PROCURRI CORPORATION LIMITED

2Q2018 & 1H2018 RESULTS
06 AUGUST 2018
IMPORTANT NOTICE

This presentation does not constitute, or form any part of any offer for sale or subscription of, or solicitation of any offer to buy or subscribe for, any securities in Procurri Corporation Limited (“Procurri”) in Singapore or any other jurisdiction nor shall it or any part of it form the basis of, or be relied on in connection with, any investment decision, contract or commitment whatsoever in this or any jurisdiction. This presentation may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. You are cautioned not to place undue reliance on these forward-looking statements, if any, which are based on the current view of management on future events. The information contained in this presentation has not been independently verified. No representation or warranty expressed or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Neither Procurri or any of its affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use, reliance or distribution of this presentation or its contents or otherwise arising in connection with this presentation. The past performance of Procurri is not indicative of the future performance of Procurri. The value of shares in Procurri (“Shares”) and the income derived from them may fall as well as rise. Shares are not obligations of, deposits in, or guaranteed by, Procurri or any of its affiliates. An investment in Shares is subject to investment risks, including the possible loss of the principal amount invested.

FINANCIAL HIGHLIGHTS
2Q2018 FINANCIAL SNAPSHOT

- **Revenue (S$M)**: 43.6 in 2Q2017 vs. 63.3 in 2Q2018, an increase of +45.2%
- **Gross Profit (S$M)**: 13.5 in 2Q2017 vs. 22.5 in 2Q2018, an increase of +67.0%
- **Gross Profit Margin (%)**: 30.9% in 2Q2017 vs. 35.6% in 2Q2018
- **EBITDA (S$M)**: 1.0 in 2Q2017 vs. 5.5 in 2Q2018, an increase of +465.7%
- **Profit Before Tax (S$M)**: N.M. in 2Q2017 vs. 3.2 in 2Q2018
- **Net Profit (S$M)**: -1.7 in 2Q2017 vs. 1.2 in 2Q2018

Second-quarter PBT of S$3.2m mainly driven by higher-margin Lifecycle Services business.

Improvement attributed to better performance across APAC, the Americas & EMEA.
1H2018 FINANCIAL SNAPSHOT

- Revenue up 37.7% yoy on robust growth from both business segments
- Higher-margin Lifecycle Services accounted for 46.0% of Group GP

Revenue up 37.7% yoy on robust growth from both business segments

Higher-margin Lifecycle Services accounted for 46.0% of Group GP
REVENUE OVERVIEW

REVENUE (S$M)

LIFECYCLE SERVICES
+87.8% YoY (1H2018) with improved performance from the Americas and EMEA

IT DISTRIBUTION
+24.8% YoY (1H2018) largely due to higher contribution from APAC and the Americas

Consistent revenue growth underpins the strong fundamentals of the Group's business model and operations
GROSS PROFIT OVERVIEW

GROSS PROFIT (S$M) & GROSS PROFIT MARGIN (%)

LIFECYCLE SERVICES
+208.5% YoY (1H2018), in line with the higher revenue; gross profit margin of 59.2% reflects synergies from in-house maintenance capabilities

IT DISTRIBUTION
+7.4% YoY (1H2018); gross profit margin decreased slightly to 26.8% due to the diversification of hardware brand mix, as part of a deliberate strategy to capture higher market share (at the expense of margins)
The Group remains committed to strict cost discipline.

3Q 2017: Well-controlled QoQ, increasing by a marginal 3.2%

4Q 2017: Maintained cost discipline at 2.8% QoQ increase

1H2017:
- 4-month consolidation of Rockland’s expenses
- S$3.2m YoY increase, of which S$2.3m was due to the additional 2 months of expenses from Rockland Congruity in 1H2018

The Group remains committed to strict cost discipline.
### BALANCE SHEET HIGHLIGHTS

#### AS AT 30 JUN 2018

<table>
<thead>
<tr>
<th>S$’000</th>
<th>Current Assets</th>
<th>108,989</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Inventories</td>
<td>21,679</td>
</tr>
<tr>
<td></td>
<td>Trade and other receivables</td>
<td>57,995</td>
</tr>
<tr>
<td></td>
<td>Cash and bank balances</td>
<td>17,032</td>
</tr>
<tr>
<td></td>
<td>Other Current Assets</td>
<td>12,283</td>
</tr>
<tr>
<td></td>
<td>Non-current Assets</td>
<td>40,883</td>
</tr>
<tr>
<td></td>
<td>Intangible Assets</td>
<td>13,489</td>
</tr>
<tr>
<td></td>
<td>Plant and equipment</td>
<td>24,609</td>
</tr>
<tr>
<td></td>
<td>Other Non-current Assets</td>
<td>2,785</td>
</tr>
<tr>
<td></td>
<td>Current Liabilities</td>
<td>73,759</td>
</tr>
<tr>
<td></td>
<td>Trade and other payables</td>
<td>33,039</td>
</tr>
<tr>
<td></td>
<td>Deferred income</td>
<td>22,462</td>
</tr>
<tr>
<td></td>
<td>Loans and borrowings</td>
<td>13,363</td>
</tr>
<tr>
<td></td>
<td>Income tax payable</td>
<td>4,895</td>
</tr>
<tr>
<td></td>
<td>Non-current Liabilities</td>
<td>9,728</td>
</tr>
<tr>
<td></td>
<td>Shareholders’ Equity</td>
<td>66,385</td>
</tr>
<tr>
<td></td>
<td>Total Equity and Liabilities</td>
<td>149,872</td>
</tr>
</tbody>
</table>

#### KEY RATIOS 30 JUN 2018

<table>
<thead>
<tr>
<th></th>
<th>30 JUN 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt-to-equity ratio</td>
<td>0.03</td>
</tr>
<tr>
<td>Current ratio</td>
<td>1.48</td>
</tr>
<tr>
<td>NTA per share (cents)*</td>
<td>18.72</td>
</tr>
<tr>
<td>NAV per share (cents)*</td>
<td>23.49</td>
</tr>
</tbody>
</table>

*Based on 282,569,100 number of shares in issue as at 30 Jun 2018
GROUP OUTLOOK

• Transform the Group into a stronger global player with the aim to capture a meaningful market share of the US$34.8 billion secondary IT equipment market

• Strong 2Q2018 and 1H2018 performance validates the Group’s four-pronged strategy to sharpen value proposition and strengthen global market foothold

• On track to growing the higher-margin Lifecycle Services business segment to 50% of the Group’s GP

• On track to being profitable for FY2018
APAC SIGNIFICANCE

- Deepening customer base and capabilities built around a unique eco-system
  - Understanding addressable markets in APAC
  - Identify new potential markets to enter
  - Refine go-to-market strategies and target customer profiling

- Singapore as a HQ remains key to APAC growth
  - IT talent and service delivery
  - Supportive regulatory framework
Link to corporate video: https://www.youtube.com/watch?v=qr5JvDC7YJU&feature=youtu.be
Listed on the Main Board of the Singapore Exchange Securities Trading Limited on 20 July 2016, Procurri is an independent provider of IT lifecycle services and data centre equipment, such as servers, storage and networking products.

The Group’s platform acts as a global aggregator for businesses to purchase, dispose and manage the lifecycle of enterprise hardware, including related services such as maintenance, leasing and rental, in over 100 countries through its global network of 14 offices and extensive partner locations.
GLOBAL REACH

LIFECYCLE SERVICES

- Independent Maintenance Service
- Hardware-as-a-Service
- IT Asset Disposition

IT DISTRIBUTION

- Hardware Resale
- Supply Chain Management

GLOBAL COVERAGE OF >100 COUNTRIES • 3 REGIONAL HUBS IN SINGAPORE, U.S. AND U.K.
IT OPERATING LANDSCAPE

- Amidst a proliferation of mobile devices, e-commerce, fintech and Internet of Things, cloud adoption has grown rapidly
- Increasing importance of IT service management in enterprises’ cloud computing efforts and big data initiatives
- Sales of infrastructure products for cloud IT, both public and private, has grown 25.5% YOY in 3Q17
- Shift in IT infrastructure investment to an increasing adoption of modular and open server / cloud architecture to cope with fast-paced changes in business needs

**Key Drivers**
- Growth of cloud, e-commerce and big data
- CAPEX to OPEX
- Pay as you use, brand agnostic

Global Data Centre Hardware Market
5-Year CAGR = 11.7% (2020: US$293B)

Global IT Maintenance Market
5-Year CAGR = 9.6% (2020: US$42B)

Hardware Resale Market Revenue Forecast (US$B)

- Americas
- Europe
- Asia
- Others


Asia 5-Year CAGR = 24.9%
Global 5-Year CAGR = 16.9%
34.8
29.9
25.7
22.1
18.8
15.9

Independent Maintenance Market Revenue Forecast (US$B)

- Americas
- Europe
- Asia
- Others


Asia 5-Year CAGR = 17.5%
Global 5-Year CAGR = 15.7%
4.4
3.8
3.3
2.8
2.5
2.1
EMERGING TRENDS

Increasing acceptance of the secondary IT market with more OEMs endorsing the sale of certified refurbished or excess equipment

Emphasis on use of certified genuine replacement parts to prevent equipment failure and data centre downtime

Strong shift towards open server architecture with a preference for vendor-agnostic service providers

Increased importance of return on investment and impact of depreciation from IT infrastructure, driving the shift from capex to opex models

Traditional intermediary roles, such as OEMs, VARs and SIs, have changed – leading to industry consolidation

Shift in industry dynamics where only players with operation size and geographical reach can compete effectively to capture a meaningful market share
SELECT STRATEGIC DEVELOPMENTS

Won contract from pharmaceutical giant

To maintain mission-critical enterprise hardware, including data centre equipment and data storage, for a European pharmaceutical giant in the UK and APAC.

Secured agreements from tech giants

Appointed by Cisco and Hewlett Packard Enterprise as partners in their pre-owned equipment reseller and replacement parts programmes respectively.

Formed Rockland Congruity in January 2017

51%-owned US JV spearheading Procurri’s global storage maintenance services.

Acquired EAF in November 2016

Deepened UK presence and leveraging EAF’s existing strong relationships in Europe with major OEMs to expand these partnerships globally.

Anchors Procurri’s position as a trusted global intermediary that is adding on new capabilities and moving up the enterprise equipment market value chain.
<table>
<thead>
<tr>
<th>GO FORWARD STRATEGIES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>CEMENTING THE GROUP’S CREDIBILITY</td>
<td>GROWING HIGHER-MARGIN LIFECYCLE SERVICES SEGMENT</td>
</tr>
<tr>
<td>Forge strategic partnerships with OEMs and capitalise on our authorised partner statuses to expand the Group’s product lines and unlock cross-selling opportunities</td>
<td>Leverage the “as-a-service” trend and ramp up our Lifecycle Services business to provide greater income predictability and sustainable earnings</td>
</tr>
<tr>
<td>EXPANDING MARKETS AND ENLARGING CUSTOMER BASE</td>
<td>IMPROVING INTERNAL EFFICIENCIES &amp; HARNESING ECONOMIES OF SCALE</td>
</tr>
<tr>
<td>Tap on newly-acquired capabilities to strengthen Procurri’s brand name, suite of services and enlarge our customer base, while exploring potential earnings-accrueive acquisition opportunities</td>
<td>Continue rigorous cost control efforts and harness economies of scale from the improved centralised purchasing processes</td>
</tr>
</tbody>
</table>
THANK YOU

INVESTOR RELATIONS ENQUIRIES
Karin XIAO    Roshan SINGH
Procurri Corporation    WeR1 Consultants
+65 6486 1318    +65 6737 4844
karin.xiao@procurri.com    roshansingh@wer1.net