

**APPENDIX DATED 13 APRIL 2023**

**THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**

This Appendix is circulated to the Shareholders together with the Annual Report. Its purpose is to provide Shareholders with the relevant information relating to, and seek Shareholders' approval for, the proposed renewal of the Share Purchase Mandate to be tabled at the AGM of the Company to be held on 28 April 2023 at 10.00 a.m. or at any adjournment thereof.

The Notice of AGM and the Proxy Form are enclosed with the Annual Report.

If you have sold or transferred all your Shares in the Company, you should immediately forward this Appendix, together with the Annual Report and the accompanying Proxy Form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited (the "SGX-ST") assumes no responsibility for the correctness or accuracy of any of the statements made, reports contained and opinions expressed in this Appendix.



P R O C U R R I

(Company Registration Number 201306969W)  
(Incorporated in the Republic of Singapore)

**APPENDIX IN RELATION TO**

**THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE**

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## DEFINITIONS

In this Appendix, the following definitions apply throughout unless the context requires otherwise:

<b>“ACRA”</b>	:	Accounting and Corporate Regulatory Authority of Singapore
<b>“AGM”</b>	:	The annual general meeting of the Company to be held on 28 April 2023 at 10.00 a.m.
<b>“Awards”</b>	:	Has the meaning defined in paragraph 2.3.1 of this Appendix
<b>“Approval Date”</b>	:	Has the meaning defined in paragraph 2.3.1 of this Appendix
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Code”</b>	:	Singapore Code on Take-overs and Mergers
<b>“Company” or “Procurri”</b>	:	Procurri Corporation Limited
<b>“Companies Act”</b>	:	The Companies Act 1967 of Singapore, as amended, varied or supplemented from time to time
<b>“EGM”</b>	:	The extraordinary general meeting of the Company held on 11 January 2023 at 10.00 a.m., by way of electronic means.
<b>“EPS”</b>	:	Earnings per Share
<b>“Group”</b>	:	The Company and its subsidiaries
<b>“Listing Manual”</b>	:	The listing manual of the SGX-ST, as modified, supplemented or amended from time to time
<b>“Market Day”</b>	:	A day on which the SGX-ST is open for securities trading
<b>“Maximum Price”</b>	:	Has the meaning defined in paragraph 2.3.4 of this Appendix
<b>“NTA”</b>	:	Net tangible assets
<b>“Off-Market Purchase”</b>	:	Has the meaning defined in paragraph 2.3.3(b) of this Appendix
<b>“On-Market Purchase”</b>	:	Has the meaning defined in paragraph 2.3.3(a) of this Appendix
<b>“PSP”</b>	:	The Procurri Corporation Performance Share Plan
<b>“Purchase Price”</b>	:	Has the meaning defined in paragraph 2.9(a)(i) of this Appendix
<b>“Register of Members”</b>	:	The register of members of the Company
<b>“SFA”</b>	:	The Securities and Futures Act 2001 of Singapore, as

amended, varied or supplemented from time to time

- “SGX-ST”** : Singapore Exchange Securities Trading Limited
- “Share Purchase Mandate”** : The mandate to enable the Company to purchase or otherwise acquire Shares in accordance with, and in the manner prescribed by, the terms set out in this Appendix, the Companies Act and the rules of the Listing Manual and such other laws and regulations as may, for the time being, be applicable, which was previously approved by Shareholders at the EGM.
- “Shares”** : Ordinary shares in the capital of the Company
- “Shareholders”** : Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term **“Shareholders”** shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose res those Shares are credited.
- “Substantial Shareholder”** : A person who has an interest or interests in Shares representing not less than five per cent. of the total voting rights of all Shareholders
- “S\$”, “\$” and “cents”** : Singapore dollars and cents, respectively
- “%” or “per cent.”** : Per centum or percentage

The terms **“Depositor”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Listing Manual or any modification thereof and not otherwise defined in this Appendix shall, where applicable, have the same meaning ascribed to it under the Listing Manual or such modification thereof, as the case may be, unless otherwise provided. Summaries of the provisions of any laws and regulations (including the Listing Manual) contained in this Appendix are of such laws and regulations (including the Listing Manual) as at 6 April 2023 (the **“Latest Practicable Date”**).

Any reference to a time of day in this Appendix shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in this Appendix between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures that precede them.

## LETTER TO SHAREHOLDERS

### PROCURRI CORPORATION LIMITED

(Company Registration Number 201306969W)  
(Incorporated in the Republic of Singapore)

#### Board of Directors:

Mr Wong Kok Khun (*Executive Chairman*)  
Mr Ng Loh Ken Peter (*Lead Independent Director*)  
Mr Wong Quee Quee, Jeffrey (*Independent Director*)  
Dr. Lim Puay Koon (*Independent Director*)  
Mr Lim Swee Yong (*Non-Independent Non-Executive Director*)  
Mr Lwi Tong Boon (*Non-Independent Non-Executive Director*)

#### Registered Office:

29 Tai Seng Avenue  
#01-01 Natural Cool  
Lifestyle Hub  
Singapore 534119

13 April 2023

To: The Shareholders of Procurri Corporation Limited  
(the “**Company**”)

Dear Sir/Madam,

## THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

### 1. INTRODUCTION

#### 1.1 Purpose of Appendix

The purpose of this Appendix is to provide Shareholders with the relevant information pertaining to the proposed renewal of the Share Purchase Mandate, and to seek Shareholders’ approval at the AGM for the renewal.

The SGX-ST assumes no responsibility for the correctness or accuracy of any of the statements made, reports contained, and opinions expressed in this Appendix.

### 2. THE SHARE PURCHASE MANDATE

#### 2.1 Introduction

The adoption of the Share Purchase Mandate was approved by the Shareholders at the EGM, held on 11 January 2023, authorising the Directors to purchase or otherwise acquire its issued Shares on the terms of such mandate (“**EGM Mandate**”). The EGM Mandate will expire on the date of the AGM. Accordingly, the Company proposes to seek the approval of Shareholders at the upcoming AGM for the renewal of the Share Purchase Mandate in respect of the purchase or acquisition by the Company of its issued Shares. If approved, the renewed Share Purchase Mandate will take effect from the date of the AGM and continue in force until the conclusion of the next annual general meeting of the Company or such date as the next annual general meeting is held or required by law to be held, unless prior thereto, Share buybacks may be carried out to the full extent mandated or the Share Purchase Mandate is revoked or varied by

the Shareholders in a general meeting. It is intended that the Share Purchase Mandate will be put to Shareholders for renewal at each subsequent annual general meeting of the Company.

Any purchase or acquisition of Shares by the Company would have to be made in accordance with, and in the manner prescribed by, the Companies Act, the Listing Manual and such other applicable laws and regulations. Rule 881 of the Listing Manual provides that a company may purchase its own shares if it has obtained the prior specific approval of shareholders in a general meeting. Accordingly, approval is being sought from the Shareholders at the AGM for the renewal of the Share Purchase Mandate.

If approved by the Shareholders at the AGM, the authority conferred by the Share Purchase Mandate will take effect from the date of the AGM and continue in force until the date on which the next annual general meeting is held or required by law to be held, unless prior thereto, purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate have been carried out to the full extent mandated, or the authority conferred by the Share Purchase Mandate is revoked or varied by Shareholders in a general meeting.

For the avoidance of doubt, the Company has not purchased or acquired any of its Shares in the 12 months preceding the Latest Practicable Date.

## **2.2 Rationale for the renewal of the Share Purchase Mandate**

While it is not possible to anticipate in advance any specific circumstances in which the Directors might think it appropriate to purchase or acquire Shares, the Directors believe that a renewed mandate from the Shareholders to enable the Company to purchase or otherwise acquire its Shares would give the Company the flexibility to undertake purchases or acquisitions of Shares at any time, subject to market conditions, during the period the Share Purchase Mandate is in force. The purchases or acquisitions may, depending on market conditions at the relevant time, lead to an enhancement of the net asset value and/or earnings per Share, which would allow the Company to optimally allocate its resources and maximise share value, and also, where necessary purchase or acquire its Shares from its Substantial Shareholder(s) so as to ensure that at least 10 per cent. of its Shares (excluding treasury shares) is held by the public so as to prevent disruptions to the trading of the Shares.

In addition, purchases or acquisitions pursuant to the Share Purchase Mandate would continue to provide the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements, in an expedient and cost-efficient manner. It also allows the Directors greater flexibility to exercise control over the Company's share capital structure, dividend policy and cash reserves with a view to enhancing the earnings per Share and/or net asset value per Share. Shares purchased by the Company and held in treasury may also be transferred for the purposes of or pursuant to employees' share schemes implemented by the Company. The use of treasury shares in lieu of issuing new Shares would also mitigate the dilution impact on existing Shareholders.

The Share Purchase Mandate if renewed, will authorise the Directors to make on-market and off-market purchases or acquisitions of Shares of up to 10 per cent. of the issued Shares (excluding treasury shares and subsidiary holdings) (ascertained as at the date of the passing of the Share Purchase Mandate) at such price(s) up to the Maximum Price (as defined below) and will empower the Directors to do all acts necessary to give effect to the Share Purchase Mandate.

While the Share Purchase Mandate would authorise a purchase or acquisition of Shares up to 10 per cent. limit as described above, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full 10 per cent. limit as authorised, and no purchase or acquisition of Shares will be made, in circumstances which would have or may have a material adverse effect on the liquidity and capital adequacy position or financial position of the Company or the Group as a whole, including if such purchase or acquisition would result in the public float of the Company falling below 10 per cent. as required under Rule 723 of the Listing Manual or in the suspension of the trading of the Shares on the SGX-ST.

## 2.3 Authority and Limits of the Share Purchase Mandate

The authority for and limitations placed on Share Purchases by the Company under the Share Purchase Mandate, if renewed at the AGM, are the same as the Share Purchase Mandate previously approved by the Shareholders at the EGM. These are summarised below:

### 2.3.1 Maximum Number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares which may be purchased or acquired by the Company is limited to that number of Shares representing not more than 10 per cent. of the total number of issued Shares as at the AGM at which the proposed Share Purchase Mandate is renewed. Any Shares which are held as treasury shares and subsidiary holdings (as defined in the Listing Manual<sup>1</sup>) will be disregarded for purposes of computing the 10 per cent. limit.

For illustrative purposes only: on the basis of 320,541,373 Shares in issue<sup>2</sup>, excluding treasury shares, as at the Latest Practicable Date and assuming that:

- (a) no further Shares are issued;
- (b) no further Shares are purchased or acquired by the Company and no Shares purchased or acquired by the Company are held as treasury shares; and
- (c) no Shares are held as subsidiary holdings,

on or prior to the AGM, not more than 32,054,137 Shares (representing 10 per cent. of the total number of issued Shares, excluding treasury shares) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate.

In the event that any of the awards (the “**Awards**”) to acquire Shares granted or to be granted to an eligible participant of the “**PSP**”, or the options granted or to be granted to an eligible participant pursuant to the Procurri Corporation Employee Share Option Scheme (if any), that have vested are released or exercised (as the case may be) during the period between the Latest Practicable Date and the date of the AGM, only those new Shares that are allotted and issued by the date of the AGM (“**Approval Date**”) pursuant to the release of such vested

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<sup>1</sup> “Subsidiary holdings” is defined in the Listing Manual to mean Shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act.

<sup>2</sup> As at the Latest Practicable Date, the Company has no treasury shares or subsidiary holdings.

Awards or the exercise of such granted options will be taken into account for the purposes of determining the total number of Shares as at the Approval Date.

As mentioned in paragraph 2.2 above, purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full 10 per cent. limit as authorised, and no purchase or acquisition of Shares will be made, in circumstances which would have or may have a material adverse effect on the liquidity and capital adequacy position or financial position of the Company or the Group as a whole, including if such purchase or acquisition would result in the public float of the Company falling below 10 per cent. as required under Rule 723 of the Listing Manual or in the suspension of the trading of the Shares on the SGX-ST, or would affect the orderly trading of the Company's Shares on the SGX-ST and its listing status. Nevertheless, the Share Purchase Mandate is being proposed to permit purchases or acquisitions of Shares up to the full 10 per cent. limit, in order to provide maximum flexibility to cater for future increases in the level of the public float of the Company.

The percentage of Shares held in public hands as at the Latest Practicable Date is 10.83 per cent., held by 434 Shareholders who are members of the public.

### 2.3.2 Duration of Authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the AGM at which the Share Purchase Mandate is renewed, up to:

- (a) the date on which the next annual general meeting of the Company is held or required by law to be held;
- (b) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied; or
- (c) the date on which the purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated,

whichever is the earliest.

### 2.3.3 Manner of Purchases or Acquisitions of Shares

Purchases or acquisitions of Shares may be made by way of:

- (a) an on-market purchase ("**On-Market Purchase**") transacted through the SGX-ST; and/or
- (b) an off-market purchase ("**Off-Market Purchase**") effected pursuant to an equal access scheme (as defined in Section 76C of the Companies Act) as may be determined or formulated by the Directors as they consider fit, which scheme shall satisfy all the conditions prescribed by the Companies Act and the Listing Manual.

Under the Companies Act, an Off-Market Purchase effected in accordance with an equal access scheme must satisfy all of the following conditions:



- (c) the offers under the scheme are to be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (d) all of those persons have a reasonable opportunity to accept the offers made to them; and
- (e) the terms of all the offers are the same except that there must be disregarded:
  - (i) differences in consideration attributable to the fact that the offers relate to Shares with different accrued dividend entitlements;
  - (ii) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and
  - (iii) differences in the offers introduced solely to ensure that each member is left with a whole number of Shares.

In addition, the Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which contains at least the following information:

- (1) the terms and conditions of the offer;
- (2) the period and procedures for acceptances;
- (3) the reasons for the proposed share purchase;
- (4) the consequences, if any, of share purchases by the Company that will arise under the Code or other applicable takeover rules;
- (5) whether the share purchase, if made, could affect the listing of the Shares on the SGX-ST;
- (6) details of any share purchases made by the Company in the previous 12 months (whether On-Market Purchases or Off-Market Purchases in accordance with an equal access scheme), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (7) whether the Shares purchased will be cancelled or kept as treasury shares.

#### 2.3.4 Maximum Purchase Price

The purchase price (excluding related brokerage, commission, clearance fees, stamp duties, applicable goods and services tax and other related expenses) to be paid for a Share in the event of any share purchase shall be determined by the Directors, but in any event, shall not exceed the maximum price ("**Maximum Price**"), which:

- (a) in the case of an On-Market Purchase, shall mean the price per Share based on not more than five per cent. above the average of the closing market prices of the Shares

over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded immediately preceding the day of the On-Market Purchase and deemed to be adjusted for any corporate action occurring during such five Market Days period and the date of the On-Market Purchase by the Company; and

- (b) in the case of an Off-Market Purchase, shall mean the price per Share based on not more than 20 per cent. above the average of the closing market prices of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded immediately preceding the day on which the Company makes an announcement of an offer under an equal access scheme.

## **2.4 Status of Purchased or Acquired Shares**

Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to those Shares will expire on such cancellation) unless such Shares are held by the Company as treasury shares. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company which are cancelled and are not held as treasury shares.

All Shares purchased or acquired by the Company (other than treasury shares held by the Company to the extent permitted under the Companies Act), will cease to be tradeable on the SGX-ST, and the certificates in respect thereof will be cancelled by the Company as soon as practicable following the settlement of any such purchase or acquisition.

At the time of each purchase of Shares by the Company, the Directors will decide whether the Shares purchased will be cancelled or kept as Treasury Shares, or partly cancelled and partly kept as Treasury Shares, as the Directors deem fit in the interest of the Company at that time.

## **2.5 Treasury Shares**

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

### **2.5.1 Maximum Holdings**

The number of Shares held as treasury shares<sup>3</sup> cannot at any time exceed 10 per cent. of the total number of issued Shares. In the event that the aggregate number of treasury shares held by the Company exceeds the aforesaid limit, the Company shall dispose of or cancel the excess treasury shares in accordance with Section 76K of the Companies Act within six (6) months from the day the aforesaid limit is first exceeded, or such further period as may be allowed by ACRA.

### **2.5.2 Voting and Other Rights**

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<sup>3</sup> For these purposes, "treasury shares" shall be read as including shares held by a subsidiary under Sections 21(4B) or 21(6C) of the Companies Act.

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights. In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed and any such shares so allotted shall be treated, for the purposes of the Companies Act, as if they were purchased by the Company at the time they were allotted, in circumstances in which Section 76H of the Companies Act applied. A subdivision or consolidation of any treasury share into treasury shares is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

### 2.5.3 Disposal and Cancellation

Where Shares are held as treasury shares, the Company may at any time but subject always to the Code:

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Under Rule 704(28) of the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such treasury shares, the purpose of such sale, transfer, cancellation and/or use of such treasury shares, the number of treasury shares which have been sold, transferred, cancelled and/or used, the number of treasury shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after such sale, transfer, cancellation and/or use, and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

## 2.6 Sources of Funds

The Company may purchase or acquire its own Shares out of the Company's capital, as well as from its profits, so long as the Company is solvent.

The Company may use internal resources and/or external borrowings to finance purchases or acquisitions of its Shares pursuant to the Share Purchase Mandate.

The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such extent that the financial position of the Group would be materially adversely affected.

## **2.7 Singapore Take-over Implications**

### **2.7.1 Provisions under the Code**

Some of the provisions of the Code are summarised below:

- (a) Under Appendix 2 of the Code, an increase of a Shareholder's proportionate interest in the voting rights of the Company resulting from a share purchase by the Company will be treated as an acquisition for the purposes of Rule 14 of the Code.
- (b) Pursuant to Rule 14 of the Code, a shareholder and persons acting in concert with the shareholder will incur an obligation to make a mandatory takeover offer if, inter alia, he and persons acting in concert with him increase their voting rights in the company to 30 per cent. or more, or if they, together holding between 30 per cent. and 50 per cent. of the company's voting rights, increase their voting rights in the company by more than one per cent. in any period of six months.
- (c) Persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal) co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company. Unless the contrary is established, the Code presumes certain persons to be acting in concert, namely, the following:
  - (i) a company, its parent, its subsidiaries and fellow subsidiaries, any associated companies of the above companies, any company whose associated companies include any of the above companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights. For this purpose, ownership or control of at least 20 per cent. but not more than 50 per cent. of the voting rights of a company will be the test of associated company status;
  - (ii) a company with any of its directors (together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts);
  - (iii) a company with any of its pension funds and employee share schemes;
  - (iv) a person with any investment company, unit trust or other fund in respect of the portion which the person manages on a discretionary basis;
  - (v) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser, and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10 per cent. or more of the client's equity share capital;

- (vi) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;
  - (vii) partners; and
  - (viii) an individual, his close relatives, his related trusts, and any person who is accustomed to act according to his instructions, companies controlled by any of the above persons and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.
- (d) The effect of Rule 14 and Appendix 2 of the Code is that:
- (i) unless exempted, directors and persons acting in concert with them will incur an obligation to make a takeover offer if, as a result of the company purchasing or acquiring its own shares, the voting rights of such shareholders and their concert parties increase to 30 per cent. or more, or if such shareholders and their concert parties hold between 30 per cent. and 50 per cent. of the voting rights of the company, such voting rights increase by more than one per cent. in any period of six months; and
  - (ii) a shareholder not acting in concert with the directors will not be required to make a takeover offer if, as a result of the company purchasing or acquiring its own shares, the voting rights of such shareholder would increase to 30 per cent. or more, or if such shareholder holds between 30 per cent. and 50 per cent. of the Company's voting rights, his voting rights increase by more than one per cent in any period of six months as a result of the company buying back its shares. Such shareholder need not abstain from voting in respect of the resolution approving the Share Purchase Mandate.

Based on the Substantial Shareholders' interests in Shares as at the Latest Practicable Date as set out in paragraph 3.2 below, none of the Substantial Shareholders of the Company would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase by the Company of the maximum limit of 10 per cent. of its issued Shares (excluding treasury shares and subsidiary holdings).

Shareholders are advised to consult their professional advisers and/or the Securities Industry Council at the earliest opportunity as to whether an obligation to make a take-over offer would arise by reason of any purchase or acquisition of Shares by the Company.

The Share Purchase Mandate is not intended to assist any Shareholder or its concert parties to obtain or consolidate effective control of the Company. The Directors will decide when, how many and on what terms to repurchase any Shares pursuant to the Share Purchase Mandate in the interests of the Company and its Shareholders as a whole, taking into account various commercial considerations such as the financial effects of the share purchases on the Company.

## 2.8 Tax Implications

Shareholders who are in doubt as to their respective tax positions or the tax implications of share repurchases by the Company, or who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

## 2.9 Financial Effects of the Share Purchase Mandate

The financial effects on the Company and the Group arising from share purchases made pursuant to the Share Purchase Mandate will depend on, *inter alia*, the number of Shares purchased or acquired, and the price paid for such Shares.

The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for the financial year ended 31 December 2022, are based on the assumptions set out below:

- (a) Purchase or Acquisition out of Capital and/or Profits
  - (i) if the Shares are purchased or acquired entirely out of the capital of the Company, the Company shall reduce the amount of its share capital by the total amount of the purchase price paid by the Company for the Shares (the “**Purchase Price**”) and the amount available for the distribution of cash dividends by the Company will not be reduced;
  - (ii) if the Shares are purchased or acquired entirely out of profits of the Company, the Company shall reduce the amount of its profits by the total amount of the Purchase Price and correspondingly reduce the amount available for the distribution of cash dividends by the Company; or
  - (iii) where the Shares are purchased or acquired out of both the capital and the profits of the Company, the Company shall reduce the amount of its share capital and profits proportionately by the total amount of the Purchase Price.
- (b) Number of Shares purchased or acquired

Based on the number of issued and paid-up Shares as at the Latest Practicable Date, and assuming that no further Shares are issued on or prior to the AGM, the purchase or acquisition by the Company of up to the maximum limit of 10 per cent. of its issued Shares will result in the purchase or acquisition of 32,054,137 Shares.

- (c) Maximum price to be paid for share purchases
  - (i) For illustrative purposes only, in the case of an On-Market purchase by the Company and assuming that the Company purchases or acquires 32,054,137 Shares at the Maximum Price of S\$0.27 per Share (being five (5) per cent. above the average of the closing market prices of the Shares for the five Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 32,054,137 Shares is approximately S\$8,750,779.

- (ii) For illustrative purposes only, in the case of an Off-Market Purchase by the Company and assuming that the Company purchases or acquires 32,054,137 Shares at the Maximum Price of S\$0.31 per Share (being 20 per cent. above the average of the closing market prices of the Shares for the five Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 32,054,137 Shares is approximately S\$10,000,891.

For illustrative purposes only, and based on the assumptions set out above, and further assuming the On-Market Purchases and Off-Market Purchases are made entirely out of profits, the financial effects of the share purchases pursuant to the Share Purchase Mandate on the audited accounts of the Company and the Group for the financial year ended 31 December 2022 as if the Share Purchase Mandate had been effective on 31 December 2022 are as illustrated at **Annex A** of this Appendix.

**Shareholders should note that the financial effects illustrated at Annex A are based on certain assumptions and purely for illustrative purposes only. In particular, it is important to note that the appended analysis is based on historical audited accounts of the Company and the Group for the financial year ended 31 December 2022 and is not necessarily representative of the future financial performance of the Company or the Group.**

**Shareholders should also note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full 10 per cent. limit as authorised, and no purchase or acquisition of Shares will be made, in circumstances which would have or may have a material adverse effect on the liquidity and capital adequacy position or financial position of the Company or the Group as a whole.**

Share purchases will only be effected after assessing the relative impact of a share purchase, taking into consideration both financial factors (such as cash surplus, debt position and working capital requirements) and non-financial factors (such as share market conditions and the performance of the Shares).

## **2.10 Listing Rules – Reporting Requirements**

Rule 886 of the Listing Manual provides that a listed company shall notify the SGX-ST of any share purchase as follows:

- (a) in the case of an On-Market Purchase, by 9.00 a.m. on the Market Day following the day on which it purchases shares; and
- (b) in the case of an Off-Market Purchase under an equal access scheme, by 9.00 a.m. on the second Market Day after the close of acceptances of the offer.

The notification of such share purchases to the SGX-ST (in the form stipulated in Appendix 8.3.1 of the Listing Manual) shall include such details as the SGX-ST may prescribe, such as, *inter alia*, the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for such shares, as applicable.

In addition, in accordance with Rule 704(28) of the Listing Manual, the Company will announce any sale, transfer, cancellation and/or use of treasury shares, stating the following:

- (i) date of the sale, transfer, cancellation and/or use;
- (ii) purpose of such sale, transfer, cancellation and/or use;
- (iii) number of treasury shares sold, transferred, cancelled and/or used;
- (iv) number of treasury shares before and after such sale, transfer, cancellation and/or use;
- (v) percentage of the number of treasury shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (vi) value of the treasury shares if they are used for a sale or transfer, or cancelled.

The Company may not undertake any purchases or acquisitions of its Shares prior to the announcement of any price-sensitive information by the Company, until such time as the price sensitive information has been publicly announced or disseminated in accordance with the requirements of the Listing Manual.

In addition, in line with the best practices set out in the Listing Manual, the Company may not effect any purchases or acquisitions of Shares on the SGX-ST during the period commencing two weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one month before the announcement of the Company's financial statements for the full-year (if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise), or one month before the announcement of the Company's financial statements for the half-year and full-year, as the case may be, (if the Company does not announce its quarterly financial statements).

### 3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

3.1 **Directors' Interests in Shares.** As at the Latest Practicable Date, the Directors' direct or deemed interests in the Shares are as follows:

Director	Direct Interest		Deemed Interest	
	Number of Shares	% <sup>(1)</sup>	Number of Shares	% <sup>(1)</sup>
Wong Kok Khun	500,000	0.156	-	-
Ng Loh Ken Peter	41,600	0.013	-	-
Wong Quee Quee Jeffrey	41,100	0.013	-	-
Lim Puay Koon	41,100	0.013	-	-
Lim Swee Yong	300,000	0.094	-	-
Lwi Tong Boon	300,000	0.094	-	-



Notes:

(1) As at the Latest Practicable Date, there are 320,541,373 Shares in issue.

**3.2 Substantial Shareholders' Interests in Shares.** As at the Latest Practicable Date, the Substantial Shareholders' direct or deemed interests in the Shares are as follows:

Substantial Shareholders	Direct Interest		Deemed Interest <sup>(2)</sup>	
	Number of Shares	% <sup>(1)</sup>	Number of Shares	% <sup>(1)</sup>
DeClout Pte. Ltd.	284,614,691	88.79	-	-
Exeo Global Pte. Ltd. <sup>(2)</sup>	-	-	284,614,691	88.79
EXEO Group, Inc. <sup>(2)</sup>	-	-	284,614,691	88.79

Notes:

(1) As at the Latest Practicable Date, there are 320,541,373 Shares in issue.

(2) DeClout Pte. Ltd. is a wholly-owned subsidiary of Exeo Global Pte. Ltd., which in turn is a wholly-owned subsidiary of EXEO Group, Inc. Each of Exeo Global Pte. Ltd. and EXEO Group, Inc., are therefore deemed interested in the Shares directly held by DeClout Pte. Ltd.

## 4. DIRECTORS' RECOMMENDATIONS

### 4.1 The renewal of the Share Purchase Mandate

Having considered the relevant factors, including the rationale for the Share Purchase Mandate, the Directors are of the opinion that a renewal of the Share Purchase Mandate is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of Ordinary Resolution 9 that would be proposed at the upcoming AGM.

## 5. ACTION BY SHAREHOLDERS

5.1 If a Shareholder is unable to attend the AGM and wishes to appoint a proxy to attend and vote in his place or on his behalf, he should complete, sign and return the proxy form appended in the Annual Report in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Share Registrar, Tricor Barbinder Share Registration Service, at 80 Robinson Road, #02-00, Singapore 068898 not less than 72 hours before the time appointed for holding the AGM. The completion and return of the proxy form by a Shareholder will not prevent him from attending and voting at the AGM if he subsequently wishes to do so. In such an event, the proxy form shall be deemed to be revoked. A person shall not be regarded as a Shareholder entitled to attend the AGM and to speak and vote at the AGM unless he is shown to have Shares entered against his name in the Register of Members, as certified by CDP at least 72 hours before the AGM.

## 6. INSPECTION OF DOCUMENTS

The following documents are available for inspection at the registered office of the Company at 29 Tai Seng Avenue, #01-01, Natural Cool Lifestyle Hub, Singapore 534119 during normal business hours from the date of this Appendix up to and including the date of the AGM:

(a) the Constitution; and

(b) the Annual Report.

## **7. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of the Share Purchase Mandate, and the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in this Appendix 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 Appendix in its proper form and context.

Yours faithfully  
For and on behalf of  
the Board of Directors of

**Procurri Corporation Limited**

**Wong Kok Khun**  
**Executive Chairman**

**ANNEX A**  
**FINANCIAL EFFECTS OF THE PROPOSED SHARE PURCHASE MANDATE**

(i) On-Market Purchases made entirely out of profits and held as treasury shares

	Group		Company	
	Before the Share Purchase	After the Share Purchase	Before the Share Purchase	After the Share Purchase
<b>As at 31 December 2022</b>				
Equity excluding treasury shares (S\$'000)	52,082	52,082	79,079	79,079
Treasury shares (S\$'000)	-	(8,751)	-	(8,751)
Total equity including treasury shares (S\$'000)	52,082	43,331	79,079	70,328
Net Tangible Assets (“NTA”) (S\$'000)	41,322	32,571	79,079	70,328
Current assets (S\$'000)	105,415	96,664	37,077	37,077
Current liabilities (S\$'000)	70,551	70,551	2,584	11,335
Total borrowings (S\$'000)	15,002	15,002	-	8,751
Cash and cash equivalents (S\$'000)	32,745	23,994	8,605	8,605
Net profit attributable to owners of the Company (S\$'000)	(3,697)	(3,697)	6,162	6,162
Total number of issued Shares (as at the Latest Practicable Date)	320,541,373	288,487,236	320,541,373	288,487,236
<b>Financial Ratios</b>				
NTA per Share (S\$ cents)	12.89	11.29	24.67	24.38
Gearing (%)	(34.07)	(20.75)	(10.88)	0.21
Current ratio (times)	1.49	1.37	14.35	3.27
Earnings per Share (“EPS”) attributable to owners of the Company (S\$ cents)	(1.15)	(1.28)	1.92	2.14

## (ii) Off-Market Purchases made entirely out of profits and held as treasury shares

	Group		Company	
	Before the Share Purchase	After the Share Purchase	Before the Share Purchase	After the Share Purchase
<b>As at 31 December 2022</b>				
Equity excluding treasury shares (S\$'000)	52,082	52,082	79,079	79,079
Treasury shares (S\$'000)	-	(10,001)	-	(10,001)
Total equity including treasury shares (S\$'000)	52,082	42,081	79,079	69,078
Net Tangible Assets ("NTA") (S\$'000)	41,322	31,321	79,079	69,078
Current assets (S\$'000)	105,415	95,414	37,077	37,077
Current liabilities (S\$'000)	70,551	70,551	2,584	12,585
Total borrowings (S\$'000)	15,002	15,002	-	10,001
Cash and cash equivalents (S\$'000)	32,745	22,744	8,605	8,605
Net profit attributable to owners of the Company (S\$'000)	(3,697)	(3,697)	6,162	6,162
Total number of issued Shares (as at the Latest Practicable Date)	320,541,373	288,487,236	320,541,373	288,487,236
<b>Financial Ratios</b>				
NTA per Share (S\$ cents)	12.89	10.86	24.67	23.94
Gearing (%)	(34.07)	(18.40)	(10.88)	2.02
Current ratio (times)	1.49	1.35	14.35	2.95
EPS attributable to owners of the Company (S\$ cents)	(1.15)	(1.28)	1.92	2.14

(iii) On-Market Purchases made entirely out of profits and cancelled

	Group		Company	
	Before the Share Purchase	After the Share Purchase	Before the Share Purchase	After the Share Purchase
<b>As at 31 December 2022</b>				
Equity excluding treasury shares (S\$'000)	52,082	43,331	79,079	70,328
Treasury shares (S\$'000)	-	-	-	-
Total equity including treasury shares (S\$'000)	52,082	43,331	79,079	70,328
Net Tangible Assets ("NTA") (S\$'000)	41,322	32,571	79,079	70,328
Current assets (S\$'000)	105,415	96,664	37,077	37,077
Current liabilities (S\$'000)	70,551	70,551	2,584	11,335
Total borrowings (S\$'000)	15,002	15,002	-	8,751
Cash and cash equivalents (S\$'000)	32,745	23,994	8,605	8,605
Net profit attributable to owners of the Company (S\$'000)	(3,697)	(3,697)	6,162	6,162
Total number of issued Shares (as at the Latest Practicable Date)	320,541,373	288,487,236	320,541,373	88,487,236
<b>Financial Ratios</b>				
NTA per Share (S\$ cents)	12.89	11.29	24.67	24.38
Gearing (%)	(34.07)	(20.75)	(10.88)	0.21
Current ratio (times)	1.49	1.37	14.35	3.27
EPS attributable to owners of the Company (S\$ cents)	(1.15)	(1.28)	1.92	2.14

(iv) Off-Market Purchases made entirely out of profits and cancelled

	Group		Company	
	Before the Share Purchase	After the Share Purchase	Before the Share Purchase	After the Share Purchase
<b>As at 31 December 2022</b>				
Equity excluding treasury shares (S\$'000)	52,082	42,081	79,079	69,078
Treasury shares (S\$'000)	-	-	-	-
Total equity including treasury shares (S\$'000)	52,082	42,081	79,079	69,078
Net Tangible Assets ("NTA") (S\$'000)	41,322	31,321	79,079	69,078
Current assets (S\$'000)	105,415	95,414	37,077	37,077
Current liabilities (S\$'000)	70,551	70,551	2,584	12,585
Total borrowings (S\$'000)	15,002	15,002	-	10,001
Cash and cash equivalents (S\$'000)	32,745	22,744	8,605	8,605
Net profit attributable to owners of the Company (S\$'000)	(3,697)	(3,697)	6,162	6,162
Total number of issued Shares (as at the Latest Practicable Date)	320,541,373	288,487,236	320,541,373	288,487,236
<b>Financial Ratios</b>				
NTA per Share (S\$ cents)	12.89	10.86	24.67	23.94
Gearing (%)	(34.07)	(18.40)	(10.88)	2.02
Current ratio (times)	1.49	1.35	14.35	2.95
EPS attributable to owners of the Company (S\$ cents)	(1.15)	(1.28)	1.92	2.14