



MERCURY SECURITIES GROUP BERHAD

(Registration No. 202101018329 (1418629-A))

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 JULY 2025**

MERCURY SECURITIES GROUP BERHAD

Registration No. 202101018329 (1418629-A)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JULY 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 31 JULY 2025⁽¹⁾

	Note	Individual Quarter		Cumulative Quarters	
		3-months ended 31 July		9-months ended 31 July	
		Unaudited 31.7.2025	Unaudited 31.7.2024	Unaudited 31.7.2025	Unaudited 31.7.2024
		RM	RM	RM	RM
Revenue	A9	6,570,042	9,439,488	26,017,831	23,753,637
Cost of services		(2,344,681)	(4,159,354)	(9,889,557)	(9,598,169)
Gross profit		4,225,361	5,280,134	16,128,274	14,155,468
Other income		623,983	416,167	1,726,980	896,799
Net trading gains on financial assets at fair value through profit or loss		85,848	241,755	408,465	856,639
Administrative and other operating expenses		(1,792,456)	(1,783,581)	(6,804,313)	(5,206,994)
Interest income		1,047,840	991,431	2,740,288	3,245,417
Finance costs		(1,273)	(3,521)	(4,860)	(12,756)
Profit before tax	B5	4,189,303	5,142,385	14,194,834	13,934,573
Income tax expenses	B6	(1,010,000)	(1,235,000)	(3,440,000)	(3,395,800)
Profit after tax		3,179,303	3,907,385	10,754,834	10,538,773
Other comprehensive income, net of income tax					
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
Realisation of revaluation surplus upon depreciation		(15,612)	(15,612)	(46,836)	(46,836)
Transfer of revaluation surplus to retained earnings		15,612	15,612	46,836	46,836
Fair value adjustment on other investments		(28,625)	(359,025)	(85,085)	(359,025)
Total comprehensive income for the financial period		3,150,678	3,548,360	10,669,749	10,179,748

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 31 JULY 2025⁽¹⁾ (CONT'D)

	Individual Quarter		Cumulative Quarters	
	3-months ended 31 July		9-months ended 31 July	
	Unaudited 31.7.2025	Unaudited 31.7.2024	Unaudited 31.7.2025	Unaudited 31.7.2024
Note	RM	RM	RM	RM
Profit attributable to:				
Owners of the Company	3,169,784	3,907,385	10,759,419	10,538,773
Non-controlling interests	9,519	-	(4,585)	-
	<u>3,179,303</u>	<u>3,907,385</u>	<u>10,754,834</u>	<u>10,538,773</u>
Total comprehensive income attributable to:				
Owners of the Company	3,141,159	3,548,360	10,674,334	10,179,748
Non-controlling interests	9,519	-	(4,585)	-
	<u>3,150,678</u>	<u>3,548,360</u>	<u>10,669,749</u>	<u>10,179,748</u>
Earnings per share⁽²⁾ (sen)	B7			
- Basic	0.35	0.44	1.20	1.18
- Diluted	0.35	0.44	1.20	1.18
	<u>0.35</u>	<u>0.44</u>	<u>1.20</u>	<u>1.18</u>

Notes:

1. The basis of preparation of the Unaudited Condensed Consolidated Statement 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 2024 ("AFS 2024") 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 period.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2025⁽¹⁾**

	Unaudited As at 31.7.2025	Audited As at 31.10.2024
	RM	RM
ASSETS		
Non-current assets		
Property, plant and equipment	16,336,088	11,497,435
Investment properties	-	4,650,000
Right-of-use assets	-	120,390
Intangible assets	7,891,722	7,891,722
Other investments	671,174	756,259
	24,898,984	24,915,806
Current assets		
Trade and other receivables	107,359,431	81,496,997
Inventories	675,762	408,511
Other investments	2,522,715	1,212,254
Deposits and prepayments	4,557,863	4,550,539
Cash and cash equivalents	65,251,853	85,672,642
	180,367,624	173,340,943
TOTAL ASSETS	205,266,608	198,256,749
EQUITY AND LIABILITIES		
Share capital	154,640,574	154,640,574
Merger reserve	(97,008,736)	(97,008,736)
Other reserves	128,729,838	122,520,504
	186,361,676	180,152,342
Equity attributable to owners of the Company		
Non-controlling interests	(16,267)	(11,682)
	186,345,409	180,140,660
TOTAL EQUITY	186,345,409	180,140,660
Non-current liabilities		
Lease liabilities	-	44,498
Deferred tax liabilities	934,160	934,160
	934,160	978,658
Current liabilities		
Trade and other payables	16,596,520	15,460,852
Lease liabilities	-	95,377
Current tax liabilities	1,390,519	1,581,202
	17,987,039	17,137,431
TOTAL LIABILITIES	18,921,199	18,116,089
TOTAL EQUITY AND LIABILITIES	205,266,608	198,256,749
Net assets per share⁽²⁾ (sen)	20.87	20.17

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2025⁽¹⁾ (CONT'D)**

Notes:

1. The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the AFS 2024 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 31 July 2025 and 31 October 2024 respectively.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED
31 JULY 2025⁽¹⁾**

	Share Capital RM	Merger Reserve RM	Non-distributable Revaluation Reserve RM	Fair Value Reserve RM	Distributable Retained Profits RM	Total RM	Non-Controlling Interests RM	Total Equity RM
Balance as at								
1 November 2024	154,640,574	(97,008,736)	2,300,390	(95,905)	120,316,019	180,152,342	(11,682)	180,140,660
Profit for the financial period	-	-	-	-	10,759,419	10,759,419	(4,585)	10,754,834
Other comprehensive income for the financial period, net of income tax	-	-	(46,836)	(85,085)	46,836	(85,085)	-	(85,085)
Transaction with owners of the Company:								
Dividend paid	-	-	-	-	(4,465,000)	(4,465,000)	-	(4,465,000)
Balance as at								
31 July 2025	154,640,574	(97,008,736)	2,253,554	(180,990)	126,657,274	186,361,676	(16,267)	186,345,409

Note:

1. The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the AFS 2024 and the accompanying explanatory notes attached to this interim financial report.

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JULY 2025

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR
THE THIRD QUARTER ENDED 31 JULY 2025⁽¹⁾**

	Unaudited 31.7.2025 RM	Unaudited 31.7.2024 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	14,194,834	13,934,573
Adjustments for:-		
Accretion of lease interest	4,860	12,756
Depreciation of		
- property, plant and equipment	527,489	472,058
- right-of-use assets	120,390	140,810
Dividend income	(23,676)	(17,229)
Interest income	(2,740,288)	(3,245,417)
Property, plant and equipment written off	585	-
Gain on disposal of property, plant and equipment	(20,483)	-
Operating profit before working capital changes	12,063,711	11,297,551
Increase in trade and other receivables	(25,862,434)	(14,189,285)
Increase in deposits and prepayments	(7,324)	(1,214,651)
Increase in inventories	(267,251)	(436,647)
Increase in trade and other payables	1,135,668	9,073,331
Cash (used in)/generated from operations	(12,937,630)	4,530,299
Income tax paid	(3,630,683)	(2,341,916)
Net cash (used in)/generated from operating activities	(16,568,313)	2,188,383
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	2,740,288	3,245,417
Dividends received	23,676	17,229
Purchase of property, plant and equipment	(716,744)	(326,610)
Proceeds from disposal of other investments carried at fair fair value through profit or loss	-	281,135
Net purchase of other investments	(1,310,461)	(924,386)
Proceeds from disposal of property, plant and equipment	20,500	-
Net cash from investing activities	757,259	2,292,785

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THE THIRD QUARTER ENDED 31 JULY 2025⁽¹⁾ (CONT'D)**

	Unaudited 31.7.2025	Unaudited 31.7.2024
	RM	RM
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(144,735)	(162,828)
Dividend paid	(4,465,000)	(4,465,000)
Net cash used in financing activities	<u>(4,609,735)</u>	<u>(4,627,828)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		
	(20,420,789)	(146,660)
Cash and cash equivalents at beginning of the financial period	85,672,642	82,503,757
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>65,251,853</u>	<u>82,357,097</u>

Note:

1. The basis of preparation of the Unaudited Condensed Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the AFS 2024 and the accompanying explanatory notes attached to this interim financial report.

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JULY 2025

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JULY 2025

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 2024 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 2024.

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

Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments

Annual Improvements to MFRS Accounting Standards – Volume 11

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 19 Subsidiaries without Public Accountability: Disclosures

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

**Effective for
financial periods
beginning on or**

1 January 2025

1 January 2026

1 January 2026

1 January 2026

1 January 2027

1 January 2027

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.

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

A3. AUDITORS’ REPORT OF PRECEDING ANNUAL AUDITED FINANCIAL STATEMENTS

The audited financial statements of the Group for the financial year ended 31 October 2024 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 and 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.

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

On 26 June 2025, the Company had declared a single tier interim dividend of 0.5 sen per ordinary share amounting to RM4,465,000 in respect of the financial year ending 31 October 2025 and was paid on 29 July 2025 to the shareholders whose names appeared in the Record of Depositors on 15 July 2025.

In the previous corresponding period, the Company had on 26 December 2023 declared a single tier interim dividend of 0.5 sen per ordinary share amounting to RM4,465,000 in respect of the financial year ended 31 October 2024 which was paid on 2 February 2024.

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FOR THE THIRD QUARTER ENDED 31 JULY 2025****A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS 134”), INTERIM FINANCIAL REPORT (CONT’D)****A8. DIVIDEND PAID (CONT’D)**

Save for the above, there was no dividend proposed and/or paid during the current financial quarter and financial year-to-date as well as the previous corresponding period.

A9. SEGMENTAL INFORMATION

The Group’s revenue is segmented as follows:

Business segments	Individual Quarter		Cumulative Quarters	
	3-months ended 31 July		9-months ended 31 July	
	Unaudited	Unaudited	Unaudited	Unaudited
	31.7.2025	31.7.2024	31.7.2025	31.7.2024
	RM	RM	RM	RM
Stockbroking⁽¹⁾	5,437,542	6,230,703	20,977,411	16,695,352
Corporate Finance⁽²⁾	1,132,500	3,208,785	5,040,420	7,058,285
Total	6,570,042	9,439,488	26,017,831	23,753,637

Note:

1. Revenue from the Stockbroking Segment comprises revenue from 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.

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 31 July 2025.

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FOR THE THIRD QUARTER ENDED 31 JULY 2025****A. EXPLANATORY NOTES ON THE COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS 134”), INTERIM FINANCIAL REPORT (CONT’D)****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		Cumulative Quarters	
	3-months ended 31 July		9-months ended 31 July	
	Unaudited 31.7.2025	Unaudited 31.7.2024	Unaudited 31.7.2025	Unaudited 31.7.2024
Rental expenses paid to a related party for a branch office	19,500	19,500	58,500	58,500
Rental income received from a related party	1,500	1,500	4,500	4,500
Brokerage fees received from execution of trades on behalf of a major shareholder	-	1,309	-	1,675

A13. MATERIAL CAPITAL COMMITMENTS

There were no material capital commitments to be disclosed as at 31 July 2025.

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.

A15. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

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

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FOR THE THIRD QUARTER ENDED 31 JULY 2025****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 ended 31 July 2025 are set out in the table below:

	Individual Quarter		Cumulative Quarters	
	3-months ended 31 July		9-months ended 31 July	
	Unaudited 31.7.2025	Unaudited 31.7.2024	Unaudited 31.7.2025	Unaudited 31.7.2024
Revenue				
Stockbroking segment	5,437,542	6,230,703	20,977,411	16,695,352
Corporate finance segment	1,132,500	3,208,785	5,040,420	7,058,285
Total revenue	6,570,042	9,439,488	26,017,831	23,753,637
Gross profit	4,225,361	5,280,134	16,128,274	14,155,468
Profit before tax ("PBT")	4,189,303	5,142,385	14,194,834	13,934,573
Gross profit margin (%)	64.31	55.94	61.99	59.59
PBT margin (%)	63.76	54.48	54.56	58.66

Review of performance in the current financial quarter ("Q3 2025") and cumulative financial quarters ("Q1 to Q3 2025") as compared to the corresponding financial quarter ("Q3 2024") and cumulative financial quarters of last financial year ("Q1 to Q3 2024")

COMMENTARIES**Q3 2025 vs Q3 2024**

For the Q3 2025, the Group recorded total revenue of RM6.57 million, reflecting a decrease of RM2.87 million or 30.40% as compared to RM9.44 million in the Q3 2024.

Gross profit for the Q3 2025 decreased by RM1.05 million or 19.98%, amounting to RM4.23 million as compared to RM5.28 million in the Q3 2024 due to lower revenue during the Q3 2025.

PBT decreased by RM0.95 million or 18.53% to RM4.19 million in the Q3 2025 as compared to PBT of RM5.14 million recorded in the Q3 2024.

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FOR THE THIRD QUARTER ENDED 31 JULY 2025****B. EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)****B1. REVIEW OF PERFORMANCE (CONT'D)****COMMENTARIES (CONT'D)****Q1 to Q3 2025 vs Q1 to Q3 2024**

For the 9-months period ended 31 July 2025, total revenue reached RM26.02 million, an increase of RM2.26 million or 9.53% from RM23.75 million in the corresponding period of the previous financial year. This growth primarily stemmed from the Stockbroking Segment mainly from margin income, placement fees and underwriting fees.

For the 9-months period ended 31 July 2025, gross profit also grew to RM16.13 million, an increase of 13.94% or RM1.97 million, from RM14.16 million in the previous corresponding period.

For the 9-months period ended 31 July 2025, PBT increased by RM0.26 million or 1.87%, reaching RM14.19 million as compared to PBT of RM13.93 million in the previous corresponding period.

B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER

	Individual Quarter		
	Unaudited 31.7.2025	Unaudited 30.4.2025	Variance
	RM	RM	RM
Revenue	6,570,042	9,336,530	(2,766,488)
Gross profit	4,225,361	5,169,203	(943,842)
PBT	4,189,303	4,718,058	(528,755)
Gross profit margin (%)	64.31	55.37	8.94
PBT margin (%)	63.76	50.53	13.23

COMMENTARIES

For the Q3 2025, the Group recorded revenue of RM6.57 million, a decline of RM2.77 million or 29.63% as compared to RM9.34 million in the immediate preceding quarter, Q2 2025. The reduction stemmed primarily from lower contribution by the Stockbroking Segment during Q3 2025.

In the Q3 2025, the Group recorded gross profit of RM4.23 million, down by RM0.94 million or 18.26% from RM5.17 million in the immediate preceding quarter, Q2 2025 due to lower revenue generated during Q3 2025.

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

B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER (CONT'D)

COMMENTARIES (CONT'D)

In the current financial quarter (Q3 2025), PBT decreased by RM0.53 million or 11.21% to RM4.19 million from RM4.72 million in the immediate preceding quarter, Q2 2025.

B3. PROSPECTS OF THE GROUP

Malaysia's economy sustained its recovery momentum into Q2 2025, posting 4.4% year-on-year GDP growth, supported by resilient domestic demand, steady household spending, and firmer investment activity. This marks a continuation of the positive trend seen in Q1, even as external conditions remained challenging with soft global demand and ongoing trade uncertainties.

In another development, Bank Negara Malaysia (BNM) has since revised its full-year GDP forecast to a narrower 4.0% to 4.8% range, reflecting caution over tariffs and global volatility, though the central bank underscored that the country's underlying fundamentals remain intact, with services, consumer activity, infrastructure projects and tourism acting as key growth drivers. Inflation pressures have eased, and the monetary policy stance has turned more accommodative following the July Overnight Policy Rate (OPR) cut to 2.75%, helping to support liquidity and investor confidence.

In this environment, Malaysia positions itself not as a broad-based growth story but as one of selective opportunity. With external uncertainties still weighing on sentiment, domestic demand, services, and infrastructure remain the key anchors, while tourism recovery and policy support provide additional resilience. Sectors such as electrical & electronics (E&E), financial services, consumer goods, infrastructure, and tourism stand out as areas of potential upside, underpinned by trade diversion benefits, steady household spending, and accommodative monetary policy.

(Source: Bank Negara Malaysia: Quarterly Bulletin Q2 2025 – Economic and Inflation Developments)

Amid the global uncertainties emanating from the ongoing trade policy negotiations and other geopolitical risks, the Board will continue to remain vigilant to capitalise on opportunities and implement prudent cost management strategies. Barring any unforeseen circumstances, the Board is cautiously optimistic that the trading conditions and corporate activities will be positive on the Group's performance in the current financial year.

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

B5. PROFIT BEFORE TAX

	Individual Quarter		Cumulative Quarters	
	3-months ended 31 July	Unaudited 31.7.2025	9-months ended 31 July	Unaudited 31.7.2025
	RM	RM	RM	RM
Profit before tax is arrived at after charging:				
Depreciation				
- property, plant and equipment	194,145	158,487	527,489	472,058
- right-of-use assets	26,516	46,937	120,390	140,810
Property, plant and equipment written off	585	-	585	-
and crediting:				
Dividend income	4,162	14,882	23,676	17,229
Gain on disposal of property, plant and equipment	-	-	20,483	-
Interest income	1,047,840	991,431	2,740,288	3,245,417
Realised gain on foreign exchange	126,524	47,757	308,687	152,005
Rental income	9,000	34,500	32,200	114,000

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

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	Individual Quarter		Cumulative Quarters	
	3-months ended 31 July		9-months ended 31 July	
	Unaudited 31.7.2025	Unaudited 31.7.2024	Unaudited 31.7.2025	Unaudited 31.7.2024
	RM	RM	RM	RM
Current tax expenses	1,010,000	1,401,000	3,440,000	3,561,800
Deferred tax expenses	-	(166,000)	-	(166,000)
	1,010,000	1,235,000	3,440,000	3,395,800
Effective tax rate (%)	24.11	24.02	24.23	24.37

The effective tax rate of 24.11% for current financial quarter and 24.23% of the financial year-to-date are slightly 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 period is computed as follows:

	Individual Quarter		Cumulative Quarters	
	3-months ended 31 July		9-months ended 31 July	
	Unaudited 31.7.2025	Unaudited 31.7.2024	Unaudited 31.7.2025	Unaudited 31.7.2024
	RM	RM	RM	RM
Profit attributable to owners of the Company	3,169,784	3,907,385	10,759,419	10,538,773
Weighted average number of ordinary shares	893,000,000	893,000,000	893,000,000	893,000,000
Basic/diluted EPS (sen)	0.35	0.44	1.20	1.18

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 period.

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

B9. UTILISATION OF PROCEEDS 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 31 July 2025, the status of utilisation of the gross proceeds of RM39.27 million raised from our IPO are as follows:

<u>Details of use of proceeds</u>	<u>Proposed Utilisation (RM'000)</u>	<u>Amount Utilised (RM'000)</u>	<u>Balance Unutilised (RM'000)⁽¹⁾</u>	<u>Estimated timeframe for use from the date of listing</u>
Margin financing facility services	26,860	26,860	-	Within 24 months
Enhancement of digitalisation programme and marketing activities for the stockbroking business and operations of the Group	2,880	990	1,890	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	37,384	1,890	

Note:

1. On 17 March 2025, the Board had resolved to extend the timeframe for the utilisation of unutilised balance of RM1.91 million by another 12 months from 18 March 2025 to 18 March 2026. Pending its intended utilisation, the remaining unutilised balance of RM1.89 million raised from our IPO was placed with financial institutions on a repo basis to earn interest income.

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.

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

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 31 July 2025.

B13. PROPOSED DIVIDEND

Save as disclosed in Note A8 of this interim financial report, there was no dividend declared or payable for the current financial quarter.

The total dividend declared and paid-to-date for the financial year ending 31 October 2025 is RM4,465,000 (Financial year ended 31 October 2024: RM4,465,000).

B14. AUTHORISE FOR ISSUE

The interim financial report was authorised for issue by the Board in accordance with a resolution of the Directors on 25 September 2025.

BY ORDER OF THE BOARD

MERCURY SECURITIES GROUP BERHAD

25 SEPTEMBER 2025