



APAC REALTY DELIVERS RECORD RESULTS IN 2021¹

**Revenue up 87% to S\$739.8 million;
Net profit up 116% to S\$35.3 million**

- Board declares a final dividend of 4.0 cents per share. Including the interim dividend of 3.5 cents per share, the aggregate dividend for FY2021 is 7.5 cents per share, representing a dividend payout ratio of 75.5% and a total dividend yield of 11.5%² (excluding the special dividend of 3.0 cents per share paid out in September 2021);
- APAC Realty continues to be well-positioned with a strong balance sheet and healthy cash balance of S\$53.7 million as at 31 December 2021

"We are delighted with the impressive performance of dedicated ERA Trusted Agents whose contributions have realised a record year for APAC Realty. Our on-going digital transformation has propelled ERA into the forefront of the digital real estate industry, equipping ERA Trusted Agents with proprietary cutting-edge applications and data analytics to better serve today's increasingly sophisticated and digitally discerning customer," said Jack Chua, Executive Chairman of APAC Realty Limited.

Financial Highlights

S\$'000	2H FY2021	2H FY2020	Change (%)	FY2021	FY2020	Change (%)
Revenue	381,319	222,302	71.5	739,750	395,125	87.2
Profit before tax	22,241	10,581	110.2	42,619	19,649	116.9
Profit after tax	18,271	8,641	111.4	35,294	16,342	116.0
Earnings per share (cents)*	5.16	2.45	110.4	9.96	4.63	115.1
Net asset value per share (cents)	As at 31 Dec 2021		As at 31 Dec 2020		Change (%)	
	45.3		43.6		3.9	

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

SINGAPORE, 22 February 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 record revenue of S\$739.8 million for the year ended 31 December 2021 ("FY2021"), a 87.2% increase compared to S\$395.1 million for the year ended 31 December 2020 ("FY2020").

¹ Since going public on the Mainboard of the Singapore Exchange in 2017

² As at close of market on 21 February 2021, being the last full trading day preceding the date of this news release



Total FY2021 revenue increased 87.2% or S\$344.7 million primarily due to a 68.0% increase in brokerage income from resale and rental of properties to S\$449.1 million, and a 141.4% increase in brokerage income from new home sales to S\$281.0 million.

As a result, the Group closed FY2021 with a net profit of S\$35.3 million, an increase of 116.0% or S\$19.0 million from S\$16.3 million in FY2020.

Delivered a record annual dividend in FY2021

The Board of Directors has declared a final dividend of 4.0 Singapore cents per share to reward shareholders for their trust and continued support.

Together with the interim dividend of 3.5 Singapore cents per share distributed in September 2021, the aggregate dividend of 7.5 cents represents a dividend yield of 11.5% based on the closing price of S\$0.65 per share on 21 February 2022. FY2021 total dividend represents a payout of S\$26.6 million and a payout ratio of 75.5%.

This is in-line with our dividend policy of distributing between 50% to 80% of our profits as dividends on a semi-annual basis. Our ability to distribute dividends is underpinned by APAC Realty's strong cash flow generation ability and robust balance sheet.

Leadership across all market segments

In FY2021, Singapore's developers sold 15,146 private residential units (including ECs), an increase of 38.4% from 10,940 units in FY2020. During this period, ERA was appointed sole or joint marketing agent to 23 projects with a total of 8,428 units. Based on market data, the Group's estimated market share of the new homes segment was 33.7% in FY2021, up from 28.9% in FY2020.

As a preferred marketing agency for established developers in Singapore, the Group has secured marketing agent mandates for 33 quality residential projects as of 21 February 2022. These market agent mandates comprise close to 7,200 new home units launched and to be launched in FY2022.

During the year, Singapore's private residential resale market recorded sales of 20,530 units, 87.9% higher than 10,927 units transacted in FY2020. The HDB resale market remained relatively healthy with 31,017 transactions completed in FY2021, an increase of 25.3% from 24,748 units sold in FY2020. Based on market data, ERA ended the year with a commendable 42.2% share of the combined private residential and HDB resale market which grew 44.5% in FY2021.

Singapore's leasing market remained healthy in FY2021 as 142,147 private and HDB units were leased, an increase of 9.9% from 129,301 units in FY2020. Based on market data, ERA maintained its market position with 23.7% share of the FY2021 market, compared to 23.8% in FY2020.



3-year Roadmap to Deliver Sustained Growth

“Over the past few years, we have taken bold but measured steps to build a strong foundation to enhance our resilience and ability to deliver quality growth over the long-term. A key component of our strategy is our digitalisation and IT transformation roadmap which continues to evolve the way we interact and engage customers, enhancing the way our trusted agents deliver service excellence and quality advice. For our three-year roadmap, we have established several objectives and initiatives which will see us strengthening our core and competitive edge, and augment our market leadership,” said Mr Marcus Chu, CEO of APAC Realty Limited.

APAC REALTY 3-YEAR ROADMAP	
> 10,000 Trusted Agents in Singapore	
Digital & IT Transformation to drive Innovation and Value-Add	Regional Expansion Indonesia – Thailand – Malaysia - Vietnam

As at 1 January 2022, ERA had 8,144 trusted agents, an increase of 4.8% from 7,771 trusted agents in the year-ago period. The Group continued to record productivity improvements with the average income per ERA trusted advisor up 72% year-on-year to S\$90,000 in FY2021, from S\$52,000 in FY2020 and S\$53,000 in FY2019. In aggregate, ERA trusted agents delivered 60,602 property transactions in FY2021, compared to 49,260 and 48,474 property transactions in FY2020 and FY2019 respectively.

Commenting on the Group’s strategy to build on its core and strengthen its competitive edge, Mr Chu said, “We continue to build a robust support ecosystem to empower our trusted agents with the latest proptech, training, and proprietary super apps such as RealtyWatch, allowing each to deliver bespoke knowledge-based advice and best-in-class service to customers. This has enhanced our reputation as an agency of choice, and increased our ability to attract new and retain existing talent.”

“We continue to take a long-term approach to our regional expansion strategy. Over the past two years, our investments into Indonesia, Thailand, Vietnam and Malaysia, have provided us with strong geographic diversification and access to a population of more than 470 million or 71% of the total population in ASEAN³. As the economies and real estate markets of these countries recover and transition into a post-pandemic environment, we expect to realise growth and synergies on the ground underpinned by the established ERA brand name, strong reputation and quality sales teams,” added Mr Chu.

³ Including Singapore



Update on Singapore

The Singapore economy grew 7.6% in FY2021 and is expected to grow 3%-5% in FY2022⁴. With the robust growth and healthy real estate market, the Singapore government announced a set of stringent cooling measures with effect from 16 December 2021. Under the new policies, the Additional Buyer's Stamp Duty ("ABSD") was raised by 5ppts for the second property for citizens and permanent residents, and by 10ppts for any residential property for foreigners and entities. Furthermore, the Total Debt Servicing Ratio ("TDSR") threshold was tightened by 5ppts from 60% to 55%, and the HDB housing loan LTV decreased by 5ppts to 85%.

"The government's property cooling measures in December 2021 aim to promote a stable and sustainable property market. While there is a knee jerk reaction on market momentum, we believe that there will be positive sustainable growth over the longer term. We expect the market to readjust to demand from genuine home-buyers," said Mr Chu.

New Business Unit

In February 2022, ERA announced the set-up of a new business unit - Capital Markets & Investment Sales ("CMIS"), to deal with sizeable assets of high-net-worth individuals, family offices, developers, institutional investors and real estate investment trusts. With an aggregate real estate experience of 100 years of experience and a collective transactional experience amounting to more than S\$4.7 billion, the CMIS team will focus on assets, including commercial and industrial buildings, strata offices and retail spaces, retail malls, collective sales, land for redevelopment, shophouses and Good Class Bungalows.

Update on the Region

In Indonesia, ERA Indonesia was successfully listed on the Indonesian Stock Exchange ("IDX") on 30 June 2021. ERA Indonesia is the first and only listed real estate agency listed on the IDX. In its most recent update, Bank Indonesia expects Indonesia to record growth of 4.7%-5.5% in FY2022, up from 3.2%-4.0% growth in FY2021⁵.

The Thai economy grew 1.6% in FY2021 and is expected to register positive growth of 3.5-4.5% in FY2022⁶. As the economy remained closed to foreign visitors due to the pandemic, the property market continued to witness a slowdown in FY2021. We continue to position ERA Thailand for a rebound as the economy reopens to foreign visitors and investors.

In FY2021, ERA Vietnam added more than 1,200 sales agents and ended the year with a headcount of close to 2,800 sales agents. The team has built strong relationships with developers in Vietnam, allowing ERA Vietnam to establish a strong market position, especially in project marketing. In January 2022, ERA Vietnam expanded its operations with the signing of ERA Sol and ERA Capital as its first franchisees. With this, ERA has become the first international real estate brokerage brand to develop franchise services in Vietnam. Tapping on ERA's technological platforms, worldwide quality training systems, and a portfolio of

⁴ "MTI Maintains 2022 GDP Growth Forecast at "3.0 to 5.0 per cent"", Ministry of Trade and Industry, 17 February 2022

⁵ "Bank Indonesia Projects Economic Growth in 2022 at 4.7-5.5%", Bank Indonesia, 24 November 2021

⁶ "BoT expects uptick in demand for lending", Bangkok Post, 22 February 2022



more than 40 projects in Vietnam, this franchise expansion will set ERA Vietnam in good stead to become a leading player in Vietnam. The General Statistics Office of Vietnam expects the country to grow 2.58% in FY2021, and 6.0%-6.5% in FY2022⁷.

The newest member of APAC Realty's network, ERA Malaysia, reached its first-year milestone in September 2021. ERA Malaysia made strong headway during the year, increasing its salesforce to 685 as of 31 December 2021. Bank Negara Malaysia reported GDP growth of 3.1% in FY2021 and has projected growth of 5.5%-6.5% in FY2022⁸.

With a strong balance sheet and robust cashflows, the Group remains cautiously optimistic about its prospects in FY2022.

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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 20,300 trusted advisors across 653 offices, and is one of the largest ERA Member Brokers globally by transaction value⁹.

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 8,300 trusted advisors as at 1 February 2022, 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 40 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 31 December 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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⁷ "Vietnam's 2021 GDP growth slows, exports offer support", Reuters, 29 December 2021

⁸ "Malaysian economy swings back to growth but pandemic risks remain", Reuters, 11 February 2022

⁹ As at 28 December 2021



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