

## MERCURIUS CAPITAL INVESTMENT LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No.: 198200473E)

### UPDATE AND CHANGE IN USE OF PROCEEDS FROM CONVERTIBLE LOAN AND PLACEMENT

The board of directors (the “**Board**”) of Mercurius Capital Investment Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 3 January 2020 in relation to the grant of convertible loan (“**Convertible Loan**”), and the announcement dated 30 June 2020 in relation to the proposed placement of 12,500,000 new ordinary shares in the share capital of the Company (“**Placement**”) (collectively, the “**Announcements**”). Unless otherwise defined in this announcement, all capitalised terms used in this announcement shall have the same meanings ascribed to them in the Announcements.

After a review of the Group’s cash flow needs for its existing operations, the Board had decided to re-allocate the unutilised net proceeds from the Convertible Loan and the Placement, which was originally allocated for specific expenses, to be utilised for general working capital and the re-payment of an interest-free advance from a director made to the Company on 16 August 2019 (the “**Re-allocation**”). In respect of the Re-allocation, the Company had also considered that it had at present, completed the acquisition of the shares of Grand Bay (as defined herein), and the funds available to the Company should be used to support the Company’s day-to-day operations while it continually searches for new business opportunities.

Consequent to the Re-allocation, the use of the net proceeds raised from the Convertible Loan and the Placement is as follows:

Intended use of net proceeds	Amount allocated (S\$'000)	Amount allocated after Re-allocation (S\$'000)	Amount utilised as of the date of this announcement (S\$'000)	Balance as at the date of this announcement (S\$'000)
<b><u>Convertible Loan</u></b>				
Business and investment opportunities <sup>(1)</sup>	788	613	613	0
General working capital <sup>(2)</sup>	0	175	71	104
Total	<b>788</b>	<b>788</b>	<b>788</b>	<b>104</b>
<b><u>Placement</u></b>				
Business and investments acquisitions	184	0	0	0
General working capital <sup>(2)</sup>	300	284	100	184
Re-payment of an interest-free advance from director made to the Company on 16 August 2019	0	200	200	0
Total	<b>484</b>	<b>484</b>	<b>300</b>	<b>184</b>

Notes:

- (1) Business and investment opportunities include the final instalment of the purchase price for the acquisition of a 50% shareholding interest of Grand Bay Hotel Co., Ltd ("**Grand Bay**") pursuant to a joint venture agreement entered into by the Company with Apex Development Public Company Limited and Grand Bay ("**Joint Venture**") and expected expenses incurred in connection with the Joint Venture.
- (2) General working capital includes day-to-day operating expenses for the Group such as professional fees, listing fees, staff cost and office expenses.

The Company had on 14 December 2020, utilised S\$200,000 as partial repayment for the interest-free advance of S\$500,000 from a director.

Save for the Re-allocation and as disclosed above, the use of the net proceeds from the Convertible Loan and the Placement is in accordance with the intended use as disclosed in the Company's Announcements.

The Board will provide periodic announcements as and when the net proceeds of the Convertible Loan and the Placement are materially disbursed.

**By Order of the Board**

**Chang Wei Lu**  
**Executive Chairman and Chief Executive Officer**

**1 March 2021**

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*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 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 Mr. Pong Chen Yih, Chief Operating Officer, at 9 Raffles Place, #17-05, Republic Plaza Tower 1, Singapore 048619, telephone (65) 6950 2188.*