PROCURRI

NEWS RELEASE

Procurri to Take Full Control of US Joint Venture Rockland Congruity in US$22M Buyout

- **Full ownership expected to sharpen Procurri's competitive edge amid consolidation in third-party IT maintenance industry**

Singapore, 18 November 2018 – Procurri Corporation Limited ("**Procurri**" and together with its subsidiaries, the "**Group**") has entered into a conditional sale and purchase agreement to acquire 100% of its US-based joint-venture company Rockland Congruity LLC ("**Rockland**") for a consideration of US$22 million, in a move aimed at further strengthening its Lifecycle Services business.

Procurri will take over the remaining 49% stake it does not already own from Congruity LLC, with which it formed Rockland in January last year to offer third-party IT maintenance and support services and sell refurbished enterprise hardware in the Americas. Procurri's intention then was to develop a stable income stream and in-house maintenance capabilities through Rockland.

The collaboration has since paid off. For the first nine months of 2018, Rockland generated revenue of US$28.3 million and deferred revenue (not yet recognised) of US$7.5 million, up from US$24.1 million and US$7.2 million respectively for the whole of last year.

Turning Rockland into a wholly-owned subsidiary will sharpen the Group's competitive edge at a time when its peers in the third-party IT maintenance industry are rapidly scaling up through mergers and acquisitions to increase market share, according to Mr Sean Murphy, Procurri's Chairman and Global CEO.

"Besides improving decision-making efficiency, full integration will enable us to compete more effectively in the current business environment. This is important as companies worldwide are increasingly turning to service providers that can be a one-stop shop for all their IT needs, not just for a single location but across multiple geographies. The acquisition is also in line with our goal to have a stable income stream through our Lifecycle Services business," he said.

The US$22 million consideration will be paid in two tranches: US$12 million upon completion of the purchase of the 49% stake, and US$10 million in January 2020. Cash will be the primary mode of payment, although up to US$4 million can be paid in the form of Procurri shares.

Procurri will fund the acquisition using internal resources and/or bank loans.

Pursuant to the terms and conditions of the sale and purchase agreement, the seller is prohibited from competing with Rockland for three years. The acquisition is subject to the approval of all relevant regulatory authorities as well as Procurri shareholders, who will get to vote on the said transaction at an extraordinary general meeting to be convened in due course.

This press release should be read in conjunction with Procurri's announcement released on 18 November 2018 at www.sgx.com.

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About Procurri

Procurri is one of the leading global independent providers of Lifecycle Services and Data Centre Equipment. By offering a converged network that combines the technology, finance and logistics domains, Procurri aims to be a global aggregator of enterprise hardware and services to its channels.

Incorporated in 2013, Procurri has grown rapidly through the years and now has offices across three regional hubs – Asia Pacific, Americas and the Europe (including the UK), Middle East and Africa ('EMEA") – with its global headquarters located in Singapore. Through its direct presence and global network of partners, Procurri's business covers over 100 countries worldwide, providing a single touchpoint for its customers' Lifecycle Services and Data Centre Equipment needs.

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