

## Fraser's Property Limited reports S\$158 million attributable profit in 1H FY22

- ◆ Excluding the impact of the gain on the change in use recorded in the previous corresponding period, attributable profit would have increased from S\$23 million<sup>2</sup> to S\$158 million
- ◆ Earnings supported by investment properties portfolio
- ◆ Continue to leverage the Group's solid foundation to take advantage of opportunities and deliver earnings amid business challenges

**SINGAPORE, 12 MAY 2022**

Fraser's Property Limited ("Fraser's Property", and together with its subsidiaries, the "Group") today announced its financial results for its first half year ended 31 March 2022 ("1H FY22").

### FINANCIAL HIGHLIGHTS

	1H FY22 (S\$ 'mil)	1H FY21 (S\$ 'mil)	Inc/(Dec) (%)
<b>Revenue</b>	1,683.6	1,566.1	7.5
<b>PBIT<sup>1</sup></b>	526.1	836.8	(37.1)
<b>PBIT (adjusted)<sup>2</sup></b>	526.1	478.9	9.9
<b>Attributable Profit</b>	158.2	275.8	(42.6)
<b>Attributable Profit (adjusted)<sup>2</sup></b>	158.2	22.5	603.1

Mr Panote Sirivadhanabhakdi, Group Chief Executive Officer of Fraser's Property, commented, "We are heartened that the path to normalcy has become clearer in recent months as we transition to an endemic environment. Around the world, there are pockets of recovery, paving the way for economies to grow out of the effects of the pandemic. Rising business costs and a volatile global environment will continue to test our agility and resilience as an organisation."

"We have been able to leverage our solid foundation to continue delivering earnings even as we navigated business challenges. This is a result of years of work to strengthen our core – prioritising portfolio resilience through exposure in sectors, such as industrial and logistics, and geographies supported by steady fundamentals, building upon our organisational structure and investing in our people and processes. We are confident that Fraser's Property is ready to take advantage of the gradual recovery and pursue growth opportunities arising from structural changes accelerated by the pandemic to deliver value."

In the last financial year, a portfolio of industrial and logistics properties in Australia and Europe was reclassified from properties held for sale<sup>3</sup> to investment properties<sup>4</sup>, which is in line with the Group's strategy to grow its industrial and logistics asset base. A gain on the change in use was recognised as a result of the transfer, which boosted the Group's financial results in the preceding financial year. Excluding the impact of the gain on change in use, PBIT for 1H FY22 would have increased 9.9% year-on-year from

<sup>1</sup> Profit before interest, fair value change, taxation and exceptional items

<sup>2</sup> Excluding the impact of the gain on the change in use arising from the reclassification of a portfolio of industrial properties in Australia and Europe from properties held for sale to investment properties

<sup>3</sup> Properties held for sale are held at lower of cost and net realisable value

<sup>4</sup> Investment properties are stated at fair value based on independent external valuations

S\$478.9 million<sup>2</sup>, while attributable profit would have jumped from S\$22.5 million<sup>2</sup> to S\$158.2 million year-on-year.

## KEY HIGHLIGHTS AND LOOKING AHEAD

Supported by its solid foundation that provides clear earnings visibility, the Group is ready to take advantage of the next wave of opportunities. Leveraging the Group's multi-asset class capabilities and portfolio with S\$42.8 billion<sup>5</sup> of assets under management, the Group is well-placed to deliver real estate offerings and services that meet evolving customer demands amid structural changes as well as the entrenchment of ESG<sup>6</sup> values in decision making among multiple stakeholders.

Over 80% of the Group's property assets are in recurring-income based asset classes, which provides a firm earnings foundation. Adopting a rigorous and disciplined approach to drive investment portfolio income, the Group achieved approximately 724,000 square metres of renewals and new leases in total in 1H FY22 across its investment properties portfolio.

Fuelled by the proceeds from the rights issue concluded in April 2021, the Group has been steadily growing its industrial and logistics development pipeline. As at 19 April 2022, the Group has utilised more than S\$500 million out of the allocated S\$700 million. The Group has 15 development pipeline projects across Australia and Europe with a total gross development value of S\$1.2 billion to be delivered over the next 18 months. The Group has also been growing its pipeline of industrial and logistics development projects in Thailand and Vietnam, and recently completed the acquisition of the second tranche of land at the Group's first industrial development project in Vietnam - Binh Duong Industrial Park.

The Group's development capabilities enable Frasers Property to deliver innovative, value-adding properties. Beyond the built-to-suit industrial and logistics developments tailored to the specifications of customers that Frasers Property is known for, under the premium estates concept launched in November 2021, new industrial and logistics estates will be developed to industry-leading building design standards and guidelines that prioritise efficiency, sustainability, health and wellbeing. The first premium estates project will be delivered in Australia from FY23. In anticipation of growing customer demand for flexible workspaces, the Group has also introduced core and flex commercial space solutions as part of its focus on real estate as a service. To be completed by end FY22, Silom Edge is a mixed-use ~21,000 sqm NLA<sup>7</sup> commercial development that is designed from the onset to offer core and flex commercial space. The Group's first commercial development in central London, The Rowe, will also be completed within FY22.

Meanwhile the Singapore suburban retail portfolio, which has demonstrated sector resilience over the course of the pandemic, is well-positioned to benefit from Singapore's decisive move towards an endemic environment. In particular, the resumption of atrium sales and lifting of safe management restrictions are expected to boost tenant sales and shopper traffic.

The pause in global travel gave the Group the opportunity to finish the work on enhancing Frasers Hospitality's organisational structure. With geographical clustering and improved cost structures, the Group's hospitality business can now be more responsive to changing market dynamics as the world progressively re-opens.

Through selective residential pipeline replenishment and a strong focus on markets with deep underlying demand, the Group was able to maintain steady progress in terms of project development sales and settlements of its residential projects in Australia, China, Singapore and Thailand. As at 31 March 2022, the

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<sup>5</sup> Comprises property assets in which the Group has an interest, including assets held by its REITs, joint ventures and associates

<sup>6</sup> Environmental, Social and Governance

<sup>7</sup> Net leasable area

Group's residential pipeline is in excess of 18,000 units. Pre-sales from its projects, which reached S\$2.4 billion<sup>8</sup> at the end of 1H FY22, support the Group's earnings visibility.

The Group is cognisant that, against a backdrop of rising geopolitical tensions as well as increasing inflation and interest rates, there remains significant headwinds ahead. The Group will maintain financial discipline and strengthen its capital structure, with a focus on green and sustainable financing, such as the Group's first sustainability-linked loan and first green development loan secured in the UK in January and March 2022, respectively. In addition, the Group will build upon its foundation, recently strengthened with the addition of Soon Su Lin, as Chief Executive Officer for Frasers Property Singapore, to the leadership team, to enable Frasers Property to remain relevant and deliver value for years to come.

**END**

### **About Frasers Property Limited**

Frasers Property Limited ("Frasers Property" and together with its subsidiaries, the "Frasers Property Group" or the "Group"), is a multi-national developer-owner-operator of real estate products and services across the property value chain. Listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") and headquartered in Singapore, the Group has total assets of approximately S\$40.7 billion as at 31 March 2022.

Frasers Property's multi-national businesses operate across five asset classes, namely, residential, retail, commercial & business parks, industrial & logistics as well as hospitality. The Group has businesses in Southeast Asia, Australia, Europe and China, and its well-established hospitality business owns and/or operates serviced apartments and hotels in over 20 countries and 70 cities across Asia, Australia, Europe, the Middle East and Africa.

Frasers Property is also the sponsor of two real estate investment trusts ("REITs") and one stapled trust listed on the SGX-ST. Frasers Centrepoint Trust and Frasers Logistics & Commercial Trust are focused on retail, and industrial & commercial properties, respectively. Frasers Hospitality Trust (comprising Frasers Hospitality Real Estate Investment Trust and Frasers Hospitality Business Trust) is a stapled trust focused on hospitality properties. In addition, the Group has two REITs listed on the Stock Exchange of Thailand. Frasers Property (Thailand) Public Company Limited is the sponsor of Frasers Property Thailand Industrial Freehold & Leasehold REIT, which is focused on industrial & logistics properties in Thailand, and Golden Ventures Leasehold Real Estate Investment Trust, which is focused on commercial properties.

The Group is committed to inspiring experiences and creating places for good for its stakeholders. By acting progressively, producing and consuming responsibly, and focusing on its people, Frasers Property aspires to raise sustainability ideals across its value chain, and build a more resilient business. It is committed to be a net-zero carbon corporation by 2050. Building on its heritage as well as leveraging its knowledge and capabilities, the Group aims to create lasting shared value for its people, the businesses and communities it serves. Frasers Property believes in the diversity of its people and are invested in promoting a progressive, collaborative and respectful culture.

For more information on Frasers Property, please visit [frasersproperty.com](https://frasersproperty.com) or follow us on [LinkedIn](https://www.linkedin.com/company/frasers-property).

### **CONTACTS:**

#### **Frasers Property Limited**

##### **MEDIA RELATIONS**

Adeline ONG

+65 6932 2371

[comms@frasersproperty.com](mailto:comms@frasersproperty.com)

##### **INVESTOR RELATIONS**

Gerry WONG

+65 6277 2679

[ir@frasersproperty.com](mailto:ir@frasersproperty.com)

#### **SEC Newgate Singapore**

LIM Yuan See / Lynette TAN

T+65 6532 0606

E [yuansee.lim@secnewgate.sg](mailto:yuansee.lim@secnewgate.sg) / [lynette.tan@secnewgate.sg](mailto:lynette.tan@secnewgate.sg)

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<sup>8</sup> Includes the Group's effective interest of joint operations, joint ventures, associates and project development agreements