

RESPONSES TO SGX-ST QUERY

The Board of Directors (the “**Board**”) of PropNex Limited (the “**Company**”) refers to the query from Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 23 May 2022 in relation to the Company’s Annual Report for the financial year ended 31 December 2021 (“**FY2021**”) on disclosure of use of proceeds for working capital in 2021. The query and Company’s responses are listed as follow:

Question

We refer to the Company’s annual report for the financial year ended 31 December 2021 (the “Annual Report”). Listing Rule 1207(20) provides, inter alia, that an issuer must include the use of proceeds in its annual report, and where the proceeds are used for general working capital purposes, the issuer must announce a breakdown with specific details on the use of proceeds for working capital. Where there is any material deviation from the stated use of proceeds, the issuer must also announce the reasons for such deviation. In this regard, please disclose whether and how the Company has complied with Listing Rule 1207(20), which includes, amongst others, announcing a breakdown with specific details on the use of proceeds for working capital.

Company’s response

The use of proceeds was included in page 41 of the Annual Report for FY2021 and there was no utilisation of proceeds for working capital in 2021. Notwithstanding, the Company has complied with Listing Rule 1207(20).

By order of the Board

Mohamed Ismail S/O Abdul Gafoore
Executive Chairman and CEO
25 May 2022