

PROCURRI CORPORATION LIMITED
(Company Registration No.: 201306969W)
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT

PROPOSED PLACEMENT OF UP TO 27,000,000 PLACEMENT SHARES (THE “COMPLIANCE PLACEMENT”) COMPRISING:

- (1) UP TO 21,000,000 NEW SHARES TO BE ALLOTTED AND ISSUED BY THE COMPANY (THE “PROCURRI PLACEMENT”); AND**
- (2) UP TO 6,000,000 EXISTING SHARES TO BE OFFERED BY A PLACEMENT VENDOR TO QUALIFYING PERSONS (THE “VENDOR PLACEMENT”),**

IN CONNECTION WITH THE PROPOSED COMPLIANCE PLACEMENT FOR THE PURPOSE OF MEETING THE MINIMUM PUBLIC FLOAT UNDER THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE “SGX-ST”) LISTING MANUAL MAIN BOARD RULES (THE “LISTING MANUAL”).

1. INTRODUCTION

- 1.1 The Board of Directors (the “**Directors**”) of Procurri Corporation Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) refer the shareholders of the Company (the “**Shareholders**”) to:
- (i) the announcement dated 13 June 2022 made by the Company pursuant to Rule 724(1) of the Listing Manual in relation to the loss of public free float, i.e. the percentage of shares in the capital of the Company (“**Shares**”) held in public hands fell below 10 per cent. as required under Rule 723 of the Listing Manual (the “**Minimum Public Float**”), and notifying Shareholders that the SGX-ST may suspend trading of all the Shares; and
 - (ii) the announcement dated 23 August 2022 made by the Company in relation to an extension of time to 30 November 2022, granted by the SGX-ST to the Company, to comply with the Minimum Public Float (collectively with the 13 June 2022 announcement, the “**Announcements**”).
- 1.2 Unless otherwise defined, all capitalised terms not defined herein shall have the same meanings ascribed to them in the Announcements.
- 1.3 Further to the Announcements, the Directors wish to announce that Company intends to undertake a compliance placement for the purposes of complying with the Minimum Public Float, and Rule 1105 of the Listing Manual in order to apply for resumption of trading of the Shares on the SGX-ST and has entered into a placement agreement (the “**Compliance Placement Agreement**”) with SAC Capital Private Limited (the “**Placement Agent**”), and DeClout Pte. Ltd. (the “**Vendor**”) on 26 October 2022, pursuant to which:

- (i) the Company has agreed to issue, and the Placement Agent has agreed, on a best endeavours basis, to procure subscriptions and payment for, up to 21,000,000 new ordinary Shares (the “**Procurri Placement**”, and the shares, the “**Procurri Placement Shares**”) at an issue price of S\$0.30 for each Procurri Placement Share (the “**Procurri Placement Price**”) representing a discount of approximately 26.83% to the volume weighted average price of S\$0.41 per Share based on trades done on the SGX-ST on 1 July 2022 (being the last full market day prior to the trading halt called by the Company and the execution of the Compliance Placement Agreement) (the “**Volume Weighted Average Price**”); and
 - (ii) the Vendor has agreed to sell, and the Placement Agent has agreed, on a best endeavours basis, to process applications for purchases from qualifying persons (as defined in Section 273(4) of the Securities and Futures Act 2001 (the “**SFA**”)) pursuant to Section 273(1)(i) of the SFA, and payment for, up to 6,000,000 existing Shares currently held by the Vendor (the “**Vendor Placement**”, and the shares the “**Vendor Placement Shares**”, collectively with the Procurri Placement Shares, the “**Compliance Placement Shares**”), at an issue price of S\$0.215 for each Vendor Placement Share (the “**Vendor Placement Price**”), representing a discount of approximately 47.56% to the Volume Weighted Average Price.
- 1.4 The Procurri Placement Shares will be issued free from any and all mortgages, charges, claims, securities, pledges, liens, equities, encumbrances or any other interests whatsoever and will rank *pari passu* in all respects with all other Shares existing at the time of the issue of the Procurri Placement Shares (save that they will not rank for any dividends, rights, distributions, allotments and other entitlements, the record date in respect of which falls before the date of issue of the Procurri Placement Shares).
- 1.5 The Company will be making the following applications to the SGX-ST:
- (i) application for approval from the SGX-ST for the transfer of the Vendor Placement Shares pursuant to the Vendor Placement; and
 - (ii) application for the dealing in, listing and quotation of all the Procurri Placement Shares on the Main Board of the SGX-ST.
- 1.6 The Procurri Placement is subject to the lodgement of an offer information statement (the “**Offer Information Statement**”) together with all other accompanying documents, to be issued by the Company in connection with the Procurri Placement, by the Company with the Monetary Authority of Singapore (the “**MAS**”).
- 1.7 Under the Compliance Placement Agreement:
- (i) completion of the proposed Compliance Placement is subject to, among other things:
 - (a) in respect of the Vendor Placement, the approval-in-principle being granted by the SGX-ST for the transfer of the Vendor Placement Shares; and
 - (b) in respect of the Procurri Placement, the approval in-principle being granted by the SGX-ST for the dealing in, listing and quotation of all the Procurri Placement Shares on the Main Board of the SGX-ST, approval being granted

by Shareholders for the allotment and issuance of the Procurri Placement Shares at a price representing a discount of more than 10 per cent. to the Volume Weighted Average Price, and lodgement of the Offer Information Statement with the MAS; and

- (ii) the placement commission of (a) 8.0% of the Procurri Placement Price for each of such Procurri Placement Shares for which the Placement Agent has procured subscriptions pursuant to the Compliance Placement Agreement, and (b) 8.0% of the Vendor Placement Price for each of such Vendor Placement Shares for which the Placement Agent has processed applications for pursuant to the Compliance Placement Agreement, which shall be payable by Procurri in respect of the Procurri Placement Shares and by the Vendor in respect of the Vendor Placement Shares to the Placement Agent, shall be set off and deducted from the proceeds; and
- (iii) the Placement Agent confirmed that the commission payable by the Company and the Vendor to the Placement Agent in respect of the Compliance Placement Shares will not be shared with any of the end-placees of the Compliance Placement.

2. PROCURRI PLACEMENT SHARES

- 2.1 As at the date of this announcement, the Company has in aggregate 295,589,973 issued Shares, of which none are held in treasury. Assuming the Procurri Placement Shares are fully subscribed for, the allotment and issue of the Procurri Placement Shares will increase the total number of issued Shares to 316,589,973 Shares.
- 2.2 The maximum number of Procurri Placement Shares represents approximately 7.10% of the issued Shares as at the date of this announcement and, assuming all Procurri Placement Shares are fully subscribed for, will represent approximately 6.63% of the enlarged issued Shares immediately after the Procurri Placement.

3. AUTHORITY TO ISSUE THE NEW SHARES

- 3.1 As the Procurri Placement Price represents a discount of more than 10 per cent. to the Volume Weighted Average Price, the Company will, pursuant to Rule 811(3) of the Listing Manual, be seeking the specific approval of Shareholders for the issuance of the Procurri Placement Shares at the Procurri Placement Price. In this regard, a circular containing further information on the Procurri Placement, together with a notice of the extraordinary general meeting of the Company, will be despatched by the Company to Shareholders in due course. For the avoidance of doubt, the Procurri Placement Shares will be issued pursuant to such specific approval to be obtained from the Shareholders.

4. USE OF PROCEEDS

- 4.1 Assuming the Procurri Placement Shares are fully subscribed, the net proceeds of the Procurri Placement after deducting estimated expenses pertaining to the Procurri Placement are estimated to be approximately S\$5,525,000 to be received by the Company (the “**Net Proceeds**”). The net proceeds to be received by the Company are intended to be used for the Group’s expansion via strategic partnerships, joint ventures and/or mergers and acquisitions in the ordinary course of the Group’s business (approximately 30-70% of the net proceeds), and for the Group’s working capital requirements (approximately 30-70% of the net proceeds). As

at the date of this announcement, the Company has not identified any specific targets or transactions for which the net proceeds are intended to be used.

- 4.2 Pending the deployment of the net proceeds from the Procurri Placement, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities, or used for any other purpose on a short-term basis, as the Directors may deem appropriate in the interests of the Group.
- 4.3 The Company will make periodic announcements on the utilisation of the net proceeds of the Procurri Placement via SGXNET as and when such funds are materially disbursed, including whether such a use is in accordance with the stated use. The Company will also provide a status report on the utilisation of such net proceeds in its annual report(s). Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.

5. RATIONALE FOR THE COMPLIANCE PLACEMENT

- 5.1 The Company is carrying out the Compliance Placement for the purpose of complying with the requirements under (a) Rule 723 of the Listing Manual, i.e. the Minimum Public Float, and (b) Rule 1105 of the Listing Manual, such that at least 10 per cent. of the issued Shares are held by at least 500 Shareholders who are members of the public, so as to resume trading of the Shares on the SGX-ST.

6. GENERAL

- 6.1 As the Vendor Placement will be undertaken in accordance with the exemption under Section 273(1)(i) of the SFA, the Offer Information Statement to be lodged, together with all other accompanying documents (if applicable), with the MAS will only be in connection with the Procurri Placement (which will be undertaken in reliance upon the exemption under Section 277 of the SFA).
- 6.2 Save for any exemptions permitted under the Listing Manual, the Compliance Placement Shares will not be placed to any of the restricted persons set out under Rule 812 of the Listing Manual. In addition, the Compliance Placement Shares will not be placed so as to transfer a controlling interest in the Company.

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 7.1 Save that the Vendor is a substantial Shareholder of the Company, and save for the following Directors' relationship to the Vendor, none of the Directors or substantial Shareholders of the Company has any interest, direct or indirect, in the Compliance Placement (other than their shareholdings in the Company, if any):
- (i) Mr Wong Kok Khun is the Group Chief Executive Officer and a director of the Vendor;
 - (ii) Mr Lwi Tong Boon is the Chief Corporate Development Officer of the Vendor; and
 - (iii) Mr Lim Swee Yong is the Chief Executive Officer of DeClout Ventures Pte. Ltd., a subsidiary of the Vendor.

8. FURTHER ANNOUNCEMENTS

- 8.1 The Company will make the necessary announcements once the approval-in-principle for the dealing in, and listing and quotation of, the Procurri Placement Shares on Main Board of the SGX-ST has been obtained from the SGX-ST. The Company will also make the necessary announcement once approval for the allotment and issuance of the Procurri Placement Shares at the Procurri Placement Price has been obtained from Shareholders.
- 8.2 In the meantime, trading in the Shares continues to remain suspended. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. In the event of any doubt as to the action they should take, they should consult their stockbroker, bank manager, solicitor or other professional advisors.

9. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the Compliance Placement Agreement is available for inspection at 29 Tai Seng Avenue, #01-01 Natural Cool Lifestyle Hub, Singapore 534119 during normal business hours for a period of three (3) months from the date of this announcement.

10. 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 Compliance Placement, the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

Where information in the 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 the announcement in its proper form and context.

BY ORDER OF THE BOARD
PROCURRI CORPORATION LIMITED

26 October 2022

IMPORTANT NOTICE

Notification under Section 309B of the Securities and Futures Act 2001 of Singapore (“SFA”): In connection with Section 309B of the SFA, the Procurri Placement Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04- N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

This announcement is for information purposes only and does not constitute or form part of an offer, invitation or solicitation of any securities of the Company in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.