PROCURRI CORPORATION LIMITED
(Incorporated in the Republic of Singapore on 15 March 2013)
(Company Registration No. 201306969W)

USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING

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1. CHANGE IN USE OF PROCEEDS

The Board of Directors (the "**Board**") of Procurri Corporation Limited (the "**Company**") refers to the Company's prospectus dated 12 July 2016 (the "**Prospectus**") in relation to the IPO of the Company on Main Board of the Singapore Exchange Securities Trading Limited.

Unless otherwise defined herein, all capitalized terms shall have the meanings ascribed to it in the Prospectus.

The net proceeds from the IPO were approximately S$34.8 million which were intended for the following purposes:

Use of Proceeds	Amount earmarked (S$ million)
Mergers and acquisitions, joint ventures and partnerships strategy	17.0
Enhancement of infrastructure	5.0
Repayment of the DeClout Loans	6.1
Working capital purposes	6.7
	34.8

The Directors wish to announce the following:

a) At the time of the IPO, it was intended that part of the proceeds be used to enhance our infrastructure to drive business growth. We intended to acquire and/or lease larger premises in Atlanta, Georgia in the United States of America to establish an operations centre.

b) Since IPO, the Company has been sourcing for suitable premises in Atlanta, Georgia, to set up an operations centre. However, commercial real estate prices and rents remain high partly due to investor demand for higher-yield commercial real estate assets and relatively low mortgage interest rates. Further, the United States dollars have also strengthened against regional currencies including the Singapore dollar since IPO. Accordingly, it has been more difficult to source for viable premises to establish an operations centre in Atlanta, Georgia and the amount of S$5 million set aside for this enhancement of infrastructure remains unutilized.

c) The Company has also set up a global parts centre in Singapore which serves (i) as a think-tank and center of excellence to ensure consistent methodology in maintenance service across the Group; (ii) to consolidate buyers and/or planners to form a center of excellence in parts operations; (iii) as a volume procurement of maintenance parts to reduce average costs of parts; and (iv) to rebalance existing maintenance parts across the regions to

improve efficient use of warehouse space. The Company procures relevant maintenance parts as part of the implementation of the global parts centre.

d) In view of the difficulty in sourcing for viable premises to set up an operations centre, our Board wishes to expand the use of IPO proceeds relating to enhancement of infrastructure to include the implementation of a global parts centre as it will be more cost efficient to deploy the IPO proceeds to finance the global parts centre which the Company is establishing. This proposed change is still in line with the intention to use part of the IPO proceeds to drive business growth.

2. UPDATE ON USE OF PROCEEDS

The Company wishes to announce an update on the use of proceeds raised from the IPO proceeds:

Use of Proceeds	Amount utilised between 13 December 2016 and 12 February 2017 (S$ million)	Balance (S$ million)
Mergers and acquisitions, joint ventures and partnerships strategy	(8.6) [(1)]	5.8
Enhancement of infrastructure	(1.9) [(2)]	3.1
Repayment of the DeClout Loans	-	-
Working capital purposes	(0.7)	-
	(11.2)	8.9

Notes:

(1) For the purchase of maintenance parts required for the Group's third party maintenance business. Please refer to the announcement released on SGXNet by the Company dated 23 January 2017.
(2) For the implementation of the global parts centre in Singapore.

The above utilization is in accordance with the disclosure in page 28 of the Prospectus.

The Company will make further announcements on the use of the balance IPO proceeds as and when such proceeds are disbursed.

3. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed above, none of the Directors and their respective associates has any interest, direct or indirect, in the use of proceeds (other than through their respective shareholding interests in the Company and/or DeClout Limited, if any).

Save as disclosed above, the Directors have not received any notification of interest in the use of proceeds from any controlling shareholders of the Company, and are not aware of any controlling shareholders of the Company who has any interest, direct or indirect, in the use of proceeds (other than through their respective shareholding interests in the Company).

4. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure

of all material facts about the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

BY ORDER OF THE BOARD

Thomas Sean Murphy
Global Chief Executive Officer

12 February 2017

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*DBS Bank Ltd. was the issue manager and underwriter (the "**Issue Manager and Underwriter**") for the initial public offering of shares in, and listing of, Procurri Corporation Limited on the Main Board of Singapore Exchange Securities Trading Limited. The Issue Manager and Underwriter assumes no responsibility for the contents of this announcement.*