

September 30, 2026

Mercantile Ports & Logistics Limited
("MPL", the "Group" or the "Company")

Interim Results and Managing Director Statement

Mercantile Ports & Logistics (AIM: MPL) announces its interim results for the period ended 30 June 2026.

The six-month period under review has been dominated by the continuing legal proceedings concerning the Company's investment in Karanja Terminal & Logistics Private Limited ("KTLPL") and the loss of operational and financial control over that business.

As previously reported, MPL no longer has access to, or control over, KTLPL's underlying accounting records, banking information, management accounts or current operational data. The Board is, therefore, unable to verify KTLPL's present financial position or incorporate complete and reliable financial information relating to KTLPL into these interim accounts.

The financial information presented must be considered in that context and should not be viewed as reflecting the underlying operational performance or value of the Karanja asset.

This lack of information does not change the Board's view of what has occurred.

MPL and its shareholders funded, developed and constructed a major port and logistics facility in Navi Mumbai over a period of approximately 14 years. We invested when few others were prepared to assume the substantial risks involved in developing large-scale infrastructure in India. The resulting asset is strategically located, fully developed, operational and revenue-generating, with considerable potential for further growth.

Despite this, the Company has been subjected to what we believe was a predetermined and fundamentally compromised process designed to transfer this valuable asset away from MPL and its shareholders.

The Company successfully participated in the lenders' own recovery process, deposited substantial funds and demonstrated its ability and intention to repay the financial creditors. Nevertheless, that process was brought to an end and control of the debt was transferred in circumstances which, in the Board's view, raise extremely serious questions concerning collusion, fraudulent conduct, process integrity and the deliberate obstruction of MPL's efforts to repay the lenders and retain its asset.

The evidence supporting the Company's position is being placed before the appropriate courts and tribunals. MPL is actively pursuing all available legal remedies and will continue to fight vigorously to regain control of KTLPL, protect the interests of its shareholders and hold those responsible for this process properly accountable.

These proceedings concern far more than a financial dispute. They concern the attempted removal of a valuable strategic infrastructure asset from the investors who financed, developed and built it, through a process which we believe was structured from the outset to produce a predetermined result. The Board remains resolute in challenging that process and securing a fair and lawful outcome.

At the same time, MPL is not standing still.

Alongside fighting to recover its asset, the Company is evaluating a number of significant new opportunities,

outside India where international capital is respected, in order to deliver returns for the Company's shareholders, the support of whom is still felt valued by the Board. Several of these opportunities relate to established, revenue-generating businesses and strategically important infrastructure and natural-resource assets. They have the potential to provide immediate operating revenues, positive cash flow and substantial long-term value for MPL shareholders.

The quality and scale of the opportunities now being presented to the Company are highly encouraging. They reflect the experience, relationships and execution capability developed by MPL and its management over many years. The Board is approaching each opportunity with discipline and will only proceed where it believes the commercial terms, risk profile and potential shareholder returns are compelling.

Our immediate priorities are therefore clear: to continue pursuing the recovery and protection of our investment in KTLPL through every available legal avenue, while rebuilding MPL as a diversified, revenue-generating international infrastructure and natural-resources business.

The past six months have been exceptionally challenging, but the Board believes MPL retains valuable experience, strong relationships and access to opportunities capable of creating meaningful future value. We remain determined, positive and fully committed to protecting our existing investment and establishing a strong new platform for the Company's next stage of growth.

Pavan Bakhshi
Managing Director
Mercantile Ports & Logistics Limited

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2026

	6 months ended 30 June 2026 Unaudited £000	6 months ended 30 June 2025 Unaudited £000	Year ended 31 Dec 2025 Audited £000
CONTINUING OPERATIONS			
Revenue	-	976	1,397
Operating costs	-	(473)	(1,407)
Advances Given Written Off	-	(5,658)	-
Administrative expenses	(796)	(1,157)	(10,530)
Operating loss before depreciation and impairment loss	(796)	(6,287)	(10,540)
Depreciation	(2,459)	(1,998)	(5,480)
Impairment loss	-	(6,488)	(6,342)
Other income	-	182	188
OPERATING LOSS	(3,255)	(14,591)	(22,174)
Finance income	-	13	16
Finance cost	-	(3,380)	(6,632)
NET FINANCING COST	-	(3,367)	(6,616)
LOSS BEFORE TAX	(3,255)	(17,958)	(28,790)
Tax expense for the period	-	-	-
LOSS FOR THE PERIOD	(3,255)	(17,958)	(28,790)
Loss for the period attributable to:			
Non-controlling interest	-	(33)	(57)
Owners of the parent	(3,255)	(17,924)	(28,733)
Loss for the period	(3,255)	(17,958)	(28,790)
<u>Other comprehensive income/(expense)</u>			
Items that will not be reclassified to profit or loss			
Re-measurement of net defined benefit liability	-	-	-
Items that may be reclassified to profit or loss			
Exchange differences on translating foreign operations	(2,506)	2,256	(3,970)
Other comprehensive income / loss for the period / year	(2,506)	2,256	(3,970)
Total comprehensive loss for the period / year	(5,761)	(15,702)	(32,760)
Total comprehensive loss for the period / year attributable to:			
Non-controlling interest	(11)	(33)	(57)
Owners of the parent	(5,750)	(15,668)	(32,703)
	(5,761)	(15,702)	(32,760)
<u>Loss per share (consolidated):</u>			
Basic and diluted, for the period attributable to ordinary equity holders	(£0.009p)	(£0.050p)	(£0.081p)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026

	Period ended 30 June 2026	Period ended 30 June 2025	Year ended 31 Dec 2025
	Unaudited	Unaudited	Audited
	£000	£000	£000
Assets			
Property, plant and equipment	66,516	85,236	71,479
Intangible asset	0	4	3
Non-current tax assets	-	-	-
Total non-current assets	66,517	85,240	71,482
Inventory of traded goods		26	-
Current tax assets	311	299	311
Trade and other receivables	4,124	5,801	4,696
Investments	169	171	169
Cash and cash equivalents	552	480	460
Total current assets	5,156	6,777	5,636
Total assets	71,673	92,017	77,118
Liabilities			
Non-current			
Employee benefit obligations	26	37	25
Borrowings	-	-	-
Lease liabilities payables	-	1,235	-
Non-current liabilities	26	1,272	25
Current			
Employee benefit obligations	271	54	270
Borrowings	51,350	48,415	50,042
Current tax liabilities	17	47	17
Leases Liabilities payable	2,059	473	1,987
Trade and other payables	2,707	2,955	3,032
Current liabilities	56,404	51,944	55,348
Total liabilities	56,430	53,216	55,373
Net assets	15,243	38,801	21,745
Equity			
Share capital and share premium	152,354	152,354	152,354
Retained earnings	(97,638)	(83,770)	(94,579)
Translation reserve	(39,306)	(29,650)	(35,874)
Equity attributable to owners of parent	15,410	38,934	21,901
Non-controlling interest	(167)	(133)	(156)
Total equity and liabilities	15,243	38,801	21,745

**CONDENSED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2026**

	6 months ended 30 June 2026	6 months ended 30 June 2025	Year ended 31 Dec 2025
	Unaudited	Unaudited	Audited
	£000	£000	£000
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax for the period	(3,255)	(17,958)	(28,790)
Non cash flow adjustments	3,098	12,358	27,671
Net cash generated/(used in) operating activities	(157)	(5,600)	(1,119)
Net changes in working capital	249	5,205	769
Taxes paid	-	-	2,568
Net cash from operating activities	92	(395)	2,218
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	-	-	-
Sale proceeds of property, plant and equipment	-	8	-
Finance income	-	7	16
Net cash generated/(used in) investing activities	-	15	16
CASH FLOWS FROM FINANCING ACTIVITIES			
Subscription money received (from the previous fund raise)	-	-	-
Repayment of bank borrowing principal	-	-	(2,645)
Interest paid on borrowing	-	-	11
Repayment of leasing liabilities principal (net)	-	-	(31)
Interest payment on leasing liabilities	-	-	(20)
Net cash generated / (used in) from financing activities	-	-	(2,685)
Net change in cash and cash equivalents	92	(380)	(451)
Cash and cash equivalents, beginning of the period	460	911	911
Exchange differences on cash and cash equivalents		(51)	-
Cash and cash equivalents, end of the period	552	480	460

Note:

1. The adjustments and working capital movements have been combined in the above Statement of Cash Flows.
2. The cash flow statement reflects transactions and cash movements relating to the parent company which is outside of Indian operations of KTLPL.