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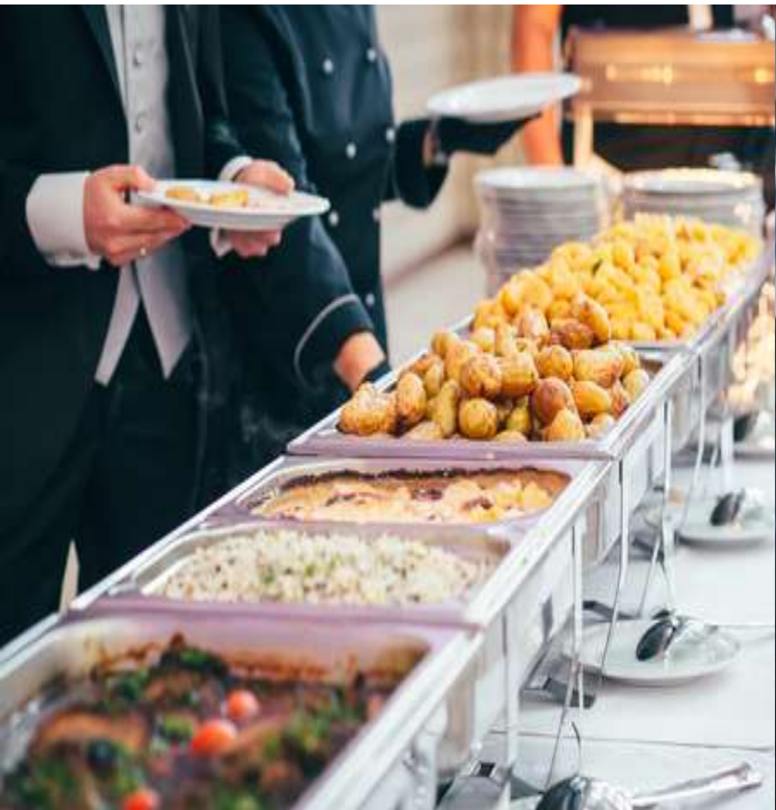
Management Discussion and Analysis for the Period Ending 30th June 2026



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Summary

- Apex Investment PSC and its subsidiaries and Associates, collectively referred to as "Apex," presents the following performance report for the six-month period ended 30 June 2026.
- Apex Core businesses, excluding power storage (Enercap), carried strong operating momentum into the second quarter, building on the recovery that followed the March and April disruption. Demand remained healthy across our two principal business segments — "Services", and supply of cement to the Construction industry — with cement sales revenue up approximately 22.5% year-on-year and total Apex Core Business revenue up 6.6% to AED 411 million.
- The escalation of geopolitical tensions in March 2026 impacted first-quarter results, with Oil & Gas operations demobilized significantly to protect assets and personnel, further compounded by supply chain-driven input cost pressures in F&B and Coal. Conditions progressively stabilized through the second quarter, with the Catering segment volumes normalizing towards the Q1 2026 trend.
- Apex Core business closed the six-month period at an operating profit of AED 81.6 million, up approximately 18% year-on-year — a creditable outcome given the speed and severity of the disruption earlier in the year. Profitability margins remained in the top quartile of the respective industries, ahead of our nearest competitors, reflecting the consistent operational quality and competitive strength of the core businesses sales mix
- Concurrently, regional market volatility drove an unrealized IFRS mark-to-market loss of AED 71.8 million on the Group's equity portfolio for the six-month period, comprising a Q1 2026 loss of AED 114.5 million, partially offset by a Q2 2026 recovery of AED 42.7 million as regional equity markets rebounded. The unrealized loss on equities reflects market price movements and carries no impairment to the underlying value of the investments.
- Enercap continued to build commercial and technical traction during the period. Proof-of-concept deployments progressed on live grid infrastructure in both the UAE and Germany, supported by engagements with credible public-sector counterparties exploring back-up solutions to mitigate future geopolitical disruption. Validated cell performance reinforces the technology's readiness for pilot, qualification and procurement cycles. EBITDA (loss) at Enercap narrowed year-on-year by 27%, reflecting improved capital efficiency, even as commercialization timelines extended. However, non-cash IP amortization and depreciation drove a year-on-year decline at the net-profit level.
- Including Enercap, the Apex Group reported a consolidated operating profit of AED 47.8 million (H1 2025: AED 55 million); after the FVPL impact, the Group recorded a net loss before tax of AED (24 million), against a profit of AED 76 million in the prior-year period.

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Revenue

- Group revenue rose approximately 5% to AED 421.3 million (H1 2025: AED 399.9 million), a resilient outcome given the pressure experienced earlier in the year. Portfolio breadth underpinned the result: Cement grew 22.5% on maintained volumes and firmer pricing, and Contracting — mainly tents — recovered strongly (+103%) , together more than offsetting softer Catering (–3.9%) and Facility Management (–7.1%) as volumes normalized following the disruption.

Gross Profit

- Gross profit rose approximately 8% to AED 85.9 million (H1 2025: AED 79.8 million), with the gross margin holding at approximately 20.4% (H1 2025: approximately 20.0%) — a resilient result through a disrupted half. Core operations more than absorbed Enercap's start-up drag: Catering defended margins through cost mitigation strategies, while RAKCC held cement margins despite sharply higher coal costs by combining firmer pricing with a flexible gas/coal energy blend.

Expenses & Other Income Analysis

- G&A rose approximately 44% to AED 55.0 million (H1 2025: AED 38.2 million), driven almost entirely by Enercap's non-cash IP amortization and depreciation (approximately AED 15.4 million) and Mawasiem development costs.
- Other income declined to AED 8.0 million (H1 2025: AED 13.0 million), reflecting lower fixed-deposit balances as capital was redeployed into Enercap, together with easing USD benchmark rates.

Profit from Operations

- Apex's consolidated operating profit was AED 47.8 million (H1 2025: AED 55 million); the AED 7.2 million decline reflects a year-on-year increase in Enercap's non-cash IP amortization and depreciation (approximately AED 20.7 million, 15.4Million in G&A and 5.3 million in COGS), largely offset by higher gross profit and dividend income. Excluding the fair-value loss on Investments, Apex Core (excluding Enercap) delivered an operating profit of AED 81.6 million, up approximately 18% year-on-year.

Gain / (Loss) from Financial Assets

- Apex recorded an unrealized FVTPL loss of AED 71.8 million (H1 2025: AED 21.4 million gain) — a loss of AED 114.5 million in the first quarter, partially offset by a recovery of AED 42.7 million in the second quarter as the geopolitical situation normalised.

Revenue, Profit and (Loss) Segment Wise for the period ended 30 June 2026

AED Mn الدرهم بال مليون	Catering خدمات التموين	Facility Management Services خدمات إدارة المرافق	Manufacturing التصنيع	Contracting المقاولات	Investments الإستثمار	Others أخرى	Total المجموع
Revenue الايرادات	227	47	116	29	-	2	421
Net profit and (loss) صافي الربح	48	1	-13	5	-64	-1	-24

Balance Sheet Analysis as of 30 June 2026:

- Apex Group maintained a solid financial position, with total assets of AED 2.40 billion as at 30 June 2026, compared to AED 2.57 billion as at 31 December 2025, a decrease of approximately 7%. The decrease primarily reflects a reduction in investments measured at FVTPL and lower trade and other receivables, partially offset by higher inventories.
- Apex's liquidity remained strong, with cash and short-term deposits of approximately AED 521 million (31 December 2025: AED 591 million). Operating activities used AED 70.8 million (H1 2025: AED 35.8 million), driven by AED 138.8 million of trade-payable settlements, partly offset by AED 41.7 million of receivable collections.