

**INTERESTED PERSON TRANSACTION – TENANCY AGREEMENT ENTERED INTO WITH
EXEO GLOBAL PTE. LTD.**

1. Introduction

The board of directors (the “**Board**”) of Procurri Corporation Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that its wholly-owned subsidiary, Procurri Singapore Pte. Ltd. (“**PSG**”), had on 29 December 2023 entered into a tenancy agreement (the “**Tenancy Agreement**”) with EXEO Global Pte. Ltd. (“**EGPL**”) to lease premises at 8 Aljunied Avenue 3, The Pulse, Singapore 389933 for a period of 30 months from 1 January 2024 (the “**Term**”).

2. Disclosure Requirements

Pursuant to Chapter 9 of the Listing Manual (the “**Listing Manual**”) of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), where an entity at risk (as defined in the Listing Manual) of the Company proposes to enter into a transaction with an interested person (as defined in the Listing Manual) of the Company and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S\$100,000, with the same interested person during the same financial year) is equal to or exceeds three per cent (3%), but is less than five per cent (5%), of the latest audited consolidated net tangible assets (“**NTA**”) of the Group, an immediate announcement of the transaction must be made and if the value is equal to or exceeds five per cent (5%) of the Group's latest audited consolidated NTA, approval of the shareholders of the Company must be obtained.

As at the date of signing the Tenancy Agreement, DeClout Pte. Ltd. (“**DeClout**”), has an aggregate interest of 284,614,691 shares in the capital of the Company (“**Shares**”), representing approximately 88.79% of the total number of Shares in issue. DeClout is a wholly-owned subsidiary of EGPL, which in turn is a wholly-owned subsidiary of EXEO Group, Inc (“**EXEO Group**”). Each of EGPL and EXEO Group is therefore deemed interested in the Shares held by DeClout and is therefore regarded as a “controlling shareholder” under the Listing Manual. For the purposes of Chapter 9 of the Listing Manual, EGPL is an “interested person” of the Company. Accordingly, the Tenancy Agreement would constitute an Interested Person Transaction (“**IPT**”) under Chapter 9 of the Listing Manual.

The total transaction value (excluding Singapore goods and services tax), which comprises the monthly rental and the utilities charge based on current rates, for the duration of the terms is approximately S\$1.4 million (“**IPT Value**”) and represents 3.4% of the latest audited NTA of the Company as at 31 December 2022. The Group's latest audited NTA as at 31 December 2022 was S\$41.3 million. As the IPT Value is more than 3% but less than 5% of the Group's latest audited NTA, the entry into the Tenancy Agreement by the Company requires an immediate announcement pursuant to Rule 905 of the Listing Manual.

3. Details of the Tenancy Agreement

Under the Tenancy Agreement, the premises occupy a floor area of 19,000 square feet, commencing from 1 January 2024 and expiring on 30 June 2026. Pursuant to the Tenancy Agreement, PSG shall pay EGPL a total rent of not more than S\$1,397,817.24 for the entire Term. The rental is arrived based on the negotiations between the parties to the Tenancy Agreement, benchmarked against comparable leases and arrived at after taking into consideration inter alia, the condition and location of the leased premises.

4. Rationale for and benefits of the Tenancy Agreement

The premises met the increased warehouse needs of PSG and the goal of streamlining operations and promoting synergies within the Group and the group comprising EXEO Group and its subsidiaries.

5. Audit Committee Statement

The Audit Committee of the Company (other than the abstaining directors disclosed in paragraph 7 of this announcement below) has considered the terms of the Tenancy Agreement and is of the view that the Tenancy Agreement is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

6. Current total value of IPTs with EXEO Group for the current financial year

As at the date of this announcement, the value of all IPTs entered into between the Group and EXEO Group during the course of the current financial year ending 31 December 2023 (including the Tenancy Agreement) is approximately S\$1.8 million (representing 4.3% of the Group's latest audited consolidated NTA as at 31 December 2022).

7. Interest of Directors and Substantial Shareholders

As at the date of this announcement, the interests of the certain members of the Board in the Tenancy Agreement are as follows:

- a. Mr. Fumitoshi Imaizumi ("**Mr. Imaizumi**"), the Non-Independent Non-Executive Chairman of the Company and a member of the Nominating Committee of the Company, is also a director of DeClout, the Managing Director and the Chief Executive Officer of EGPL, and a director and the Managing Operating Officer of EXEO Group;
- b. Mr. Shigeki Hayashi ("**Mr. Hayashi**"), the Non-Independent Non-Executive Director of the Company and a member of the Audit Committee of the Company, is also a director of EGPL and a director, the Operating Officer and the Chief Financial Officer of EXEO Group; and
- c. Mr. Steven Lwi ("**Mr. Lwi**"), the Non-Independent Non-Executive Director of the Company and a member of the Audit and Remuneration Committees of the Company, is also the Chief Corporate Development Officer of EGPL.

Mr. Imaizumi and Mr. Hayashi are shareholders of EXEO Group holding non-substantial interest (i.e. less than 5% shareholding interest) in EXEO Group. Mr. Lwi is not a shareholder of EXEO Group.

As disclosed in paragraph 2 of this announcement, DeClout is a controlling shareholder of the Company and each of EG and EXEO Group are deemed interested in the Shares held directly by DeClout. For the purposes of Chapter 9 of the Listing Manual, EGPL is an “interested person” of the Company.

Mr. Imaizumi, Mr. Hayashi and Mr. Lwi have abstained from voting in respect of the Tenancy Agreement.

Saved as disclosed above, none of the other members of the Board or substantial shareholders of the Company has any interest, direct or indirect, in the Tenancy Agreement, save for their shareholdings in the Company.

**BY ORDER OF THE BOARD
PROCURRI CORPORATION LIMITED**

Mathew George Jordan
Executive Director and Chief Executive Officer
29 December 2023