
**ANNUAL GENERAL MEETING TO BE HELD ON 25 APRIL 2023
RESPONSES TO SHAREHOLDERS' QUESTIONS**

The Board of Directors (the “**Board**”) of PropNex Limited (the “**Company**”) would like to thank the shareholders of the Company (“**Shareholders**”) for submitting their questions in advance of the Annual General Meeting to be held at 480 Lorong 6 Toa Payoh, #18-01 HDB Hub, Singapore 310480 on Tuesday, 25 April 2023 at 10.00 a.m. (Singapore time).

The followings are the Company’s responses to the corresponding questions from the Shareholders:

Question 1

Given the regional expansion into Australia, is the group of the opinion that property brokerage in Singapore is reaching saturation point? Why or why not?

Company’s Response

Despite the challenging market conditions with cooling measures introduced in 2021 and 2022, we were able to achieve stellar financial results for the financial year ended 31 December 2022 (“**FY2022**”). We not only achieved revenue of S\$1.03 billion for FY2022, we also increased our salespersons to more than 12,000.

Our real estate brokerage services are offered for both sale and leasing of a spectrum of property segments consisting of (i) private and HDB residential properties; (ii) commercial and industrial properties; and (iii) luxury properties. As disclosed on page 5 of the Annual Report, our market share in Singapore was as follows:

- | | |
|--|-------|
| 1. Private Residential (New Launches): | 47.4% |
| 2. Private Residential (Resale): | 59.0% |
| 3. HDB Resale: | 65.1% |
| 4. Landed Residential: | 47.1% |
| 5. Leasing Residential (Private): | 37.3% |

While we have substantial market share in some of the above segments, we will continue to seek opportunities to further increase our market share in each of the segment.

We do not believe that we have reached saturation point in Singapore as we continue to work towards increasing our market share in Singapore and our vision of increasing our salespersons towards the 15,000 mark by 2025.

Question 2

If we are reaching saturation point in Singapore, what is the group's unique moat in reaching other markets? Would the group be overextending itself by reaching so many different geographies, and how does it avoid diver-worsification?

Company's Response

As explained in Question 1, we do not believe we have reached saturation point in Singapore, and that is not the reason for our expansion into different geographical markets. Our overseas expansion is to grow our business and is in line with our focus to build PropNex into a leading regional brand.

Our experienced management team and wide network of salespersons locally has placed the Group in a strong position to expand into different geographical markets. Also, our strong brand presence in Indonesia, Malaysia, Vietnam and Cambodia with close to 15,000 salespersons regionally, provides the Group with the foundation to venture into other geographical markets, such as Australia.

While we are keen to explore opportunities to expand into different geographical markets and business segments, we are mindful of the risks and challenges involved. We are very selective in our relentless lookout for the right partners for our overseas franchise model. Our key business strategies are carefully formulated and evaluated by management, before submission to the Board of Directors for approval.

By Order of the Board

Lee Li Huang
Chief Financial Officer and Company Secretary
19 April 2023