



# Business updates presentation

for the first quarter ended 31 December 2020

5 February 2021

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# Glossary

## Fraser's Property entities

ARF : AsiaRetail Fund Limited  
FCT : Fraser's Centrepoint Trust  
FLCT : Fraser's Logistics & Commercial Trust  
FPA : Fraser's Property Australia  
FPL or Fraser's Property : Fraser's Property Limited  
FPR : Fraser's Property Retail  
FPT : Fraser's Property (Thailand) Public Company Limited  
FTREIT : Fraser's Property Thailand Industrial Freehold & Leasehold REIT  
GVREIT : Golden Ventures Leasehold Real Estate Investment Trust  
Group : Fraser's Property Limited, together with its subsidiaries

## Additional notes

- In the tables, the arrow direction indicates the increase (up) or decrease (down) of the absolute figure, The colour indicates if the change is **positive** (green), **negative** (red) or neutral (black).
- All exchange rates are as at period end, unless otherwise stated.

## Other acronyms

ADR : Average daily rate  
AEI : Asset enhancement initiative  
AOR : Average occupancy rate  
ARR : Average rental rate  
AUM : Assets under management  
CPI: Consumer price index  
FY : Financial year  
GDP: Gross domestic product  
GDV : Gross development value  
JV : Joint venture  
NLA : Net lettable area  
NSW : New South Wales  
QLD : Queensland  
REIT : Real estate investment trust  
RevPAR : Revenue per available room  
sqm : Square metres  
UK : United Kingdom  
VIC : Victoria  
WALE : Weighted average lease expiry

*“Macroeconomic uncertainties and challenges in the business and operating environment are expected to persist in 2021. Notwithstanding, the Group has well-diversified platforms with the right focus, relevant scale, and strong local expertise, providing us with a sustainable competitive advantage and the ability to deliver long-term shareholder value.*”

*We will continue to strengthen the foundation needed for Frasers Property to be a purpose-driven company and are embracing our shared purpose – inspiring experiences, creating places for good. As we execute our strategic action plan, we will remain agile and tenacious, evolving the Group to capitalise on opportunities and continue to grow a future-ready business.”*



**Mr Panote  
Sirivadhanabhakdi**

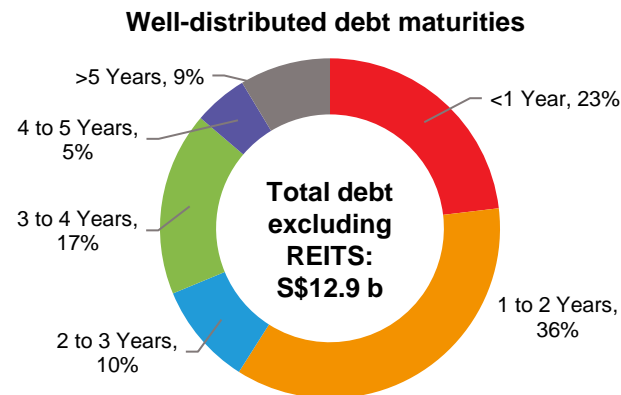
**Group CEO,  
Frasers Property  
Limited**

# Active capital management

## Proactive actions to manage gearing and extend debt maturities

- ◆ **Net gearing decreased** post-divestment of stake in ARF to FCT and equity fund raising by FCT
- ◆ **Continuing efforts to extend debt maturities** with focus on sustainable financing
- ◆ Well-positioned on **repayment or refinancing debts** due in FY21

	As at 31 Dec 20	As at 30 Sep 20	Change
Net debt	S\$15,914.9 m	S\$15,865.6 m	▲ 0.3 %
Net debt / Total equity <sup>1</sup>	99.3%	105.0%	▼ 5.7 pp
Net debt / Property assets <sup>2</sup>	47.5%	48.1%	▼ 0.6 pp
Fixed rate debt <sup>3</sup> (%)	65.1%	61.8%	▲ 3.3 pp
Average debt maturity	2.6 Years	2.6 Years	-
Average cost of debt on portfolio basis	2.3% p.a.	2.3% p.a.	-



Unrecognised revenue<sup>4</sup>

**S\$1.7 billion**

across Singapore, Australia, China and Thailand



Cash and deposits<sup>5</sup>

**S\$2.5 billion**

as at 31 Dec 20



Net debt-to-equity ratio

**99.3%**

as at 31 Dec 20



Net interest cover<sup>6</sup>

**3 times**

as at 31 Dec 20

1. Includes non-controlling interests and perpetual securities. Shareholders' equity as at 31 December 2020 is S\$7,748.5 m. 2. Property assets comprise investment properties, property, plant and equipment, investments in JVs and associates, properties held for sale, contract assets and contract costs. 3. Includes debt that is hedged. 4. Pre-sold revenue to be recognised. 5. Includes structured deposits. 6. Net interest excluding mark to market adjustments on interest rate derivatives and capitalised interest.



# Investment properties in Singapore remain resilient

## Retail and commercial portfolios metrics remain healthy

### ◆ Stable investment property portfolio metrics

- Healthy retail occupancy at 94.4% on an enlarged portfolio
- Improved commercial occupancy at 92.9% following lease sign-ups on completion of AEI at Alexandra Technopark and Cross Street Exchange

### ◆ AEI for Alexandra Point<sup>1</sup> to commence in February 2021

- Addition/upgrading of collaborative and community spaces, building amenities, energy efficiency and deployment of technological solutions to enhance occupant experience

### ◆ Strengthening retail management capabilities

- Providing digital solutions to improve frictionless retail experience with the launch of the Frasers eStore
- Bringing new digital innovations and experiences : JustCo's First Smart Centre with tech-enabled solutions at The Centrepoint; Switch - world's first on-demand workspace platform; Ratio - one-of-a-kind robotic cafe and lounge

### ◆ Completed sale of stake in ARF to FCT on 27 October 2020

Retail portfolio metrics <sup>2</sup>	1Q FY21	1Q FY20	Change
AOR <sup>3</sup>	94.4%	89.5%	N/M <sup>6</sup>
Leases due to expire <sup>4</sup>	27.2%	17.8%	N/M <sup>6</sup>

Commercial portfolio metrics <sup>5</sup>	1Q FY21	1Q FY20	Change
AOR <sup>3</sup>	92.9%	78.8%	▲ 14.1 pp
Leases due to expire <sup>4</sup>	8.8%	7.9%	▲ 0.9 pp



1. Estimated completion by 3Q FY23. 2. Reflects portfolio metrics of AUM in Singapore including Central Plaza owned by FCT. Figures stated on 100% basis. 1Q FY20 metrics exclude Robertson Walk and assets held by ARF. 3. By NLA. FY21 portfolio metrics refer to committed occupancy and short-term leases as at 31 Dec 20. FY20 metrics refer to actual occupancy as at 31 Dec 19. 4. Leases due to expire over the remainder of the FY as a percentage of NLA. 5. Reflects portfolio metrics of AUM, excluding assets held by ARF. 1Q FY20 metrics include Robertson Walk. 6. Due to the significant change in portfolio between FY20 and FY21.

# Delivering quality residential developments in Singapore

## Strong project pipeline

- ◆ **Continued to drive sales for launched projects**
  - **Seaside Residences** close to 98%<sup>1</sup> sold; **on schedule for completion** by March 2021
  - **Rivière** 20%<sup>1</sup> sold; **target completion in FY23**
- ◆ **Planning new executive condominium (“EC”) development project** at Fernvale Lane with **potential yield of 496 residential units**
  - Target project sales launch in 4Q FY21
- ◆ **Completed acquisition of Bedok Point mall**<sup>2</sup>
  - Planning in progress for proposed **redevelopment into a residential project** with commercial units on the ground floor
- ◆ **Singapore residential market remains resilient**
  - Private property prices rose for the third straight quarter in 4Q 2020, up 2.2% for the whole of 2020 compared to 2019<sup>5</sup>
  - Total private residential units sold in 2020 slightly above that in 2019; unsold pipeline fell for the seventh straight quarter<sup>5</sup>

### Residential portfolio activity in 1Q FY21

Units sold <sup>1,3</sup>	48
Unrecognised revenue <sup>4</sup>	S\$0.1 b



### Upcoming EC development

- New property to be launched in District 28 in close proximity to a plethora of amenities

# Resilient development business in Australia despite economic volatility

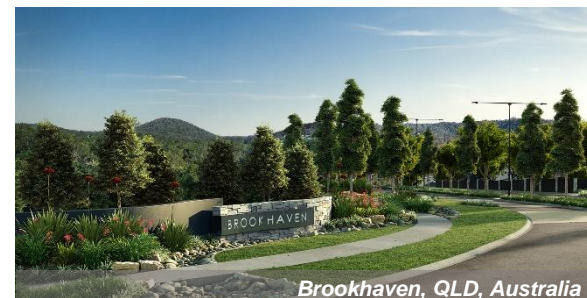
## Registering strong residential settlement and sales, stabilising key retail assets



- ◆ **Won bid to join the QLD government's residential build-to-rent project**
  - 354 apartments will be developed in Fortitude Valley (2,020 sqm) as part of pilot project
  - FPA will own and operate the development upon completion, with the state government providing a 25% subsidy of the rental on up to 144 units in the project
- ◆ House and residential unit **prices rebounded** between October and December 2020<sup>1</sup>
- ◆ **Delivery and stabilisation of key retail assets**
  - Stabilising in progress for Burwood Brickworks (NLA 12,956 sqm, opened in December 2019) and Eastern Creek Quarter Stage 1 (NLA 10,317 sqm, opened in June 2020)
  - Delivered Ed.Square Town Centre (NLA 24,290 sqm), with major retailers Coles and Liquorland open for trade in September 2020

### Residential portfolio activity in 1Q FY21

Units settled <sup>2</sup>	539
Units released for sale <sup>2</sup>	~600
Units sold <sup>2</sup>	699
Unrecognised revenue <sup>3</sup>	S\$1.3 b <sup>4</sup>



### 699 units sold in 1Q FY21

- Largest contributors include Burwood Brickworks, VIC (103 units), Shell Cove, NSW (90 units), The Grove, VIC (86 units), Midtown, NSW (82 units), Brookhaven, QLD (58 units) and Mambourin, VIC (47 units)



# Maintained robust investment portfolio in Australia

## ◆ Occupancy metrics remain above 90%

- Despite adverse effect of economic conditions and COVID-19 on the office and retail sectors in Melbourne and Sydney<sup>1</sup>

## ◆ Solid office tenant profile<sup>2</sup>

- 34% multinational companies
- 18% ASX-listed entities
- 28% government-linked entities

- ◆ **Retail assets are positioned as super neighbourhood centres**, weighted towards the non-discretionary sector and anchored by major supermarket tenants

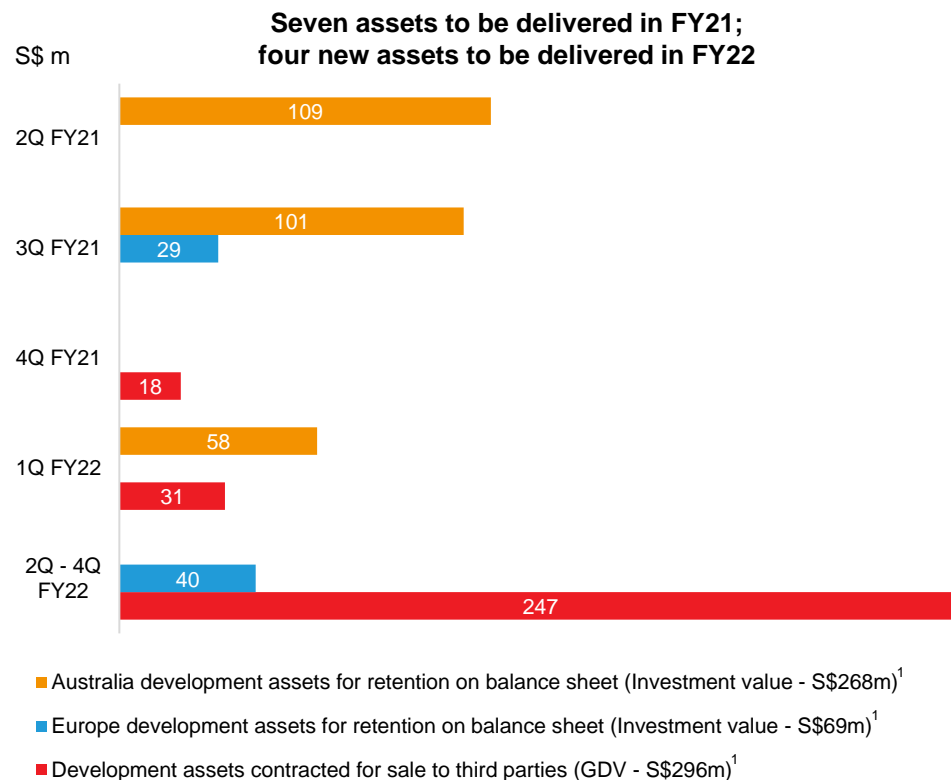
Office portfolio metrics <sup>3</sup>	1Q FY21	1Q FY20	Change
AOR <sup>4</sup>	92.8%	97.3%	▼ 4.5 pp
WALE <sup>2</sup>	4.0 years	4.7 years	▼ 14.9%
Retail portfolio metrics	1Q FY21	1Q FY20	Change
AOR <sup>4</sup>	91.0%	92.5%	▼ 1.5 pp
WALE <sup>2</sup>	8.8 years	9.7 years	▼ 9.3%



# Solid industrial & logistics development forward workload

## Driven by demand from high quality customers

- ◆ **Developing eleven new assets** totalling 304,923 sqm; **planned for completion over the next two years**
  - > Successfully sold three industrial assets (two at Yatala, QLD and one at Tarneit, VIC) to third parties; comprising 97,065 sqm of lettable space with target completion by FY22
- ◆ **Industrial land bank additions** include a ~115,000 sqm site in Australia and ~64,000 sqm across two sites in the Netherlands



1. Estimated total end value..

# Strong industrial & logistics leasing activity

## Supported by quality tenant profile

### ◆ Diversified portfolio across various industries

- 44% in Logistics, 28% in Consumer and 17% in Manufacturing
- Higher concentration of Australian portfolio in Consumer and Logistics and European portfolio in Logistics, Automotive and Manufacturing

### ◆ Significant level of renewals and new leases

- ~**82,234 sqm** of renewals and new leases<sup>1</sup> **across Australia**, representing 2.3% of total industrial and logistics NLA
- ~**94,222 sqm** of renewals and new leases<sup>2</sup> **across Europe**, representing 2.7% of total industrial and logistics NLA
- Tenants that renewed or signed new leases include DHL, Thermo Gamma, EFM Logistics and IVE Group

### Industrial and logistics portfolio

Australia portfolio metrics <sup>3</sup>	1Q FY21	1Q FY20	Change
AOR <sup>4</sup>	100%	100%	-
WALE <sup>5</sup>	5.5 years	6.1 years	▼ 9.8%
Europe portfolio metrics <sup>3</sup>	1Q FY21	1Q FY20	Change
AOR <sup>4</sup>	96.7%	99.2%	▼ 2.5 pp
WALE <sup>5</sup>	6.5 years	6.9 years	▼ 5.8%



1. Includes lease renewals and new leases for industrial and logistics properties in Australia in which the Group has an interest. 2. Includes lease renewals and new leases for industrial and logistic properties in Germany, the Netherlands and Austria in which the Group has an interest. 3. Reflects portfolio metrics of AUM. 4. By NLA. 5. By income.

# Actively managing hospitality portfolio

## Developing recovery plans amid evolving COVID-19 pandemic situation



Fraser Suites Kensington, UK

- ~17,400 units in operation
- ~2,800 units in the pipeline, including properties under management

- ◆ **Auditing health and safety measures** across all properties
  - Partnering with SGS<sup>1</sup> to ensure consistent COVID-19 safety protocols
- ◆ **Robust scenario mapping to ensure agility when restrictions lift**
- ◆ **Ensuring travel sentiments captured in marketing programmes e.g. flexibility in bookings**
  - Continued development of marketing campaigns to tap on domestic travel
  - Continued implementation of cost containment measures and use of government aided schemes to ease impact of COVID-19 pandemic
  - Preparing for re-opening of properties in the UK after new lockdown measures were imposed
- ◆ **Planning beyond domestic travel**
  - Actively planning for regional and global campaigns to align with domestic programmes
  - Preparations underway for upcoming openings – Fraser Suites Pazhou in Guangzhou, Modena Nanjing, Fraser Residence Hanoi and Capri by Fraser Bukit Bintang in Kuala Lumpur
  - Long-stay base across China, Middle East and Southeast Asia continue to provide stability as lockdowns ease in some geographies

1. A leading inspection, verification, testing and certification company.

# Hospitality portfolio metrics<sup>1</sup>

## Long-stay base provide baseline stability

North Asia	1Q FY21	1Q FY20	Change
AOR	52.9%	69.0%	▼ 16.1 pp
ADR	S\$127.5	S\$129.9	▼ 1.8%
RevPAR	S\$67.4	S\$89.7	▼ 24.9%

Asia Pacific ex North Asia	1Q FY21	1Q FY20	Change
AOR	75.7%	83.3%	▼ 7.6 pp
ADR	S\$130.8	S\$212.1	▼ 38.3%
RevPAR	S\$99.0	S\$176.6	▼ 43.9%

Europe	1Q FY21	1Q FY20	Change
AOR	29.4%	83.5%	▼ 54.1 pp
ADR	S\$184.6	S\$207.9	▼ 11.2%
RevPAR	S\$54.3	S\$173.6	▼ 68.7%

- ◆ AOR of properties in China remained relatively resilient despite comparative 1Q FY20 being pre-pandemic, **supported by the long-stay base**
- ◆ Emergence of new cases within China, cross city travel has reduced significantly, creating same city staycation trends
- ◆ Surge in domestic travel in recent months though government-led schemes abated with increase in COVID-19 cases

- ◆ New and renewed border closures and government-imposed restrictions on international and domestic inter-state movements, social gatherings and social distancing curtailed hospitality operations
- ◆ Long-stay base for apartments cushioned weak transient market
- ◆ **Secured alternative businesses** from government isolation schemes to mitigate sharp decline in occupancies

- ◆ The recent months of lockdown has severely impacted the AOR across Europe with impositions of travel restrictions and quarantine measures
- ◆ Long-stay segment in the Middle East and Africa provide operational base albeit that all properties experienced drop in occupancies



# Diversified investment portfolio in Thailand provides resilience

## Industrial, office, and retail property operating metrics stable



- ◆ **Overall industrial portfolio occupancy rate stable** at ~83%, with **new leases secured** for ~52,129 sqm of space
  - **Growing demand** for industrial properties in Thailand **due to supply chain reconfigurations** amid the US-China trade war and COVID-19-related disruptions
- ◆ FPT divested factories and warehouses valued at S\$103 million to FTREIT in 1Q FY21
- ◆ **Office and retail portfolio occupancy rate remains high**, at ~92%, **driven by tenant engagement and retention strategies**, as well as the implementation of new safety and hygiene protocols
  - Samyan Mitrtown achieved an ~81% office occupancy rate while its retail occupancy has rebounded to ~89%
- ◆ FPT completed the acquisition of Univentures REIT Management Co., Ltd., the manager of GVREIT, on 1 December 2020

Industrial warehouse metrics	1Q FY21	1Q FY20	Change
AOR <sup>1</sup>	86.4%	85.7%	▲ 0.7 pp
WALE <sup>2</sup>	4.1 years	3.3 years	▲ 24.2%
Industrial factory metrics	1Q FY21	1Q FY20	Change
AOR <sup>1</sup>	77.2%	75.6%	▲ 1.6 pp
WALE <sup>2</sup>	1.9 years	2.1 years	▼ 9.5%
Office and retail metrics	1Q FY21	1Q FY20	Change
AOR <sup>1</sup>	91.7%	89.2%	▲ 2.5%
Average rental rate	S\$37.7	S\$37.7	-
Hospitality metrics <sup>3</sup>	1Q FY21	1Q FY20	Change
AOR <sup>1</sup>	18.2%	78.1%	▼ 59.9 pp
ADR	S\$94.2	S\$156.8	▼ 39.9%
RevPar	S\$17.1	S\$122.5	▼ 86.0%

1. By gross rent. 2. By income. 3. Based on the average over three months.

# Residential properties in Thailand and Vietnam remain in-demand



## Thailand

- ◆ **Settled 772 units and sold 1,636 units; bringing unrecognised revenue to ~S\$71 million**
- ◆ **Launched two projects in 1Q FY21 with combined GDV of S\$99 million**
  - > Total 60 active projects with combined GDV of ~S\$3.4 billion
- ◆ **Developing software and smart applications to provide better customer support** at each step of the home-buying and after-sale service process
- ◆ **Growth to be driven by strong marketing and innovation to optimise customers' experience**
  - > Stiff competition expected, with aggressive sales tactics and marketing promotions in the industry

## Vietnam

- ◆ **Development of Q2 Thao Dien progressing ahead of schedule; completion expected by 2Q FY21**
  - > High-rise apartments 97% completed; landed units 35% completed
  - > All components (including retail shop lots) fully sold, with combined GDV of S\$181.5 million
- ◆ **AEI to reposition Melinh Point as a Grade A boutique office building completed**
  - > Occupancy rate continues to be above 90%
- ◆ **Average office and retail rental rates remain stable**

# Stable performance in China

## Residential property market in Shanghai remains buoyant

- ◆ **Opus One<sup>1</sup>** residential development (359 units) in Shanghai, launched in April 2020, **fully sold<sup>2</sup>** and on schedule to hand-over units by 2Q 2022.
- ◆ **Shanghai and Suzhou residential property prices remained stable<sup>3</sup>**
- ◆ **Commercial portfolio continues to register healthy occupancy rates**
  - 148 long-term lease apartments at Gemdale Megacity (Phase 1), in Shanghai achieved a 90% occupancy rate and 4.8% gross rental yield
  - Suzhou Baitang's retail component<sup>4</sup> recorded an 87% occupancy rate and achieved a 6% gross rental yield
  - Chengdu Logistics Hub's remaining office and retail warehouse units achieved a 5% gross rental yield
    - Vacancy rate in Chengdu's office property market has inched downwards to 20.3%<sup>5</sup>

### Residential portfolio activity in 1Q FY21

Units settled	-
Units sold	15
Unrecognised revenue <sup>6</sup>	S\$0.2 b <sup>7</sup>

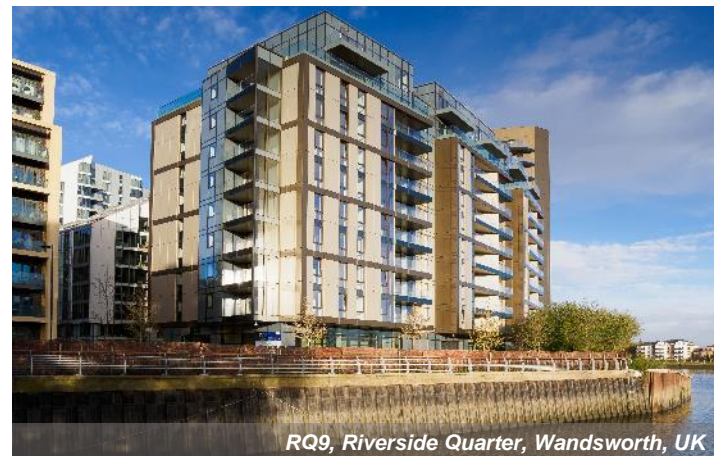


# UK business remains stable

## Investment portfolio continued to achieve steady operating metrics

- ◆ **Residential sales progressing as planned**
  - Sold last unit at 'Camberwell on the Green' in London
- ◆ Investment portfolio's **defensive nature** validated by **steady operating metrics** bolstered by **active asset management**; continuing to invest in **placemaking and sustainability initiatives** to drive occupancy
  - Opened a collaborative workspace at the Chineham business park in Basingstoke
  - Completed a development for Starbucks at the Hillington business park in Glasgow
- ◆ **Undertaking strategic development projects**
  - Construction of Central House in Central London to deliver a ~15,000 sqm office targeting the tech sector progressing well
  - Construction of a ~12,000 sqm industrial scheme targeting tenant demand at Hillington business park about to commence

Portfolio metrics	1Q FY21	1Q FY20	Change
AOR <sup>1</sup>	89.7%	88.4%	▲ 1.3 pp
WALE <sup>2</sup>	5.9 years	6.1 years	▼ 3.3%



# Looking ahead - maintain stability & being ready for opportunities

**Near-term uncertainties and challenges in the operating environment expected to persist in 2021**



- ◆ **Singapore:** Singapore's 2021 **GDP growth** expected at 4% to 6%<sup>1</sup>
  - Commencing **AEI at Alexandra Point** in February 2021
  - Targeting to launch 496-unit **new EC project** at Fernvale Lane in 4Q FY21
  - Planning for **proposed redevelopment of Bedok Point into a residential project** with ground-floor commercial units
  - **~27%<sup>2</sup> of retail leases and ~9%<sup>2</sup> of commercial leases due to be renewed** in the remainder of FY21
  
- ◆ **Australia: GDP expected to recover** over coming quarters<sup>3</sup>
  - Continue to manage settlement risks; **1,956 residential units<sup>4</sup> planned for settlement** in FY21 with **~95% secured<sup>5</sup>** as at 31 December 2020
  - Planning for 354-unit build-to-rent project in Brisbane, QLD
  - Maintain focus on non-discretionary retail sector. **Ed.Square Town Centre**, anchored by a supermarket that is already operating, rest of asset to be fully operational by the end of FY21 with the opening of all retailers
  
- ◆ **Thailand: GDP growth** expected to recover in 2021 and 2022<sup>6</sup>
  - Planning to **launch 21 residential projects** with combined GDV of ~S\$1.3 billion over the next 12 months
  - **Capturing rising demand** for industrial properties from manufacturers, medical and e-commerce, especially along the Eastern Economic Corridor



# Looking ahead - maintain stability & being ready for opportunities (cont'd)

## Near-term uncertainties and challenges in the operating environment expected to persist in 2021

- ◆ **Industrial:** Healthy take-up for industrial & logistics space in Australia and Europe<sup>1</sup>
  - > **Eleven new assets** totalling 304,923 sqm **planned for completion over the next two years**
- ◆ **Hospitality:** Asia-Pacific, Europe and UK hotel operating performance in November 2020 significantly below pre-COVID levels<sup>2</sup>
  - > Actively **planning for regional and global campaigns** to **prepare for upcoming travel corridors** while concurrently **reviewing cost management measures**
  - > **Targeting domestic tourism and preparing for upcoming openings** – Fraser Suites Pazhou in Guangzhou, Modena Nanjing, Fraser Residence Hanoi, and Capri by Fraser Bukit Bintang



1. Refers to Germany and the Netherlands. JLL, January 2021. 2. STR, December 2020



**Experience matters.**