



APEX
INVESTMENT PSC
إبيكس للاستثمار ش.م.ع

Management Discussion and Analysis for the Period Ending 31st December 2025



Summary

- Apex Investment PSC and its subsidiaries, collectively referred to as “Apex,” presents the following performance report for the year ended 31st December 2025.
- FY 2025 was a defining year for Apex Investment PSC, characterized by strong operational execution and decisive progress in building the future
- This core strength is clearly reflected in our underlying Operating profit including Associate performance growing by a robust +12% to AED 144.2M when excluding non-recurring items. The reported profit of AED 129.1M (FY 2024: AED 144.1M), incorporates the deliberate and allocated investments into our long-term growth engines (Enercap and Mawasiem), 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.

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

- For the year ended 31 December 2025, Apex gross profit stood at AED 189.4 million vs AED 192.2 million in 2024. Our Core businesses of Catering, Facility Management, Cements etc. demonstrated exceptional strength and market leadership. The Catering and Cement divisions significantly outperformed their nearest competitors on profitability margins c+8% pts, driven by operational excellence, favorable cost management, and a superior product mix but, the slight decline comes from the startup impact of Enercap on consolidating its performance under Joint operation

Expenses & Other Income Analysis

- General and administrative (G&A) expenses increased to AED 91.7 million for the year ended 31 December 2025, compared to AED 81.5 million in 2024. This increase was driven by startup costs at Enercap's and development cost at Mawasiem. Excluding these strategic investments, core overheads remained stable year-on-year, with the G&A-to-sales ratio holding at well-managed 7.9% vs 8.3% FY24.
- Other income declines to AED 25.4 million vs. AED 29.7 million in FY 24 reflect the strategic funding of our growth agenda. We optimally utilized our liquidity, drawing down fixed deposits to finance the development of Mawasiem and Enercap compounded further by declining USD interest rate.

Profit from Operations

- Apex reported an operating profit before FVPL of AED 129.1 million for the year ended 31st December 2025 vs AED 144.1 million in FY 24. Excluding non-recurring and startup cost of growth initiatives, the existing core Apex Business performed well with Net profit of AED 169.1M vs like for like performance in FY 24 of AED 137.6M.

Gain / (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.

Revenue, Profit and (Loss) Segment Wise for the period ended 31st December 2025

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 الإيرادات	519	94	213	39	-	-	865
Net profit and (loss) صافي الربح	115	7	17	3	-82	-12	48

Balance Sheet Analysis as of 31st December 2025:

- 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, 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 due to deployment of funds invested in Enercap

-

Net Working Capital

- Apex's net working capital improved by AED 169M, from AED 308M in FY 24 to AED 139M in FY 25, driven by increase in current liabilities to reflect staggered commitments made on Enercap investment.