

Capital Allocation Policy

1. Objectives

The purpose of this policy is to document ProCook's practices and policies concerning the allocation of its capital resources, including allocations for working capital, investments, capital expenditure, compliance with ProCook's financial policies, debt agreements and return of capital to shareholders.

The Board shall continue to consider ProCook's Capital Allocation Policy on a periodic basis, including with reference to both dividend payments and share repurchases.

2. Effectiveness

This policy is effective as of 13 October 2021, and was last reviewed and approved by the Board on the 18 April 2023.

3. Updates

The Board will review and update this policy:

- Annually, according to changes in ProCook's business environment, reinvestment needs and opportunities, and capital structure
- On an ongoing basis as needed, at the occurrence of a material change in any of the factors mentioned above

4. Policy Content

a) Principles

The purpose of ProCook's capital allocation strategy is to increase long term shareholder value through:

- Ensuring operational flexibility throughout the business cycle
- Returning capital to shareholders while preserving sufficient capital for business use

b) Ensuring operating flexibility

ProCook currently believes that, to ensure operating flexibility through the business cycle, it must maintain a minimum unrestricted cash / debt headroom which the Board will review and agree limits on an annual basis, or more frequently as required. Maintaining this headroom will provide a level of flexibility sufficient to fund ProCook's working capital needs as well as set aside an appropriate operating reserve for unexpected events.

c) Deploying capital

ProCook believes that the prudent allocation of its cash resources, including for the following purposes, will contribute to maximising shareholder value through:

- Using capital to grow the business by reinvesting in areas where ProCook believes the expected returns provide attractive rewards relative to risks taken
- Funding capital expenditures, including investments required to develop ProCook's retail footprint and logistical supply chain, and investments in IT hardware and software

- Repaying any debt obligations that ProCook may have, including amortisation payments, prepayments from a portion of excess cash flow and voluntary prepayments to reduce the outstanding debt amount, including for the purpose of maintaining the ratings referred to above
- Seek opportunities in adjacent markets through acquisitions, joint ventures and other arrangements, as suitable opportunities arise

5. Capital Return

ProCook is committed to enhancing long term shareholder value through balancing growth and capital return.

a) Payment of Cash Dividends

Surplus funds from distributable profits may be distributed to shareholders, as may be determined by the Board of Directors, subject to:

- The recognition of profit and availability of distributable reserves
- ProCook's operating and investment needs
- Any banking or other funding requirements by which ProCook is bound
- Anticipated future growth and earnings
- Provisions of the Articles of Association
- Emerging trends in the payment of dividends in the wider industry
- Any relevant applicable laws

Prior to the declaration of any Dividend, the Board may elect to transfer such percentage of its profit for that financial year as it may consider appropriate to the reserves of the Company.

The Board shall be responsible for generating all proposed resolutions on the declaration and payment of dividends. The Board will not declare dividends if there are reasonable grounds for believing that ProCook is or would be, after a Dividend payment, unable to pay its liabilities or discharge its obligations as and when they become due.

The decision to declare and pay dividends shall be approved at the Annual General Meeting ("AGM") of shareholders, upon the recommendation of the Board of Directors.

The Board of Directors may in its discretion declare an interim Dividend based on profits arrived at as per quarterly or half yearly unaudited financial results. Where no final dividend is declared, the interim Dividend shall be regarded as the final dividend in the AGM.

ProCook shall endeavour to maintain a dividend pay-out ratio of between 20% and 30% of profit after tax, of which approximately one-thirds will be paid as an interim Dividend and two-thirds will be paid as a final Dividend, subject to the above considerations and approval at the Annual General Meeting.

b) Share Repurchase (Buy-back)

ProCook may decide, following analysis and consultation with professional advisors, and based on the circumstances existing at the time, that the most appropriate form of capital return is repurchasing of shares rather than the payment of cash dividends.

ProCook will review its available capital, together with the aims set forth in this policy, market conditions, any restrictions under its debt agreements and the financial risk involved, to determine whether to engage in share repurchase programs from time to time. Any decision to do so will be dependent upon the facts and circumstances at such time.

The execution of share repurchases under any such program may be made from time to time in the open market or in privately negotiated transactions. If approved by the Board, the timing and amount of the repurchase transactions will depend on a variety of factors, including market conditions, the liquidity of ProCook's shares, the terms of ProCook's debt agreements, and other considerations.

c) Special Distributions

The Board will consider returning excess cash to shareholders by way of a special distribution if average net cash / debt headroom over a period rests consistently above or is projected to rest consistently above the minimum target level set by the Board, subject to known and anticipated investment plans at the time.

Approved by the Board of Directors

18 April 2023