



APAC REALTY REPORTS 121% INCREASE IN 1H2021 NET PROFIT

- Group revenue up 107.4% underpinned by strong demand from local buyers in a buoyant Singapore residential property market;
- Increased residential sales market share to 41.1%¹ for 1H2021, anchored by market share gains in the new homes market;
- Improved productivity with average income per ERA trusted advisor up 88% to S\$44,500 in 1H2021 from S\$23,600 in 1H2020;
- Secured marketing agent appointments for 25 residential projects with more than 9,000 new home units launched and to be launched in 2021;
- Declared interim dividend of 3.5 cents per share, representing a payout ratio of 73% and a special dividend of 3.0 cents per share;
- Well-positioned to weather the Covid-19 pandemic with a strong balance sheet and healthy cash balance of S\$42.6 million as at 30 June 2021.

Financial Highlights

S\$'000	1H2021	1H2020	Change (%)
Revenue	358,431	172,823	107.4
Profit before tax	20,378	9,068	124.7
Profit after tax	17,023	7,701	121.0
Earnings per share (cents)	4.80	2.18	120.2
	As at 30 Jun 21	As at 31 Dec 20	Change (%)
Net asset value per share (cents)*	46.6	43.6	6.9

* Based on 355,197,700 weighted average number of shares as at 30 June 2021 and 31 December 2020.

SINGAPORE, 12 August 2021 – APAC Realty Limited (“APAC Realty”, the “Company” or together with its subsidiaries, the “Group”), a leading real estate services provider which operates a market-leading real estate brokerage in Singapore under the ERA brand, announced revenue of S\$358.4 million for the six months ended 30 June 2021 (“1H2021”), an increase of 107.4% or S\$185.6 million compared to S\$172.8 million in the previous corresponding period (“1H2020”). Accordingly, profit after tax for the period increased 121.0% or S\$9.3 million to S\$17.0 million in 1H2021 from S\$7.7 million in 1H2020.

Commenting on the Group’s 1H2021 performance, Mr Jack Chua, Executive Chairman of APAC Realty Limited said, “We continued to make strong headway in the first half of the year, especially in the new homes market where we increased our market share to 32.1%¹ from 27.9%¹ in the year-ago period. Whilst market conditions remained conducive with strong local buyer demand and a favourable interest rate environment, our good performance is credited to the commitment and dedication of our future-ready ERA trusted advisors. Equipped with the latest ERA digital technologies, professional development and real estate data analytics, our trusted advisors continue to ensure our position as the preferred marketing agency for new home launches amongst leading developers.”

¹ By transaction volume, includes sales of new homes, private residential and HDB, but excludes leasing transactions



The increase in the Group's 1H2021 revenue was due to higher contribution from all market segments. Revenue from new home sales increased 146.2% or S\$79.4 million from \$54.3 million in 1H2020 to S\$133.7 million in 1H2021. Revenue from resale and rental of properties increased 95.0% or S\$107.2 million from S\$112.9 million in 1H2020 to S\$220.1 million in 1H2021.

"In light of APAC Realty's strong cash flow and robust balance sheet, the Board of Directors is pleased to declare an interim dividend of 3.5 Singapore cents per share and a one-off special dividend of 3.0 Singapore cents per share to reward shareholders for their continued support over the years. The interim dividend represents a dividend payout ratio of 73% based on the Group's 1H2021 net profit of S\$17.0 million, and an annualised dividend yield of 8.5%²", said Mr Chua.

"We are also delighted to update investors that we have established a dividend policy which will see us distributing 50% to 80% of our profits as dividends on a semi-annual basis. These payouts will be subject to several factors, including the level of cash and reserves, results of operations, and the Group's near-term capital requirements. To reward our loyal and dedicated employees who worked diligently to overcome the challenges posed by the pandemic, the Group has declared a special one-month bonus payable to all staff in September 2021."

ERA Is A Preferred Marketing Agent For New Home Launches

Mr Marcus Chu, Chief Executive Officer, APAC Realty Limited said, "ERA Realty remains a preferred marketing agency for new home launches amongst developers in Singapore and across the region. Having established the industry model over two decades ago, we continue to enhance our service delivery with the use of the latest proptech, dispensing quality advice and extending best-in-class customer service. As a result, we secured marketing agent mandates for 25 quality residential projects with more than 9,000 new home units launched or scheduled to be launched in 2021."

Amidst a disruptive market environment brought about by COVID-19 social distancing measures, developers in Singapore sold 7,601 private residential units (including ECs) in 1H2021, an increase of 68.1% from 4,523 units sold in 1H2020.

The private residential resale market recorded sales of 10,090 units in 1H2021, an increase of 228.6% from 3,071 units in 1H2020, while the HDB resale market grew 57.1% to 14,644 units in 1H2021 from 9,319 units in 1H2020.

ERA maintained a healthy 41.1% share of Singapore's residential property market in 1H2021, compared with 38.4% in 1H2020.

Future-Ready High Performance Trusted Advisors

As a forward-thinking real estate group, ERA is on an unceasing quest to future-ready its trusted advisors with the latest digital technologies, professional development and real estate data analytics.

RealtyWatch is ERA's proprietary consumer-centric proptech which delivers significant value add to consumers on multiple fronts. Through this mobile app, consumers are subscribers (VIPs) and can seamlessly browse for property information such as new launches and resale properties that fulfill their needs. Otherwise, Robo Advisor can provide them solutions based on their unique financial position. When they are ready and comfortable to talk to an advisor, they can easily connect with ERA.

Furthermore, RealtyWatch VIPs enjoy greater data and price transparency with alerts to information on the latest neighbourhood property transactions. This mobile app provides indicative property valuation using EdgeProp's fair value. VIPs will also receive real-time information on mortgage interest rates and packages provided by independent mortgage-advisory firm Redbrick.

² Based on closing share price of S\$0.825 as at 11 August 2021



Update On The Region

"We have a long-term approach to our regional expansion which has given us a presence in five of the top six largest economies in Southeast Asia: Indonesia, Thailand, Singapore, Malaysia and Vietnam. Our foothold in these markets provide us with access to a population of more than 469 million, allowing us to engage homeowners and buyers with a differentiated offer which combines ERA's globally recognized best-in-class service model with local knowledge and networks. Although the pandemic continues to weigh heavily on our regional real estate markets, we remain cautiously optimistic on their long-term post-COVID outlook given the roll out of vaccination programmes in 2021", said Mr Chua.

As the world's fourth most populous nation and the world's 10th largest economy in terms of purchasing power parity, Indonesia holds significant long-term promise with a sizeable and growing middle class³. In the primary market, demand for condominiums continues to be muted⁴ as buyers continue to focus on the landed housing, shophouses and land. The government has downgraded its 2021 GDP growth forecast to between 3.7 and 4.5 percent from between 4.5 and 5.3 percent.⁵

As Thailand struggled with its third wave of the COVID-19 in June 2021, the Bank of Thailand revised its GDP growth forecast for Southeast Asia's second largest economy to 1.8%, down from a previous forecast for 3.0%.⁶ Property developers are optimistic for the second half of 2021 because of a nationwide vaccination rollout and positive factors driving housing demand.⁷ We will continue to focus on marketing new condominium projects which are near-completion or ready for move-in. To engage the significantly larger resale market in the post pandemic-era, we will continue to build and expand our franchise business and sales teams.

Vietnam's economy grew 4.48% and 6.61% in 1Q2021 and 2Q2021 respectively⁸. The government forecasts full year growth of 6.7% on the back of strong recovery in manufacturing, exports and foreign direct investments. ERA Vietnam is looking to start a franchise for Da Nang this year, which will provide greater visibility and credibility to add to our list of lead marketing agency appointments and engage homeowners and buyers in the relatively healthy real estate market.

Over in Malaysia, our KL and Johor offices were operationally ready in 4Q 2020, however the official opening has been delayed due to the pandemic and the various movement control orders which came into effect since March 2020. Bank Negara Malaysia has forecast GDP to grow between 6% and 7.5% in 2021 following a steep 5.6% contraction in 2020⁹. With an agent count of close to 400, ERA Malaysia is targeting to grow its agent base to 1,000 agents by end of 2021, its first year of operation.

Looking Ahead

APAC Realty has the right strategies and the right teams to deliver on its objectives and create long-term value for shareholders. As the economies of Indonesia, Thailand, Vietnam and Malaysia recover and foreign buyers return in a post pandemic world, the Group expects these markets to grow their contribution.

The Group continues to be well-positioned with a strong balance sheet and healthy cash flows, and has one of the largest brand footprints in Asia with more than 18,400 salespersons in 645 offices across 10 countries through its ERA franchisees.

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³ World Bank, <https://www.worldbank.org/en/country/indonesia>

⁴ "Jakarta Property Market Review 1Q 2021", Jones Lang LaSalle, May 2021

⁵ "IMF lowers Indonesia's GDP growth forecast for 2021", Jakarta Post, 29 July 2021

⁶ "Bank of Thailand holds key rate at record low, cuts 2021 GDP outlook", The Bangkok Post, 23 June 2021

⁷ "Property developers' outlook upbeat", The Bangkok Post, 14 June 2021

⁸ "Vietnam's GDP grows 6.6% in April-June despite COVID outbreaks", The Nikkei, 29 June 2021

⁹ "Bank Negara: Malaysia on track for 6% to 7.5% GDP growth", The Star, 11 May 2021



About APAC Realty Limited

APAC Realty is a leading real estate services provider, holding the exclusive ERA regional master franchise rights for 17 countries in Asia Pacific. Through its ERA franchisee network, the Group has one of the largest brand footprints in Asia with more than 18,400 trusted advisors across 645 offices, and is one of the largest ERA Member Brokers globally by transaction value.

The Group has a market-leading position in the Singapore real estate brokerage business through its wholly-owned subsidiary ERA Realty Network Pte Ltd ("ERA Realty"). Established in 1982, ERA Realty is one of Singapore's largest real estate agencies with more than 8,150 trusted advisors as at 30 June 2021, providing property brokerage services for primary and secondary home sales, as well as rental of residential, commercial and industrial properties. As an industry pioneer, ERA Realty has constantly been at the forefront of technological innovations with an emphasis of enhancing agent productivity and service excellence for the past 39 years.

The Group also holds the master franchise rights for Coldwell Banker in Singapore. Coldwell Banker is one of the oldest and most established real estate office and franchising companies in the United States. As at 30 June 2021, there are 12 Coldwell Banker Member Brokers in Singapore.

APAC Realty's wholly-owned subsidiary Realty International Associates Pte Ltd ("RIA") operates training programmes and courses for real estate trusted advisors in preparation for professional certification exams and as part of continuing professional development regulations. RIA also undertakes valuation work on behalf of clients such as financial institutions, government agencies and property owners, and provides management services for real estate developments.

APAC Realty is listed on the Mainboard of the Singapore Exchange Limited since 2017. For more information, please visit www.apacrealty.com.sg.

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