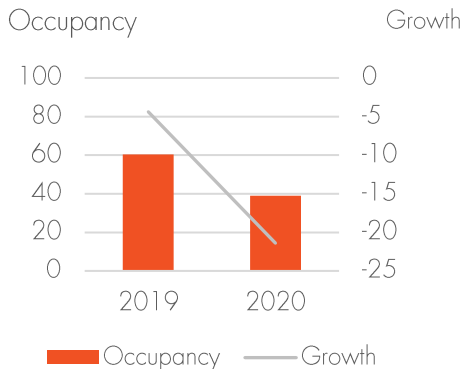
HOTEL MARKET REVIEW

Hotel Performance

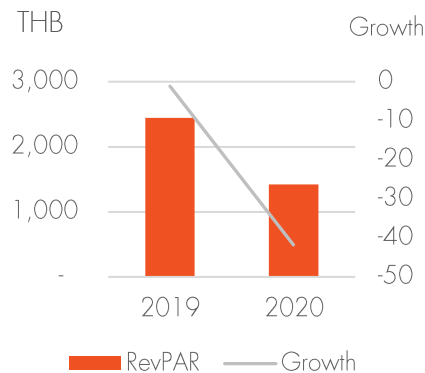
Average Daily Rate



Occupancy



RevPAR



Source: STR and C9 Hotelworks Market Research *Data FY2020

Weekday vs. Weekend Hotel Trading Comparison

Room Night Demand (%)



Average Occupancy

Weekday: 17%

Weekend: 65%

Source: STR and C9 Hotelworks Market Research *Data Feb.2021

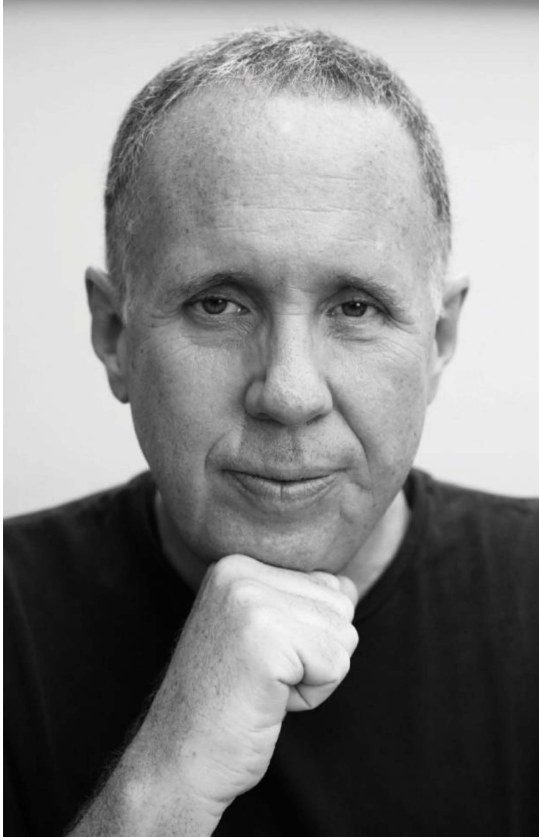
Hotel Pipeline

Currently, registered accommodation establishments in Hua Hin account for 13,456 keys, representing 415 accommodation establishments in total.

Hotel Name	Location	Keys	Opening Year
The Standard Hua Hin	Phetkasem Road	199	Dec 2021
Best Western Plus Carapace Hua Hin - Khao Tao	Khao Tao	406	Dec 2021
InterContinental Residences Hua Hin	Hua Hin Soi 71	238	Dec 2022
Park Regis Pranburi	Pranburi	136	TBA
U Hua Hin	Hua Hin Soi 1-3	132	TBA
Best Western Plus AD Hua Hin Lake & Resort	Phetkasem Road	1050	TBA

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
- Asset Management / Ownership Representation
- Project Feasibility and Analysis

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 C9 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 30 years of experience in Asia Pacific, the firm is well positioned to serve an increasing demanding marketplace.