
DISPOSAL OF LAND BY A JOINT VENTURE COMPANY

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Mercurius Capital Investment Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcement made by the Company on 10 April 2025 with regards to the civil judgement issued in respect of a legal suit filed by CS Property (as defined herein) against, *inter alia*, (a) Grand Bay Hotel Co., Ltd. (“**GBH**”), a 50%-owned joint venture of the Company, and (b) Apex Development Public Company Limited (“**Apex**”), being the joint venture partner which owns the remaining 50.0% of GBH (the “**Announcement**”).

Unless otherwise stated, all capitalised terms used in this announcement shall have the same meanings given to them in the Announcement.

The Board wishes to announce that GBH has entered into a land sale and purchase agreement (the “**SPA**”) with Octave Real Estate (Thailand) Co., Ltd. (the “**Purchaser**”) on 4 July 2025 for the disposal of six (6) plots of vacant land located in Pa Klok Sub-District, Talang District, Phuket Province, Thailand (the “**Land**”), for a total consideration of THB 625 million (the “**Purchase Consideration**”) less any Advance Payment (as defined herein), subject to the terms and conditions of the SPA (the “**Disposal**”). The Disposal was completed on 7 July 2025.

The Purchaser is not related to the Group, the Directors or controlling shareholders of the Company and their respective associates.

2. INFORMATION OF THE LAND

The Land comprises six (6) plots of land (Land title deed numbers: 23710, 23711, 54006, 52371, 57204 and 33561), with an aggregate land area of approximately 35 rai (approximately 56,000 sq m), located at Pa Klok Sub-district, Talang District, Phuket Province. The Land is a vacant land without any buildings and/or structures located thereon the Land.

The Land was subject to:

- (a) a mortgage in favour of CS Property 2017 Co., Ltd. (“**CS Property**”) as security for the Loan, under which the GBH is in default and is obligated by the South Bangkok Civil Court to repay CS Property the total amount of THB280,165,577.02 (together with interest at the rate of 10% per annum on the principal amount of THB 185,328,767.12, starting from the date of filing (filed on 9 August 2023) until full repayment is made); and
- (b) an order of seizure issued by the Phuket Legal Execution Officer which restricts the transfer of the Land.

3. RATIONALE FOR THE DISPOSAL

As disclosed in the Announcement, the South Bangkok Civil Court in Thailand had issued a civil judgement in November 2024 in respect of a legal suit filed by CS Property.

Following the civil judgement, an order of seizure was issued on 8 May 2025 (the “**Seizure Order**”) by the Phuket Legal Execution Office. The Seizure Order was registered with the Phuket Provincial Land Office, Thalang Branch, and had placed the Land at imminent risk of compulsory enforcement and disposal.

GBH had entered into the SPA for the sale of the Land, as the consideration received for the Land should it be sold via a mortgagee auction, was anticipated to be much lower than the Purchase Consideration.

4. THE PURCHASE CONSIDERATION

The Purchase Consideration will be applied towards the following:

- (i) Full settlement of GBH's debt obligations to CS Property, including accrued interest;
- (ii) Payment of enforcement, legal, and disposal-related expenses; and
- (iii) Distribution of the remaining balance, if any, to GBH's shareholders (including the Company and Apex) in proportion to their respective shareholding interests in GBH.

GBH had on, 8 July 2025, received a net amount of approximately THB294 million from the Purchaser, being the Purchase Consideration less any payments that the Purchaser has made to GBH, CS Property, or any person, entity or any governmental authority on or before the completion date of the Disposal (“**Advance Payment**”) in respect of the Land (including, *inter alia*, fees for withdrawal of Seizure Order and outstanding land tax).

Based on current estimates, the Company expects to receive a cash distribution of approximately S\$5.3 million to S\$5.5 million from the proposed liquidation of GBH, which is expected to be completed in approximately three (3) months following the Disposal. Shareholders should be mindful that such cash distribution amount is currently an estimate and should not be illustrative of the final amount to be received by the Company upon completion of the proposed liquidation of GBH.

In addition, the Board wishes to inform shareholders that the board of GBH has approved an interim distribution arrangement, pending the completion of the proposed liquidation of GBH, whereby THB25 million (approximately S\$1 million) shall be provided as a loan to the Company (or its representative) to be used specifically for the Company's working capital purposes. The Company will seek approval from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the utilisation of the said funds and will update shareholders of the outcome of the application in due course.

5. CHAPTER 10 OF THE SGX-ST LISTING MANUAL SECTION B: RULES OF CATALIST (THE “CATALIST RULES”)

Chapter 10 of the Catalist Rules sets out the rules for significant transactions by issuers, principally acquisitions and realisations and the provision of financial assistance. Pursuant to Catalist Rule 1002(1), “transaction” refers to the acquisition or disposal of assets, or the provision of financial assistance, by an issuer or a subsidiary that is not listed on the Exchange or an approved exchange, including an option to acquire or dispose of assets. It excludes a transaction which is in, or in connection with, the ordinary course of its business or of a revenue nature. It also excludes the provision of financial assistance to the issuer, or its subsidiary or associated company.

The Company has historically recorded GBH in its books as an investment in joint venture, reflecting its 50% equity interest in GBH, and consequently, the Land owned by GBH was not

consolidated in the financial statements of the Company. Given that GBH is not a subsidiary of the Company, the disposal of the Land does not fall within the scope of Chapter 10 of the Catalist Rules.

However, the Board is of the view that the Disposal is expected to have a material impact on the financial position of the Group, and is thus making this announcement pursuant to Catalist Rule 703.

The Company will provide further updates as and when there are material developments in relation to the liquidation of GBH and the receipt of proceeds from GBH.

6. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company and their respective associates has any interest, direct or indirect in the Disposal, other than through their respective shareholdings (if any) in the Company.

7. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company. The Company will make the necessary announcements, in compliance with the requirements of the Catalist Rules, as and when there are material developments. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board
Chu Yun Yuan
Executive Director and Group Chief Executive Officer

16 July 2025

*This announcement has been reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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