



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

ACQUISITION OF ADDITIONAL SHARES IN SOREAL PROP PTE. LTD.

Introduction

The board of directors (“**Board**”) of APAC Realty Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that on 8 June 2020, the Company’s wholly-owned subsidiary, Electronic Realty Associates Pte. Ltd. (“**EPL**”) entered into a share sale and purchase agreement (“**Agreement**”) with, *inter alia*, SEAA Services Pte. Ltd. (“**Vendor**”) for the acquisition of 13,667 ordinary shares (“**Sale Shares**”), representing 13.667% of the issued and paid-up capital of SoReal Prop Pte. Ltd. (“**SoReal**”) for a total consideration of S\$1.00 (“**Consideration**”) on the terms and subject to the conditions of the Agreement (“**Acquisition**”).

Upon completion of the Acquisition, EPL’s equity interests in SoReal will increase from 15% to 28.667% and SoReal will become an associate of the Company. Under the Agreement, Propnex Realty Pte. Ltd. (“**PN**”) and H Investment Pte. Ltd. (“**Huttons**”, and together with PN and EPL, the “**Purchasers**”), will also acquire, in aggregate, 27,333 ordinary shares, representing, in aggregate, 27.333% of the issued and paid-up capital of SoReal.

Information on SoReal

SoReal is a company incorporated in Singapore on 3 April 2017, which as at the date of this announcement, has an issued and paid-up share capital of S\$100,000.00 comprising 100,000 ordinary shares. It is an online property platform for salespersons and consumers, and immediately prior to the Acquisition, is jointly owned by the Vendor (51%), EPL (15%), PN (15%), Huttons (15%), and Jeremiah Ng (4%).

In 2019, EPL had transferred shares in SoReal to the Vendor and Jeremiah Ng, such that EPL’s equity interests in SoReal decreased from 34% to 15% under a share and purchase agreement entered into with, *inter alia*, the Vendor (“**Existing SPA**”). Please refer to our announcement dated 26 March 2019 for further information which is available at the website of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) at URL <https://www.sgx.com/securities/company-announcements>.

Consideration

The Consideration will be paid in cash, which was arrived at after arm’s length negotiations and on a willing-buyer, willing-seller basis, and after taking into account, *inter alia*, (i) the net asset value of SoReal and (ii) the business operations and prospects of SoReal. The net liability value represented by the Sale Shares was S\$161,885 as at 31 December 2019. No independent valuation was conducted on SoReal.

The Consideration was also arrived at after taking into account the fact that, in connection with the Acquisition, the Purchasers will release and discharge the Vendor from its obligation to pay any remaining consideration due and payable (or which may become due and payable) to the Purchasers under the Existing SPA, such amount being approximately S\$698,460 (of which S\$232,820 is due and payable (or which may become due and payable) by the Vendor to the Company).

Relative Figures under Rule 1006 of the Listing Manual

As the relative figures computed on the bases set out under Rule 1006 of the listing manual ("**Listing Manual**") of the SGX-ST do not exceed 5%, the Acquisition is considered a "Non-Discloseable Transaction" under Rule 1008 of the Listing Manual.

Financial Effects

The Acquisition is not expected to have any material impact on the net tangible assets per share and earnings per share of the Group for the financial year ending 31 December 2020.

Interests of Directors and Controlling Shareholders

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Acquisition, save for their interests by virtue of their shareholdings and/or directorships, as the case may be, in the Group.

Documents available for Inspection

A copy of the Agreement will be available for inspection during normal business hours at the Company's registered office at 229 Mountbatten Road, #03-01, Mountbatten Square, Singapore 398007 for a period of three (3) months from the date of this announcement.

BY ORDER OF THE BOARD

Chua Khee Hak
Executive Chairman and Chief Executive Officer
8 June 2020