

RESPONSES TO SGX QUERIES REGARDING TRADING ACTIVITY

The board of directors (the “**Board**”) of PropNex Limited (the “**Company**”, and its subsidiaries, the “**Group**”) refers to the queries from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 15 July 2021 regarding the unusual price and volume movements in the Company’s shares. The Board’s responses are as follows:

Question 1: Are you (the issuer) aware of any information not previously announced concerning you, your subsidiaries or associated companies which, if known, might explain the trading? Such information may include events that are potentially material and price-sensitive, such as discussions and negotiations that may lead to joint ventures, mergers, acquisitions or purchase or sale of a significant asset. You may refer to paragraph 8 in the Appendix 7.1 of the Mainboard Rules for further examples. If yes, the information shall be announced immediately.

Company’s Response:

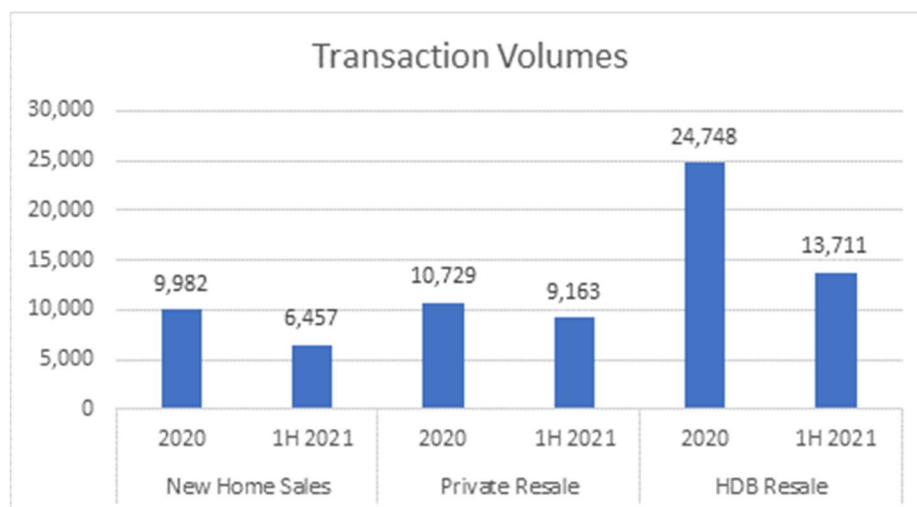
The Group is not aware of any information not previously announced concerning the Company, its subsidiaries or associated companies which, if known, might explain the trading. There has not been any new information released other than those already previously announced.

Question 2: Are you aware of any other possible explanation for the trading? Such information may include public circulation of information by rumours or reports.

Company’s Response:

The Ministry of Trade and Industry on the 14 and 15 July 2021 released advance estimates that Singapore’s GDP grew by 14.3% year-on-year in 2Q2021. That growth was underpinned by improvement in the manufacturing sector as well as both the construction and the services sectors.

Property transaction volumes were strong in the first half of the year. Based on transaction data, over 6,400 new private homes were sold in 1H2021, equivalent to 65% of 2020’s total volume. In the private resale market, some 9,100 units (85% of 2020’s resale number) changed hands in 1H2021. Similarly, the HDB resale market transacted more than 13,700 flats (55% of 2020’s HDB resale figure) in the first six months of 2021. Amid economic recovery and healthy home sales, the property prices remained resilient in 1H2021.



Source: PropNex Research, URA, HDB, Data.gov.sg

According to the URA PPI flash estimate, overall private home prices grew at a slower pace of 0.9% quarter-on-quarter in 2Q2021. The moderation in price growth and recent comments by the Monetary Authority of Singapore's managing director, Mr Ravi Menon that the property market was not overheated, might have dispelled some concerns of new cooling measures being introduced in the near-term. Further positive comment from Mr Menon that Singapore's economic growth could exceed the "upper end" of the official forecast range of 2021 raised optimism in the property market as well.

As Singapore's largest listed real estate agency, PropNex Limited is a direct beneficiary of the resilient Singapore property market and the positive economic outlook.

Question 3: Can you confirm your compliance with the listing rules and, in particular, Mainboard Rule 703?

Company's Response:

The Group confirms its compliance with the listing rules and, in particular, Mainboard Rule 703.

By Order of the Board

Ismail Gafoore
Executive Chairman and CEO
15 July 2021