



## **Frasers Property Thailand Industrial Freehold & Leasehold REIT**

# **1QFY23 Results Presentation**

6 February 2023

# Important Notice & Disclaimer

- This presentation is for information purposes only and does not constitute or form part of an offer, solicitation, recommendation or invitation for the sale or purchase or subscription of securities, including units in Frasers Property Thailand Industrial Freehold & Leasehold REIT (“**FTREIT**”, and the units in FTREIT, the “**Units**”) or any other securities of FTREIT. No part of it nor the fact of its presentation shall form the basis of or be relied upon connection with any investment decision, contract or commitment whatsoever. The past performance of FTREIT and Frasers Property Industrial REIT Management (Thailand) Company Limited, as the REIT manger of FTREIT (the “**Manager**”), is not necessarily indicative of the future performance of FTREIT and the Manager.
- This presentation may contains “forward-looking statements”, including forward-looking financial information, that involve assumptions, known and unknown risks, uncertainties and other factors which may cause the actual results, performance, outcomes or achievements of FTREIT or the Manger, or industry results, to be materially different from those expressed in such forward-looking statements and financial information. Such forward-looking statements and financial information are based on certain assumptions and expectations of future events regarding FTREIT’s present and future business strategies and the environment in which FTREIT will operate. The Manager does not guarantee that these assumptions and expectations are accurate or will be realized. The Manager does not assume any responsibilities to amend, modify or revise any forward-looking statement, on the basis of any subsequent developments, information or events, or otherwise, subject to compliance with all applicable laws and regulations and/or the rules of the Securities and Exchange Commission, Thailand (“**SEC**”) and the Stock Exchange of Thailand (“**SET**”) and/or any other regulatory or supervisory body or agency
- The information and opinions in this presentation are subject to change without notice, its accuracy is not guarantee and it may not contain all material information concerning FTREIT. None of FPT, FTREIT, the Manager, or any of their respective holding companies, subsidiaries, affiliates, associated undertaking or controlling persons, or any of their respective directors, officers, partners, employees, agents, representatives, advisers or legal advisers makes any representation or warranty, express or implied, as to the accuracy, completeness or correctness of the information contained in this presentation or otherwise made available or as to the reasonableness of any assumption contained herein or therein, and any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use, reliance or distribution of this presentation or its contents or otherwise arising in connection with this presentation is expressly disclaimed. Further, nothing in this presentation should be construed as constitution legal, business, tax or financial advice.
- The value of Units and the income derived from them, if any, may fall or rise. Unit are not obligations of deposits of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors should note that they have no right to request the Manager to redeem their Units are listed. It is intended that holders of Units may only deal in their Units through trading on SET. Listing of the Units on the SET does not guarantee a liquid market for the Units.
- Please study relevant information carefully before making any investment decision. Investors are encouraged to make an investment only when such decision correspond with their own objective and only after they have acknowledged all risks and have been informed that the returns may be more or less than initial sum.

# Agendas

- Key Highlights
- Portfolio Review
- Financial Review



# 1QFY2023 Overview

Active asset management with focused growth & capital management initiatives



Total Income

**932.2 MB**

▲ 2.9% y-o-y



DPU 1QFY23

**0.1870 Baht/unit**

▲ 10.0% y-o-y



NAV per unit

**10.8737 Baht**

▲ 0.3% from 30 Sep 22



Leverage

**25.4%**

▼ 0.4 p.p. from 25.8% as of 30 Sep 22



Fixed Rate Borrowings

**87.0%**

▲ 1.5 p.p. from 85.5% as of 30 Sep 22

## Attractive portfolio and financial metrics

1

**Renewals: >233,000 sqm**

Representing 77.0% of leasable area of expired contract in 1QFY23.

2

**Portfolio rebalancing: THB 83,000,000**

Divestment of land with a factory building at Ayutthaya Province, NLA 3,150 sqm.

3

**Capital Management:**

Repayment S/T to increase portion of Fixed Rate Debt and manage cost of borrowing.



Occupancy Rate

**85.2%**

31 Dec 22

**85.6%**

1QFY23



WALE

**1.9 Years**

31 Dec 22

**A**

Stable

Assigned 'A' company rating by TRIS Rating, with a 'Stable' outlook on 31 May 2022

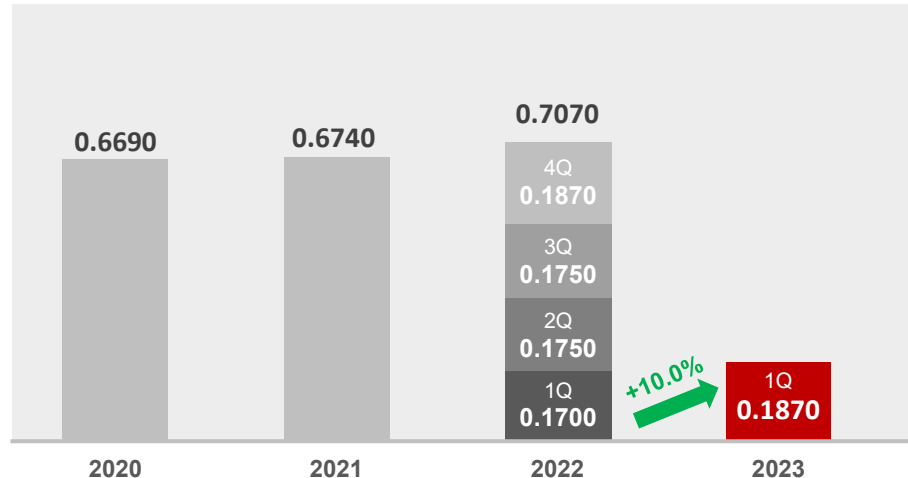
# Distribution Information

Sustainable growth of DPU to unitholders

## 1QFY23 Distribution Timetable

Operating period	1 October – 31 December 2022
Distribution rate	THB 0.1870 per unit
XD date	16 February 2023
Record date	17 February 2023
Payment date	2 March 2023

## Distribution per unit





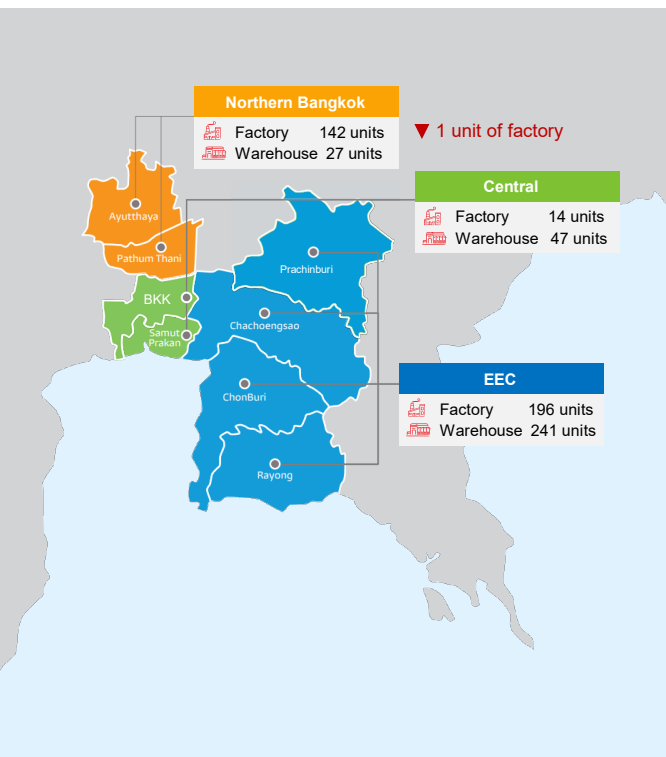
# Agendas

- Key Highlights
- **Portfolio Review**
- Financial Review



# Overview of industrial & logistics portfolio

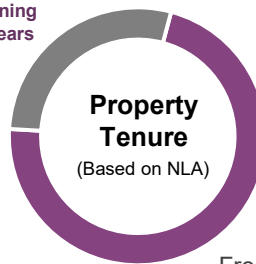
Diversified across strategic locations



As of 31 December 2022	Factory	Warehouse	Total
<b>No of Properties (units)</b>	352	315	667
<b>Portfolio Value (THB million)</b>	22,592.4	23,688.5	46,280.9
<b>Net Leasable Area (sq. m.)</b>	903,235	1,232,771	2,136,006
<b>WALE</b>	1.8 years	1.9 years	1.9 years
<b>Occupancy rate</b>			
Average 1QFY23 (3 months)	84.6%	86.3%	85.6%
As of 31 December 2022	84.5%	85.7%	85.2%
<b>Avg. Property Ages</b>	15.3 years	9.6 years	12.0 years

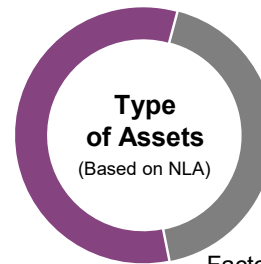
Leasehold 27%

Remaining  
20.9 Years



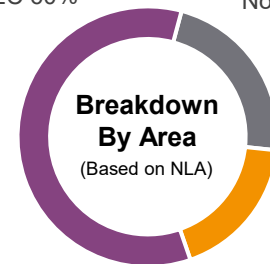
Freehold 73%

Warehouse 58%



Factory 42%

EEC 60%



Central  
17%

# Portfolio Review

## Average Occupancy rate movement by region

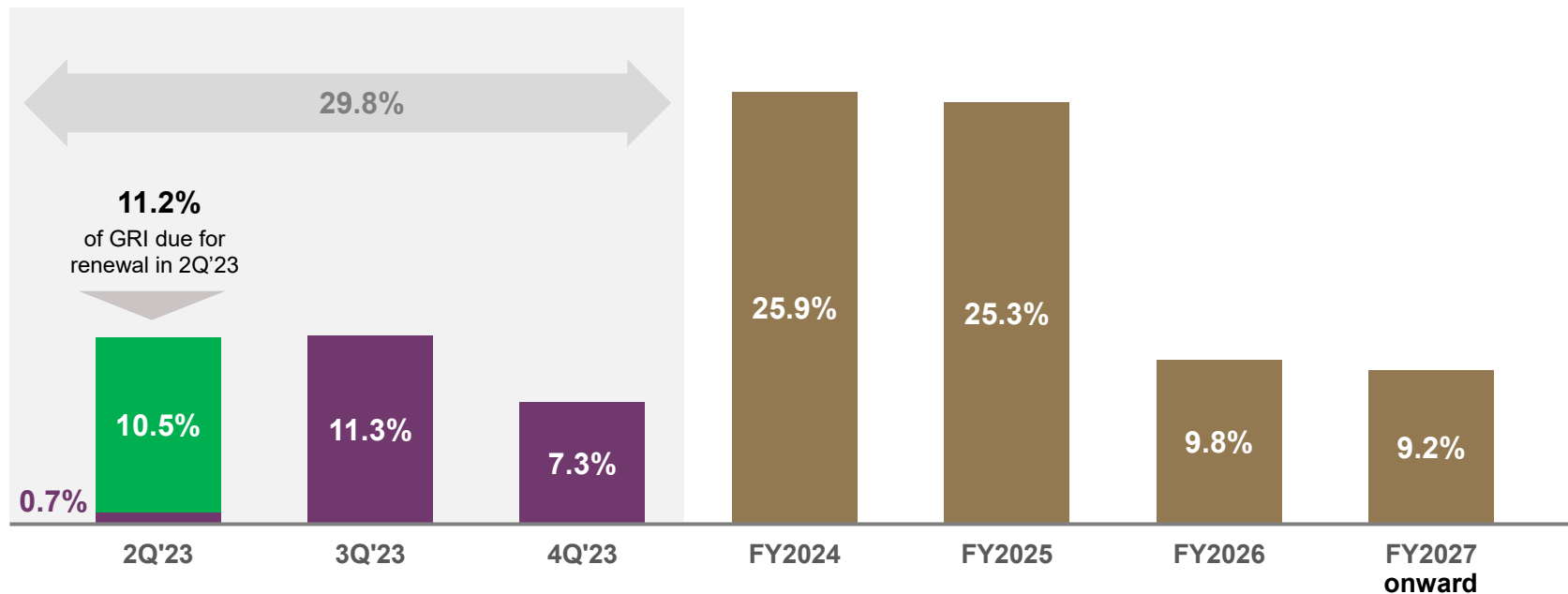


	<b>FY2022</b> Oct'21 – Sep'22	<b>4QFY22</b> Jul'22 – Sep'22	<b>1QFY23</b> Oct'22 – Dec'22	
<b>Portfolio</b>	86.4%	85.5%	85.6%	+0.1% Q-o-Q
<b>Northern Bangkok</b> Ayutthaya and Pathumthani	79.4%	79.1%	76.8%	-2.3% Q-o-Q
<b>Central</b> Bangkok and Samutprakarn	99.3%	99.2%	99.2%	
<b>EEC</b> Chonburi, Rayong, Chachoengsao and Prachinburi	85.6%	84.3%	85.3%	+1.0% Q-o-Q



# Lease Expiry Profile

Portfolio Lease Expiry Profile as of 31 December 2022



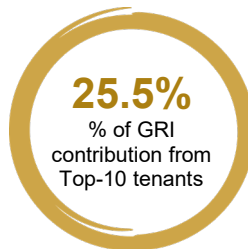
Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of December 2022

# Top-10 portfolio tenants

High-quality and well-diversified tenant base



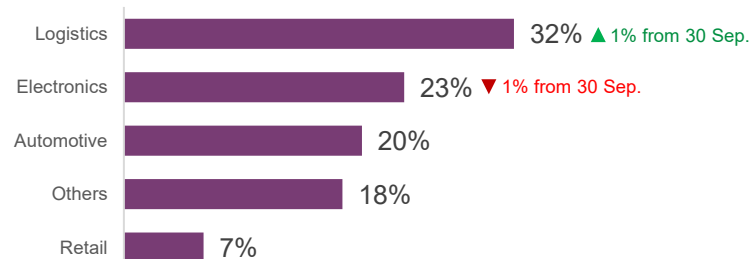
Reduced concentration risk with  
Top-10 tenants accounting



No	Industry	Nationality	% of GRI
1	Logistics	German	6.82%
2	Retail	Thai	4.06%
3	Logistics	Japanese	3.44%
4	Electronics	Korean	2.18%
5	Electronics	Singaporean	1.84%
6	Logistics	Thai	1.56%
7	Logistics	Thai	1.53%
8	Logistics	USA	1.51%
9	Logistics	Japanese	1.31%
10	E-Commerce	Germany	1.28%

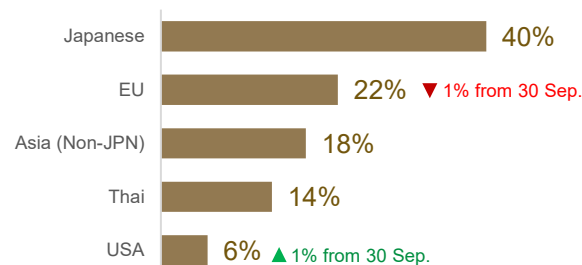
## Tenant Profile as of 31 December 2022

### Breakdown by Industry



**Remark:** Others = E-commerce, Packaging, Construction Materials, Food & Beverage etc.

### Breakdown by Nationality



# Agendas

- Key Highlights
- Portfolio Review
- Financial Review



# Key Financial Highlights

For 3-month period ended 31 December 2022

Financial Highlights (Unit: THB million)	1Q'23 (Oct'22 – Dec'22)	1Q'22 (Oct'21 – Dec'21)	Change (%)
Rental and service income	918.1	893.8	▲ +2.7
Total income	932.2	905.8	▲ +2.9
Cost of rental and service	83.4	58.5	▲ +42.5
Finance costs	93.8	93.1	▲ +0.7
Net profit on investment	635.7	635.8	▼ -0.0
DPU (THB per unit) *	0.1870	0.1700	▲ +10.0

## Key Highlights

- DPU for 1QFY23 at THB 0.1870 per unit increases 10.0% Y-o-Y.
- Rental and service income was mainly contributed from asset acquisitions in FY2022.
- Higher cost of rental and service due to the increase in Land & Building Tax which the Thai government has removed the 90% discount from 2022 onwards.



**+ 24.3 MB**  
1QFY23 Rental  
& Service Income  
▲ 2.7% Y-o-Y



**0.1870 Baht**  
1QFY23 DPU  
▲ 10.0% Y-o-Y

# Healthy Financial Position

As of 31 December 2022

Statement of Financial Position (Unit: THB Million)	31-Dec-22	30-Sep-22	Change (%)
Investment in properties at fair value	46,280.9	46,319.4	▼ -0.1
Cash and cash equivalents	258.3	331.3	▼ -22.0
Other assets <sup>(1)</sup>	206.5	240.7	▼ -14.2
<b>Total Assets</b>	<b>46,745.7</b>	<b>46,891.4</b>	<b>▼ -0.3</b>
Interest-bearing debt <sup>(2)</sup>	11,872.4	12,083.8	▼ -1.7
Other liabilities <sup>(3)</sup>	1,562.9	1,600.1	▼ -2.3
<b>Total liabilities</b>	<b>13,435.2</b>	<b>13,683.9</b>	<b>▼ -1.8</b>
<b>Net Asset Values<sup>(4)</sup></b>	<b>33,310.5</b>	<b>33,207.5</b>	<b>▲ +0.3</b>

(1) Other assets = Rental and service receivables + Interest receivables + other receivables + deferred expenses + other assets

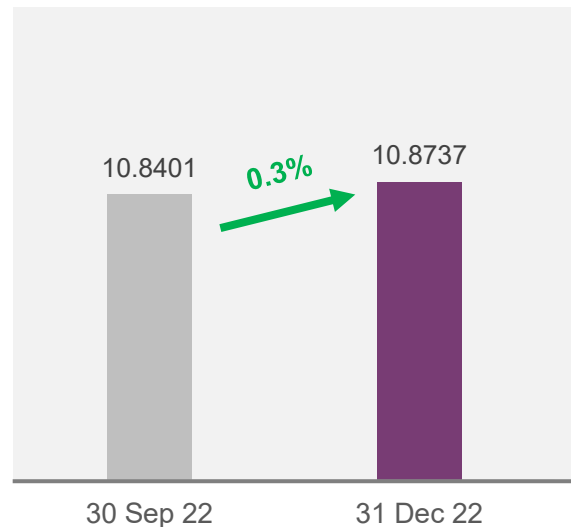
(2) Interest-bearing debt = Short-term borrowings + Debentures (net after issuing cost and borrowing expenses)

(3) Other liabilities = Accrued expenses + Accrued interest expenses + Withholding tax payable + Deposits from rental and service + Lease liabilities + Other liabilities

(4) Net assets = Capital from unitholders and Retained earnings








## NAV

(Unit : THB / unit)





# Prudent Capital Management

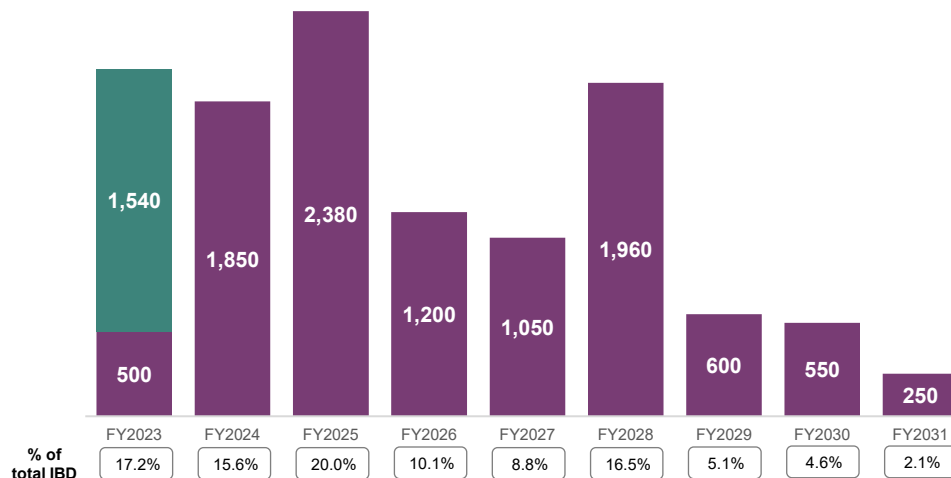
Key Credit Metrics	31 Dec 2022
 <b>IBD to Total Asset Value (LTV%)</b>	<b>25.4%</b>
 <b>Total Gross Borrowings</b> (THB million)	<b>11,880</b>
<b>Total Net Borrowings</b> (THB million)	<b>11,872</b>
 <b>Weighted Average Cost of Borrowings</b>	<b>3.08% p.a.</b>
 <b>Weighted Average Debt Maturity</b>	<b>3.2 years</b>
 <b>Portion of Fixed Rate Debt</b>	<b>87%</b>
 <b>Interest Coverage Ratio <sup>(1)</sup></b>	<b>7.93 times</b>
 <b>Credit Rating <sup>(2)</sup></b>	<b>A (Stable Outlook)</b>

## Debt Maturity Profile

Unit : THB Million

■ Debentures 10,340 MB

■ S/T Loan 1,540 MB



(1) Interest Coverage ratio = EBITDA (excluded gain from divestment and Interest – ROU asset) / Interest Expense based on compound basis.

(2) Official announcement rating by TRIS on 31 May 2022.

# Our Strategy For Long-Term Value Creation

Harnessing FTREIT's competitive advantages to deliver stable distributions

## Why invest in FTREIT?



### Proven track record in executing value accretive acquisitions:

Over THB 15.8 billion<sup>(1)</sup> of accretive acquisitions since conversion in 2017.



### Active portfolio rebalancing:

THB 83.0 million<sup>(2)</sup> in strategic divestment at a premium to book value.



### Stable distributions payment :

To pay at least 2 times a year and not less than 90% of the net profit.



### ESG:

#### ESG100 by Thaipat Institute

1 of 100 listed securities in SET with outstanding ESG for the fourth consecutive year.



### GRESB

In 2021 and 2022, FTREIT has joined the program for 2 consecutive years and aim to continue improving the score every years. For 2022, We got GRESB Public Disclosure Level A, 2<sup>nd</sup> of 6 South-eastern Asia Industrial.

## FTREIT Competitive Advantages



### SELECTED INVESTMENTS IN HIGH-QUALITY ASSETS



One of the leading industrial REITs, with a THB 46.3 billion portfolio of strategically located in prime areas; Ayutthaya, Samutprakarn and EEC etc.



High portfolio occupancy rate of 85.6%<sup>(3)</sup> with a well diversified tenant base in attractive sectors.



Healthy financials, low gearing of 25.4%<sup>(4)</sup> and a healthy balance sheet with diverse sources of funding providing financial flexibility.

(1) Portfolio at IPO was THB 4.2 billion, after a conversion at THB 30.5 billion, and ended of 31 December 2022 at THB 46.3 billion.

(2) As of 28 December 2022 (3) Average 3-month to 31 December 2022 (4) As of 31 December 2022

**Inspiring experiences,  
creating places for good.**

