MERCURY SECURITIES GROUP BERHAD

(Registration No. 202101018329 (1418629-A))
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 APRIL 2026

MERCURY SECURITIES GROUP BERHAD
Registration No. 202101018329 (1418629-A)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 APRIL 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME[(1)]

		Individual Quarter 3-months ended		Cumulative Quarters 6-months ended	
		Unaudited 30.4.2026	**Unaudited 30.4.2025**	**Unaudited 30.4.2026**	**Unaudited 30.4.2025**
	Note	**RM**	**RM**	**RM**	**RM**
Revenue	A9	9,905,302	9,336,530	19,798,424	19,447,789
Cost of services		(4,450,291)	(4,167,327)	(8,652,622)	(7,544,876)
Gross profit		**5,455,011**	**5,169,203**	**11,145,802**	**11,902,913**
Other income		851,698	799,920	1,673,873	1,102,997
Net trading gains on financial assets at fair value through profit or loss		668,946	251,057	1,605,458	322,617
Administrative and other operating expenses		(2,552,702)	(2,336,992)	(5,276,294)	(5,011,857)
Allowance for expected credit losses on trade receivables, net		(400,000)	-	(400,000)	-
Fair value adjustment on other investments		(20,328)	-	6,389	-
Interest income		1,015,863	836,437	2,037,840	1,692,448
Finance costs		-	(1,567)	-	(3,587)
Profit before tax	B5	**5,018,488**	**4,718,058**	**10,793,068**	**10,005,531**
Income tax expenses	B6	(1,214,000)	(1,150,000)	(2,604,000)	(2,430,000)
Profit after tax		**3,804,488**	**3,568,058**	**8,189,068**	**7,575,531**
Other comprehensive income, net of income tax					
Items that will not be reclassified subsequently to profit or loss:					
Realisation of revaluation reserve upon depreciation		(28,134)	(15,612)	(56,268)	(31,224)
Transfer of revaluation surplus to retained earnings		28,134	15,612	56,268	31,224
Fair value adjustment on other investments		(16,630)	(64,024)	(22,387)	(56,460)
Total comprehensive income for the financial period		**3,787,858**	**3,504,034**	**8,166,681**	**7,519,071**

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME[1] (CONT'D)

		Individual Quarter 3-months ended		Cumulative Quarters 6-months ended	
		Unaudited 30.4.2026	**Unaudited 30.4.2025**	**Unaudited 30.4.2026**	**Unaudited 30.4.2025**
	Note	**RM**	**RM**	**RM**	**RM**
Profit attributable to:					
Owners of the Company		3,804,655	3,581,210	8,190,349	7,589,635
Non-controlling interests		(167)	(13,152)	(1,281)	(14,104)
		3,804,488	**3,568,058**	**8,189,068**	**7,575,531**
Total comprehensive income attributable to:					
Owners of the Company		3,788,025	3,517,186	8,167,962	7,533,175
Non-controlling interests		(167)	(13,152)	(1,281)	(14,104)
		3,787,858	**3,504,034**	**8,166,681**	**7,519,071**
Earnings per share[2] (sen)	B7				
- Basic		**0.43**	**0.40**	**0.92**	**0.85**
- Diluted		**0.43**	**0.40**	**0.92**	**0.85**

Notes:

1. The basis of preparation of the Unaudited Condensed Consolidated Statements of Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 October 2025 ("**AFS 2025**") and the accompanying explanatory notes attached to this interim financial report.

2. Basic earnings per share ("**EPS**") is calculated based on the profit attributable to owners of the Company divided by 893,000,000 ordinary shares being the total number of ordinary shares in issue during the current financial quarter and financial-year-to-date. Diluted EPS is equivalent to the basic EPS as the Company does not have any dilutive instruments at the end of the reporting periods.

MERCURY SECURITIES GROUP BERHAD
Registration No. 202101018329 (1418629-A)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 APRIL 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION[1]

	Unaudited As at 30.4.2026 RM	Audited As at 31.10.2025 RM
ASSETS		
Non-current assets		
Property, plant and equipment	17,628,479	17,901,426
Intangible assets	7,891,722	7,891,722
Other investments	652,437	674,824
	26,172,638	**26,467,972**
Current assets		
Inventories	1,064,617	900,464
Trade and other receivables	146,607,975	132,277,640
Deposits and prepayments	3,229,076	4,594,685
Other investments	1,579,613	1,571,813
Cash and cash equivalents	49,061,059	43,914,465
	201,542,340	**183,259,067**
TOTAL ASSETS	**227,714,978**	**209,727,039**
EQUITY AND LIABILITIES		
Share capital	154,640,574	154,640,574
Merger reserve	(97,008,736)	(97,008,736)
Other reserves	142,559,920	134,391,958
Equity attributable to owners of the Company	**200,191,758**	**192,023,796**
Non-controlling interests	(19,178)	(17,897)
TOTAL EQUITY	**200,172,580**	**192,005,899**
Non-current liabilities		
Deferred tax liabilities	953,031	953,031
	953,031	**953,031**
Current liabilities		
Trade and other payables	23,526,954	14,663,524
Current tax liabilities	3,062,413	2,104,585
	26,589,367	**16,768,109**
TOTAL LIABILITIES	**27,542,398**	**17,721,140**
TOTAL EQUITY AND LIABILITIES	**227,714,978**	**209,727,039**
Net assets per share [2] (sen)	**22.42**	**21.50**

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION[(1)] (CONT'D)

Notes:

1. The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position are disclosed in Note A1 and should be read in conjunction with the AFS 2025 and the accompanying explanatory notes attached to this interim financial report.

2. Net assets per share is computed based on net assets attributable to owners of the Company divided by 893,000,000 ordinary shares in issue as at 30 April 2026 and 31 October 2025 respectively.

MERCURY SECURITIES GROUP BERHAD
Registration No. 202101018329 (1418629-A)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 APRIL 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY [1]

	Attributable to Owners of the Company							
		Non-distributable			Distributable			
	Share Capital RM	**Merger Reserve RM**	**Revaluation Reserve RM**	**Fair Value Reserve RM**	**Retained Earnings RM**	**Total RM**	**Non-Controlling Interests RM**	**Total Equity RM**
Balance as at 1 November 2025	154,640,574	(97,008,736)	4,032,273	(177,340)	130,537,025	192,023,796	(17,897)	192,005,899
Profit for the financial period	-	-	-	-	8,190,349	8,190,349	(1,281)	8,189,068
Other comprehensive income for the financial period, net of income tax	-	-	(56,268)	(22,387)	56,268	(22,387)	-	(22,387)
Balance as at 30 April 2026	**154,640,574**	**(97,008,736)**	**3,976,005**	**(199,727)**	**138,783,642**	**200,191,758**	**(19,178)**	**200,172,580**

Note:

1. The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the AFS 2025 and the accompanying explanatory notes attached to this interim financial report.

MERCURY SECURITIES GROUP BERHAD
Registration No. 202101018329 (1418629-A)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 APRIL 2026

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS [1]

	Unaudited 30.4.2026 RM	Unaudited 30.4.2025 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	10,793,068	10,005,531
Adjustments for:-		
Allowance for expected credit losses on trade receivable, net	400,000	-
Accretion of lease interest	-	3,587
Depreciation of		
- property, plant and equipment	387,783	333,344
- right-of-use assets	-	93,874
Dividend income	(16,004)	(19,514)
Fair value gain on other investments	(6,388)	-
Gain on disposal of property, plant and equipment	-	(20,483)
Interest income	(2,037,840)	(1,692,448)
Property, plant and equipment written off	4	-
Unrealised loss on foreign exchange	72,433	-
Operating profit before working capital changes	**9,593,056**	**8,703,891**
Increase in trade and other receivables	(14,730,335)	(25,399,742)
Decrease/(increase) in deposits and prepayments	1,365,609	(104,028)
Increase in inventories	(164,153)	(278,602)
Increase in trade and other payables	8,863,430	398,925
Cash generated from/(used in) operations	**4,927,607**	**(16,679,556)**
Income tax paid	(1,646,172)	(1,670,415)
Net cash generated from/(used in) operating activities	**3,281,435**	**(18,349,971)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	2,037,840	1,692,448
Dividend received	16,004	19,514
Purchase of property, plant and equipment	(114,840)	(489,038)
Net purchases of other investments	(1,412)	(290,338)
Proceeds from disposal of property, plant and equipment	-	20,500
Net cash from investing activities	**1,937,592**	**953,086**
Balance carried forward	**5,219,027**	**(17,396,885)**

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS(1) (CONT'D)

	Unaudited 30.4.2026 RM	Unaudited 30.4.2025 RM
Balance brought forward	**5,219,027**	**(17,396,885)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	-	(108,552)
Net cash used in financing activities	**-**	**(108,552)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**5,219,027**	**(17,505,437)**
Cash and cash equivalents at beginning of the financial period	43,914,465	85,672,642
Effects of changes in foreign exchange rate	(72,433)	-
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	**49,061,059**	**68,167,205**

Note:

1. The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows are disclosed in Note A1 and should be read in conjunction with the AFS 2025 and the accompanying explanatory notes attached to this interim financial report.

NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 APRIL 2026

A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS 134"), INTERIM FINANCIAL REPORT

A1. BASIS OF PREPARATION

This interim financial report of the Company and its subsidiaries (collectively, the "**Group**") is unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("**MFRS**") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("**MASB**"), Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Listing Requirements**").

This interim financial report should be read in conjunction with the AFS 2025 and the accompanying explanatory notes attached to this interim financial report.

A2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 October 2025.

As at the date of authorisation of this interim financial report, the following Standards were issued by the MASB but not yet effective and have not been adopted by the Group:

MFRSs, Amendments to MFRSs and IC Interpretations	**Effective for financial periods beginning on or after**
Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026
Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity	1 January 2026
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121 The Effect of changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation currency	1 January 2027

**NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 APRIL 2026**

A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS 134"), INTERIM FINANCIAL REPORT (CONT'D)

A2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

MFRSs, Amendments to MFRSs and IC Interpretations	Effective for financial periods beginning on or after
Amendments to MFRS 10: Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures – Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the MASB

The initial application of the above Standards is not expected to have any material impact to the consolidated financial statements of the Group upon their first adoption.

A3. AUDITORS' REPORT OF PRECEDING ANNUAL AUDITED FINANCIAL STATEMENTS

The audited financial statements of the Group for the financial year ended 31 October 2025 was not subject to any qualification.

A4. SEASONAL OR CYCLICAL FACTORS

The performance of the Group is dependent to a large extent on the volume and value of securities traded on Bursa Malaysia Securities Berhad and the corporate activities undertaken by listed issuers which is influenced by capital market sentiments and various external as well as local factors.

A5. MATERIAL UNUSUAL ITEMS

There were no material unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter and financial year-to-date.

A6. MATERIAL CHANGES IN ESTIMATES

There were no material changes in accounting estimates that have a material effect to the Group in the current financial quarter and financial year-to-date.

NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 APRIL 2026

A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS 134"), INTERIM FINANCIAL REPORT (CONT'D)

A7. DEBT AND EQUITY SECURITIES

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current financial quarter and financial year-to-date.

A8. DIVIDEND PAID

There was no dividend proposed and/or paid during the current financial quarter and financial year-to-date.

A9. SEGMENTAL INFORMATION

The Group's revenue is segmented as follows:

	Individual Quarter 3-months ended		**Cumulative Quarters 6-months ended**	
	Unaudited 30.4.2026 RM	**Unaudited 30.4.2025 RM**	**Unaudited 30.4.2026 RM**	**Unaudited 30.4.2025 RM**
Business segments				
Stockbroking [(1)]	9,152,802	6,911,505	18,187,695	15,539,870
Corporate Finance [(2)]	752,500	2,425,025	1,610,729	3,907,919
Total	**9,905,302**	**9,336,530**	**19,798,424**	**19,447,789**

Notes:
1. Revenue from the Stockbroking segment comprises of brokerage fees, margin income, commodities trading, nominee fees, underwriting fees and placement fees.

2. Revenue from the Corporate Finance segment comprises of advisory fees billable in accordance with billing milestones achieved from the portfolio of corporate finance mandates in hand.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 APRIL 2026

A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS 134"), INTERIM FINANCIAL REPORT (CONT'D)

A10. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current financial quarter and financial year-to-date.

A11. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no material contingent liabilities or contingent assets to be disclosed as at 30 April 2026.

A12. SIGNIFICANT RELATED PARTY TRANSACTIONS

Save as disclosed below, there were no other significant related party transactions during the current financial quarter and financial year-to-date:

	Individual Quarter 3-months ended		**Cumulative Quarters 6-months ended**	
	Unaudited 30.4.2026 RM	**Unaudited 30.4.2025 RM**	**Unaudited 30.4.2026 RM**	**Unaudited 30.4.2025 RM**
Rental expenses paid to a related party for a branch office	19,500	19,500	39,000	39,000
Rental income received from a related party	1,500	1,500	3,000	3,000

A13. MATERIAL CAPITAL COMMITMENTS

There were no material capital commitments to be disclosed as at 30 April 2026.

A14. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE CURRENT FINANCIAL QUARTER

There were no material events subsequent to the end of the current financial quarter that have not been reflected in this interim financial report.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 APRIL 2026

A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS 134"), INTERIM FINANCIAL REPORT (CONT'D)

A15. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There were no valuation of property, plant and equipment in the current financial quarter and financial year-to-date.

B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. REVIEW OF PERFORMANCE

The Group's performance for the current financial quarter and the financial year-to-date are set out in the table below:

	Individual Quarter 3-months ended		Cumulative Quarters 6-months ended	
	Unaudited 30.4.2026 RM	**Unaudited 30.4.2025 RM**	**Unaudited 30.4.2026 RM**	**Unaudited 30.4.2025 RM**
Revenue				
Stockbroking segment	9,152,802	6,911,505	18,187,695	15,539,870
Corporate Finance segment	752,500	2,425,025	1,610,729	3,907,919
Total revenue	**9,905,302**	**9,336,530**	**19,798,424**	**19,447,789**
Gross profit	5,455,011	5,169,203	11,145,802	11,902,913
Profit before tax ("**PBT**")	5,018,488	4,718,058	10,793,068	10,005,531
Gross profit margin (%)	55.07	55.37	56.30	61.20
PBT margin (%)	50.66	50.53	54.51	51.45

Review of performance in the current financial quarter ("**Q2 2026"**) and cumulative financial quarters ("**Q1 & Q2 2026**") as compared to the corresponding financial quarter ("**Q2 2025**") and cumulative financial quarters of last financial year ("**Q1 & Q2 2025**")

B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B1. REVIEW OF PERFORMANCE (CONT'D)

COMMENTARIES

Q2 2026 vs Q2 2025

For the Q2 2026, the Group recorded total revenue of RM9.91 million, reflecting an increase of RM0.57 million or 6.09% as compared to RM9.34 million in the Q2 2025 mainly due to higher revenue from the Stockbroking segment.

Gross profit for the Q2 2026 increased by RM0.29 million or 5.53% to RM5.46 million as compared to RM5.17 million in the Q2 2025 mainly due to higher revenue during the Q2 2026.

PBT increased by RM0.30 million or 6.37% to RM5.02 million in the Q2 2026 as compared to PBT of RM4.72 million recorded in the Q2 2025 mainly due to higher gains from proprietary trading of financial assets, other income and interest income despite higher administrative and other operating expenses, as well as allowance for expected credit losses on trade receivables.

Q1 & Q2 2026 vs Q1 & Q2 2025

For the 6-months period ended 30 April 2026, total revenue reached RM19.80 million, an increase of RM0.35 million or 1.80% from RM19.45 million in the corresponding period of the previous financial year. This growth primarily stemmed from the Stockbroking segment mainly from higher margin income.

For the 6-months period ended 30 April 2026, gross profit was RM11.15 million, a marginal decrease of 6.36% or RM0.76 million, from RM11.90 million in the previous corresponding period due to lower contribution from the Corporate Finance segment.

For the 6-months period ended 30 April 2026, PBT increased by RM0.79 million or 7.87%, reaching RM10.79 million as compared to PBT of RM10.01 million in the previous corresponding period. The improved PBT was mainly due to higher gains from proprietary trading of financial assets, other income and interest income.

NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 APRIL 2026

B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER

	Current Quarter Unaudited 30.4.2026 RM	Immediate Preceeding Quarter Unaudited 31.1.2026 RM	Variance RM
Revenue	9,905,302	9,893,122	12,180
Gross profit	5,455,011	5,983,735	(528,724)
PBT	5,018,488	5,774,580	(756,092)
Gross profit margin (%)	55.07	60.48	(5.41)
PBT margin (%)	50.66	58.37	(7.71)

COMMENTARIES

For the Q2 2026, the Group recorded revenue of RM9.91 million, a marginal increase of RM0.01 million or 0.12% as compared to RM9.89 million recorded in the immediate preceding quarter.

In the Q2 2026, the Group recorded gross profit of RM5.46 million, a decrease of RM0.53 million or 8.84% from RM5.98 million in the immediate preceding quarter mainly due to lower contribution from the Corporate Finance segment in the current quarter.

In the current financial quarter, Q2 2026, PBT decreased by RM0.76 million or 13.09% to RM5.02 million from RM5.77 million in the immediate preceding quarter mainly due to allowance for expected credit losses on trade receivables.

B3. PROSPECTS OF THE GROUP

Despite the recent signing of the memorandum of understanding between USA and Iran, geopolitical tensions and external uncertainties will continue to pose risks to the global economic outlook which in turn have a knock-on adverse effect on the Malaysian economy. Notwithstanding that, the Board believes that resilient domestic economic conditions and monetary policy will continue to provide support to business activities. Barring any unforeseen circumstances, the Board remains vigilant and cautiously optimistic that the prevailing trading conditions and corporate activities will continue to have a positive impact on the Group's performance in the remaining quarters of this financial year.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 APRIL 2026

B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B4. PROFIT FORECAST

The Group did not issue any profit estimate, forecast, projection or internal targets in any public document.

B5. PROFIT BEFORE TAX

	Individual Quarter 3-months ended		Cumulative Quarters 6-months ended	
	Unaudited 30.4.2026 RM	Unaudited 30.4.2025 RM	Unaudited 30.4.2026 RM	Unaudited 30.4.2025 RM
Profit before tax is arrived at after charging:				
Allowance for expected credit losses on trade receivable, net	400,000	-	400,000	-
Depreciation of:				
- property, plant and equipment	186,795	169,731	387,783	333,344
- right-of-use assets	-	46,937	-	93,874
Fair value loss on other investments	20,328	-	-	-
Property, plant and equipment written off	4	-	-	-
Unrealised loss on foreign exchange	-	-	72,433	-
and crediting:				
Dividend income	13,899	15,541	16,004	19,514
Interest income	1,015,863	836,437	2,037,840	1,692,448
Fair value gain on other investments	-	-	6,388	-
Realised gain on foreign exchange	13,792	143,838	112,923	182,163
Rental income	9,000	9,000	18,000	23,200

Save as disclosed above, the other disclosure items pursuant to Rule 16 of Appendix 9B of the Listing Requirements are not applicable.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 APRIL 2026

B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B6. INCOME TAX EXPENSES

	Individual Quarter 3-months ended		Cumulative Quarters 6-months ended	
	Unaudited 30.4.2026 RM	Unaudited 30.4.2025 RM	Unaudited 30.4.2026 RM	Unaudited 30.4.2025 RM
Current tax expenses	1,214,000	1,150,000	2,604,000	2,430,000
Deferred tax expenses	-	-	-	-
	1,214,000	**1,150,000**	**2,604,000**	**2,430,000**
Effective tax rate (%)	24.19	24.37	24.13	24.29

The effective tax rate of 24.19% for current financial quarter and 24.13% financial year-to-date are higher than the statutory tax rate of 24.00% due to certain expenses not deductible for tax purposes.

B7. BASIC/DILUTED EARNINGS PER SHARE

The basic EPS and diluted EPS for the current financial quarter and financial year-to-date and the corresponding periods is computed as follows:

	Individual Quarter 3-months ended		Cumulative Quarters 6-months ended	
	Unaudited 30.4.2026	Unaudited 30.4.2025	Unaudited 30.4.2026	Unaudited 30.4.2025
Profit attributable to owners of the Company (RM)	3,804,655	3,581,210	8,190,349	7,589,635
Weighted average number of ordinary shares (units)	893,000,000	893,000,000	893,000,000	893,000,000
Basic/diluted EPS (sen)	0.43	0.40	0.92	0.85

Diluted EPS is equivalent to the basic EPS as the Company does not have any dilutive instruments at the end of the current financial quarter and financial year-to-date as well as the corresponding periods.

B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B8. STATUS OF CORPORATE PROPOSALS

There were no corporate proposals announced by the Company but not completed as at the date of this interim financial report.

B9. UTILISATION OF PROCEEEDS FROM THE INITIAL PUBLIC OFFERING ("IPO")

The utilisation of proceeds as disclosed below should be read in conjunction with the Prospectus of the Company dated 28 August 2023. As at 30 April 2026, the status of utilisation of the gross proceeds of RM39.27 million raised from our IPO are as follows:

Details of use of proceeds	Proposed Utilisation (RM'000)	Amount Utilised (RM'000)	Balance Unutilised (RM'000) (1)	Estimated timeframe for use from the date of listing
Margin financing facility services	26,860	26,860	-	Within 24 months
Enchancement of digitalisation programme and marketing activities for the stockbroking business and operations of the Group	2,880	1,100	1,780	Within 18 months (1)
Working capital	4,634	4,634	-	Within 12 months
Listing expenses	4,900	4,900	-	Within 3 months
Total	39,274	37,494	1,780	

<u>Note</u>:
1. On 17 March 2025, the Board had resolved to extend the timeframe for the utilisation of unutilised balance of RM1.91 million then by another 12 months from 18 March 2025 to 18 March 2026. Subsequently, on 12 February 2026, the Board had resolved to extend the timeframe for the utilisation of the balance of RM1.82 million by another 12 months from 18 March 2026 to 18 March 2027. Pending its intended utilisation, the remaining unutilised balance of RM1.78 million raised from our IPO was placed with financial institutions on a repo basis to earn interest income.

B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B10. GROUP BORROWINGS AND DEBTS SECURITIES

As at the date of this interim financial report, there were no borrowings and the Group has not issued any debts securities.

B11. MATERIAL LITIGATION

There was no litigation or arbitration which has a material effect on the financial position and performance of the Group as at the date of this interim financial report.

B12. DERIVATIVES FINANCIAL INSTRUMENT

The Group does not have any derivatives financial instruments as at 30 April 2026.

B13. PROPOSED DIVIDEND

There was no dividend declared or payable for the current financial quarter under review and as at the date of this interim financial report.

B14. AUTHORISE FOR ISSUE

This interim financial report was authorised for issue by the Board in accordance with a resolution of the Directors on 29 June 2026.

BY ORDER OF THE BOARD
MERCURY SECURITIES GROUP BERHAD
29 JUNE 2026