APEX
INVESTMENT PSC
ابيكس للاستثمار ش.م.ع

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






Summary

- Apex Investment PSC and its subsidiaries and Associates, collectively referred to as "Apex," presents the following performance report for the nine-month period ended 30 September 2026.
- Apex delivered Group EBITDA of AED 140.2 million, up 5.8% year-on-year (9Months2025'sapproximately AED 132.5 million), with Apex Core EBITDA up approximately 5.8% and Enercap's cash operating loss broadly flat. The swing to a reported loss before tax of AED 1.1 million (2025: profit of AED 65.3 million) is driven by non-cash charges, principally unrealized FVTPL losses of AED 78.5 million and IP Amortization & Depreciation at Apex including Enercap.
- Apex Core businesses (excluding Enercap) continued to build on a strong foundation, sustaining good performance through the nine-month period despite the geopolitical headwinds that emerged in March 2026. Demand remained healthy across our two principal business segments — "Services", primarily to the Oil & Gas sector, and supply of cement to the Construction industry — with cement sales revenue up approximately 18.4% year-on-year and total Apex Core Business revenue up approximately 4% to AED 648.6 million.
- The escalation of geopolitical tensions in March 2026 impacted first-quarter results, with offshore Oil & Gas operations demobilized by approximately 60% initially to protect assets and personnel, further compounded by supply chain-driven input cost pressures in F&B, fuel and Coal. Client numbers progressively remobilized through the second quarter, with the Catering segment remaining profitable throughout, as offshore volumes recovered in the last Qtr. towards the Q1 2026 levels.
- Apex Core business closed the nine-month period with an operating profit of AED 130.8 million, up approximately 8.7% year-on-year — a strong result that underlines the resilience of the core portfolio. Offshore catering activity recovered to approximately 95% of pre-crisis levels by September 2026, and profitability margins remained in the top quartile of their respective industries, ahead of our nearest competitors, reflecting the consistent operational quality and competitive strength of the core businesses.
- Concurrently, regional market volatility drove an unrealized, non-cash FVTPL mark-to-market loss of AED 78.5 million on the Group's quoted equity portfolio for the nine-month period. This comprised a loss of AED 114.5 million in Q1 2026, of which AED 36.0 million was recovered across Q2 and Q3 2026 as regional markets steadied. The movement has no impact on the Group's cash position or liquidity, and management considers it to reflect market sentiment during a period of heightened volatility rather than the operating performance of the underlying investee companies.
- Enercap continued to strengthen its commercial and technical foundations during the period. While the conversion of its pipeline into revenue has taken longer than originally planned, reflecting regional supply-chain disruption and extended customer qualification cycles. Proof-of-concept programmes are progressing on live grid infrastructure in the UAE and Germany with well-established government and utility counterparties that have

substantial energy storage requirements. Validated cell performance reinforces technology's readiness for pilot, qualification and procurement cycles, and gives confidence that these initiatives position Enercap to progress towards commercialization. EBITDA (loss) at Enercap was broadly flat year-on-year (approximately AED 25.2 million loss vs AED 25.6 million, on a 100% basis), reflecting continued discipline over cash burn, while non-cash IP amortization and depreciation drove a year-on-year decline at the net-profit level.

- Mawasiem: consistent with a prudent approach to capital allocation, the Group is timing the capital deployment on the Mawasiem development until regional conditions normalize, while continuing to refine the development and monetization plan.

Revenue

- Group revenue rose approximately 3% to AED 651.2 million (9Months 2025: AED 633.0 million), a resilient outcome given the geopolitical situation which drove offshore demobilization and supply-chain pressure experienced earlier in the year. Portfolio breadth underpinned the result: Cement grew 18.4% on maintained volumes and firmer pricing, and Central Tents more than offsetting softer Catering (–5.5%) as offshore-linked volumes normalized following the disruption.

Gross Profit

- Gross profit rose approximately 1% to AED 137.5 million (9Months 2025: AED 135.6 million), with the gross margin holding at approximately 21.1% (9Months 2025: approximately 21.4%) a resilient result through a disrupted 1st half driven by Geopolitical situation.

Expenses & Other Income Analysis

- G&A rose approximately 44% to AED 81.5 million (9Months 2025: AED 56.7 million), driven by Enercap's non-cash Depreciation and IP amortization
- Other income declined to AED 12.2 million (9Months 2025: AED 19.5 million), reflecting lower fixed-deposit balances as capital was deployed into Enercap, together with easing USD benchmark rates.

Profit from Operations

Apex's consolidated operating profit was AED 77.5 million (9M 2025: AED 101.8 million), a decrease of AED 24.3 million. The decline was driven mainly by Enercap's non-cash IP amortisation and depreciation, and by lower other income.

Gain / (Loss) from Financial Assets

- Apex recorded an unrealized FVTPL loss of AED 78.5 million (9Months 2025: AED 36.5 million loss) a loss of AED 114.5 million in the first quarter, partially offset by AED 36.0 million recovery across Q2 and Q3 2026

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

AED Mn	Catering	Facility Management Services	Manufacturing	Contracting	Investments	Others	Total
Revenue	358	74	179	38	-	2	651
Profit & (Loss) Before Tax	78	1	-15	7	-70	-2	-1

Balance Sheet Analysis as of 30 September 2026:

- Apex Group financial position remain strong with total assets of AED 2.37 billion as at 30 September 2026, compared to AED 2.57 billion as at 31 December 2025. The decrease primarily reflects lower cash and short-term deposits and investments measured at FVTPL. Total liabilities fell 37% to AED 331.0 million, mainly on trade-payable settlements including commitments made to Enercap. Apex Group Current asset ratio remains strong at 5.4x vs 3.5x (Dec 25)
- Apex's liquidity remained strong, with cash and short-term deposits of approximately AED 452 million (31 December 2025: AED 591 million). Capital expenditure was contained at AED 12.1 million (9Months 2025: 56.1 million).