

THE GROUND TRUTH · NO. 1 · 2026

Signs of a Maturing Market, and Where Bali Is Now

What London, Hong Kong and Dubai can tell Bali's builders and operators, and how to set yourself up to last.

ASCENDURE

THE SHORT VERSION

Every big market started small.

And every one of them was called a bubble on the way up.

Bali is growing up as a market. That is good news — but it changes the rules. This report looks at three places that grew up before it — London, Hong Kong and Dubai — and pulls out the simple lessons: how long these cycles take, what happens to the businesses inside them, the mistakes that kill good projects, and how to set yourself up to last.

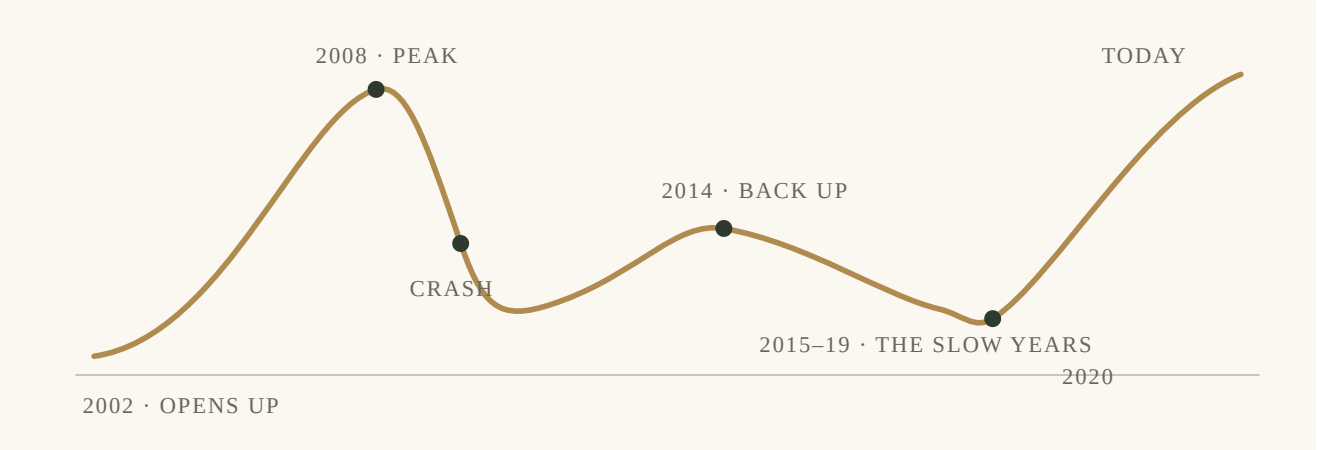
One idea sits underneath everything here: a business doesn't win by having one great year. It wins by still being there — solvent, intact, in control — when the market turns in its favour. Doing well isn't the goal. Lasting long enough to do well when the market is right: that's the goal.

6.95M	74%	12% → 23%
INTERNATIONAL ARRIVALS 2025 — A RECORD	HOTEL OCCUPANCY 2025	FREEHOLD SHARE OF MANAGED-RESIDENCE SUPPLY, IN ONE YEAR

SOURCE: HORWATH HTL / C9 HOTELWORKS — BALI HOTEL & BRANDED RESIDENCES 2026 (WITH BALI HOTELS ASSOCIATION DATA).

01 Three markets, one story

Dubai grew fast, fell hard, and learned. It opened property to foreign buyers in 2002. Money arrived faster than rules, and prices raced ahead for five years. Then the 2008 crash took roughly half the value out of the average property. The crash created the rules — escrow accounts, developer regulation, buyer protection — and those rules are what make Dubai safe to invest in today.



DUBAI'S RIDE, DRAWN SIMPLY — ILLUSTRATIVE, NOT TO SCALE. INFORMATION ONLY.

Hong Kong taught patience. It has boomed and dipped many times over the decades. The businesses that lasted weren't the loudest or the fastest-growing. They were the ones with low enough costs and strong enough funding to wait out the flat years.

London took its time. Long rises, short falls, again and again — and after every fall the market came back stronger and stricter. Slower doesn't mean safer for the unprepared: the shape of the cycle is the same.

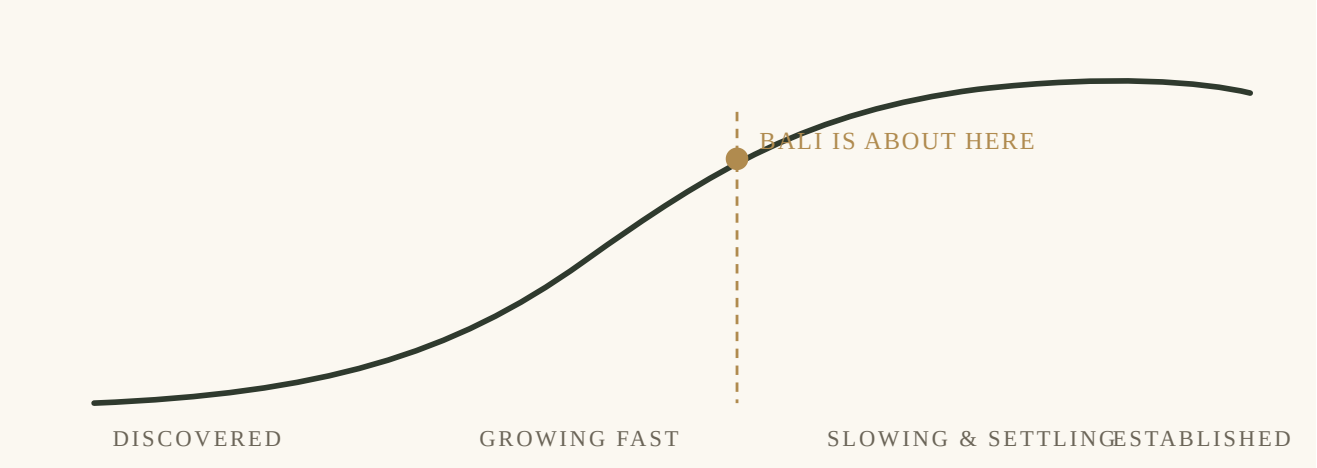
> *The pattern never changes: money comes first, rules come after. A downturn turns one into the other — and the market that comes back rewards quality.*

02 How long does this take?

Cycles don’t repeat exactly. But they rhyme.

Dubai’s full swings have run roughly five to seven years, top to top. Its crashes took two to three years — but the most dangerous stretch was the slow one: the 2015–2019 grind, five years of “fine, but slower”. That stretch quietly closed more businesses than the dramatic 2008 crash, because it drained reserves month by month instead of shocking them once. In the UK, property people talk about an 18-year rhythm. Exact or not, the shape is what matters: long climbs, short falls, and slow middles that test who kept cash aside.

Destination markets like Bali also mature in stages, not just in prices. A place gets discovered. Then it grows fast and everything fills. Then growth slows, big brands arrive, rules tighten, and the easy money leaves. Then it settles into being an established market — steadier, stricter, and much kinder to quality.

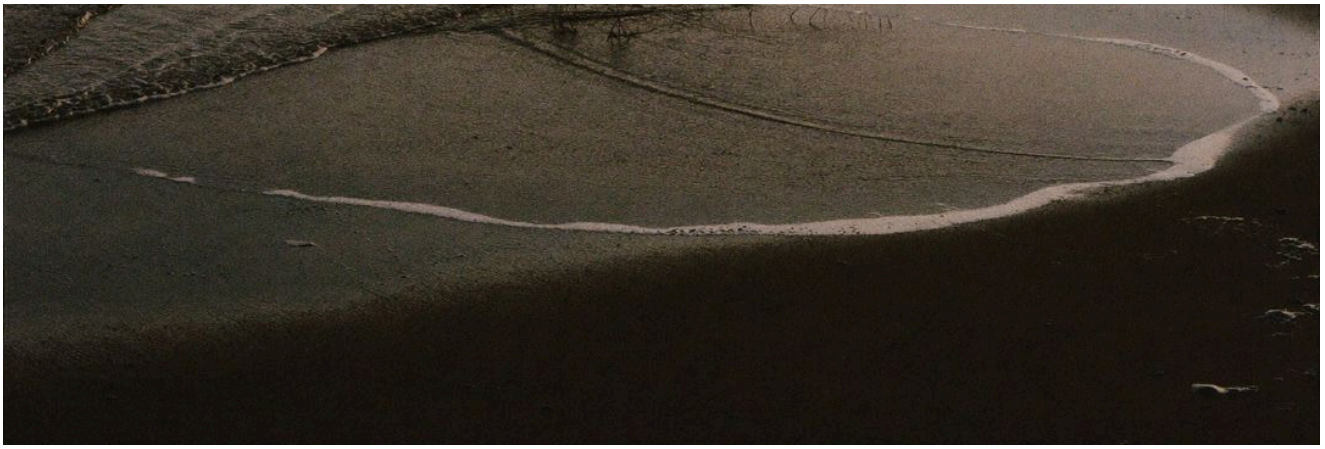


THE LIFE OF A DESTINATION MARKET — ILLUSTRATIVE, NOT TO SCALE. INFORMATION ONLY.

The dangerous handover is the middle one — from “growing fast” to “slowing and settling”. It doesn’t look like a crash. It looks like a fifth quarter in a row of slightly-less-than-last-year, priced as if it were still year one. That is where most businesses get hurt.

03 The signs Bali is showing now

The wave of easy money has passed. In 2022–24, money fleeing other places — much of it Russian and Ukrainian — bought Bali property first and asked questions later. That buyer has been absorbed. Today’s buyer is slower and smarter: they compare areas, and they want proof a property earns, not promises that it will.



THE WAVE HAS PASSED. THE MARKET HASN’T.

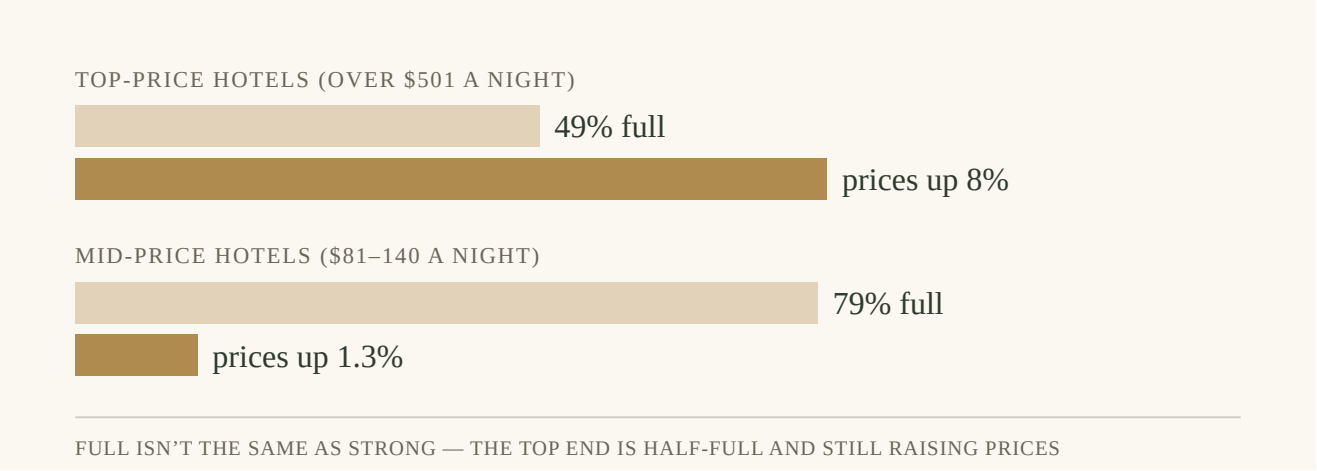
The market now pays for businesses, not pictures. Professionally managed, properly licensed properties earn the premium. And from 31 March 2026, every short-term rental must prove it is legally compliant to stay on the booking platforms — a rule that pushes the whole market toward professional operation.

Demand itself is changing shape. International arrivals set a record in 2025 (6.95 million, up 10%) while domestic arrivals softened. New roads, a hospital corridor, schools and global hotel brands are arriving early — demand that books ahead and returns, replacing demand that discovers and moves on.

04 What maturity does to businesses

Three things. The same three, in every market that has grown up.

1. The middle disappears. Mature markets split in two: genuinely special assets that can hold their prices, and simple, efficient assets that win on cost. The squeeze comes for everything in between — decent product, decent service, no strong reason to choose it. Bali's own numbers already show the split:



BALI 2025: HOW FULL VS HOW FAST PRICES GREW. SOURCE: HORWATH HTL / C9 HOTELWORKS — BALI HOTEL & BRANDED RESIDENCES 2026. INFORMATION ONLY.

2. Professionalism stops being optional. Clean title, clean books, licences in order, a documented trading history. In a young market these look like paperwork. In a mature one they are the price of entry — buyers, banks and partners all transact on proof.

3. The clock changes. In the fast years, speed forgives everything. In the settling years, staying power beats speed. The question stops being "how fast can I grow?" and becomes "can I hold through the slow quarters and still be here when the market pays again?"

05 The five mistakes that kill good businesses

— Planning on the best year's numbers. Plans built on the boom only work if the boom returns. It never returns in the same form.

— Mistaking a wave of money for lasting demand. The 2022–24 rush was a one-off. The real market — guests, long stays, families — was always underneath. Build for that.

— Funding a ten-year asset with one good season. Deposits, a strong high season and hope are not ten-year funding. The gap always shows up at the worst moment.

— Taking everything out in the good years. The long, slow stretch kills more businesses than any crash. Keep a reserve for the slow winter, not just the sharp one.

— Giving up ownership to survive one season. Selling equity, control or title under pressure means selling the very recovery you were waiting for.

06 How to set yourself up to last

Every mature market's winners' list is a survivors' list.



BUILT TO TAKE THE WAVE — AND STILL BE STANDING AFTER IT.

THE SURVIVAL PLAYBOOK

Build for the guest who returns	not the money that came once
Match the money to the asset	long assets need properly structured funding
Keep control	the whole point of surviving is owning the recovery
Hold your price line	be special, or be efficient — never in between
Keep a real reserve	provisioned for the slow winter, not the sharp one
Get compliant early	licences and clean books are the new moat

On funding, the principle is simple: match the money to the life of the thing it pays for. A short, secured facility with a clear end date can carry a project through its last stretch — and then it's gone. Selling a share of the business costs you a share of every future year. Run that comparison before you sign anything. *(Illustrative — not financial advice.)*

07 What happens next

If the older markets are any guide, Bali's next decade looks less like a rocket and more like a ratchet: steadier growth in the areas with real demand; a widening gap between well-run assets and everything else; more brands, more rules, more proof required — and, at some point, a genuine slow stretch that nobody will time in advance. That is not a prediction to trade on. It is a pattern to prepare for.

> *Bali will mature. The winners are getting ready now — not by growing fastest this year, but by being built to still be here in year ten, in control, with something special.*

Ascend. Endure. The name is the strategy.

Ascendure is not a bank, does not take deposits, and does not provide credit or capital to the public. This report is general market commentary — information only; it is not financial, investment or legal advice, and no outcome is promised or projected. Bali market figures: Horwath HTL / C9 Hotelworks, Bali Hotel & Branded Residences 2026,

with Bali Hotels Association data. City histories are summarised from public market commentary; cycle diagrams are illustrative and not to scale. © 2026 Ascendure · ascendure.co · hello@ascendure.co