

MERCURIUS CAPITAL INVESTMENT LIMITED
(Incorporated in Singapore)
(Company Registration No. 198200473E)
(the “**Company**”)

APPLICATION FOR AN EXTENSION OF TIME TO COMPLY WITH RULES 711A AND 711B(3) OF SECTION B: RULES OF CATALIST OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

The Board of Directors (the “**Board**”) of Mercurius Capital Investment Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has made an application to the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) through its continuing sponsor, Novus Corporate Finance Pte. Ltd., for an extension of time for a period of three (3) months to issue its Sustainability Report for the financial year ended 31 December 2022 (“**FY2022**”) pursuant to Rule 711A and Rule 711B(3) of Section B: Rules of Catalist of the SGX-ST (“**Catalist Rules**”) from the prescribed deadline of 30 April 2023 to the new proposed deadline of 31 July 2023 (the “**Extension Application**”).

The reasons for the Extension Application are as set out below: -

- i. The Company had on 12 July 2021, entered into a share sale agreement to acquire a groceries business in Malaysia (“**Songmart**”) (the “**Acquisition**”), which was completed on 28 October 2022.
- ii. Since the completion of the Acquisition, the Company has had to expend its resources towards the consolidation of the Group’s accounts, as well as towards the completion of the audit and the preparation of the Company’s annual report (the “**Annual Report**”) for FY2022.
- iii. Further, as announced by the Company on 7 March 2023 and 30 March 2023, the Group had received two notices of demand in respect of certain outstanding sums owed to Alliance Bank Malaysia Berhad by certain Songmart entities. In addition to having to engage Alliance Bank Malaysia Berhad on the amounts due, the Company had also considered the sale of certain Songmart properties to generate cashflow, and had to allocate further resources to commence work on this area, including reaching out to property agents, valuers, speaking with potential purchasers, and working on the feasibility of additional plans to optimise Songmart’s current operations to enhance the cashflow position.
- iv. In the course of carrying out the work required in connection with the issuance of the Annual Report, the Company had assessed the internal auditors appointed by Songmart and was not satisfied with the suitability of the internal auditor, as they had not provided any of the internal audit plans and framework for FY2022 and deliverables and findings for any issues within Songmart’s internal controls as discussed with the management of the Company.
- v. As a result of the concerns set out in in the foregoing paragraph, the Company had determined that it was in the Company’s and shareholders’ best interests to terminate the internal auditors and had done so in February 2023. The Company is in the midst of sourcing for potential internal auditors to carry out the internal review of the Company’s sustainability reporting process. Unfortunately, this process has been delayed as the Company has had to channel all its resources to the following matters which required substantial time and attention:
 - a. finalising the audit for FY2022 and the preparation of the Annual Report;
 - b. addressing the notices of demand issued by Alliance Bank Malaysia Berhad;
 - c. working on the sale process of Songmart properties to generate cashflow;
 - d. pursuing options to streamline Songmart’s operations; and

- e. discussions with the Company's joint venture partner on the development of the joint venture project, the Sheraton Phuket Grand Bay Resort in Phuket, Thailand.

In view of the foregoing reasons, the Company wishes to seek an extension of three (3) months to release its Sustainability Report by 31 July 2023, so that it would have sufficient time to appoint a suitable internal auditor and comply with the requirements of Rule 711B(3) of the Catalist Rules, in respect of the Sustainability Report to be prepared for FY2022.

The Company will update shareholders on the outcome of the Extension Application to SGX-ST in due course.

BY ORDER OF THE BOARD

Chew Hai Chiene Hester Arthur
Group Chief Executive Officer and Executive Director
18 April 2023

*This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

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 Mr. Pong Chen Yih, Chief Operating Officer, at 7 Temasek Boulevard, #18-03B, Suntec Tower 1, Singapore 038987, telephone (65) 69502188.