

Frasers Property Limited reports S\$833 million attributable profit in FY21

- ◆ Revenue increased Y-o-Y by 4.6% to S\$3,764 million
- ◆ Attributable profit boosted by strong contributions from industrial and logistics, including gains from valuation uplift and a one-time gain from reclassification of a portfolio of industrial and logistics properties, on the back of the Group's strategic focus on growing its industrial and logistics portfolio
- ◆ Proposed dividend of 2.0 Singapore cents per share

SINGAPORE, 12 NOVEMBER 2021

Fraser's Property Limited ("Fraser's Property", and together with its subsidiaries, the "Group") today announced its financial results for the full year ended 30 September ("FY") 2021.

FINANCIAL HIGHLIGHTS

	FY21 (S\$ 'mil)	FY20 (S\$ 'mil)	Inc/(Dec) (%)
Revenue	3,763.8	3,597.0	4.6
PBIT¹	1,424.7	1,245.6	14.4
Attributable Profit	833.1	188.1	N/M

Mr Panote Sirivadhanabhakdi, Group Chief Executive Officer of Fraser's Property, commented, "With sector tailwinds, industrial and logistics continues to be a bright spot, which strongly contributed to the Group's financial performance in FY21. Several business segments remain affected by the COVID-19 pandemic, especially our hospitality business, although it is starting to show some green shoots."

The Group has been building its industrial and logistics platform since 2014. In FY16, industrial and logistics assets made up 11% of the Group's total property assets and, over the years, this was increased to 31% in FY21. As part of the Group's strategic focus on growing its exposure in this sector, a portfolio of industrial and logistics properties in Australia and Europe was reclassified from properties held for sale² to investment properties³. The one-time accounting gain arising from this reclassification, as well as fair value gains from the Group's industrial and logistics properties, boosted the Group's attributable profit in FY21.

"We believe the prolonged uncertainties around global economic activity will likely persist as the world transitions to an endemic COVID-19 environment. The ongoing strengthening of our business platforms and capabilities development are key focus areas, to ensure we have the right aptitude and fortitude to ride through the challenging operating environment. We will continue to focus on investment discipline and portfolio value enhancements, and will actively assess opportunities for enlarging our development base and unlocking value where feasible. In addition, we will continue to optimise our hospitality business model, a journey we have embarked on well before COVID-19. Given the capital-intensive nature of our industry, we will continue to take proactive actions to optimise our capital structure so as to remain agile and well positioned to maximise the potential of our businesses," Mr Sirivadhanabhakdi added.

¹ Profit before interest, fair value change, taxation and exceptional items

² Properties held for sale are held at lower of cost and net realisable value

³ Investment properties are stated at fair value based on independent external valuations

In keeping with the Group's efforts to maintain financial flexibility, Frasers Property's board of directors has decided to propose a first and final dividend of 2.0 Singapore cents per share for FY21. This is up from the 1.5 Singapore cents per share declared for FY20.

KEY HIGHLIGHTS AND CORPORATE DEVELOPMENTS IN FY21

Frasers Property completed around 313,000 square metres of industrial and logistics, as well as commercial and business park development projects in FY21. Across the Group, the development pipeline to be delivered over the next two financial years in these two asset classes stood at approximately 663,000 square metres as at 30 September 2021. In addition, to support the Group's industrial and logistics pipeline and grow its investment properties portfolio, the Group restocked close to 1.3 million square metres of industrial and logistics land bank. Around a third of that came from an industrial site in Binh Duong Province, the Group's first industrial project in Vietnam.

In April 2021, the Group completed a rights issue exercise, raising approximately S\$1.16 billion in net proceeds. The use of proceeds includes funding a development pipeline that will give the Group increased exposure to industrial and logistics as well as commercial and business parks assets. The rights issue also allows the Group to enhance its financial agility and resilience. To date, approximately S\$171 million of the proceeds from the rights issue have been utilised.

Tapping into the rising appetite for green and sustainable financing, Frasers Property continued to expand its green and sustainable financing portfolio. Beyond diversifying the Group's funding sources, sustainable finance is incidental to the Group's sustainability journey, and henceforth forms one of the pillars of the Group's sustainability strategy. In FY21 alone, approximately S\$1.9 billion of green or sustainable financing was raised across the Group, including the recent issuance of the S\$300 million sustainable notes⁴ due October 2028 by Frasers Property Australia in September 2021 as well as the A\$300 million five-year syndicated sustainability linked loan in April 2021. To date, the Group has raised over S\$6 billion of green or sustainability linked loans and bonds since its first green loan in September 2018.

In addition to actively managing its funding, the Group's REITs platform is a key element in its capital management framework. In October 2020, Frasers Centrepoint Trust completed the acquisition of Frasers Property's 63.1% stake in AsiaRetail Fund Limited for approximately S\$1.1 billion⁵. In addition, approximately S\$382 million of industrial and logistics properties were recycled through the Group's REITs over the course of the financial year.

LOOKING AHEAD

The COVID-19 pandemic has accelerated many structural trends and the Group remains cognisant of the need to evolve so as to build a future-ready and resilient business. Frasers Property continues to invest heavily in technology and innovation, with priority areas centred on delivering better business outcomes, improving productivity and protecting data and systems. In addition, to continue creating places for good, the Group prioritises sustainability and has made significant progress in making it a core part of the Group's agenda. This is evident from the 2021 GRESB⁶ results, where the Group achieved five global and regional sector leadership positions. Health, well-being and safety of the Group's customers, people and communities that the Group serves will remain top priorities for Frasers Property. Moreover, there will be ongoing operational enhancements while the Group actively manages its portfolio to optimise its performance across the various business units.

⁴ Inaugural issuance under the A\$2 billion multicurrency debt issuance programme established in February 2020

⁵ As per Frasers Property's announcement dated 3 September 2020

⁶ Global ESG Benchmark for Real Assets, a mission-driven and industry-led organisation that provides actionable and transparent environmental, social and governance (ESG) data to financial markets

In Singapore, the Group saw strong response to its 496-unit Parc Greenwich executive condominium (“EC”) project. Over the launch weekend in September 2021, 65% of the units were sold⁷, making Parc Greenwich the best-selling EC launch year-to-date. The Group will focus on delivering all its residential projects as it looks out for new development opportunities. It will also focus on the redevelopment of Bedok Point, in which the Group had received provisional permission from the Urban Redevelopment Authority in February 2021. Meanwhile, the suburban mall business remains resilient through the various phases of COVID-19 control measures and is well-positioned for the eventual relaxation of curbs.

In Australia, 2,787 residential units were sold and 2,327 residential units were settled over the course of FY21 on the back of positive economic conditions and government stimulus, resulting in pre-sold revenue of S\$1.3 billion⁸ as at 30 September 2021. Selective replenishment of its residential pipeline remains a key focus. In FY21, in partnership with the Queensland Government, the Group entered into its first build-to-rent project for 366-apartments with target completion in FY24. In 1Q FY22, the Group will complete the acquisition of 263,000 square metres of land bank across two sites, which will add around 1,150 units to its residential pipeline. Meanwhile, the Group remains focused on active leasing efforts to drive occupancy in its investment properties portfolio, which continues to face operating headwinds, as well as stabilisation of its newly completed retail assets.

Frasers Property Industrial remains well placed to leverage the continuing shift towards e-commerce and logistics, with a stable development pipeline that is supported by sustained and strong demand from high quality tenants. It currently has ongoing development projects totalling S\$751 million in gross development value, with gross floor area of approximately 356,000 square metres across eleven projects in Australia and Europe, scheduled for completion over the next two financial years. To further grow its development pipeline, Frasers Property Industrial added more than 800,000 square metres of land across Australia, the Netherlands and Germany in FY21.

While hospitality remains the most challenged sector, the Group’s stronger long-stay corporate and domestic travel base has provided a degree of stability as it focuses on optimising business processes, cost structures and operations for enhanced agility and resilience. With market dynamics gradually improving, Frasers Hospitality will continue to execute its recovery plans that are centred around capturing and maximising returns from pockets of demand as well as a sharpened focus on customer experience. The Group has seen encouraging results in the UK. Other than hotels in the major cities that are more dependent on business travel, the Group’s Malmaison & Hotel du Vin portfolio achieved improved rates and higher levels of occupancy after the UK ended domestic lockdown restrictions in July 2021.

Amid the difficult operating environment, Frasers Property will carry on building capabilities in key focus areas to reinforce the foundation and future-readiness of the Group’s businesses. Meanwhile, capital and liquidity management remain top priorities for the Group. This will underpin the Group’s ability to deliver value over the long term and through business cycles.

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\$40.3 billion as at 30 September 2021.

⁷ Including options signed

⁸ Includes Frasers Property’s effective interest of joint operation, joint ventures and project development agreements



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 70 cities and 20 countries 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://www.frasersproperty.com) or follow us on [LinkedIn](#).

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