

Thailand Company Update

Fraser's Property Thailand Industrial Freehold and Leasehold REIT

Bloomberg: FTREIT TB | Reuters: FTREITu.BK
DBS Group Research . Equity

Refer to important disclosures at the end of this report

31 Oct 2025

BUY

Last Traded Price (30 Oct 2025): THB10.30 (SET : 1,314.65)
Price Target 12-mth: THB12.40 (20% upside) (Prev THB11.70)

Analyst

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What's New

- Rising occupancy amidst robust demand for factories
- Asset acquisition under way via debt financing
- ESG leader with EDGE-certified assets and GRESB Grade A ranking, poised to gain from ESG fund inflows.
- Offering decent yield of 7.6% and an IRR of 7.9%

Price Relative



Forecasts and Valuation

FY Sep (THBmn)	2023A	2024A	2025F	2026F
Gross Revenue	3,738	3,955	4,202	4,274
Net Property Inc	3,319	3,482	3,779	3,846
Total Return	2,852	2,402	2,817	2,840
Distribution Inc	2,500	2,568	2,817	2,840
EPU (THB)	0.93	0.73	0.86	0.86
EPU Gth (%)	18	(21)	17	1
DPU (THB)	0.75	0.75	0.77	0.78
DPU Gth (%)	6	0	3	1
NAV per shr (THB)	11.0	10.9	11.0	11.1
PE (X)	11.1	14.1	12.0	11.9
Distribution Yield (%)	7.3	7.3	7.5	7.6
P/NAV (x)	0.9	0.9	0.9	0.9
Aggregate Leverage (%)	29.5	26.3	28.9	28.7
ROAE (%)	8.5	6.9	7.8	7.8

Distn. Inc Chng (%): 9 7
Consensus DPU (THB): 0.77 0.39
Other Broker Recs: B: 3 S: 0 H: 0

Source of all data on this page: Company, DBSVTH, Bloomberg

Our top industrial REIT pick

Investment Thesis:

Thailand's leading industrial REIT with large proportion of freehold assets. FTREIT invests in a portfolio with a total net leasable area (NLA) of 2.29mn sq. m. as of 30 Jun 2025 comprising both factories (42%) and warehouses (58%). These assets are mostly freehold (72%) and strategically located in three main areas – the Eastern Economic Corridor (EEC: 58%), Northern Bangkok (23%), and Central Thailand (19%). Occupancy has been rising steadily to 91.5% in 3QFY25, up from 86% a year ago, supported by strong demand for both factories and warehouses.

Consistent expansion via sponsor asset injections. FTREIT continues to grow through regular asset injections from its sponsor and third parties, lifting its portfolio value 12x since inception in 2014 to THB50.8bn as of Jun 2025. A new THB1.9bn freehold asset acquisition is underway, funded by debt, which will raise leverage from 26.4% to around 28–29%—still comfortably below its 33% ceiling.

ESG momentum gaining traction. FTREIT stands to benefit from the SEC's move allowing Thai ESG and ESGX funds to invest in REITs and infrastructure funds. The trust's strong sustainability credentials include six EDGE-certified warehouses in 2025, four years of GRESB participation, and a Grade A rating for sustainability disclosure for three consecutive years—ranking second among six regional industrial peers.

Maintain BUY with a DCF-based TP of THB12.40. FTREIT remains our best pick in the industrial REIT space, thanks to its large proportion of freehold assets (72%), robust occupancy at 91.5%, and decent trading liquidity. The stock offers a generous FY26F distribution yield of 7.6% (payable quarterly) and an IRR of 7.9%.

Key Risks

A sharp occupancy rate drop and loss of anchor tenants are key risks to our forecasts.

At A Glance

Issued Capital (mn shrs)	3,283
Mkt. Cap (THBmn/USDmn)	33,819 / 1,044
Major Shareholders (%)	
FRASERS PROP HOLDING	23.0
Social Security Office	11.3
Fraser's Property (Thailand) Public Company	5.4
Free Float (%)	56.5
3m Avg. Daily Val (USDmn)	0.41
GIC Industry : Real Estate / Equity Real Estate Investment (REITs)	