

Fraser's Property Limited reports higher FY23 PBIT² of S\$1,313.2 million as compared to FY22

- ◆ Attributable profit³ decreased by 81% mainly due to net¹ fair value losses on investment properties and higher borrowing costs
- ◆ Proposed dividend of 4.5 Singapore cents per share, up from 3.0 Singapore cents per share for FY22

SINGAPORE, 10 NOVEMBER 2023

Fraser's Property Limited ("Fraser's Property", and together with its subsidiaries, the "Group") today announced its financial results for its full year ended 30 September 2023 ("FY23").

FINANCIAL HIGHLIGHTS

	FY23 (S\$ 'mil)	FY22 (S\$ 'mil)	Inc/(Dec) (%)
Revenue	3,947.1	3,877.0	1.8%
PBIT²	1,313.2	1,249.2	5.1%
Attributable Profit³	173.1	928.3	(81.3%)

Mr Panote Sirivadhanabhakdi, Group Chief Executive Officer of Fraser's Property, commented, "The Group's FY23 earnings were driven by improved residential business performance and maiden contributions from the acquisition of the stake in NEX, as well as better performance from hospitality."

Despite stronger PBIT, the Group's attributable profit was impacted mainly by non-cash, unrealised net¹ fair value losses on the Group's commercial properties in the UK and industrial and logistics properties in Australia and the EU, mainly due to higher capitalisation rates amid a high interest rate environment. While the Group recorded unrealised net¹ fair value losses in FY23, the Group's cumulative net¹ fair value change from FY18 to FY23 stood at a healthy S\$3 billion⁴, on the back of years of continual efforts to drive longer-term value creation from its investment properties.

The Group ended FY23 with net debt to total equity ratio of 75.8% (FY22: 64.8%) and net debt to property assets ratio of 40.4% (FY22: 37.5%), which it believes to be within acceptable levels given its property assets mix. Fixed rate debt comprised 72.4% of the Group's total debt, which had an average weighted debt maturity of 2.6 years. The Group's high proportion of fixed rate debt helps mitigate the effects of high interest rates, although there will be an impact on its average cost of debt as the Group further refinances its debt.

Mr Sirivadhanabhakdi added, "While our financial performance may be affected by external forces in certain years including the high interest rate environment, inflationary pressures, and ongoing global geopolitical and economic uncertainties, we continue to work on enhancing the resilience of our portfolio to deliver sustainable value to stakeholders over the long-term. After a decade of reshaping our portfolio and building competitive business platforms, we have leading business platforms such as industrial and logistics, Singapore suburban retail, and a strong Southeast Asia presence. We are entering the next phase of our journey on a strong footing, as we maintain our focus on improving the quality and visibility of earnings."

¹ Net of gains and losses

² Profit before interest, fair value change, tax and exceptional items

³ Profit after interest, fair value change, tax and exceptional items attributable to owners of the company

⁴ Before tax and non-controlling interests

Taking into consideration the Group's financial performance and cash flow requirements, and in keeping with the Group's efforts to maintain financial flexibility amid macro developments, Frasers Property's board of directors has proposed a first and final dividend of 4.5 Singapore cents per share for FY23, up from 3.0 Singapore cents per share for FY22.

KEY HIGHLIGHTS AND LOOKING AHEAD

Amid the evolving macroeconomic environment, the Group's ongoing commitment to strengthening its foundation and investing in its core capabilities has equipped Frasers Property with the expertise and experience to remain resilient and relevant in a rapidly changing world.

The Group's stable base of recurring income is supported by active asset management, stable occupancy rates and positive rental reversions. In FY23, the Group achieved around 1.8 million square metres of renewals and new leases across its investment properties portfolio, underpinned by demand for high-quality assets.

Over the course of FY23, Frasers Property completed around 312,000 square metres of development projects⁵ for its non-residential portfolio, with over 1.1 million square metres of pipeline projects under development for FY24 and beyond, mainly driven by industrial and logistics. The Group is well progressed in its industrial and logistics expansion in northern Vietnam and has completed the acquisition of approximately 446,000 square metres of land (out of 776,000 square metres secured) through a joint venture with a local partner. Meanwhile, Frasers Property Industrial acquired four greenfield development sites totalling about 388,000 square metres across Australia and Germany over the course of FY23.

On the residential front, the Group remains focused on markets with strong underlying demand. In Singapore, the business delivered healthy residential sales results with few units remaining for sale despite property cooling measures. In China, selective investments in Shanghai have led to successful launches with most projects fully sold. In Australia and Thailand, the level of sales and settlements have adjusted in tandem with market conditions. Against a backdrop of favourable supply-demand dynamics that underpin demand over the long term in its key residential markets, the Group will continue to selectively replenish land bank. As at 30 September 2023, the Group's pre-sold revenue for its residential business amounted to S\$2.6 billion.

Driven by the sustained recovery of global travel demand, Frasers Hospitality achieved PBIT growth of 27.8% year-on-year for FY23 on the back of higher occupancies and room rates, offset by higher operating costs.

Focusing on ESG to enable sustainable and resilient growth remains at the core of Frasers Property's strategy. Frasers Property Industrial received the first 6-star Green Star Communities rating for an industrial estate in Australia for The YARDS, and was recognised by GRESB as Regional Sector Leader for its existing assets in Australia in the 2023 Standing Investments assessment⁶. Meanwhile, Frasers Property Singapore saw the highest increase in scores among 5-star rated entities, improving from its 4-star rating in 2022. It is Regional Sector Leader in the Asia's Diversified – Office/Retail (non-listed) category in the Standing Investments assessment. Frasers Property also continued to expand its green and

⁵ Comprises industrial & logistics, commercial & business parks and retail developments

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

sustainable financing portfolio, having arranged over S\$11 billion⁷ of green or sustainability-linked loans and bonds as at 30 September 2023.

In line with its focus on improving earnings, the Group will continue to enhance its development exposure in selected asset classes and geographies as well as driving better returns from recurring income asset classes. The Group will also continue to pursue productivity and efficiency improvements, and build on the foundation it has developed over the years to drive value creation and sustainable portfolio returns.

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About Frasers Property Limited

Frasers Property Limited (“Frasers Property” and together with its subsidiaries, the “Frasers Property Group” or the “Group”), is a multinational investor-developer-manager 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\$39.8 billion as at 30 September 2023.

Frasers Property's multinational businesses operate across five asset classes, namely, commercial & business parks, hospitality, industrial & logistics, residential and retail. The Group has businesses in Southeast Asia, Australia, the EU, the UK and China, and its well-established hospitality business owns and/or operates serviced apartments and hotels in over 20 countries and more than 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 or follow us on [LinkedIn](#).

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⁷ Includes joint ventures' and associates' financing facilities which are not included in the FPL group consolidated financial statements.