



MERCURIUS CAPITAL INVESTMENT LIMITED

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

**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS AND FULL YEAR ENDED 31 DECEMBER 2025**

Mercurius Capital Investment Limited (the “**Company**”) wishes to inform the shareholders of the Company that pursuant to Rules 705(2)(d) and 705(2C) of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst, the Company is required to announce its quarterly financial statements in view of the disclaimer of opinion issued by the Company’s independent auditor for the financial year ended 31 December 2022.

This announcement has been reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the “Sponsor”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “Exchange”) and the Exchange 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, 7 Temasek Boulevard, #04-02 Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.

**MERCURIUS CAPITAL INVESTMENT LIMITED
AND ITS SUBSIDIARY CORPORATIONS**

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**MERCURIUS CAPITAL INVESTMENT LIMITED
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**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2025**

	3 Months Ended			12 Months Ended		
	31/12/2025	31/12/2024	Change	31/12/2025	31/12/2024	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
	Unaudited	Unaudited		Unaudited	Unaudited	
Continuing operations						
Revenue	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-
Gross profit	-	-	-	-	-	-
Other gains/(losses), net	55	(20)	NM	97	140	(31)
Other income	180	-	NM	391	2	19,450
Expenses						
- Administrative	(143)	(159)	(10)	(376)	(1,408)	(73)
- Finance	27	(232)	NM	(314)	(679)	(54)
Share of loss from joint venture	- ¹	- ¹	-	- ¹	- ¹	-
Profit/(Loss) before income tax	119	(411)	NM	(202)	(1,945)	(90)
Income tax expense	-	-	-	-	-	-
Net profit/(loss)	119	(411)	NM	(202)	(1,945)	(90)
Other comprehensive income/(loss), net of tax:						
Items that may be reclassified subsequently to profit or loss:						
- Share of other comprehensive loss of joint venture	- ¹	- ¹	-	- ¹	- ¹	-
- Currency translation income/(losses) arising from consolidation	(53)	39	NM	(62)	(88)	(30)
Other comprehensive income/(loss), net of tax	(53)	39	NM	(62)	(88)	(30)
Total comprehensive income/(loss)	66	(372)	NM	(264)	(2,033)	(87)
Net profit/(loss) attributable to:						
Equity holders of the Company	119	(411)	NM	(202)	(1,945)	(90)
Non-controlling interests	*	*	NM	*	*	NM
	119	(411)	NM	(202)	(1,945)	(90)
Total comprehensive profit/(loss) attributable to:						
Equity holders of the Company	66	(372)	NM	(264)	(2,033)	(87)
Non-controlling interests	*	*	NM	*	*	NM
	66	(372)	NM	(264)	(2,033)	(87)

Earnings per share attributable to the owners of the Company:

	3 Months Ended		12 Months Ended	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	Unaudited	Unaudited	Unaudited	Unaudited
Earnings/(Losses) per share attributable to equity holders of the Company (cents per share)				
Basic earnings/(losses) per share (cents)	0.009	(0.030)	(0.014)	(0.140)
Diluted earnings/(losses) per share (cents)	0.009	(0.030)	(0.014)	(0.140)

NM = Not meaningful

* Amount less than S\$1,000.

¹ The Group recorded nil for the Group's share of loss from joint venture for three-month and twelve-month period ended 31 December 2025 and 31 December 2024 attributed to the Company's inability to acquire the pertinent information from its joint venture, Grand Bay Hotel Co., Ltd. ("Grand Bay") since the financial year ended 31 December 2023, which is crucial for accurate reporting purposes. Despite the Company's diligent efforts, challenges in acquiring the necessary data have resulted in an inability to quantify this specific aspect of the financial disclosure.

**MERCURIUS CAPITAL INVESTMENT LIMITED
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**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025**

	Note	Group		Company	
		31/12/2025 S\$'000 Unaudited	31/12/2024 S\$'000 Unaudited	31/12/2025 S\$'000 Unaudited	31/12/2024 S\$'000 Unaudited
ASSETS					
Current assets					
Cash and bank balances		3	11	1	9
Trade and other receivables		59	72	63	74
		<u>62</u>	<u>83</u>	<u>64</u>	<u>83</u>
Non-current assets					
Investments in subsidiary corporations	11	-	-	-	-
Investment in a joint venture	12	5,300	5,120	5,300	5,945
Property, plant and equipment	13	-	-	-	-
		<u>5,300</u>	<u>5,120</u>	<u>5,300</u>	<u>5,945</u>
TOTAL ASSETS		<u>5,362</u>	<u>5,203</u>	<u>5,364</u>	<u>6,028</u>
LIABILITIES					
Current liabilities					
Trade and other payables		2,994	2,794	2,935	2,742
Borrowings	14	6,196	5,973	6,196	5,973
		<u>9,190</u>	<u>8,767</u>	<u>9,131</u>	<u>8,715</u>
TOTAL LIABILITIES		<u>9,190</u>	<u>8,767</u>	<u>9,131</u>	<u>8,715</u>
NET LIABILITIES		<u>(3,828)</u>	<u>(3,564)</u>	<u>(3,767)</u>	<u>(2,687)</u>
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	15	154,852	154,852	154,852	154,852
Other reserves		(2,603)	(2,541)	325	325
Accumulated losses		(156,085)	(155,883)	(158,944)	(157,864)
		<u>(3,836)</u>	<u>(3,572)</u>	<u>(3,767)</u>	<u>(2,687)</u>
Non-controlling interests		8	8	-	-
TOTAL EQUITY		<u>(3,828)</u>	<u>(3,564)</u>	<u>(3,767)</u>	<u>(2,687)</u>

Explanatory Notes to the Consolidated Interim Statements of Financial Position

- Investment in a joint venture increased at the group level and decreased at the company level to align the carrying amounts with the expected proceeds to be received from the disposal of the investment.
- Trade and other payables increased primarily due to higher amount of advances from the directors and payables to professional parties for operating expenses.
- Borrowings increased mainly due to the accrual of interest expenses during the year.

**MERCURIUS CAPITAL INVESTMENT LIMITED
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CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	12 Months Ended	
	31/12/2025	31/12/2024
	S\$'000	S\$'000
	Unaudited	Unaudited
Cash flows from operating activities		
Net loss	(202)	(1,945)
Adjustment for:		
Depreciation of property, plant and equipment	-	3
Gain arising from re-measurement of convertible loans		(55)
Interest expense	314	679
Increase in carrying value of investment in joint venture	(180)	-
Unrealised currency translation gain	(97)	(89)
	(165)	(1,407)
Changes in working capital:		
Trade and other receivables	13	(58)
Trade and other payables	144	834
Cash used in operations	(8)	(631)
Income tax paid	-	-
Net cash used in operating activities	(8)	(631)
Cash flows from financing activities		
Proceeds from borrowings	-	626
Net cash from financing activities	-	626
Net movement in cash and cash equivalents	(8)	(5)
Cash and cash equivalents		
Beginning of financial period	11	16
End of financial period	3	11
Cash and cash equivalents for statement of cash flow:		
Cash and bank balances	3	11
	3	11

**MERCURIUS CAPITAL INVESTMENT LIMITED
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CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	← Attributable to equity owners of the Company →				Total	Non-controlling interests	Total equity
	Share capital	Other reserves	Equity component of convertible loans	Accumulated losses			
Group	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2025							
Balance as at 1 January 2025	154,852	(2,866)	325	(155,883)	(3,572)	8	(3,564)
Loss for the financial period	-	-	-	(202)	(202)	*	(202)
Other comprehensive loss for the financial period	-	(62)	-	-	(62)	*	(62)
Total comprehensive loss for the financial period	-	(62)	-	(202)	(264)	*	(264)
Balance as at 31 December 2025	154,852	(2,928)	325	(156,085)	(3,836)	8	(3,828)
2024							
Balance as at 1 January 2024	154,852	(2,778)	325	(153,938)	(1,539)	8	(1,531)
Loss for the financial year	-	-	-	(1,945)	(1,945)	*	(1,945)
Other comprehensive loss for the financial year	-	(88)	-	-	(88)	*	(88)
Total comprehensive loss for the financial year	-	(88)	-	(1,945)	(2,033)	*	(2,033)
Balance as at 31 December 2024	154,852	(2,866)	325	(155,883)	(3,572)	8	(3,564)

* Amount less than S\$1,000.

**MERCURIUS CAPITAL INVESTMENT LIMITED
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CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	← Attributable to equity owners of the Company →			
	Share capital	Equity component of convertible loans	Accumulated losses	Total equity
	\$'000	\$'000	\$'000	\$'000
Company				
2025				
Balance as at 1 January 2025	154,852	325	(157,864)	(2,687)
Loss for the financial year	-	-	(1,080)	(1,080)
Balance as at 31 December 2025	<u>154,852</u>	<u>325</u>	<u>(158,944)</u>	<u>(3,767)</u>

	← Attributable to equity owners of the Company →			
	Share capital	Equity component of convertible loans	Accumulated losses	Total equity
	\$'000	\$'000	\$'000	\$'000
Company				
2024				
Balance as at 1 January 2024	154,852	325	(155,840)	(663)
Loss for the financial year	-	-	(2,024)	(2,024)
Balance as at 31 December 2024	<u>154,852</u>	<u>325</u>	<u>(157,864)</u>	<u>(2,687)</u>

MERCURIUS CAPITAL INVESTMENT LIMITED AND ITS SUBSIDIARY CORPORATIONS

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Mercurius Capital Investment Limited (the “**Company**”) is listed on the Catalist board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and incorporated and domiciled in Singapore. The address of its registered office is 138 Robinson Road #26-03 Oxley Tower Singapore 068906.

These condensed interim consolidated financial statements as at and for the fourth quarter and twelve months ended 31 December 2025 comprise the Company and its subsidiaries (together referred to as the “**Group**”).

The principal activity of the Company is investment holding. The subsidiary corporations are dormant and the Company’s joint venture is principally involved in real estate development. As disclosed in Note 3(e), the joint venture disposed its land in July 2025 and the Company is working on exiting from the joint venture as of the date of this announcement.

2. BASIS OF PREPARATION

The condensed interim financial statements for the fourth quarter and twelve months ended 31 December 2025 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the financial period ended 30 September 2025¹.

The accounting policies adopted and methods of computation are consistent with those of the previous financial period and the most recently audited annual financial statements which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in note 2.1.

The condensed interim financial statements are presented in Singapore dollar (“**S\$**”) which is the Company’s functional currency and all values are rounded to the nearest thousand (’000) except otherwise indicated.

¹ On 4 July 2024, the Company announced that it was unable to complete the audit for FY2023 in a timely manner, in order to publish the annual report and convene the annual general meeting for FY2023 by the extended deadline of 29 July 2024. The Company is looking into its options in order to finalise the audited financial statements for FY2023 and will subsequently commence preparations for the annual report.

2.1 NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under circumstances and conditions available.

*Expected Credit Loss (“**ECL**”) of trade and other receivables*

ECL on trade and other receivables are probability-weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions.

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**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(CONT'D)**

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The Group had used a simplified approach (lifetime expected credit loss) for its trade receivables and general approach (12 months expected credit losses or lifetime expected credit loss) for its other receivables.

In determining the ECL, the Group uses the relevant historical information to determine the probability of default of the instruments and incorporated forward-looking information. Notwithstanding the above, the Group evaluates the ECL on trade and other receivables in financial difficulties separately.

3. GOING CONCERN

- (a) During the financial year ended 31 December 2025, the Group has incurred a net loss of S\$202,000 (31 December 2024: S\$1,945,000). In addition, the Group and the Company have total liabilities of S\$9,190,000 and S\$9,131,000 respectively as at 31 December 2025 (31 December 2024: S\$8,767,000 and S\$8,715,000) and net liabilities of S\$3,828,000 and S\$3,767,000 respectively as at 31 December 2025 (31 December 2024: S\$3,564,000 and S\$2,687,000). These events or conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's and the Company's ability to continue as going concerns and discharge their liabilities in the ordinary course of business.

As announced on 8 August 2023, 14 August 2023 and 21 August 2023, the High Court of Malaysia ordered Songmart Malaysia Sdn. Bhd. ("**Songmart Malaysia**"), Tan Lee Heng Sdn. Bhd. ("**TLH**") and Songmart Holdings Sdn. Bhd. ("**Songmart**" and together with Songmart Malaysia and TLH, the "**Songmart Group**") to be wound up. A liquidator was appointed to facilitate the winding up process of the Songmart Group and assumed control over the Songmart Group's assets and liabilities in August 2023. Consequently, the Group deconsolidated Songmart Group's assets and liabilities from its accounts as of 30 June 2023.

As announced on 13 March 2025, the Company had, on 10 March 2025, received a letter of demand dated 5 March 2025 from the solicitors of the liquidator of Songmart Malaysia. The solicitors of the liquidator had given notice to the Company to pay a sum of RM364,749.00 within 14 days of 5 March 2025, relating to stamp duty paid by Songmart Malaysia on behalf of the Company for the Company's acquisition of Songmart from the shareholders of Songmart in 2021. As of the date of this announcement, there is no further notice received from the solicitors of the liquidator on the payment.

- (b) Furthermore, in a subsequent announcement on 19 February 2024, it was announced that Alliance Bank Malaysia Berhad (the "**Bank**") had successfully obtained summary judgment applications on 18 February 2024 for an aggregate sum of RM22,862,805.02, plus any interest and disbursements. As announced on 17 July 2024, the Company received a letter of demand on 15 May 2024 from the Bank's solicitors, demanding an outstanding sum of RM4,062,116.18 ("**Total Debt**") under the summary judgment and on 3 July 2024, the Company made a payment of US\$460,000 (equivalent to approximately RM2,171,000), which constitutes approximately 50% of the Total Debt, as a full and final settlement ("**Final Settlement**") with the Bank. In response, the Bank's solicitors sent a letter dated 9 July 2024 confirming that the Bank will cease all legal proceedings against the Company and will not initiate any further legal actions.

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**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(CONT'D)**

3. GOING CONCERN (CONT'D)

- (c) As announced on 14 May 2024 and 20 May 2024, the Company received a letter of demand on 8 May 2024 and a winding-up statutory demand on 20 May 2024, respectively, from the legal representatives of Mr. Chew Hai Chiene Hester Arthur (“**Mr. Chew**”), the former Group Chief Executive Officer and Executive Director of the Company. These demands pertain to an overdue payment of S\$200,000, part of a total aggregate sum of S\$576,387.20, as agreed upon between Mr. Chew and the Company in a settlement agreement. Subsequently, as announced by the Company on 13 November 2024, the Company had on 12 November 2024 received an originating claim and a statement of claim, filed by solicitors acting on behalf of Mr. Chew in the High Court of the Republic of Singapore.

As announced on 15 April 2025, a settlement agreement (the “**Settlement Agreement**”) was reached between the parties during a mediation session held on 11 April 2025. Pursuant to the terms of the Settlement Agreement, the Company is required to make a one-time payment of S\$365,000 (the “**Settlement Sum**”) to Mr. Chew within three (3) months from the date of the Settlement Agreement. If the Company fails to make payment by the due date and no waiver in writing has been obtained by Mr. Chew, Mr. Chew will be entitled to immediately enter into a judgement in the Singapore High Court against the Company, whereby the Company shall pay S\$576,387.20 to Mr. Chew, as well as interest on the sum of S\$576,387.20 at the rate of 5.33% per annum calculated from 12 November 2024 until the date of full payment. In addition, the Company will indemnify Mr. Chew against all costs and expenses incurred in connection with the Settlement Agreement.

The Company has paid the Settlement Sum, being S\$365,000 within the agreed due date. The Company has received the notice of discontinuance in relation to the legal suit by Mr. Chew on 10 July 2025, in which Mr. Chew has wholly discontinued his claim against the Company with no order as to costs.

- (d) As announced on 12 June 2024, the Company had on 11 June 2024, notified the SGX-ST (via the Company’s Sponsor) of its cash company status pursuant to Rule 1017 of the SGX-ST Listing Manual Section B: Rules of Catalist.
- (e) As announced on 10 April 2025, the Bangkok South Civil Court in Thailand had issued a civil judgement in November 2024 in respect of a legal suit filed by CS Property (Thailand) Company Limited (“**CS Property**”) against (a) Grand Bay, (b) Apex Development Public Company Limited, (“**Apex**”) being the joint venture partner which owns the remaining 50.0% of Grand Bay, and (c) the director of Grand Bay and Apex who is a guarantor (the “**Defendants**”), in respect of a dispute of the Loan (as defined below) (the “**Judgement**”). Grand Bay is currently a dormant entity.

In 2019, Grand Bay and Apex had issued promissory notes to Srisawad Power 2014 Company Limited (“**Srisawad**”) for a loan with a principal amount of up to THB200.0 million (the “**Loan**”). The promissory notes are interest-bearing and are secured by way of a charge over 6 parcels of land under Grand Bay in favour of Srisawad (the “**Lands**”). In February 2021, Srisawad transferred its rights and obligations of the Loan to CS Property at a consideration of approximately THB230.0 million. Subsequently in March 2021, CS Property demanded the repayment of the Loan from the Defendants.

The Company understands that the Judgement was made to Grand Bay as one of the Defendants to, *inter alia*, repay the Loan and the related interests to CS Property. In the case of non-performance, the Lands shall be seized for auction sale in order to settle the Loan and the related interests owing to CS Property. The Company was made aware of the potential auction of the Lands under Grand Bay only in late February 2025 by a third party and had immediately requested its legal adviser to handle the legal issues related to Grand Bay.

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**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(CONT'D)**

3. GOING CONCERN (CONT'D)

The Company subsequently received an unofficial translated version of the Judgement from the legal adviser of Apex on 19 March 2025. Following the Judgement, an order of seizure was issued on 8 May 2025 (the “**Seizure Order**”) by the Phuket Legal Execution Office. The Seizure Order was registered with the Phuket Provincial Land Office, Thalang Branch, and had placed the Land at imminent risk of compulsory enforcement and disposal.

As announced on 16 July 2025, Grand Bay entered into a land sale and purchase agreement (the “**SPA**”) with Octave Real Estate (Thailand) Co., Ltd. (the “**Purchaser**”) on 4 July 2025 for the disposal of the Lands for a total consideration of THB 625 million (the “**Purchase Consideration**”) less any Advance Payment (as defined herein), subject to the terms and conditions of the SPA (the “**Disposal**”). The Disposal was completed on 7 July 2025.

The Purchase Consideration was applied towards the following:

- (i) Full settlement of Grand Bay’s debt obligations to CS Property, including accrued interest;
- (ii) Payment of enforcement, legal, and disposal-related expenses; and
- (iii) Distribution of the remaining balance, if any, to Grand Bay’s shareholders (including the Company and Apex) in proportion to their respective shareholding interests in Grand Bay.

Grand Bay had, on 8 July 2025, received a net amount of approximately THB 294 million from the Purchaser, being the Purchase Consideration less any payments that the Purchaser has made to Grand Bay, CS Property, or any person, entity or any governmental authority on or before the completion date of the Disposal (“**Advance Payment**”) in respect of the Lands (including, inter alia, fees for withdrawal of Seizure Order and outstanding land tax).

The Company initially expected to receive a cash distribution of approximately S\$5.3 million to S\$5.5 million from the proposed liquidation of Grand Bay, which was expected to be completed in approximately three months following the Disposal.

Subsequently, the expected liquidation of Grand Bay encountered a new development. A cryptocurrency company had on 10 October 2025 offered to acquire Grand Bay for S\$22 million, but with a payment schedule spread over 12 monthly instalments. After discussions, the Board concluded that this proposal carried excessive risk and could potentially cause significant losses to the Company. Accordingly, the Company rejected the acquisition proposal.

However, Apex expressed interest in cooperating with the cryptocurrency company and therefore refused to consent to the continuation of Grand Bay’s liquidation. Consequently, the proposed liquidation came to a halt as corporate liquidation in Thailand requires approval from at least 75% of the shareholders.

Currently, the Company is exploring an exit from Grand Bay through a “Company Buyback & Capital Reduction” arrangement. Under this approach, the Company would receive the cash distribution, after which Apex would hold 100% of the shares of Grand Bay. The Company is currently working with its legal adviser on implementing this plan in accordance with applicable laws. GBH is currently undergoing an audit, and the proposed capital reduction exercise is expected to be initiated upon the completion of the audit, which is expected to be around mid-March 2026. The Company expects to receive a cash distribution of approximately S\$5.3 million upon completion of the capital reduction exercise around end of March 2026.

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**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(CONT'D)**

3. GOING CONCERN (CONT'D)

Given these circumstances, the Board is of the view that there is a material uncertainty surrounding the Group's ability to continue its operations as a going concern and meet its financial obligations in the ordinary course of business. Meanwhile, the Board is actively formulating strategies to address the going concern uncertainties and will disclose further details in subsequent monthly update announcements or any other relevant announcements.

4. SEASONAL OPERATIONS

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

5. SEGMENT AND REVENUE INFORMATION

The revenue for three-month period and year ended 31 December 2025 and 31 December 2024 stand at nil as the groceries business had ceased its operations as at 30 June 2023.

For the three-month period and year ended 31 December 2025 and 31 December 2024, the Group principally operated in a single business segment which is property development and property investment. In view that the property development and property investment had not commenced, as well as the Disposal, no segmental information is presented. The Company is in the process of exiting from the joint venture, Grand Bay, and the Company has ceased its operations in property development and property investment as of 7 July 2025.

6. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Set out below is an overview of the carrying amount of financial assets and financial liabilities of the Group and the Company as at 31 December 2025 and 31 December 2024:

	At amortised cost	
	31/12/2025	31/12/2024
	S\$'000	S\$'000
Group		
Financial assets		
Cash and bank balances	3	11
Trade and other receivables	59	72
	62	83
	62	83

	At amortised cost	
	31/12/2025	31/12/2024
	S\$'000	S\$'000
Group		
Financial liabilities		
Trade and other payables	2,994	2,794
Borrowings	6,196	5,973
	9,190	8,767
	9,190	8,767

**MERCURIUS CAPITAL INVESTMENT LIMITED
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**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(CONT'D)**

6. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

	At amortised cost	
	31/12/2025	31/12/2024
	S\$'000	S\$'000
Company		
Financial assets		
Cash and bank balances	1	9
Trade and other receivables	63	74
	<u>64</u>	<u>83</u>
Financial liabilities		
Trade and other payables	2,935	2,742
Borrowings	6,196	5,973
	<u>9,131</u>	<u>8,715</u>

7. LOSS BEFORE INCOME TAX

7.1 SIGNIFICANT ITEMS

Loss before income tax has been arrived after charging/(crediting):

	3 Months Ended		12 Months Ended	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	S\$'000	S\$'000	S\$'000	S\$'000
	Unaudited	Unaudited	Unaudited	Unaudited
Depreciation of property, plant and equipment (Note 13)	-	-	-	3
Provision for GST input tax incorrectly claimed in prior periods		94	-	94
Salaries, bonuses, allowances and CPF				
- Directors	-	-	-	274
- Others	-	-	-	44
Professional fees	106	36	253	231
Increase in carrying value of investment in joint venture	(180)	-	(180)	-
Settlement (gain)/claim	-		(211)	624
Currency exchange gain	(55)	(75)	(97)	(85)
Finance expenses – Convertible loans	-	205	258	574
Finance expenses – Directors' loans	(27)	27	56	105

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**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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7.2 RELATED PARTY TRANSACTIONS

	3 Months Ended		12 Months Ended	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	S\$'000	S\$'000	S\$'000	S\$'000
	Unaudited	Unaudited	Unaudited	Unaudited
(a) Advances				
Advances from directors	-	-	-	200
Loan from related party	-	-	-	-
Payment made by directors on behalf of Group	65	51	609	98
(b) Director compensation				
Salaries and short-term benefits	-	-	-	273
Employer's contribution to defined contribution plans, including Central Provident Fund	-	-	-	1

There are no material related party transactions apart from those disclosed in Note 7.2 or elsewhere in the financial statements.

8. TAXATION

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. There is no tax expense recorded as the Group has no taxable profits.

9. DIVIDENDS

No dividend has been declared or recommended for the three months and the year ended 31 December 2025 ("4Q2025") ("FY2025") as the Group had recorded cumulative losses of S\$156,085,000 as at end of FY2025, and a net loss for FY2025.

10. NET ASSET VALUE

	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	S\$	S\$	S\$	S\$
	Unaudited	Unaudited	Unaudited	Unaudited
Net liability value per ordinary share (cents)	(0.27)	(0.26)	(0.27)	(0.19)

The calculation of net liability value per ordinary share was based on 1,392,973,333 shares as at both 31 December 2025 and 31 December 2024.

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11. INVESTMENT IN SUBSIDIARY CORPORATIONS

	Company	
	31/12/2025 S'000	31/12/2024 S'000
<i>Equity investments at cost</i>		
Beginning and end of financial year	19,560	19,560
<i>Allowance for impairment</i>		
Beginning and end of financial year	19,560	19,560
Net carrying amount	-	-

12. INVESTMENT IN A JOINT VENTURE

	Group		Company	
	31/12/2025 S\$'000	31/12/2024 S\$'000	31/12/2025 S\$'000	31/12/2024 S\$'000
	Unaudited	Unaudited	Unaudited	Unaudited
Cost				
Beginning of financial year	5,120	5,120	5,945	5,945
Less: Impairment loss	-	-	(645)	-
Add: Increase in carrying amount	180	-	-	-
End of financial year	5,300	5,120	5,300	5,945

Set out below is the joint venture of the Group as at 31 December 2025 and 31 December 2024:

<u>Name of company</u>	<u>Principal activity</u>	<u>Country of business /incorporation</u>	<u>Equity interest held by the Group</u>	
			31/12/2025 %	31/12/2024 %
Grand Bay Hotel Co., Ltd	Real estate development	Thailand	50	50

The Group had diversified its business into property development and property investment in financial year ended 31 December 2017 and had on 12 June 2019, entered into joint venture agreement (“JVA”) with Apex Development Public Company Limited (“Apex”) and Grand Bay Hotel Co., Ltd (“Grand Bay”).

The Group had joint control over Grand Bay under the contractual agreement with Apex, and unanimous consent is required from both parties for all relevant activities. The contractual agreement provides the Group and Apex with rights to the net assets of Grand Bay. Therefore, the investment in Grand Bay is classified as a joint venture. There are no contingent liabilities relating to the Group’s interest in the joint venture. The carrying amount as at 31 December 2025 reflects the amount that the Company expects to receive upon completion of the capital reduction exercise. Please refer to note 3(e) for an update on Grand Bay.

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13. PROPERTY, PLANT AND EQUIPMENT

Group	Renovation	Office equipment	Office and retail space	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Cost				
At 1 January 2024	66	25	444	535
Disposal	(66)	-	(444)	(510)
At 31 December 2024	-	25	-	25
Written off	-	(25)	-	(25)
At 31 December 2025	-	-	-	-
Accumulated depreciation				
At 1 January 2024	63	25	444	532
Addition	3	-	-	3
Disposal	(66)	-	(444)	(510)
At 31 December 2024	-	25	-	25
Written off	-	(25)	-	(25)
At 31 December 2025	-	-	-	-
Net book value				
At 31 December 2024 and 31 December 2025	-	-	-	-

Company

	Office Equipment	Total
	S\$'000	S\$'000
At 31 December 2025		
Cost	-	-
Accumulated depreciation	-	-
Net book value	-	-
For the 3 months and 12 months ended 31 December 2025		
Cost		
At 1 January 2025 and 30 September 2025	25	25
Written off	(25)	(25)
31 December 2025	-	-
Accumulated depreciation		
At 1 January 2025 and 30 September 2025	25	25
Written off	(25)	(25)
31 December 2025	-	-
Net book value		
At 30 September 2025 and 31 December 2025	-	-

During the three months and year ended 31 December 2025, the Group has not acquired or disposed of any assets.

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14. BORROWINGS

- Amount repayable in one year or less, or on demand

	As at 31/12/2025		As at 31/12/2024	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Convertible loans ⁽¹⁾	-	5,605	-	5,347
Loan from third party ⁽²⁾	-	591	-	626
	-	6,196	-	5,973

Notes:

- (1) Convertible loans include accrued interests and are recorded at fair value of the liability component. The fair value of the liability component is calculated using a market interest rate for an equivalent non-convertible loan at the date of issue. The residual amount, representing the value of the equity conversion component, is included in shareholders' equity in other reserves, net of deferred income taxes.
- (2) Loan from a third party, Asia Assets Development Co. Ltd. ("**AAD**"), amounting to US\$460,000 is unsecured, interest-free, and was to be repaid in full on 3 July 2025. This loan was utilised to pay the Final Settlement. Our Group Chief Executive Officer is a minority shareholder of AAD. The Company reached a verbal understanding with AAD to extend the maturity date until a reverse takeover of the Company ("**RTO**") has been completed.

The Group has no other borrowings that are repayable beyond one year.

There were no collaterals for the borrowings as at 31 December 2025 and 31 December 2024.

Convertible loans

On 13 and 23 December 2019, the Company entered into two convertible loan agreements (the "**Agreements**") with four investors for loan amounts of \$1,750,000 ("**13 Dec 2019 Convertible Loans**") and \$1,000,000 ("**23 Dec 2019 Convertible Loan**") respectively, which are subject to annual interest rate of 10%. All the convertible loans holders are non-related parties, except for 23 Dec 2019 Convertible Loan, which was extended by one of the Directors of the Company.

On 3 January 2020, the Company entered into a convertible loan agreement with an investor for a loan amount of \$800,000 ("**3 Jan 2020 Convertible Loan**") which is subject to annual interest rate of 10%.

In the financial year ended 31 December 2021, the Company repaid \$250,000 in respect of the 13 Dec 2019 Convertible Loans. Accordingly, the outstanding principal loan amount from the 13 Dec 2019 Convertible Loans was reduced to \$1,500,000.

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14. BORROWINGS (CONT'D)

Convertible loans

Throughout the preceding financial years, the Group has successfully extended the date of maturity through various supplementary agreements with the investors on multiple occasions (disclosed below as “**Previous extended date of maturity**”). Most recently on 18 February 2025, the Company had entered into supplemental agreements to further extend the maturity of the convertible loans (“**Revised date of maturity**”) as follows:

	Previous extended date of maturity	Revised date of maturity
13 Dec 2019 Convertible Loans	13 December 2024	13 June 2025
23 Dec 2019 Convertible Loan	23 December 2024	23 June 2025
3 Jan 2020 Convertible Loan	3 December 2024	3 June 2025

As at 31 December 2025, the outstanding 13 Dec 2019 Convertible Loans, 23 Dec 2019 Convertible Loan and 3 Jan 2020 Convertible Loan (including interest) are convertible up to 25,483,673 shares, 16,942,786 shares and 13,628,356 shares (31 December 2024: 24,268,237 shares, 16,179,871 shares and 13,021,057 shares) respectively, in total amounting to 56,054,815 (31 December 2024: 53,469,165) new ordinary shares in the capital of the Company at the option of the investors, subject to the terms and conditions of the Agreements.

The Company has reached a verbal understanding with the respective investors to extend the maturity dates of the loans, with interest accruals to be suspended from 1 July 2025, until an RTO has been completed.

The fair value of the liability component is calculated using a market interest rate for an equivalent non-convertible loan at the date of issue. The residual amount, representing the value of the equity conversion component, is included in shareholders’ equity in other reserves, net of deferred income taxes.

The carrying amount of the liability component of the convertible loans at the reporting date are derived as follows:

	Group and Company	
	31/12/2025	31/12/2024
	S\$'000	S\$'000
Face value of convertible loans at issuance	3,550	3,550
Equity conversion component on initial recognition	(325)	(325)
Liability component on initial recognition	3,225	3,225
Repayment of convertible loan (included interest) up-to-date	(289)	(289)
Accumulated gains arising from modification of convertible loans	(858)	(858)
Accumulated amortisation of interest expenses	3,527	3,269
Liability component at end of financial period	<u>5,605</u>	<u>5,347</u>

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15. SHARE CAPITAL

	Group and Company	
	Number of ordinary Shares	Amount
	'000	SS'000
31/12/2025		
Beginning of financial year	1,392,973	154,852
Issuance of new ordinary shares	-	-
End of the financial year	1,392,973	154,852
31/12/2024		
Beginning of financial year	1,392,973	154,852
Issuance of new ordinary shares	-	-
End of the financial year	1,392,973	154,852

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

As disclosed in Note 14 of this announcement, the Company had entered into the 13 Dec 2019 Convertible Loans, 23 Dec 2019 Convertible Loan, and 3 Jan 2020 Convertible Loan. Subsequently, the Company had, on 18 February 2025, entered into new supplemental agreements to further extend the maturity date of each of the outstanding convertible loans to 13 June 2025, 23 June 2025 and 3 June 2025, respectively. As at 31 December 2025, all three convertible loans, inclusive of interest, are convertible up to 56,054,815 new ordinary shares of the Company (31 December 2024: 53,469,165) upon maturity. Save for this, the Company does not have any other convertible securities.

	As at 31/12/2025	As at 31/12/2024
Shares to be issued on conversion of all outstanding convertibles	56,054,815	53,469,165
Total number of issued shares excluding treasury shares and subsidiary holdings of the issuer	1,392,973,333	1,392,973,333
Shares to be issued upon conversion as a percentage of total number of issued shares excluding treasury shares and subsidiary holdings of the issuer	4.02%	3.84%

There were no changes in the Company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buybacks, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since 30 September 2025.

There were no treasury shares or subsidiary holdings as at 31 December 2025 and 31 December 2024.

There was no sale, transfer, cancellation and/or use of treasury shares or subsidiary holdings as at 31 December 2025.

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16. EARNINGS PER SHARE

Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:

	3 Months Ended		12 Months Ended	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Earnings/(Losses) per share attributable to equity holders of the Company (cents per share)				
Weighted average number of ordinary shares for basic earnings per share	1,392,973,333	1,392,973,333	1,392,973,333	1,392,973,333
Weighted average number of ordinary shares for diluted earnings per share	1,449,028,148	1,446,442,497	1,449,028,148	1,446,442,497
Net profit/(loss) used to determine basic and diluted losses per share (S\$'000)	119	(411)	(202)	(1,945)
Add back: Interest on convertible loans (S\$'000)	-	205	258	574
Adjusted net profit/(loss) for the financial period (S\$'000)	119	(206)	56	(1,371)
Basic earnings/(losses) per share (cents) ⁽¹⁾	0.009	(0.030)	(0.014)	(0.140)
Diluted earnings/(losses) per share (cents) ⁽¹⁾	0.009	(0.030)	(0.014)	(0.140)

Notes:

(1) For the purpose of calculating diluted earnings/(losses) per share, earnings/(loss) attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. The diluted losses per share computations have not taken into consideration the effects of the convertible loans for the 3 months and 12 months ended 31 December 2024, and the 3 months and 12 months ended 31 December 2025, as they were anti-dilutive.

16. SUBSEQUENT EVENTS

Receipt of letter from trustee of bankruptcy estate

The Company has received a letter of demand (the “**Letter of Demand**”) dated 2 February 2026 from the trustees (“**Trustees**”) of the bankruptcy estate of Dr Chong Cheong Sin (“**Dr Chong**”), the former Non-Executive and Independent Director of the Company, in relation to certain loans extended to the Company by Dr Chong. The Trustees have demanded an aggregate amount of S\$178,061.94, inclusive of interest purportedly owing to Dr Chong.

The Company is in the process of reviewing the matters raised in the Letter of Demand. The Company has responded to the Trustees and will continue to engage with them while the Board considers the Company’s next steps.

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**OTHER INFORMATION REQUIRED PURSUANT TO APPENDIX 7C OF THE CATALIST
RULES**

1. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The condensed interim financial statements of financial position of Mercurius Capital Investment Limited and its subsidiary corporations as at 31 December 2025 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the year then ended and certain explanatory notes have not been audited or reviewed.

2. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion (other than a material uncertainty related to going concern):

(a) Updates on the efforts taken to resolve each outstanding audit issue.

The latest audited financial statement for the financial year ended 31 December 2022 was subject to disclaimer of opinion on the basis of the following:

- (i) Since the prior financial year ended 31 December 2021, the auditor of the Company was unable to obtain sufficient appropriate audit evidence to ascertain that the unaudited management accounts of the Company's investment in a joint venture, Grand Bay present a true and fair view with no material misstatement and as such was unable to ascertain the share of losses of Grand Bay recognised in the consolidated statement of comprehensive income for the financial year ended 31 December 2021 and the carrying amount of the investment in the joint venture recognised in the consolidated statement of financial position as at 31 December 2021 due to the absence of satisfactory audit evidence and explanation from the Company. As such, the auditor of the Company was unable to carry out any alternative audit procedures to obtain sufficient and appropriate audit evidence to determine whether any adjustments, if any, are required to be made to the opening balances, and whether there will be possible effects on the comparability of the figures as at 31 December 2022 with corresponding figures.

The Company has a 50% shareholding interest in Grand Bay. The Company has been actively working with the management of Grand Bay on the audit matters for financial year ended 31 December 2022 and has resolved the audit issues for the financial year ended 31 December 2022 although the recoverable amount and resultant impairment, if any, on the carrying amount of the investment in joint venture as at 31 December 2021 remains unresolved. In relation to audit matters for the financial year ended 31 December 2023, the Company, despite making diligent efforts, has faced difficulties in obtaining the required information.

As of 31 December 2025, this issue remains unresolved, leading to the absence of any measurable value in a particular aspect of the Group's financial disclosure, essential for accurate reporting. With the Company's proposed exit from Grand Bay following the Disposal, this issue is expected to be resolved going forward.

- (ii) Limitation of scope on significant subsidiary corporations, Songmart Holdings Sdn. Bhd. and its subsidiary corporations including incomplete accounting records, insufficient information and explanations provided by the management of Songmart Group throughout the audit process. The component auditors have encountered various challenges and difficulties in completing the audit of the consolidated statement of financial position of Songmart Group as at the acquisition date i.e., 28 October 2022 as well as the consolidated financial statements of Songmart Group as at 31 December 2022 and for the financial period from 28 October 2022 to 31 December 2022. Despite raising this issue to the group management level and their efforts to assist, they were unable to provide viable solution to address the concerns of the component auditors.

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The Group had on 28 October 2022, completed the acquisition of Songmart Holdings Sdn. Bhd. and its subsidiary corporations (“**Songmart Group**”). Songmart Group consists of (a) a Malaysia based grocery business that operates supermarket operations in Johor Bahru (b) wholesale trading of foodstuff and groceries business mainly in Malaysia.

As announced on 8 August 2023, 14 August 2023 and 21 August 2023, the High Court of Malaysia had ordered the Songmart Group to be wound up. The liquidator appointed to facilitate the winding up process of the Songmart Group had assumed control over the Songmart Group’s assets and liabilities. Consequently, the Group had deconsolidated the Songmart Group on 30 June 2023 pursuant to the Company’s loss of control over the assets and liabilities of the Songmart Group.

The audit concern highlighted by the Company’s external auditors remains unresolved, as the Songmart Group ceased business operations on 30 June 2023 and has faced challenges in managing personnel to address the audit issue. Efforts are underway to develop a comprehensive strategy through close collaboration with external auditors to systematically address and resolve these concerns.

- (iii) Impairment assessment of investment in subsidiary corporations, Songmart Group due to absence of available information which auditors were unable to obtain sufficient appropriate audit evidence with respect to the recoverable amount and resultant impairment, if any, on the carrying amount of the investment in subsidiary corporations, Songmart Group as at 31 December 2022 and were also unable to perform appropriate alternative audit procedures to determine the effect of adjustments, if any, on the statement of financial position of the Group as at 31 December 2022.

The Group has performed a full impairment assessment on Songmart Group taking into consideration the receipt of summary judgment as announced by the Company on 19 February 2024.

- (iv) The Group acts as one of the guarantors to a bank in respect of bank borrowings granted to its subsidiary corporations, Songmart Group, and as at 31 December 2022, these bank borrowings were collectively in breach of loan covenants, which could result in expected credit losses.

As announced on 17 July 2024, the Company paid US\$460,000 on 3 July 2024, which represents about 50% of the Total Debt, as a full and final settlement with the Bank. In response, the Bank’s solicitors sent a letter dated 9 July 2024 confirming that the Bank will cease all legal proceedings against the Company and will not initiate any further legal actions.

- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

The board of directors (the “**Board**”) confirms that the impact of the audit issues on the financial statements have been adequately disclosed.

- 3. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group’s business. It must include a discussion of the following:**
 - (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

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(A) Review of condensed interim consolidated statement of profit or loss and other comprehensive income

Revenue and Gross Profit

The Group's principal operating subsidiaries have ceased their business operations as at 30 June 2023 resulting in no revenue and no gross profit or loss being attributed to the Group for 4Q2025, FY2025, and for the three months and twelve months ended 31 December 2024 ("4Q2024") ("FY2024").

Cost of sales

In view of the abovementioned, the Group recorded nil cost of sales for 4Q2025, FY2025, 4Q2024 and FY2024 respectively.

Other gains/(losses), net

Other gains/(losses), net for 4Q2025 and FY2025 consist of currency translation gains.

Other income

In July 2025, the Company paid S\$365,000 as Settlement Sum of a debt which amounted to S\$576,387.20 to Mr. Chew pursuant to the terms of the Settlement Agreement. Consequently, a gain on settlement of debts amounting to S\$211,000 was recognised as other income for FY2025.

In addition, the Company recognised a gain amounting to S\$180,000 for 4Q2025 to align the carrying amount of the investment in joint venture with the expected proceeds to be received from the disposal of the investment.

Administrative expenses

Administrative expenses have decreased from S\$159,000 for 4Q2024 to S\$143,000 for 4Q2025, as a result of provision for GST input tax incorrectly claimed in prior years during 4Q2024 and partially offset with higher professional fees during 4Q2025, and from S\$1,408,000 for FY2024 to S\$376,000 for FY2025, primarily due to no director and employee remuneration during FY2025, as well as payment of the Final Settlement during FY2024.

Finance Costs

Finance costs are substantially due to the accrued interest from the 13 Dec 2019 Convertible Loans, the 23 Dec 2019 Convertible Loan and the 3 Jan 2020 Convertible Loan, with the remaining portion attributable to interest on loans from directors. Finance costs decreased from S\$232,000 for 4Q2024 to interest income of S\$27,000 for 4Q2025, and from S\$679,000 for FY2024 to S\$314,000 for FY2025, as interest accruals had been suspended from 1 July 2025, until an RTO has been completed. The interest income recognised in 4Q2025 was primarily due to the reversal of previously over-accrued finance costs relating to directors' loans.

Share of loss from joint venture

Share of loss from joint venture was recorded at nil during 4Q2025 and 4Q2024, and for both FY2025 and FY2024. This is attributed to the Company's inability to obtain the pertinent financial information from the joint venture during the specified periods resulting in an inability to reliably estimate the joint venture's share of losses.

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Net Profit/(Loss)

As a result of the above, the Group recorded a net profit after tax of S\$119,000 during 4Q2025 as compared to a net loss after tax of S\$411,000 during 4Q2024, and a net loss after tax of S\$202,000 during FY2025 as compared to a net loss after tax of S\$1,945,000 during FY2024.

(B) Review of condensed interim financial statements of financial position

Current Assets

Current assets decreased from approximately S\$83,000 as at 31 December 2024 to approximately S\$62,000 as at 31 December 2025, mainly due to a decrease in cash and bank balances and trade and other receivables.

Non-current Assets

Non-current assets increased from approximately S\$5,120,000 as at 31 December 2024 to approximately S\$5,300,000 as at 31 December 2025, mainly due to the increase in carrying amount of the investment in joint venture.

Liabilities

Trade and other payables increased from S\$2.79 million as at 31 December 2024 to S\$2.99 million as at 31 December 2025, due to higher amount of advances from the directors and payables to professional parties for operating expenses.

Borrowings increased from S\$5.97 million as at 31 December 2024 to S\$6.20 million as at 31 December 2025 due to an increase in interest payables on convertible loans.

Working Capital

The Group recorded a negative working capital of S\$9.13 million as at 31 December 2025, as compared to a negative working capital of S\$8.68 million as at 31 December 2024, primarily arising from the increase in trade and other payables and borrowings.

Equity

The Group's equity decreased from negative S\$3.56 million as at 31 December 2024 to negative S\$3.83 million as at 31 December 2025 mainly due to losses incurred amounting to S\$202,000 during the year.

(C) Review of condensed interim consolidated statement of cash flows

Net cash used in operating activities amounted to S\$8,000 for FY2025, mainly due to operating cash outflows before working capital changes of S\$165,000 and net cash generated from working capital of S\$157,000. Net cash generated from working capital was mainly a result of increase in trade and other payables of S\$144,000 and decrease in trade and other receivables of S\$13,000 during FY2025.

There were no cash flows from investing and financing activities during FY2025.

As a result, the Group had a net cash outflow of S\$8,000 for FY2025. The cash and cash equivalents of the Group amounted to S\$3,000 as at 31 December 2025.

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4. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable as no forecast was previously disclosed.

5. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.**

As announced on 1 July 2024, the Company had entered into a binding memorandum of understanding (“MOU”) with BioSpring Medical Co., Ltd. (“**BioSpring**”) in relation to an acquisition of BioSpring by the Company (the “**Proposed Transaction**”). As there were challenges in executing intellectual property rights and deploying technical personnel to Singapore, both parties require additional time for negotiations, leading to the temporary halt of the Proposed Transaction. In view of the above-mentioned challenges and the prolonged delay in the fulfilment of BioSpring’s commitment to provide operational funding to the Company, both parties were unable to reach a consensus despite multiple rounds of discussions that were held prior to and following the expiry of the MOU on 30 June 2025. As such, the Company has decided to discontinue further engagement with BioSpring regarding the Proposed Transaction and accordingly, the MOU with BioSpring has lapsed. Pursuant to the lapse of the MOU, the MOU shall be of no further effect and both the Company and BioSpring do not have any further obligations under the MOU in connection with the Proposed Acquisition.

The Board is assessing the feasibility of a collaboration with AAD relating to its proposed blue carbon credit development as the Company continues to actively seek investors for the required funding. Further as announced on 6 October 2025, the SGX-ST has informed the Company that it would need to voluntarily seek a delisting should it fail to sign a definitive agreement for its RTO plan by 31 December 2025. As announced in its monthly updates, the Company notes that the deadline has passed and as it has yet to enter into a definitive agreement, it is considering its options and next steps to take.

A Taiwan-based company engaged in the recycling and regeneration of super absorbent polymer materials used in diapers has expressed interest in identifying a suitable listed shell company in Singapore, and discussions on feasibility are currently ongoing.

A China-based company engaged in elderly long-term care products, whose principal product is an Artificial Intelligence-powered elderly bathing machine, has also expressed interest in identifying a suitable listed shell company in Singapore, and discussions on feasibility are currently ongoing.

As a result of the above developments, the Group’s outlook and financial performance for the forthcoming reporting period and the next 12 months will be closely tied to the final outcome of the Group’s various proposed collaborations.

6. **Dividend**

- (a) **Current Financial Period reported on**

Any dividend declared for the current financial period reported on?

No.

- (b) **Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

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- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

- (d) The date the dividend is payable.**

Not applicable.

- (e) The date on which Registrable Transfers received by the company (up to 5:00pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

- 7. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.**

No dividend has been declared or recommended for 4Q2025 and FY2025, as the Company had recorded cumulative losses of S\$158,944,000 as at end of 4Q2025 and a net loss for FY2025.

- 8. A breakdown of sales.**

Not applicable as there was no revenue for FY2025 and FY2024.

- 9. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Not applicable. No dividend was declared nor paid for FY2025 and FY2024.

- 10. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the prescribed format. If there are no such persons, the issuer must make an appropriate negative statement.**

The Company confirms that there is no person occupying a managerial position in the Company or any of the Company's principal subsidiary(ies) who is a relative of a director or chief executive officer or substantial shareholder of the Company, pursuant to Catalist Rule 704(10).

- 11. If the Group has obtained a general mandate from shareholders for Interested Person Transactions (IPTs), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

No general mandate for IPTs has been obtained from shareholders of the Company.

- 12. Confirmation pursuant to Rule 720(1) of the Catalist Rules.**

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) pursuant to Rule 720(1) of the Catalist Rules.

**MERCURIUS CAPITAL INVESTMENT LIMITED
AND ITS SUBSIDIARY CORPORATIONS**

BY ORDER OF THE BOARD

**Chu Yun Yuan
Group Chief Executive Officer**

27 February 2026