

FRASERS PROPERTY (THAILAND) PLC

No. 84/2025
6 August 2025

CORPORATES

Company Rating:	A
Issue Ratings:	
Senior unsecured	A
Outlook:	Stable

Last Review Date: 30/04/25

Company Rating History:

Date	Rating	Outlook/Alert
14/10/21	A	Stable
17/09/19	A-	Stable
01/03/19	A	Alert Negative
25/05/17	A	Stable
27/04/16	A-	Stable
07/05/15	A	Negative
02/05/12	A	Stable
14/10/11	A	Alert Negative
21/11/05	A	Stable

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RATIONALE

TRIS Rating assigns a rating of “A” to Frasers Property (Thailand) PLC (FPT)’s proposed issue of up to THB6.0 billion senior unsecured debentures, with a maturity of up to 10 years. The proceeds from the new debentures will be used for debt repayments and/or working capital. At the same time, we affirm the company rating on FPT and the ratings on FPT’s existing senior unsecured debentures at “A”, with a “stable” rating outlook.

The company rating incorporates a three-notch enhancement from its stand-alone credit profile (SACP) to reflect FPT’s group status as a “strategically important” subsidiary of Frasers Property Ltd. (FPL), rated “AA-/Stable.” FPL is a multinational property development company listed on the Singapore Exchange Ltd. (SGX).

FPT’s SACP of “bbb” continues to reflect its diversified and balanced real estate portfolio and the satisfactory performance of its industrial and commercial property businesses. However, the SACP is constrained by the cyclical performance of its residential property segment and its high financial leverage. The ratings also consider the ongoing challenges of persistently high household debt and elevated mortgage rejection rates, which continue to weigh on housing demand. However, the downward trend in interest rates, the recent relaxation of loan-to-value (LTV) regulations, and reduced transaction fees are expected to partially support demand in the low- to mid-priced housing segments over the next 12 months.

FPT’s total operating revenue for the first six months of fiscal year 2025 (FY2025), covering October 2024 to March 2025, came in slightly below our expectations. The company reported total operating revenue of THB 6 billion and EBITDA of THB 2.1 billion, representing around 42% of our full-year forecast. This shortfall was mainly due to lower-than-expected transfers of residential units.

Looking ahead, we project FPT’s annual EBITDA to range between THB 5.0 billion and THB 5.8 billion during FY2025–FY2027, with the EBITDA margin expected to remain above 30% throughout the forecast period. Despite the weaker-than-expected housing transfers in the first half of FY2025, we anticipate recent government measures—specifically, the reduction of transfer and mortgage registration fees from 2% and 1% to 0.01% for homes priced up to THB 7 million per unit, along with the easing of LTV requirements—will help stimulate housing sales and transfers in the second half of the year. Also, revenue will be partially supported by a backlog of around THB 1.7 billion scheduled for transfer within FY2025.

We expect FPT’s financial leverage to remain relatively high, driven by its ongoing investments in both industrial and residential properties. As of 31 March 2025, its adjusted debt (including guarantees on joint ventures’ debts) to capitalization ratio stood at around 60%, while its fund from operation (FFO) to adjusted debt ratio was 5.6%. The adjusted debt to EBITDA ratio was 10.5 times.

Looking forward, we expect FPT to allocate around THB2.0-THB3.0 billion per year for land acquisitions for new residential projects, and THB4.0-THB4.5 billion annually for construction costs during FY2025-FY2026. We project investment in industrial properties to range from THB2.5-THB3.7 billion per year over the same period. Also, we expect the company to complete the asset recycling plan, generating a predicted THB1.5-THB2.0 billion annually. Given this investment and asset recycling plan, we expect FPT’s debt to capitalization ratio to improve

slightly to around 56%-58% during FY2025-FY2026, with the FFO to debt ratio remaining stable at around 6%. The adjusted debt to EBITDA ratio is likely to stay at around 10 times over this period.

The financial covenants on FPT's debentures require maintenance of an interest-bearing debt (excluding lease liabilities) to equity ratio below 3 times. As of 31 March 2025, this ratio was 1.4 times, and we believe FPT will comfortably comply with these covenants over the next 12 to 18 months.

We assess FPT's liquidity over the next 12 months to be manageable. As of 31 March 2025, the company's debt maturing in the next 12 months totaled THB16.2 billion, consisting of THB8.0 billion debentures, THB6.4 billion short-term loans, THB1.6 billion long-term project loans, and THB0.2 billion lease liabilities.

FPT's available liquidity sources included THB0.9 billion cash, THB1.5 billion undrawn committed credit facilities, and THB7.0 billion undrawn uncommitted credit lines. FFO is projected to be around THB3.0-THB3.3 billion annually. FPT also holds unencumbered land banks valued at THB10 billion and finished debt-free residential units worth THB2.5 billion, which could be used as collateral for new loans if needed.

RATING OUTLOOK

The "stable" outlook reflects our expectation that FPT will be able to maintain its market position and deliver operating performance as targeted and will keep its FFO to total debt ratio above 5%. We also expect FPT to remain a strategically important subsidiary of FPL.

RATING SENSITIVITIES

A revision to the ratings on FPT could result from changes in its SACP and/or its group status within the Frasers Group. The SACP on FPT could be revised upward should the company deliver significantly better-than-expected operating results, leading to a sustained increase in its FFO to adjusted debt ratio to a level above 10%. Conversely, the SACP could be revised downward if the FFO to adjusted debt ratio falls below 5% for an extended period, potentially due to weakened operating performance or aggressive debt-funded expansion.

RELATED CRITERIA

- Issue Rating Criteria, 26 December 2024
- Homebuilders and Real Estate Developers Rating Methodology, 12 January 2023
- Group Rating Methodology, 7 September 2022
- Corporate Rating Methodology, 15 July 2022
- Key Financial Ratios and Adjustments for Corporate Issuers, 11 January 2022

Frasers Property (Thailand) PLC (FPT)

Company Rating:	A
Issue Ratings:	
FPT25NA: THB971 million senior unsecured debentures due 2025	A
FPT262A: THB3,000 million senior unsecured debentures due 2026	A
FPT268A: THB2,400 million senior unsecured debentures due 2026	A
FPT260A: THB1,900 million senior unsecured debentures due 2026	A
FPT271A: THB500 million senior unsecured debentures due 2027	A
FPT275A: THB500 million senior unsecured debentures due 2027	A
FPT275B: THB1,000 million senior unsecured debentures due 2027	A
FPT276A: THB2,000 million senior unsecured debentures due 2027	A
FPT277A: THB1,400 million senior unsecured debentures due 2027	A
FPT27NA: THB689 million senior unsecured debentures due 2027	A
FPT27NB: THB1,500 million senior unsecured debentures due 2027	A
FPT282A: THB500 million senior unsecured debentures due 2028	A
FPT282B: THB2,000 million senior unsecured debentures due 2028	A
TICON283A: THB1,000 million senior unsecured debentures due 2028	A
FPT285A: THB1,000 million senior unsecured debentures due 2028	A
FPT28NA: THB1,150 million senior unsecured debentures due 2028	A
FPT292A: THB200 million senior unsecured debentures due 2029	A
FPT295A: THB500 million senior unsecured debentures due 2029	A
FPT301A: THB1,200 million senior unsecured debentures due 2030	A
FPT302A: THB500 million senior unsecured debentures due 2030	A
FPT305A: THB500 million senior unsecured debentures due 2030	A
FPT309A: THB300 million senior unsecured debentures due 2030	A
FPT315A: THB500 million senior unsecured debentures due 2031	A
Up to THB6,000 million senior unsecured debentures due within 10 years	A
Rating Outlook:	Stable

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