APEX
INVESTMENT PSC
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Executive Summary and Overview

APEX Investment PSC (ADX:APEX) is a leading UAE-based investment firm.

FY 2025 was a defining year for Apex Investment PSC, characterized by strong operational execution and decisive progress in building the future. Apex successfully managed a dual-track strategy: delivering resilient profitability in our established core businesses while making significant, planned investments to unlock our next phase of growth.

Robust Core Operations Underpin Our Strategy

Our Core businesses of Catering, Facility Management & Cements demonstrated exceptional strength and market leadership. The Catering and Cement subsidiaries significantly outperformed their nearest competitors on profitability margins by c+8% pts, driven by operational excellence, favourable cost management, and a favorable product mix. This operational resilience generated the solid cash flow necessary to fuel our strategic ambitions without compromising our financial integrity.

This core strength is clearly reflected in our underlying operating profit, which grew by a robust +12% to AED 144.2M when excluding non-recurring items. The reported operating profit of AED 129.1M (FY 2024: AED 144.1M) incorporates the deliberate and allocated investments into our long-term growth engines, affirming our commitment to future value creation.

Accelerating Strategic Initiatives to Power Future Growth

Our focused investments in high-potential sectors gained momentum in 2025:

- **Enercap (Battery Energy Storage - BESS):** Transitioned from pilot validation to commercial readiness. With a new 12 GWh production line operational at DIC, a robust pipeline of MOUs for 1.5 GWh, and a confirmed UAE grid proof-of-concept for Q1 2026, Enercap is poised to commence revenue generation in early 2026. The successful development of a dedicated product for data centre further expands our addressable market.
- **Mawasiem Redevelopment:** Advanced plans to transform this asset into a premier integrated EV park and Green Innovation Hub. With technical concepts being finalized, this project remains on track for targeted completion by the end of 2026, creating a unique, sustainable commercial destination.

Navigating Market Volatility with a Long-Term View

The net profit before tax for the year was AED 47.8M. This figure was primarily affected by an AED 81M unrealized, non-cash loss on our long-term strategic investment portfolio listed on the ADX, driven by broader market fluctuations.

It is critical to emphasize that this is a valuation adjustment only—it represents no cash outflow, does not impact our robust liquidity or equity position, and in no way diminishes our long-term conviction in these holdings. Our core business performance remains fundamentally strong and separate from these temporary valuation effects.

Apex is now uniquely positioned, leveraging the cash-generating power of industry-leading core operations and the exciting growth potential of our new ventures Enercap and Mawasiem as they begin to mature and contribute to revenue from 2026 onward, setting a clear and compelling pathway for sustainable, long-term value creation for our shareholders.

The strength of our balance sheet, underscored by net liquidity in excess of AED 590 million, provides a critical competitive advantage. It ensures we can simultaneously fund our promising growth initiatives while maintaining strategic agility to execute with precision and establish Enercap as a major, trusted player in the BESS sector.

Following is the overview of key APEX group of companies:

Company Name	Business Description	Logo
APEX AlWataniah Catering	Apex Catering is an industry leader in the field of commercial catering. We are the trusted partner to some of the most venerable government and corporate entities in the UAE, including critical sectors such as Oil & Gas.	
RR Facility Management	RRFM is amongst the largest physical asset management companies in the UAE. Specializing in both hard and soft FM including providing building maintenance, camps and labor accommodation.	
Central Tents	Central Tents is a pioneer in tents, shades, and mobile halls. Our unique tents are used for many of the marquee events held in the UAE. We have also been at the forefront in the fight against the pandemic in our region becoming an expect in the construction of field hospitals.	
RAK CC	RAKCC is a leader in the cement industry in the UAE, in various grades of cement such as Portland, Mansory and specialist Oil Well products.	
APEX Energy Holding Ltd	Apex Energy Holding supports our investment with Enercap which brings cutting edge technology to manufacture and produce Energy Storage Systems using super capacitors Vs lithium ion, and power management systems to address the complex demands of renewable based electrification.	

Financial Performance for 2025

➢ Abridged Income Statement

Particulars	FY25	FY24	Variance	
	AED m			%
Revenue	865.2	852.9	12.3	1%
Cost of Sales	(675.8)	(660.7)	(15.1)	2%
GROSS PROFIT	**189.4**	**192.2**	**(2.8)**	**-1%**
General and administrative expenses	(91.7)	(81.5)	(10.2)	12%
Other income	25.4	29.7	(4.4)	-15%
Dividend income	4.4	8.0	(3.6)	-45%
Finance costs	(1.3)	(1.6)	0.2	-15%
PROFIT FROM OPERATIONS	**126.1**	**146.9**	**(20.7)**	**-14%**
Share of profit/(loss) from associates and joint ventures	3.0	(2.7)	5.7	-212%
Net decrease in fair value of equity investments carried at fair value through profit or loss	(81.3)	(57.9)	(23.4)	40%
PROFIT BEFORE TAX FOR THE YEAR	**47.8**	**86.3**	**(38.5)**	**-45%**
Income tax expense	(9.8)	(10.7)	0.8	-8%
PROFIT FOR THE YEAR	**38.0**	**75.6**	**(37.6)**	**-50%**

- **Revenue:** For the year ended 31 December 2025, Apex Group reported revenues of AED 865.2 million vs AED 852.9 million in 2024. The marginal growth was driven by steady performance in its core segments: Catering & Facility Management offset by product mix change between clinker and cement to enhance profitability. The results reflect stable revenue trends and consistent business activity across the Group's portfolio.

- **Gross Profit:** FY 2025 gross profit was AED 189.4 million, reflecting the strength of our core portfolio. Our established businesses in Catering, Facility Management, and Cement delivered outstanding results, with profitability margins decisively ahead of competitors by ~8 percentage points. The marginal variance from prior year (AED 192.2 million) is a direct and planned outcome of seeding our future with the startup investment in Enercap.

- **General & Administrative Expenses:** General and administrative expenses for the year were AED 91.7 million, an increase from AED 81.5 million in 2024. This rise is directly attributable to our

targeted investments in Enercap and advancing the Mawasiem redevelopment. Excluding the focussed cost allocation to support growth, our core administrative efficiency remained strong, with the G&A-to-sales ratio holding at a well-managed 7.9%—an improvement from 8.3% last year—confirming the stability and leanness of our established operations.

- **Other Income:** Other income for the period was AED 25.4 million (FY24: AED 29.7 million). This change is attributable to two factors: our active capital deployment into strategic projects, which reduced fixed deposit balances, and a broader decline in USD interest rates of about 75 basis points during the year.

- **Share of Loss from Equity-Accounted Investees:** Our share of Associate profits was AED 3.0M vs a loss of AED 2.7M in 2024, the turnaround was largely led by Reem Ready Mix (cement industry) performing better Year on Year and returning to profitability.

- **Net Loss from Financial Assets:** For the year ended 31 December 2025, Apex recorded an unrealized loss of AED 81.3 million on mark-to-market investments measured at FVTPL, compared to a loss of AED 57.9 million in 2024. The increase in an unrealized FVTPL loss reflects market conditions during the year and represents a non-cash impact on reported profitability rather than a deterioration in the Group's underlying operating performance

- **Net Profit before Tax:** The Company's reported net profit for the year was AED 47.8 million (FY 2024: AED 86.3 million). This figure is primarily impacted by two factors: an unrealized, non-cash valuation loss on investments and the absorbed costs of launching Enercap and Mawasiem. On a normalized, like-for-like basis that excludes these items and one off non-recurring income, underlying operational profit reached AED 169 million—a significant 23% year-on-year increase from AED 137.1 million—highlighting the exceptional health of our core business.

- **Taxation:** Apex is subjected to a 9% corporate tax on its profits excluding unrealised gain / loss on investment

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➢ Abridged Statement of Financial Position

Particulars	FY25	FY24	Variance	
	AED m			%
Property, plant and equipment	633.1	331.4	301.7	91%
Intangible assets	216.4	4.6	211.8	4585%
Right-of-use assets	40.9	15.6	25.3	163%
Investments in associates and joint venture	39.1	36.1	3.0	8%
Advances to jointly controlled entity	0.0	130.4	(130.4)	-100%
Investments in equity securities carried at FVTOCI	4.4	5.9	(1.4)	-24%
Deferred tax asset	6.5	1.9	4.6	247%
Non-current assets	**940.4**	**525.8**	**414.6**	**79%**
Inventories	123.9	59.8	64.1	107%
Trade and other receivables	387.7	335.8	51.9	15%
Investments in equity securities carried at fair value throu	435.6	516.9	(81.3)	-16%
Amounts due from related parties	94.4	129.3	(34.9)	-27%
Cash and short-term deposits	591.1	670.2	(79.2)	-12%
Current assets	**1,632.7**	**1,712.1**	**(79.4)**	**-5%**
Total Assets	**2,573.0**	**2,237.9**	**335.2**	**15%**

- Apex Group maintained a robust financial position, with total assets increasing to AED 2.57 billion as of 31 December 2025, compared to AED 2.24 billion as of 31 December 2024. This growth reflects continued investment in property, plant and equipment and accounting for investment made in Enercap.
- Apex's liquidity position remains strong, with a current ratio of 3.49x as of 31 December 2025, vs 7.88x in 2024 , strong by industry standard but, decline due to deployment of funds in Enercap.

Particulars	FY25	FY24	Variance	
	AED m			%
Share capital	3,553.2	3,553.2	0.0	0%
Merger reserve	(1,800.9)	(1,800.9)	0.0	0%
Cumulative changes on revaluation of investments at FVTC	(31.0)	(29.6)	(1.4)	5%
Statutory reserve	94.1	92.2	1.9	2%
Voluntary reserve	51.8	51.8	0.0	0%
Retained earnings	177.2	141.1	36.1	26%
Equity	**2,044.4**	**2,007.8**	**36.6**	**2%**
Provision for employees' end of service benefits	15.5	11.0	4.5	41%
Deferred tax liability	20.2	0.4	19.8	4669%
Lease liabilities	25.2	1.5	23.7	1592%
Non Current Liabilities	**61.0**	**12.9**	**48.0**	**372%**
Trade and other payables	394.1	180.9	213.2	118%
Lease liabilities	1.9	0.0	1.9	12181%
Amounts due to related parties	57.2	24.1	33.2	138%
Current tax payable	14.5	12.1	2.4	20%
Current Liabilities	**467.7**	**217.1**	**250.6**	**115%**
Total Liabilities	**528.7**	**230.1**	**298.6**	**130%**
Total Equity and Liabilities	**2,573.0**	**2,237.9**	**335.2**	**15%**

- FY 2025 was a pivotal year of prudent capital reallocation. Apex successfully converted liquid assets and core operational cash flows into hard, strategic assets that define its future—scaling Enercap into a commercially ready venture and advancing the Mawasiem transformation.
- Despite these strategic outflows, the company retained a strong net liquidity position (as noted, over AED 590M), and equity grew by 2%. The increase in retained earnings by 26% (AED 36.1M) confirms that core profits were successfully ploughed back into the business.
- In line with our focused capital allocation strategy for growth, the Board believes retaining earnings and preserving our strong cash position represents the most value-accretive path for shareholders, enabling us to fully fund our strategic expansion and new opportunities. Accordingly, the Board will not recommend a dividend distribution for the year.