



**APAC Realty Limited**  
(Company Registration No. 201319080C)  
(Incorporated in Singapore on 15 July 2013)

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**ANNUAL GENERAL MEETING TO BE HELD ON 23 APRIL 2026  
RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS**

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There were no material questions from shareholders as at 16 April 2026. Please refer to the questions received from Securities Investors Association (Singapore) on 7 April 2026 and the Company's responses are set out below:

**Q1. For the financial year ended 31 December 2025, the group reported revenue of \$675.6 million, with its market share of transaction volume in Singapore at 34.3%. This compares with 39.9% in 2024 and above 40% in 2021 to 2023.**

**(i) Can management elaborate on the key drivers behind the decline in market share from above 40% in FY2021 to 34.3% in FY2025? To what extent is this attributable to competitive dynamics, agent productivity, or structural changes in the market?**

ERA's market share naturally moves with broader transaction activity, particularly during periods of unusually strong or weak market conditions. While FY2021 saw market share exceed 40% due to post-COVID pent-up demand and a surge in new launches, we have consistently maintained a leading position within the 30%–40% range over time.

Market share is influenced by competitive dynamics, agent productivity, and structural shifts in the market. We assess performance holistically rather than relying on market share as a standalone metric. Our focus remains on strengthening the productivity and professionalism of our advisor network to deliver sustainable performance across cycles.

**Over the same period, the number of agents has fluctuated: from 8,432 as at 31 December 2021, to 8,493 as at 31 December 2022, increasing to 9,070 as at 31 December 2023, slipping to approximately 8,800 as at 28 February 2025 and decreasing further to 8,427 as at 1 January 2026.**

**(ii) Is this a deliberate strategy to improve agent quality and productivity, or does it reflect challenges in recruitment and retention?**

The evolution of our agent network reflects a deliberate shift towards quality, productivity, and accountability, rather than maximising headcount. We believe a more productive and professional advisory force delivers better outcomes for clients and more sustainable earnings for the Group.

A key step was the cessation of the CEA renewal fee subsidy from 1 January 2024. This reinforces accountability and ensures that resources are directed towards active advisors committed to serving clients and growing their practice.

These savings have been reinvested into marketing support, training, and technology. In FY2025, we conducted over 160 training sessions reaching more than 6,500 advisors, reinforcing advisory standards and capabilities.

Structured initiatives such as the Agency Leaders programme and Agent Growth Taskforce support recruitment, retention, and career progression, strengthening the overall quality and resilience of our network.

**The market is increasingly seeing the emergence of "fixed fee" or 1% commission models.**

**(iii) How does the board intend to defend the traditional 2% commission structure, and what quantifiable value-add can management demonstrate to ensure this premium remains sustainable in a price-sensitive environment?**

We monitor the emergence of fixed-fee and lower-commission models closely. However, our focus is not on defending a headline commission rate, but on delivering outcomes that justify the fee.

Clients continue to value advisors who can price accurately, market effectively, negotiate strongly, and manage transactions with professionalism. These capabilities directly influence pricing outcomes, time-to-close, and execution risk.

Our strategy is to strengthen advisor capability through training and technology so that value delivered remains clear and measurable. As transaction complexity increases, particularly with cross-border investments, the role of a trusted advisor becomes more critical.

**Q2. The group has been actively expanding beyond Singapore into regional markets. During the year, it entered Hong Kong through a franchise agreement with Hong Kong Morning Dragon Company Limited, marking its 14th territory in ERA Asia Pacific's network. The group also increased its presence in Indonesia through the 51% acquisitions of ERA Sky and ERA Fajar, and continues to pursue further regional growth opportunities. In Vietnam, the group recorded improved revenue and financial performance in 2025, and management expressing cautious optimism for 2026.**

**Geographical information**

|           | Revenue        |                | Non-current assets* |                |
|-----------|----------------|----------------|---------------------|----------------|
|           | 2025<br>\$'000 | 2024<br>\$'000 | 2025<br>\$'000      | 2024<br>\$'000 |
| Singapore | 655,594        | 551,493        | 159,935             | 163,405        |
| Indonesia | 4,794          | 3,853          | 8,841               | 8,932          |
| Vietnam   | 14,795         | 5,301          | 7,935               | 9,011          |
| Others    | 441            | 369            | 334                 | 391            |
|           | <b>675,624</b> | <b>561,016</b> | <b>177,045</b>      | <b>181,739</b> |

\* Comprising property, plant and equipment, right-of-use assets, intangible assets and investment in associates.

Source: Company Annual Report

**(i) Specific to the Hong Kong entry, what is the group's value proposition in a market that appears mature and saturated?**

Hong Kong serves as a key financial hub and gateway to Greater China. Our presence enhances our ability to support cross-border real estate investment flows and serve Singapore-based clients seeking regional diversification.

As this is a franchise arrangement, we do not expect Hong Kong to be a material earnings contributor in the near term. Our focus is on building long-term connectivity and cross-border opportunities.

**(ii) Could the board articulate the strategic rationale for the group's expansion in Southeast Asia, where transaction values and volumes are significantly lower than in Singapore? From a capital allocation perspective, how does the board ensure that the return on invested capital (ROIC) from these regional subsidiaries justifies the diversion of management's attention and capital away from the core Singapore market?**

Our expansion into Southeast Asia is underpinned by long-term structural drivers such as urbanisation, rising incomes, and housing demand. While transaction values are lower than Singapore, growth potential remains strong.

Our primary approach is capital-light through a master franchise model, allowing us to earn royalties without significant capital deployment.

Where we take equity stakes, these are selective and based on confidence in market potential. The Board evaluates these investments with strong emphasis on returns and capital discipline.

This approach is reflected in our strong balance sheet and continued dividend payout commitment.

**(iii) How does management assess and manage corruption and governance risks in overseas markets, and what specific controls and oversight mechanisms are in place to mitigate these risks?**

We take corruption and governance risks seriously. Our approach includes an enterprise risk framework, code of conduct, whistleblowing policy, partner due diligence, and Board oversight.

Beyond frameworks, we emphasise enforcement and accountability across all markets.

**Q3. On 4 February 2026, the company announced that its wholly owned subsidiary, ERA Realty Network Pte. Ltd., has been named as one of three co-defendants in a lawsuit<sup>1</sup> filed in the High Court of the Republic of Singapore. The claimants are seeking damages of \$731,212, alleging breach of duty of care and, alternatively, vicarious liability arising from the alleged negligent misrepresentation by one of the group's salespersons in a property transaction. Media reports suggest that the case relates to a failed "99-1" property transaction, with similar cases involving (other) agents having been reported lately.**

- (i) Can the board/management elaborate on its oversight of compliance with relevant laws and professional standards, particularly in relation to agent conduct and representations made to clients?**
- (ii) What control frameworks and escalation mechanisms are in place to identify, monitor, and address potential misconduct by agents, including breaches related to anti-money laundering and countering the financing of terrorism requirements?**

Our compliance framework is embedded across all stages of operations, supported by a code of conduct, whistleblowing channels, AML/CFT training, escalation protocols, and a disciplinary framework.

These frameworks are actively enforced and regularly reviewed to ensure effectiveness in a dynamic regulatory environment.

- (iii) Regarding the SALES+ digital platform, what specific automated safeguards or compliance modules have been integrated to assist agents in adhering to legal requirements? Are there mandatory disclosures or validation steps within the workflow designed to prevent misrepresentation and ensure that all advice provided to clients is documented and verifiable?**

SALES+ supports accurate, documented, and verifiable advisory processes through digital submissions, verified data access, and structured financial tools.

While these tools enhance accuracy and traceability, they do not replace professional judgement. The ultimate safeguard remains the integrity and professionalism of each advisor.

We will continue enhancing SALES+ with additional safeguards such as workflow-based disclosures and client acknowledgement features.

## **BY ORDER OF THE BOARD**

Chua Khee Hak  
Executive Chairman  
17 April 2026