



APAC REALTY REPORTS IMPROVED RESULTS IN FY2020

- FY2020 revenue up 6.7% to S\$389 million driven by higher brokerage income from resale and rental of properties;
- Board declares a final dividend of 1.75 cents per share. Including the interim dividend of 0.75 cents per share, the aggregate dividend for FY2020 is 2.5 cents per share, representing a dividend payout ratio of 54.3% and a dividend yield of 5.88%¹;
- APAC Realty continues to be well-positioned with a strong balance sheet and healthy cash balance of S\$35.1 million as at 31 December 2020.

"Notwithstanding the impact of COVID-19, we turned in a relatively strong performance in FY2020. Our on-going digital transformation across our business continues to provide us with greater flexibility in today's differentiated work environment. Our ability to engage property owners and interested buyers on multiple real estate channels and proprietary apps, and close property transactions through digital platforms has allowed us to grow our business and underpinned our resilience in an unprecedented year.

Looking ahead, we are cautiously optimistic that demand for HDB resale and private residential properties in Singapore will remain resilient in FY2021. In the region, we will continue to monitor market and COVID-19 developments which continue to influence the performance of our investments in Indonesia, Thailand, Vietnam and Malaysia. We believe that the economies of these countries will recover as vaccination programmes are rolled out across these markets during the year."

- Mr. Jack Chua, Executive Chairman and Chief Executive Officer of APAC Realty Limited

Financial Highlights

S\$'000	2H	2H	Change	FY2020	FY2019	Change
	FY2020	FY2019	(%)			
Revenue	222,302	206,463	7.7	395,125	369,524	6.9
Profit before tax	10,581	10,970	(3.5)	19,649	17,222	14.1
Profit after tax	8,641	8,838	(2.2)	16,342	13,877	17.8
Earnings per share (cents)*	2.45	2.50	(2.0)	4.63	3.94	17.5
Net asset value per share (cents)	As at 31 Dec 2020		As at 31 Dec 2019		Change (%)	
	43.6		41.0		6.3	

* Based on 355,197,700 weighted average number of shares as at 31 December 2020 and 31 December 2019.

¹ As at close of market on 23 February 2021



SINGAPORE, 23 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 a 6.7% increase in revenue to S\$389.4 million for the year ended 31 December 2020 (“FY2020”), compared to S\$365.1 million in the previous corresponding period (“FY2019”).

FY2020 revenue increased S\$24.3 million primarily due to an increase in brokerage income from resale and rental of properties of 10.7% or S\$25.8 million to S\$267.4 million in FY2020, partially offset by a decline in brokerage income from new home sales of 1.0% or S\$1.2 million to S\$116.4 million in FY2020.

The Group closed the year with a net profit of S\$16.3 million, an increase of 17.8% or S\$2.4 million from S\$13.9 million in FY2019.

FY2020 dividend of 2.50 cents

The Board of Directors has declared a second and final dividend of 1.75 Singapore cents per share.

Including the interim dividend of 0.75 cents paid in FY2020, the aggregate dividend of 2.50 cents represents a dividend yield of 5.88% based on the closing price of S\$0.425 per share on 23 February 2021. The total dividend of 2.5 cents per share in FY2020 represents a payout of S\$8.88 million and a healthy payout ratio of 54.3%.

Leadership in Singapore’s new home market

ERA continues to be recognised as one of the preferred marketing agents for new home launches in Singapore. Amidst a challenging market, we were appointed marketing agent to 24 projects with more than 7,200 new home units launched during 2020. The Group has secured marketing agent mandates for 24 quality residential projects with more than 8,800 new home units launched and to be launched in FY2021.

Singapore’s developers sold 10,940 private residential units (including executive condominiums) in FY2020, an increase of 5% from 10,417 units in FY2019². ERA’s estimated market share of the new homes segment was 28.9% in FY2020, up from 27.7% in 1H2020.

Singapore’s private residential resale market recorded sales of 10,927 units, 18.3% above 9,238 units transacted in FY2019. The HDB resale market remained relatively healthy with 24,748 transactions completed in FY2020, an increase of 4.4% from 23,714 units sold in the previous year. Based on market data, ERA ended the year with a commendable 42.9% share of the private residential and HDB resale market in FY2020, an improvement from 40.7% in FY2019.

Despite the circuit breaker measures put in place in FY2020, ERA’s property auction team advised, auctioned and closed 34 residential and commercial property transactions in FY2020 with a total transaction value of approximately \$70.8 million, an increase of 47.2% over the transaction value of \$48.1m for FY2019 (from 40 transactions).

Digital transformation to empower ERA salespersons

As a forward-thinking real estate group, APAC Realty launched its digital transformation with the Digital Lab initiative, an investment programme designed to make ERA the leading digital real estate agency in Asia.

² Source: URA



To date, the Group has invested S\$2.4 million in leading real estate technologies. These investments continue to empower ERA salespersons with access to a range of proprietary market and data analytics applications and to an enlarged network of home owners, buyers and tenants in Singapore and the Asia-Pacific region.

Ultimately, the Group's digital transformation enables ERA sales teams to raise professionalism and build stronger client relationships, keeping with ERA's commitment to being first in service, first in results and first in customer service.

Outlook

The Singapore economy contracted 5.4% in FY2020 as a result of the impact from COVID-19, partially offset by the positive effects from the government's pandemic related support measures. The government has forecast gross domestic product growth of between 4%-6% for FY2021 as COVID-19 vaccine development and deployment continues to gain traction in Singapore and around the world.

The country continues to be ranked amongst the top three prime real estate cities in the world and continues to be preferred by foreign investors. Large scale projects such as Jurong Lake District, Sentosa-Brani Master Plan, and the revamp of the Orchard Road shopping belt are expected to stimulate local and foreign real estate investor interest and revitalize the residential property market over the long term.

APAC Realty takes a long-term approach to its regional expansion strategy and will continue to monitor market developments in Indonesia, Thailand, Vietnam and Malaysia. The Group's investments in these markets have established brand names, strong reputation and quality sales teams, however their contribution will ultimately depend on the pace of recovery of their respective economies and real estate markets.

With a strong balance sheet and robust cashflows, the Group remains cautiously optimistic about its prospects in FY2021.

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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 18,000 salespersons across 646 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 7,800 salespersons, 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 31 December 2020, 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 salespersons 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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