

MERCURIUS CAPITAL INVESTMENT LIMITED

(Incorporated in the Republic of Singapore) (Company Registration No.198200473E)

LICENSING AGREEMENT WITH CLOVER LIFESTYLE SDN BHD

The board of directors ("Board" or "Directors") of Mercurius Capital Investment Limited (the "Company" and together with its subsidiaries, the "Group") wishes to announce that the Company had, on 13 July 2018, entered into a licensing agreement (the "Agreement") with Clover Lifestyle Sdn Bhd ("Clover"), whereby the Company grants Clover the right to use the Group's proprietary brands, namely Friven, Allegoria, DS, and Relax at home (the "Brands") for the sale of bedding, bed linen and bath products (the "Products") exclusively in Singapore and Malaysia (the "Territories") during the Licencing Period (as defined below).

Clover is a company incorporated in Malaysia on 3 June 2018. The principal activity of Clover is in the distribution of various brands of bedding and bed linen. It aims to distribute its products through online and media channels in the Territories, and seeks to grow its bedding and bed linen business by leveraging on the retailing and marketing expertise of other brands owners or marketing companies. None of the shareholders and directors of Clover is related to the Directors, substantial shareholders of the Company and their respective associates.

The Agreement will enable the Company to benefit from Clover's expertise in branding and marketing, and product development in the lifestyle sectors while the Company focuses its resources on the growth of its existing core business of property investment and property development.

The Agreement shall be in force from 1 August 2018 until 31 July 2019 (the "Licensing Period"). The Agreement provides for, *inter alia*, the following:

a) Right to use the Brands

Pursuant to the Agreement, the Company grants Clover the right to use the Brands for sale and promotional activities of the Products in the Territories, for a licence fee payable by Clover to the Company ("License Fee") during the Licensing Period. The License Fee shall be fixed at S\$50,000 per annum, payable on a monthly basis. Clover shall use the Brands exclusively for the Products.

b) Exclusive arrangement

The Agreement is on an exclusive basis in the Territories, whereby Clover shall not enter into similar arrangements or agreements with any other person, firm or company which is involved in the business of manufacturing and distributing bedding and bed linen products, similar to that of the Group, and the Group shall not grant any other parties the right to use the Brands in the Territories, during the Licensing Period.

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

As the Group will receive the License Fee during the Licensing Period, the Agreement is expected to have a positive impact on the earnings per share and net tangible assets per share of the Group for the current financial year ending 31 December 2018.



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BY ORDER OF THE BOARD CHANG WEI LU Executive Chairman and Chief Executive Officer 13 July 2018

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. ("Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this announcement.

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.