

# FRASERS PROPERTY (THAILAND) PLC

No. 1/2019  
1 March 2019

## CORPORATES

Company Rating:	A
Issue Ratings:	
Senior unsecured	A
CreditAlert:	Negative

Last Review Date: 05/02/19

### Company Rating History:

Date	Rating	Outlook/Alert
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

### Contacts:

Jutatip Chitphromphan  
jutatip@trisrating.com

Suchana Chantadisai  
suchana@trisrating.com

Sasiporn Vajarodaya  
sasiporn@trisrating.com



WWW.TRISRATING.COM

## RATIONALE

TRIS Rating places CreditAlert with a “negative” implication on the “A” company rating and issue ratings on Frasers Property (Thailand) PLC (FPT). The CreditAlert assignment follows the announcement on 25 February 2019 that FPT will make a voluntary tender offer for all securities of Golden Land Property PLC (GOLD) at the offering price of Bt8.5 per share, totaling Bt19,751.62 million. The acquisition will be funded by internal cash flow, bank loan, and debenture issuance. The tender offer period will end in July 2019.

Given the sizeable debt-funded financing, the acquisition debt will potentially pressure FPT’s leverage and weaken its financial risk profile. Meanwhile, the cyclical and competitive nature of residential property development which is GOLD’s main business line could negatively impact on FPT’s business profile.

Currently, GOLD is held 39.92% by Frasers Property Holdings (Thailand) Co., Ltd. (FPHT), 39.28% by Univentures PLC (UV), and 20.8% by the minority shareholders. FPHT is also the largest shareholder of FPT, holding 40.95% of FPT’s shares. FPT is viewed as a strategically important subsidiary of FPHT. FPHT is a wholly-owned subsidiary of Frasers Property Ltd.

The percentage of FPT’s shareholding in GOLD at the end of the transaction is still unclear at this point of time. FPT should be able to acquire at least 39.92% stakes in GOLD from FPHT, while the acquisition of 39.28% shares of GOLD that held by UV still needs consent from at least 75% of the minority shareholders of UV. Moreover, FPT has to tender from the minority shareholders of GOLD for the remaining 20.8% shares of GOLD.

Thus, TRIS Rating will resolve the CreditAlert once the tender offer has already been finalized and the impact from this transaction on FPT’s creditworthiness has been thoroughly analyzed.

## RELATED CRITERIA

- Key Financial Ratios and Adjustments, 5 September 2018
- Group Rating Methodology, 10 July 2015
- Rating Methodology – Corporate, 31 October 2007

## Frasers Property (Thailand) PLC (FPT)

### Company Rating:

A

### Issue Ratings:

TICON195A: Bt1,000 million senior unsecured debentures due 2019	A
TICON190A: Bt620 million senior unsecured debentures due 2019	A
TICON205A: Bt500 million senior unsecured debentures due 2020	A
TICON205B: Bt100 million senior unsecured debentures due 2020	A
TICON208A: Bt600 million senior unsecured debentures due 2020	A
TICON213A: Bt1,500 million senior unsecured debentures due 2021	A
TICON217A: Bt800 million senior unsecured debentures due 2021	A
TICON225A: Bt1,000 million senior unsecured debentures due 2022	A
TICON229A: Bt1,000 million senior unsecured debentures due 2022	A
TICON233A: Bt2,500 million senior unsecured debentures due 2023	A
TICON235A: Bt2,300 million senior unsecured debentures due 2023	A
TICON238A: Bt700 million senior unsecured debentures due 2023	A
TICON283A: Bt1,000 million senior unsecured debentures due 2028	A
FPT213A: Bt2,000 million senior unsecured debentures due 2021	A
FPT222A: Bt2,300 million senior unsecured debentures due 2022	A
FPT242A: Bt500 million senior unsecured debentures due 2024	A
FPT292A: Bt200 million senior unsecured debentures due 2029	A

### CREDIT ALERT:

Negative

### TRIS Rating Co., Ltd.

Silom Complex Building, 24th Floor, 191 Silom Road, Bangkok 10500, Thailand Tel: 0-2098-3000

© Copyright 2019, TRIS Rating Co., Ltd. All rights reserved. Any unauthorized use, disclosure, copying, republication, further transmission, dissemination, redistribution or storing for subsequent use for any purpose, in whole or in part, in any form or manner or by any means whatsoever, by any person, of the credit rating reports or information is prohibited, without the prior written permission of TRIS Rating Co., Ltd. The credit rating is not a statement of fact or a recommendation to buy, sell or hold any debt instruments. It is an expression of opinion regarding credit risks for that instrument or particular company. The opinion expressed in the credit rating does not represent investment or other advice and should therefore not be construed as such. Any rating and information contained in any report written or published by TRIS Rating has been prepared without taking into account any recipient's particular financial needs, circumstances, knowledge and objectives. Therefore, a recipient should assess the appropriateness of such information before making an investment decision based on this information. Information used for the rating has been obtained by TRIS Rating from the company and other sources believed to be reliable. Therefore, TRIS Rating does not guarantee the accuracy, adequacy, or completeness of any such information and will accept no liability for any loss or damage arising from any inaccuracy, inadequacy or incompleteness. Also, TRIS Rating is not responsible for any errors or omissions, the result obtained from, or any actions taken in reliance upon such information. All methodologies used can be found at [www.trisrating.com/rating-information/rating-criteria](http://www.trisrating.com/rating-information/rating-criteria)