



# 1Q 2021 Business Update

12 May 2021



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## **1Q 2021 Singapore Property Market**

- New homes market increased 63% to 3,493 units as compared to 1Q 2020
- Private residential resale market increased 117% to 4,607 units
- HDB resale market also reported an increase of 29% to 7,581 units
- Achieved a market share of 32.2% and 28.2% of the new homes and overall residential market respectively in 1Q 2021

## **Financials**

- Total revenue for 1Q 2021 up 70% to S\$153.1 million as compared to 1Q 2020
  - New home revenue up 133% to S\$54.3 million
  - Resale and rental revenue up 49% to S\$96.4 million
- NPAT up 114% to S\$7.5 million

# Singapore Residential Property Market Overview for 1Q 2021

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Key Indicators	1Q 2021	4Q 2020	Change (%)
<b><u>Private Residential Market</u></b>			
Price index	162.2	157.0	3.3
Rental index	106.2	103.9	2.2
Pipeline supply*	48,139	49,307	(2.4)
Unsold units (excl. ECs)	21,602	24,296	(11.1)
Vacancy rate (excl. ECs)	6.4%	7.0%	
<b><u>HDB Residential Market</u></b>			
Price Index	142.2	138.1	3.0
Number of HDB flats rented out	58,171	59,092	(1.6)

\* Total supply of uncompleted private residential units (excluding ECs) in the pipeline with planning approvals

Source: Real estate statistics from URA and HDB



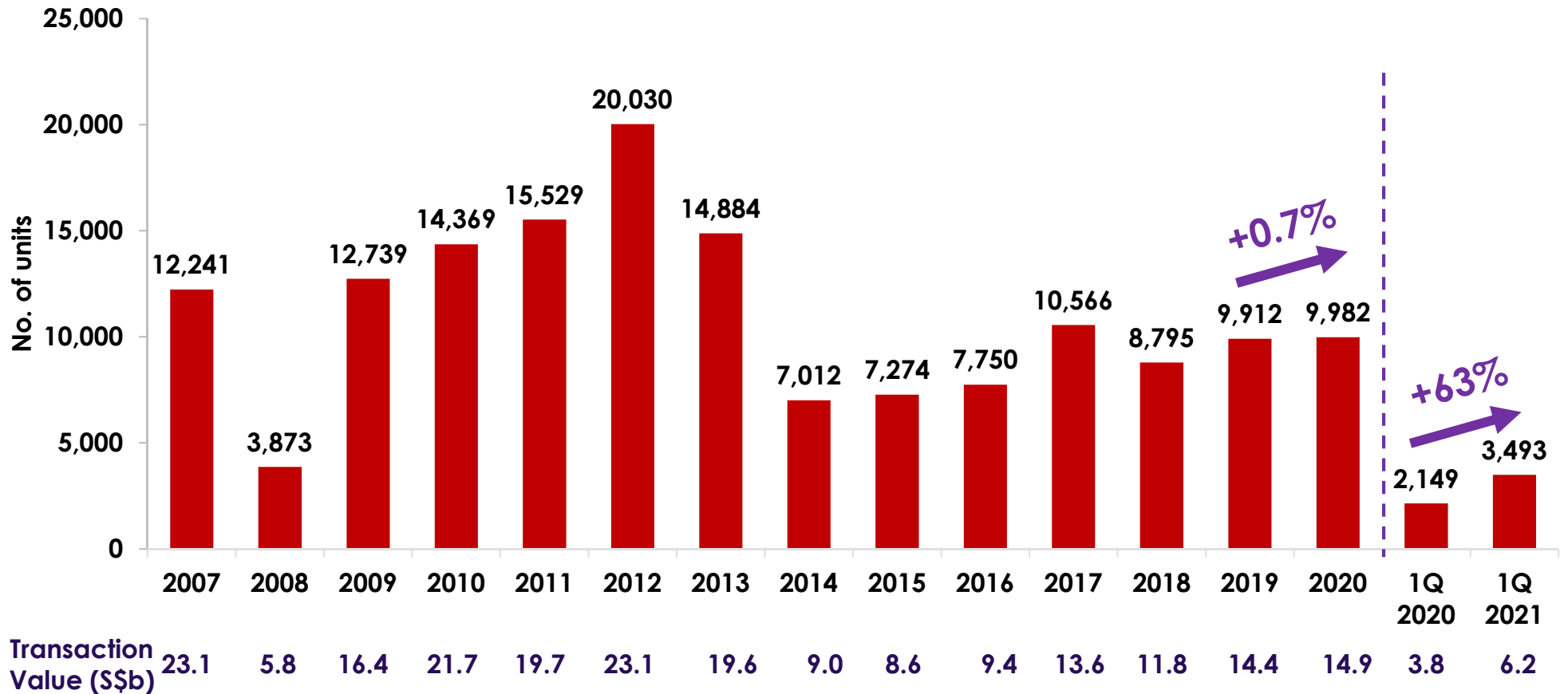
# Singapore Residential Property Market Overview for 1Q 2021

Market Transaction Volume	1Q 2021 (units)	1Q 2020 (units)	Change (%)
<b><u>New Homes</u></b>			
Private	3,493	2,149	62.5
ECs	<u>647</u>	<u>590</u>	9.7
	<b><u>4,140</u></b>	<b><u>2,739</u></b>	<b>51.2</b>
<b><u>Resale</u></b>			
Private	4,607	2,120	117.3
HDB	<u>7,581</u>	<u>5,893</u>	28.6
	<b><u>12,188</u></b>	<b><u>8,013</u></b>	<b>52.1</b>
<b><u>Rental</u></b>			
Private	23,544	21,191	11.1
HDB	<u>10,676</u>	<u>11,591</u>	(7.9)
	<b><u>34,220</u></b>	<b><u>32,782</u></b>	<b>4.4</b>
<b>Total residential transactions</b>	<b>50,548</b>	<b>43,534</b>	<b>16.1</b>

Source: Real estate statistics from URA and HDB

# Singapore Private Residential Property Sector

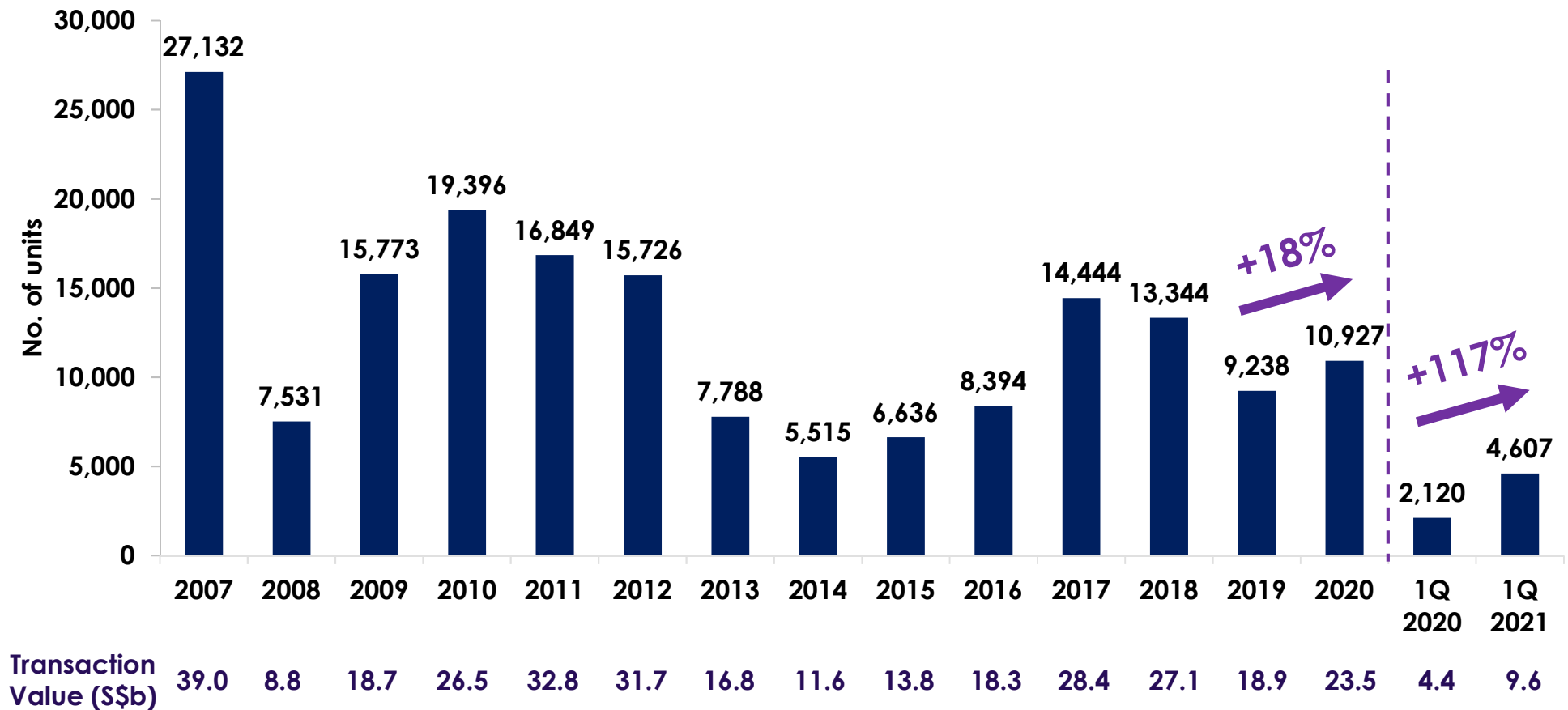
## Primary Private Residential Market Transaction Volume (exclude EC)



Source: Independent Market Research Report, URA

# Singapore Private Residential Property Sector

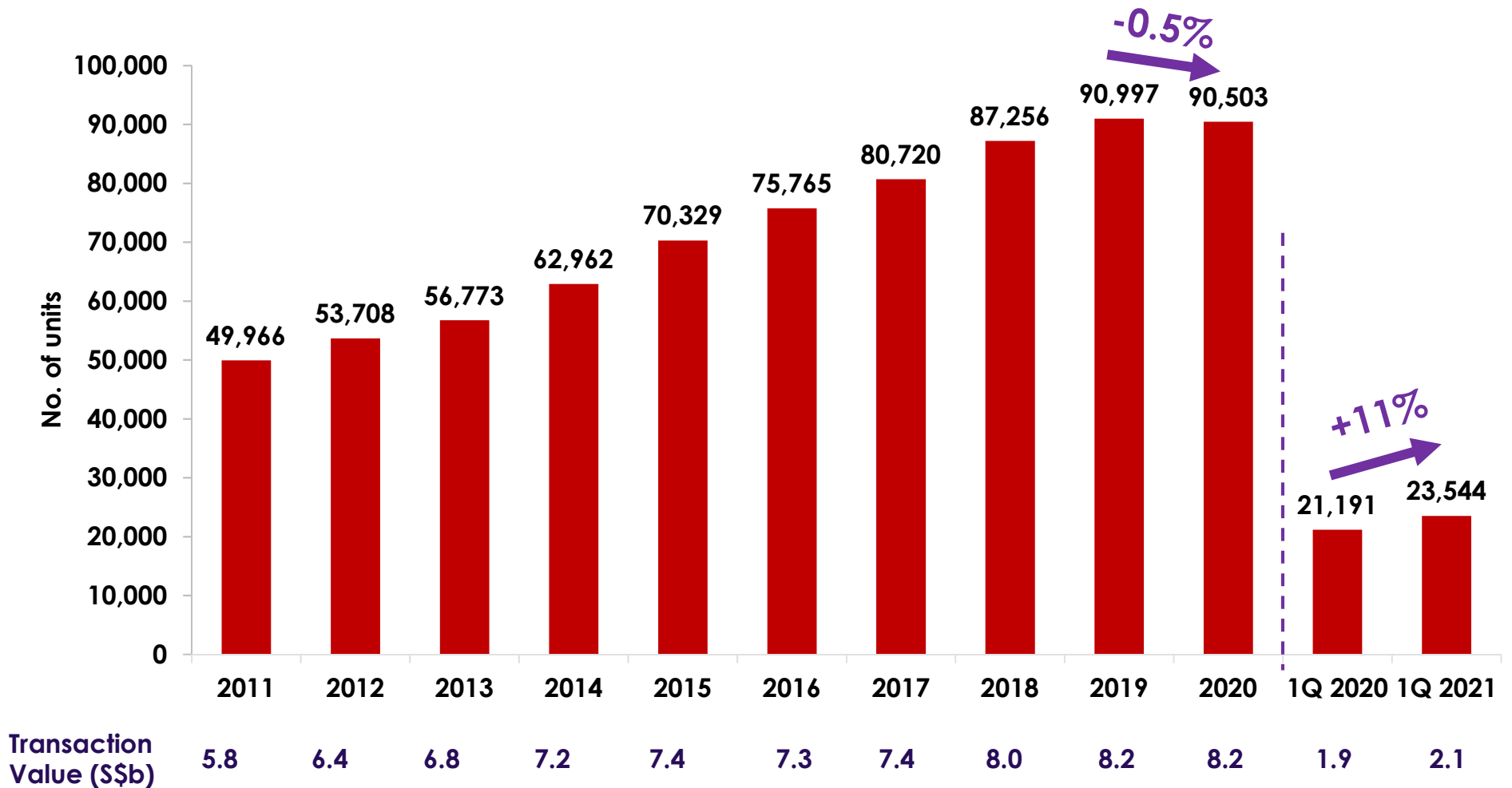
## Secondary Private Residential Market Transaction Volume



Source: Independent Market Research Report, URA

# Singapore Private Residential Leasing Sector

## Private Residential Rental Volume

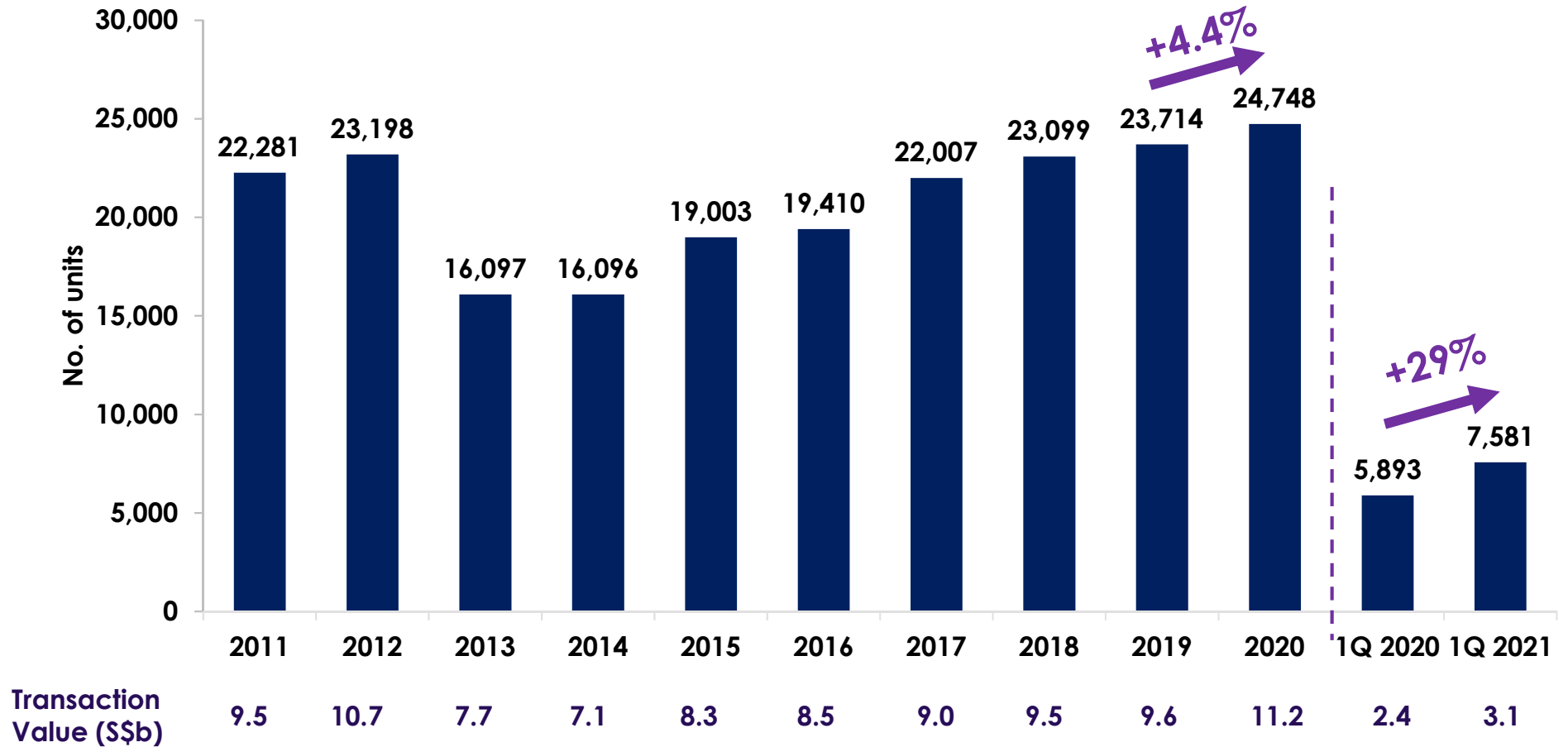


Source: Independent Market Research Report, URA



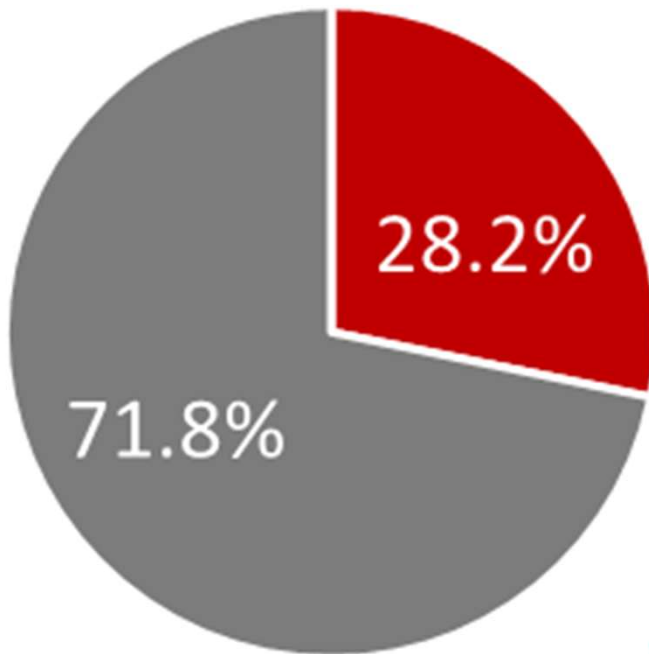
# Singapore HDB Resale Sector

## HDB Resale Volume



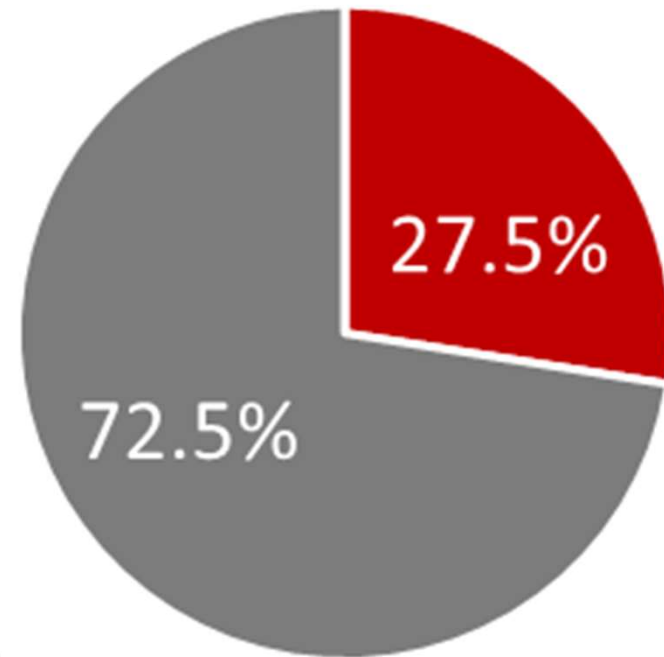
## All Residential Transactions

**1Q 2021**



**Overall Market: 50,548**

**1Q 2020**

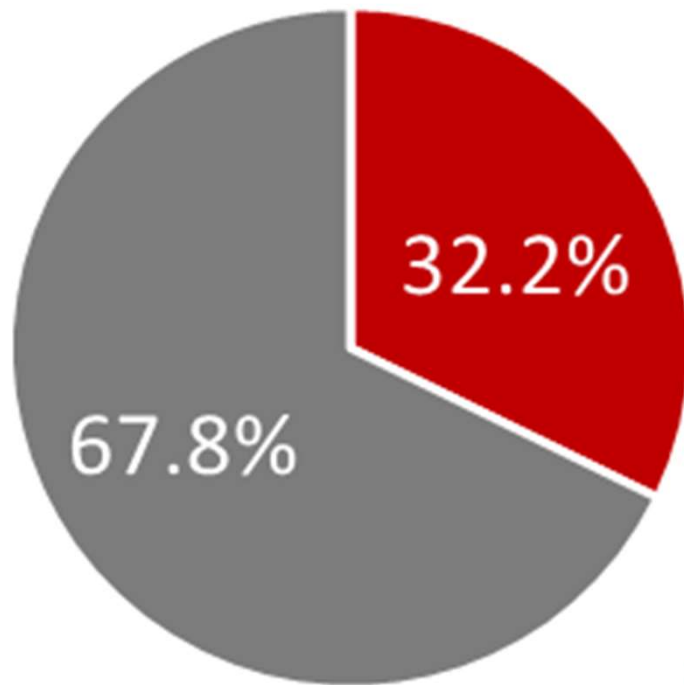


**Overall Market: 43,534**

■ ERA ■ Others

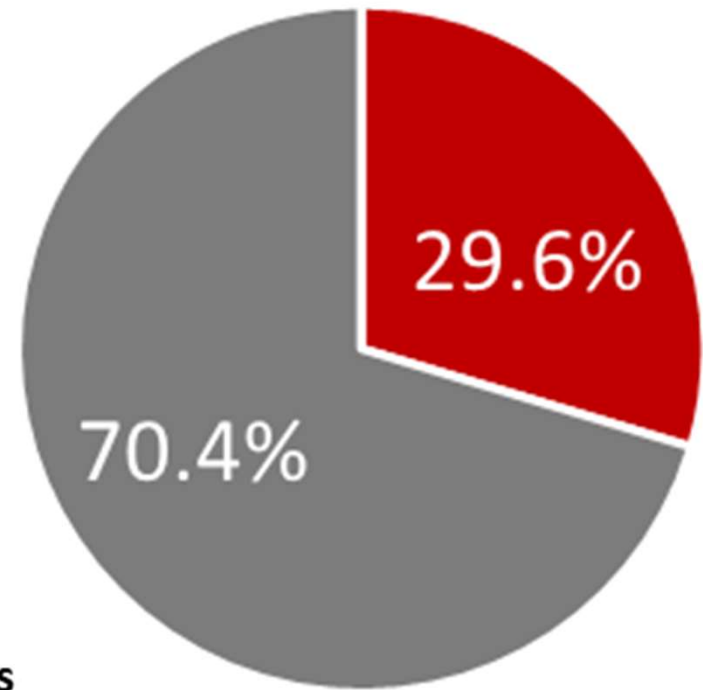
## New Home Sales (incl. ECs)

**1Q 2021**



**New Homes Market: 4,140**

**1Q 2020**

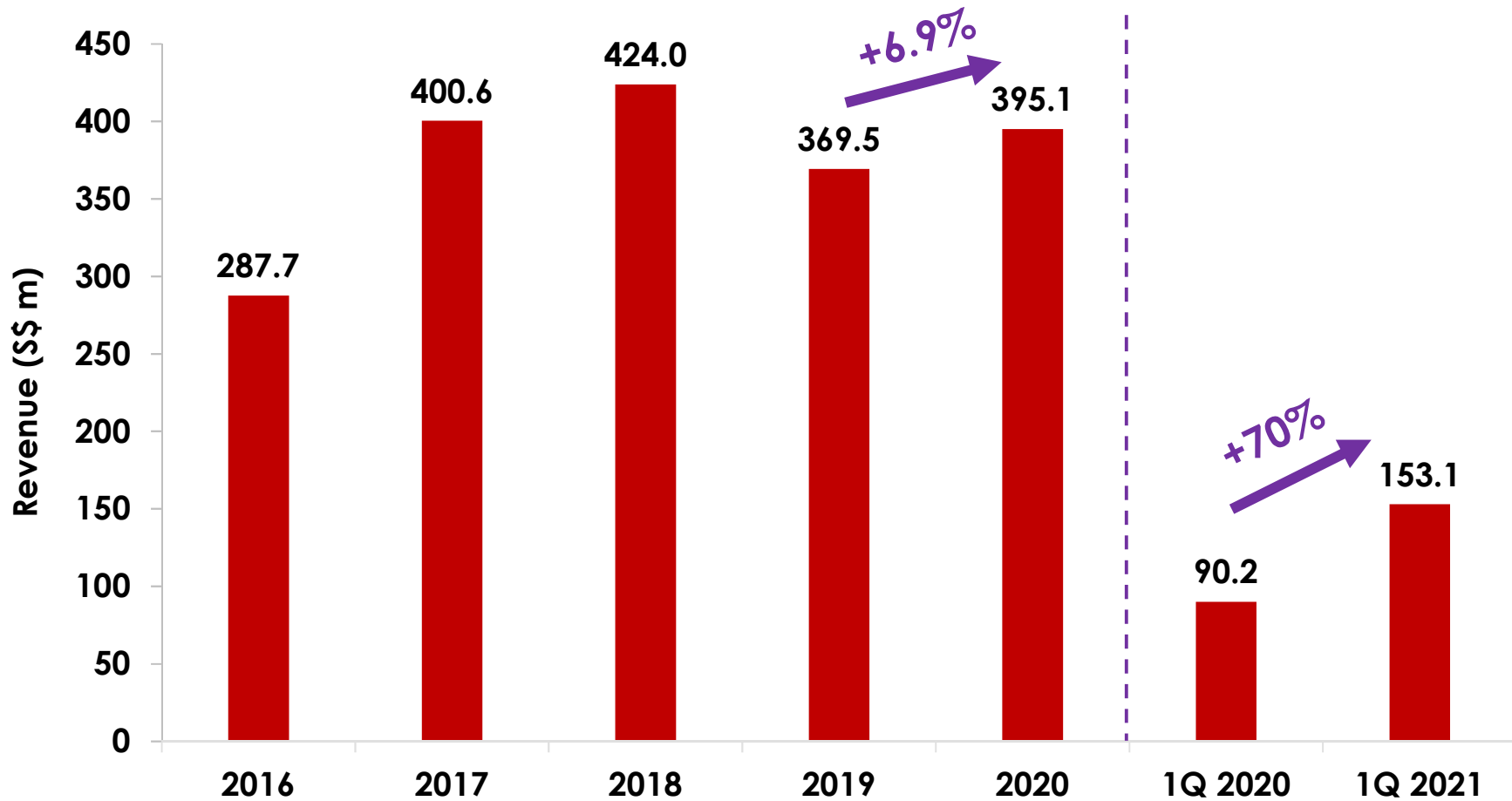


**New Homes Market: 2,739**

■ ERA ■ Others

# Financial Highlights

## Revenue

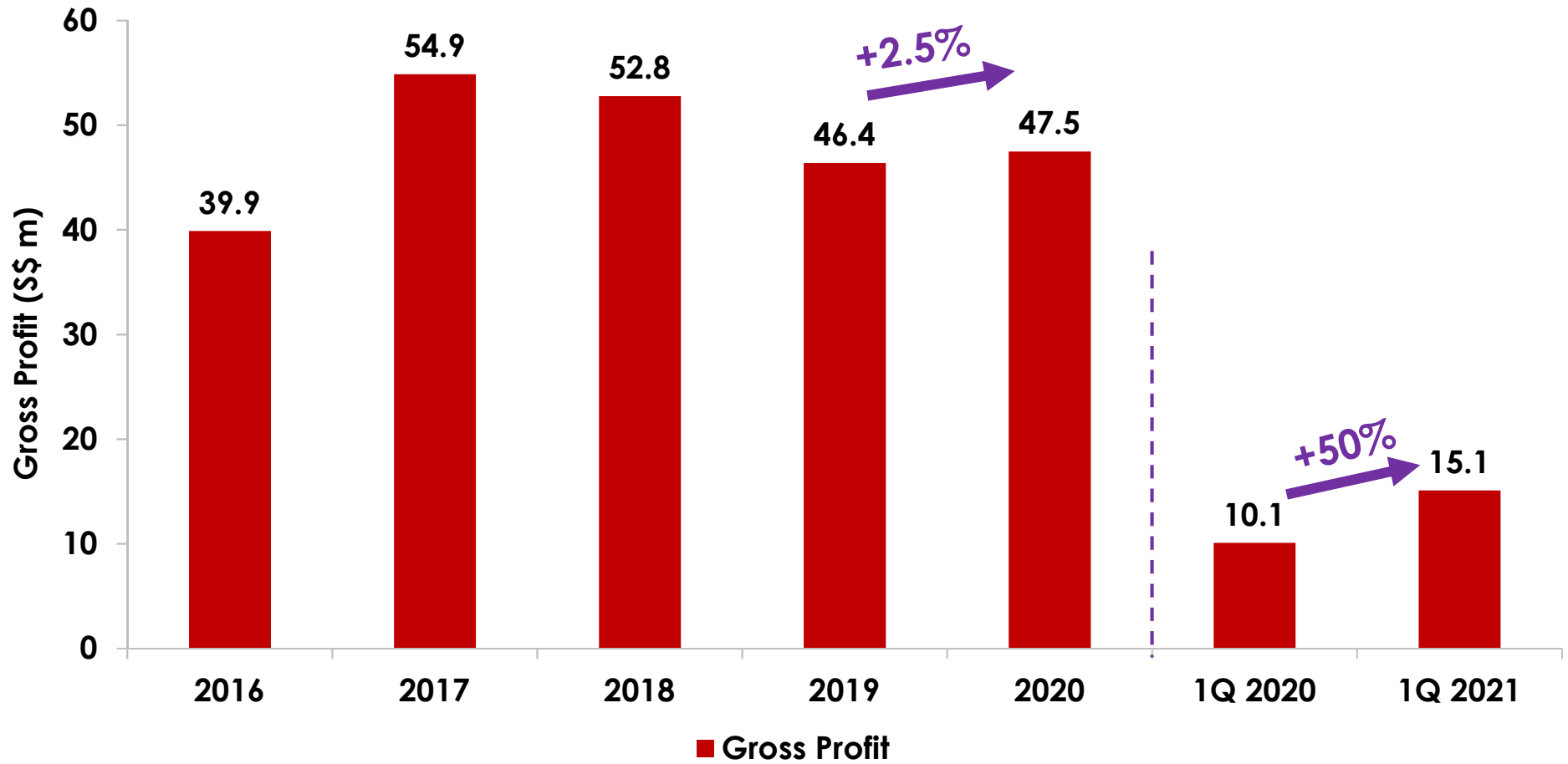


## Revenue

	1Q 2021 S\$' million	1Q 2020 S\$' million	Change (%)
<u>Brokerage revenue</u>			
Resale and rental	96.4	64.9	48.5
New homes	<u>54.3</u>	<u>23.3</u>	133.0
	150.7	88.2	70.9
Other revenue	<u>2.4</u>	<u>2.0</u>	20.0
<b>Total revenue</b>	<b><u>153.1</u></b>	<b><u>90.2</u></b>	69.7

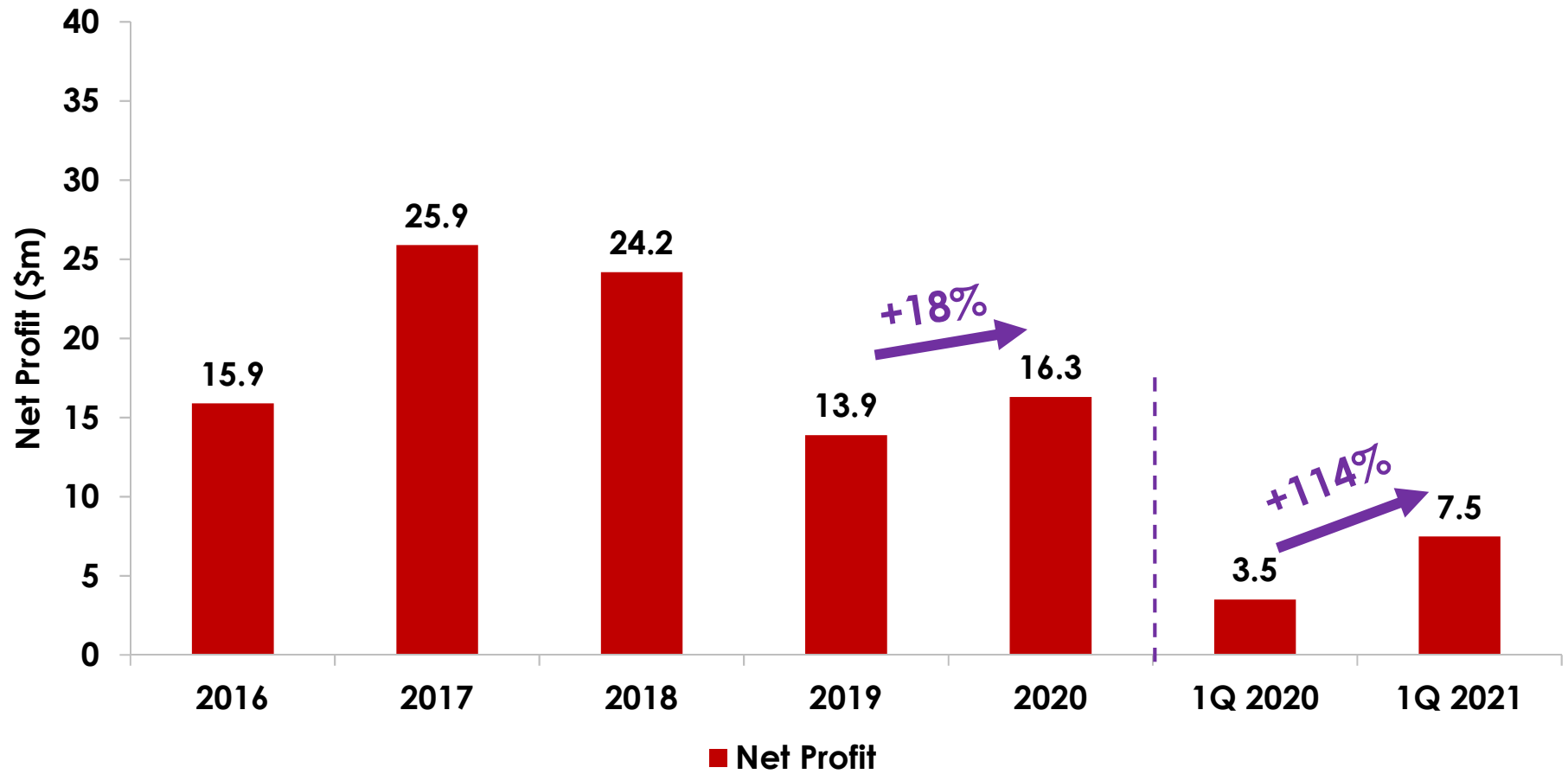
The strong performance in 1Q 2021 was largely due to an increase in transaction volume of residential properties in the new homes and resale segments in the last six months, which was driven mainly by local buyers, young couples and HDB upgraders amid strong global liquidity and low interest rate environment.

## Gross Profit





## Net Profit After Tax



## Project Marketing – Secured marketing agent roles in 23 Projects for 2021

Project	Location	Developer	No. of Units
Normanton Park	Normanton Park	Kingsford Huray Development	1,864
Parc Central Residences (EC)	Tampines Street 86	Hoi Hup / Sunway Developments	695
The Reef at King's Dock	Harbourfront Avenue	Mapletree Investments / Keppel Land	429
Midtown Modern	Tan Quee Lan Street	GuocoLand/ Hong Leong/ Hong Realty	558
Irwell Hill Residences	Irwell Hill	CDL	540
One-North Eden	Slim Barracks Rise	TID Residential	165
Peak Residence	Thomson Road	Tuan Sing Holdings	90
One Bernam	Bernam Street	Hao Yuan Realty	341
Park Nova	Tomlinson Road	Shun Tak Holdings	54
The Atelier	Makeway Avenue	Bukit Sembawang	120
Provence Residence (EC)	Canberra Link	MCC Land	415
KLIMT Cairnhill	Cairnhill Road	Low Keng Huat	138
Perfect Ten	Bukit Timah Road	Japura Development	230
Liv @ MB	Arthur Road / Mountbatten Road	Bukit Sembawang	388
Bartley Vue	Jalan Bunga Rampai	Wee Hur Holdings	115
Pasir Ris 8	Pasir Ris Central	Allgreen Properties/ Kerry Properties	487

## Project Marketing – Secured marketing agent roles in 23 Projects for 2021

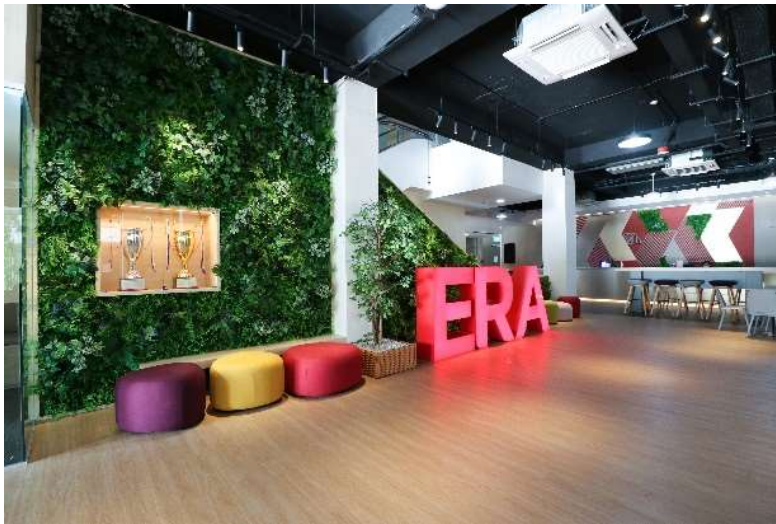
Project	Location	Developer	No. of Units
The Commodore	Canberra Drive	JBE	220
The Watergardens At Canberra	Canberra Drive	UOL / Kheng Leong	455
Parc Greenwich (EC)	Fernvale Lane	Frasers Property	480
Belgravia Ace	Belgravia Drive	Tong Eng	TBC
Pollen Collection	Ang Mo Kio Ave 5	Bukit Sembawang	TBC
Canninghill Piers	Clarke Quay	CDL / Capitaland	696
TBC	Tanah Merah Kechil Link	MCC Land	265
<b>10 projects were launched; 13 more projects to be launched in 2021</b>			<b>8,745</b>

Updated: 11 May 2021

Note:

Launched
To be launched in 2021

The Company has moved into ERA APAC Centre at Toa Payoh since December 2020



## New Technological Initiative

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- A customer relationship and management system launched in March 2021
- A 24/7 property transaction monitoring platform for agents and customers to be informed of transaction prices and property market info
- Customers can reach ERA Trusted Advisors anytime and anywhere through RealtyWatch



## Regional Update

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The Group continues to take a **long-term approach to its regional expansion strategy**. COVID-19 continues to weigh heavily on the real estate markets in Indonesia, Thailand, Vietnam and Malaysia. However, the Group remains **positive on the long-term post-COVID outlook** given the **established ERA brand, strong reputation and quality sales teams on the ground**.



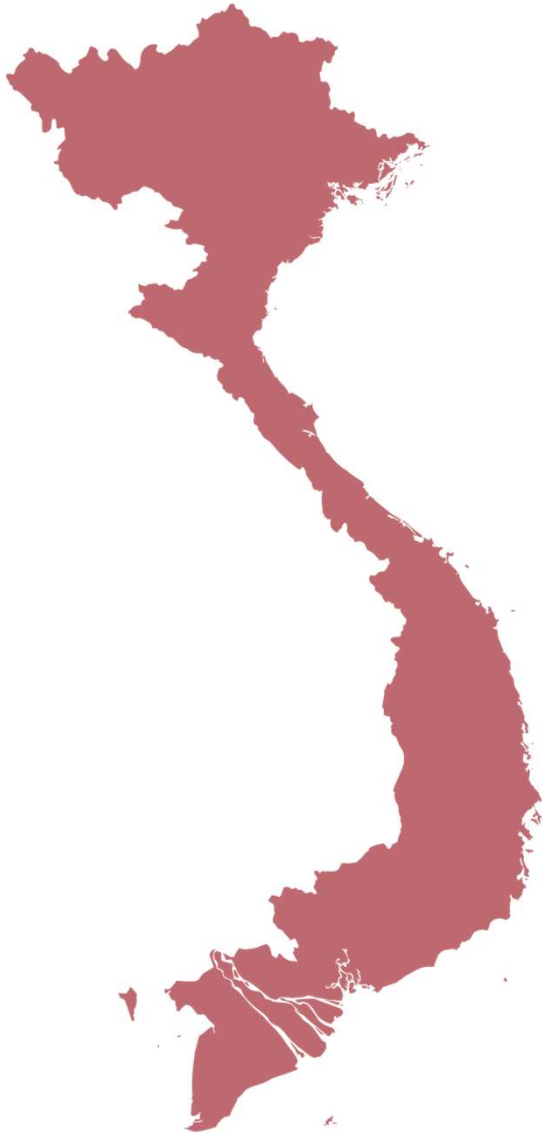




### Indonesia

- **Landmark Omnibus bill to cut red tape and improve the ease of doing business**
- **To create one of the world's top five economies by 2045**
- **Expected to contribute US\$5 billion and US\$10 billion into the economy annually as foreigner ownership of Indonesian properties takes off**
- **The central bank has forecast GDP to expand 4.1%-5.1% in 2021<sup>1</sup>**

In the primary market, demand for condominiums continues to be muted as buyers continue to focus on the landed housing, shophouses and land. Indonesia's secondary market remains attractive following a price correction of approximately 30% in 2020.



### **Vietnam**

**Vietnam's economy grew 4.48% in 1Q 2021 and the government forecasts full year growth of 6% on the back of strong recovery in manufacturing, exports and foreign direct investments<sup>2</sup>.**

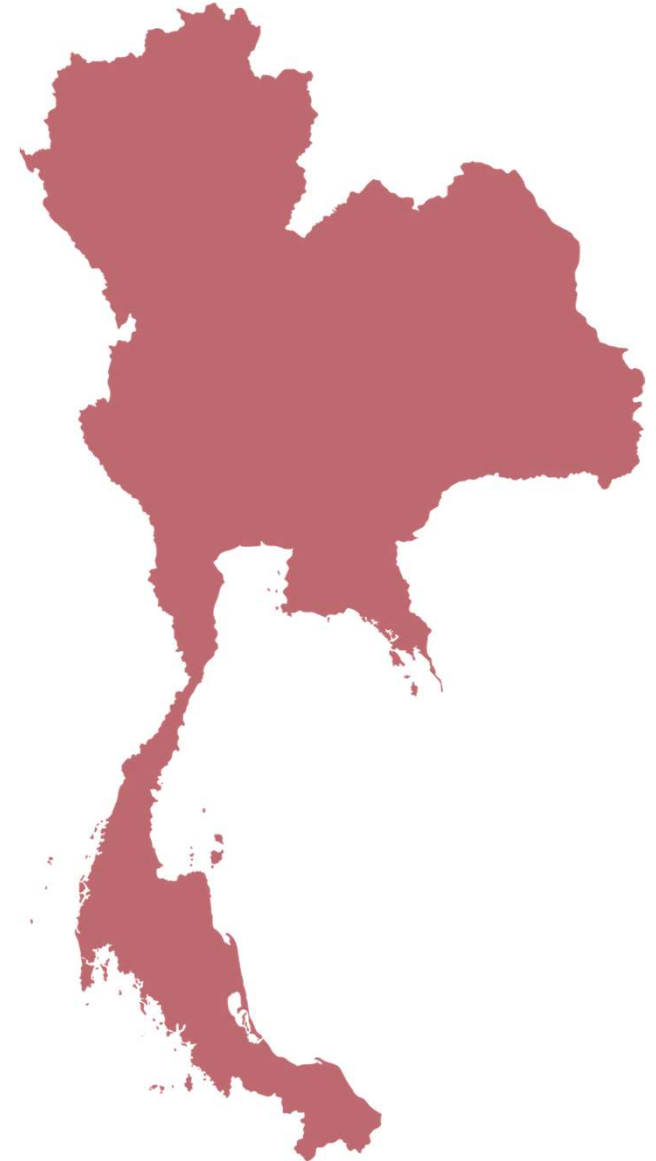
ERA Vietnam is looking to start a franchise for Da Nang this year, which will provide greater visibility to add to our list of lead marketing agency appointments and engage homeowners and buyers in the relatively healthy real estate market.

<sup>2</sup> "Economists trim forecasts after Vietnam Q1 growth disappoints, but outlook still bright", BT 30 March 2021

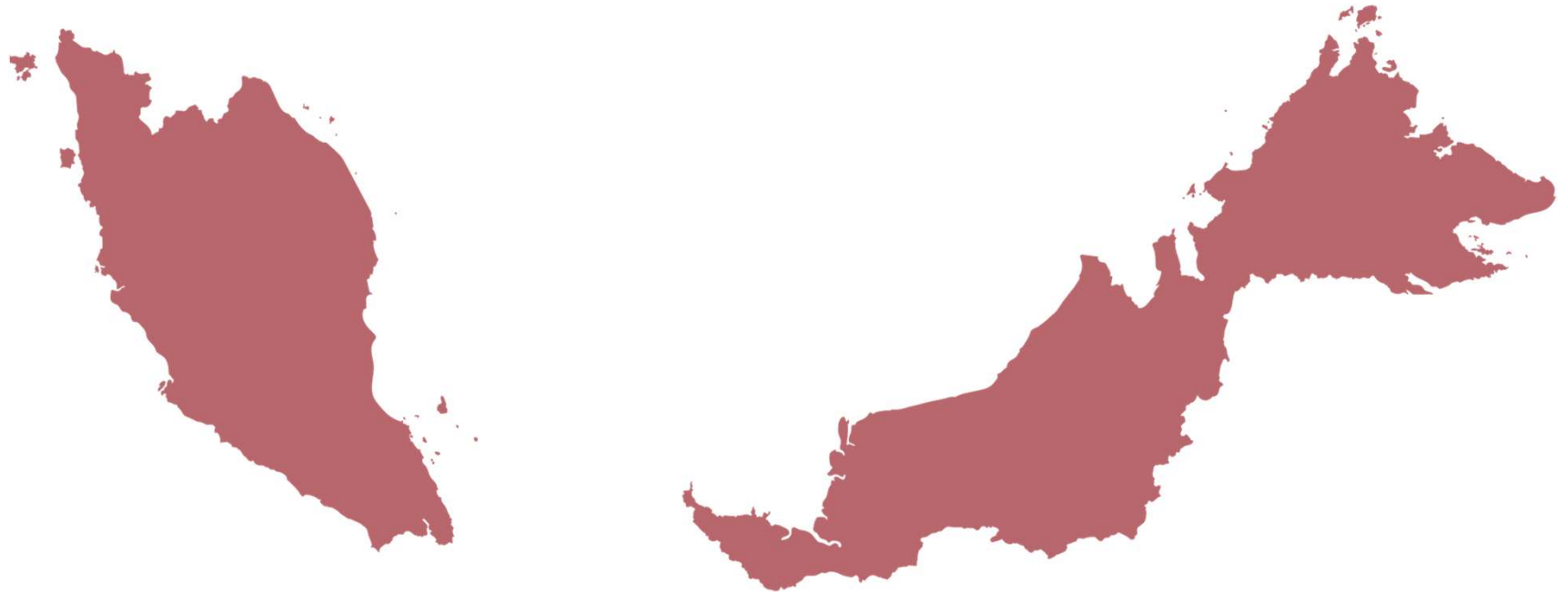
### Thailand

- **The Bank of Thailand forecasts Thailand's economy to grow 3% in 2021 and 4.7% in 2022<sup>3</sup>**
- **Thailand's Real Estate Information Centre said that the government has extended measures to stimulate the real estate sector by reducing ownership transfer and mortgage fees for new homes until the end of this year, and may lower land and building taxes to 10% to ease the burden on developers**
- **Likely to have a positive impact on certain segments of the market**

ERA Thailand 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, ERA Thailand will continue to build and expand the franchise business and sales teams.



<sup>3</sup> "Monetary Policy Report, March 2021", Bank of Thailand



### Malaysia

- **Bank Negara Malaysia has forecast GDP to grow between 6% and 7.5% in 2021 following a steep 5.6% contraction in 2020<sup>4</sup>**

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 (“MCOs”). With an agent count of 451, ERA Malaysia is targeting to grow its agent base.

<sup>4</sup> “Malaysia’s 2021 GDP growth projected at between 6% and 7.5%”, The Edge Markets, 31 March 2021

## References used in this presentation, where applicable

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**1H, 2H** means where applicable, the periods from 1 January to 30 June; and 1 July to 31 December respectively

**1Q, 2Q, 3Q, 4Q** means where applicable, the periods from 1 January to 31 March; 1 April to 30 June; 1 July to 30 September; 1 October to 31 December respectively

**1Q 2021** means the period of 3 months from 1 January 2021 to 31 March 2021

**1Q 2020** means the period of 3 months from 1 January 2020 to 31 March 2020

**EC** means Executive Condominium

**URA** means Urban Redevelopment Authority

**HDB** means Housing Development Board

**BTO** means Build-To-Order new HDB flat

**ST, BT** means The Straits Times; The Business Times respectively

**TBC** means To Be Confirmed

 **Disclaimer**

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