



PROP NEX LIMITED
(Company Registration No.: 201801373N)
(Incorporated in the Republic of Singapore)

MASTER FRANCHISE AGREEMENT WITH PROP NEX REALTY (VIETNAM) COMPANY LIMITED

The Board of Directors (the “**Board**” or “**Directors**”) of PropNex Limited (“**Company**”, and together with its subsidiaries, “**PropNex**” or the “**Group**”) is pleased to announce that the Company’s wholly-owned subsidiary, PropNex Realty Pte. Ltd. (“**PropNex Realty**” or the “**Franchisor**”), had on 14 August 2018 entered into a Master Franchise Agreement (“**Agreement**”) with PropNex Realty (Vietnam) Company Limited (“**PropNex Realty Vietnam**” or the “**Franchisee**”), pursuant to which the Franchisee is appointed as a Master Franchisee of the Franchisor in Vietnam to establish, manage and operate PropNex franchise agency offices under the Trade Marks and franchise in Vietnam in accordance to the terms and conditions set out in the Agreement.

The entry into the Agreement is in line with the Group’s regional expansion plans; the Group hopes that through this franchise arrangement, it can strengthen its market position, value-add and expand into Vietnam. The Agreement is for an initial term of ten (10) years commencing from 14 August 2018, and may be renewed for a further ten (10) years subject to the fulfilment of the conditions as stipulated in the Agreement.

PropNex Realty Vietnam is a company registered in Vietnam and carries on the business of real estate brokerage. Pursuant to the Agreement, PropNex Realty will acquire 25% of the issued and paid up share capital of PropNex Realty Vietnam at a nominal sum of US\$1.00. Following the completion of the acquisition, PropNex Realty Vietnam will be 75% owned by unrelated parties and 25% owned by PropNex Realty.

All relative figures computed based on the applicable bases under Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited are either not meaningful or less than 5%.

The investment in PropNex Realty Vietnam will be funded through internal resources. The entry into the Agreement is not expected to have material impact on the Group’s net tangible assets per share or earnings per share for the current financial year ending 31 December 2018.

None of the Directors and to the best of the Directors’ knowledge, none of the controlling shareholders of the Company or their respective associates, has any interest, directly or indirectly, in the Agreement, other than that arising from their respective shareholdings (if any) and/or directorships, as the case may be, in the Company. The Directors are also not aware of any substantial shareholders that have any interest, directly or indirectly in the Agreement.

By Order of the Board

Ismail Gafuore
Executive Chairman and CEO
14 August 2018

UOB Kay Hian Private Limited is the sole issue manager of the initial public offering and listing of PropNex Limited. UOB Kay Hian Private Limited assumes no responsibility for the contents of this announcement.