

MERCURIUS CAPITAL INVESTMENT LIMITED

(Incorporated in Singapore)

(Company Registration No. 198200473E)

PROPOSED PLACEMENT OF 150,000,000 NEW SHARES IN THE CAPITAL OF THE COMPANY - AMENDMENT OF THE PLACEMENT SHARES TO 137,500,000 NEW SHARES IN THE CAPITAL OF THE COMPANY

1. INTRODUCTION

The board of directors (the “**Board**”) of Mercurius Capital Investment Limited (the “**Company**”) refers to the Company’s announcements dated (i) 16 June 2019 (the “**Announcement**”) in relation to the proposed placement of 150,000,000 Placement Shares to twelve (12) places pursuant to twelve (12) separate conditional placement agreements entered into by the Company with the Placees on 12 June 2019 (“**Placement**”); and (ii) 11 July 2019 in relation to the receipt of listing and quotation notice (“**LQN**”) from the SGX-ST.

Unless as otherwise defined, all capitalised terms used herein shall have the same meaning ascribed to them in the Announcement.

Subsequent to the aforesaid announcements, the Company had, on 18 July 2019, informed one of the Placees, namely Mr Dennis Ng Kok Kee (“**Mr Dennis**”), that the Placement Shares subscribed for by Mr Dennis pursuant to the Placement Agreement entered into between the Company and Mr Dennis on 12 June 2019 will not be allotted and issued to him due to non-fulfilment and non-satisfaction of the conditions precedent to the said Placement Agreement. Consequently, the aggregate number of Placement Shares pursuant to the Placement shall be reduced accordingly, from 150,000,000 to 137,500,000 new shares in the capital of the Company (“**Revised Placement Shares**”), for an aggregate subscription amount of S\$5,500,000 (“**Reduced Placement Consideration**”).

2. USE OF PROCEEDS

2.1 The estimated net proceeds to be raised from the Placement, after deducting estimated expenses of approximately S\$40,000 incurred in connection with the Placement, shall be revised to approximately S\$5,460,000 (“**Revised Net Proceeds**”).

2.2 The Company intends to use the Revised Net Proceeds in the following manner:

Intended uses	Net Proceeds	
	(S\$'000)	(%)
Business investments and acquisition	5,400	98.9
General working capital*	60	1.1
Total Net Proceeds	5,460	100.0

*General working capital includes day-to-day operating expenses for the Group such as professional fees, listing fees, staff cost, and office expenses, as well as operating expenses that may arise pursuant to the JVA.

2.3 On 17 June 2019, the Company announced that it had, on 12 June 2019, entered into the JVA with APEX Development Public Company Limited and Grand Bay Hotel Co., Ltd, to jointly develop a hotel property in Phuket, Thailand. The Company will allocate S\$5.4 million of the Revised Net Proceeds as partial payment for the purchase consideration of the 50% acquisition of Grand Bay Hotel Co., Ltd.. Please refer to the aforesaid announcement dated 17 June 2019 for further information on the JVA.

- 2.4 The Company will make periodic announcements on the utilisation of the Revised Net Proceeds as and when they are materially disbursed or utilised, and whether such use is in accordance with the stated use. Where there is any material deviation from the stated use of the Revised Net Proceeds, the Company will announce the reasons for such deviation. The Company will also provide a status report on the use of the Revised Net Proceeds in the Company's interim and full year financial results announcement, and the annual report of the Company. Where the Revised Net Proceeds are to be used for working capital, the Company will disclose a breakdown with specific details on the use of the Revised Net Proceeds for working capital in its announcements and annual reports.
- 2.5 Pending the deployment of the Revised Net Proceeds, the Revised Net Proceeds may be deposited with banks and/or financial institutions and/or invested in short-term money market instruments and/or marketable securities, and/or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

3. REVISED FINANCIAL EFFECTS

- 3.1 The revised *pro forma* financial effects of the Placement are presented solely for illustrative purposes and are not intended to be indicative or reflective of the actual future financial situation of the Company and the Group after the Completion.

The revised *pro forma* financial effects of the Placement have been computed based on the audited consolidated financial statements of the Group for FY2018. The financial effects of the Placement are based on the following assumptions:

- (i) the financial effect on the NTA per Share is computed based on the assumption that the Placement was completed on 31 December 2018;
- (ii) the financial effect on the LPS is computed based on the assumption that the Placement was completed on 1 January 2019; and
- (iii) expenses to be incurred in respect of the Placement amounted to approximately S\$40,000.

3.2 Share Capital

	Before the Placement	After the Placement
Issued and paid-up share capital (S\$)	133,182,529	138,682,529
Total number of Shares	1,114,008,940	1,251,508,940

3.3 NTA per Share

As at 31 December 2018	Before the Placement	After the Placement
NTA (S\$'000)	94	5,554
Number of Shares	1,114,008,940	1,251,508,940
NTA per Share (Singapore cents)	0.008	0.444

3.4 LPS

FY2018	Before the Placement	After the Placement
Net loss attributable to Shareholders (S\$'000)	319	359
Weighted average number of Shares	1,114,008,940	1,251,508,940
LPS (Singapore cents)	0.028	0.029

4. **CONFIRMATION BY THE DIRECTORS**

The Directors are of the opinion that, barring unforeseen circumstances, after taking into consideration:

- (i) the Group's present banking facilities, the Group has adequate working capital for its present requirements; and
- (ii) the Group's present banking facilities and the Revised Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

Notwithstanding the sufficiency of the Group's present working capital, the Board is of the view that the Placement will enable the Company to partially fund the proposed acquisition mentioned in paragraph 2.3 of this announcement, as well as to provide for general corporate requirements.

BY ORDER OF THE BOARD

Chang Wei Lu
Executive Chairman and Chief Executive Officer
19 July 2019

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. ("**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalyst.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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.

The contact person for the Sponsor is Ms. Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.