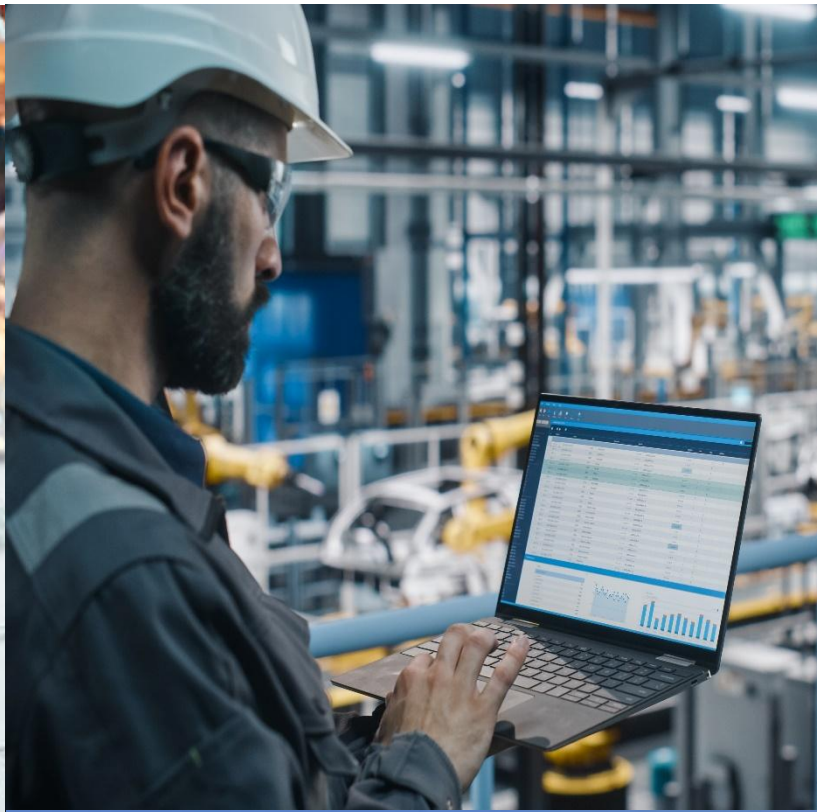


APEX
INVESTMENT PSC
ايبكس للاستثمار ش.م.ع

Management Discussion and Analysis for the Period Ending 30th September 2025



Summary

- Apex Investment PSC and its subsidiaries, collectively referred to as “Apex,” presents the following performance report for the nine-month period ended 30th September 2025.
- Apex reported a significant 53% year-on-year surge in operating profit for the third quarter. For the cumulative nine-month period ending September 30th, operating profit reached AED 100.3 million, a figure that remains stable compared to the prior year when excluding a one-off, exceptional income. Total profit after tax for the nine months grew 6% year-on-year to AED 54.4 million, demonstrating resilience and enabled the Business to support the strategic expenditures on growth projects, including Enercap and associated costs with Mawasiem Park.
- Strategic Business Unit Progress:
 - Enercap, (BESS) venture, has significantly scaled its production capacity to 12 GWh with a new, fully tested robotic assembly line now operational at the Dubai Industrial City (DIC) facility. The company is building a strong commercial foundation, with a robust order pipeline scheduled for execution by Q1 2026 and a UAE grid-based proof-of-concept (POC) deployment confirmed for the same quarter. Furthermore, a dedicated product for data centers has been developed and is currently undergoing testing for EU certification, targeting a commercial rollout from the DIC facility in Q4 2025. The technology's adoption was recently validated through a successful test of its EV battery on a Chinese vehicle, which demonstrated significant improvements in charge duration and mileage.
 - Mawasiem: Consultants appointed for space planning and cost estimation to transform property to realize commercial benefit as destination of choice in the UAE by becoming a Green Innovation Hub, supporting electrification, artificial intelligence and green wall digital studio production.

Revenue

For the nine-month period ended September 30, 2025, Apex Group reported revenues of AED 633.0 million, a 2% year-on-year increase from AED 622.7 million in the same period of 2024. This growth was driven by steady performance in its core segments: Catering, Facility Management, and Cement. The results reflect stable revenue trends and consistent business activity across the Group's portfolio.

Gross Profit

- For the nine-month period to 30 September 2025, Apex gross profit rose to AED 135.6 million, compared to a normalized AED 131.0 million in the same period of 2024 (excluding one off income). This improvement demonstrates enhanced operational efficiency and stronger margins in the core business, which successfully offset the initial investment costs for strategic growth projects like Enercap and Mawasiem.

Expenses & Other Income Analysis

- General & Administrative (G&A) expenses increased to AED 56.7 million for the nine-month period ended 30 September 2025, compared to AED 48.6 million in the corresponding period of 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 5.7% vs 8% YTD 24.
- Other income for the period was AED 19.5 million, compared to AED 23.1 million in the prior year. This decrease was primarily attributable to lower interest income resulting from a decline in USD interest rates, coupled with a reduction in fixed deposit balances to fund strategic obligations for the Mawasiem and Enercap initiatives.

Profit from Operations

- Apex reported a profit of AED 100.3 million for the first nine months of 2025, which includes development costs for Enercap and Mawasiem initiatives. This compares to a profit of AED 122.3 million in the same period last year, however removing one-off income, profitability remains flat. Adjusting for these items to ensure a comparable view, the core business delivered a strong 26% year-on-year operating profit growth, underscoring the fundamental strength of its operations.

Gain / (Loss) from Financial Assets

- For the nine-month period ended 30th September 2025, Apex recorded an unrealized loss of AED 36.5 million on mark-to-market investments through FVTPL, compared to a loss of AED 65.2 million in the corresponding period of 2024. The turnaround reflects improved market conditions and partial recovery in key equity positions held by the Group.

Revenue, Profit and (Loss) Segment Wise for the period ended 30th September 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	378	71	158	26	-	-	633
Net profit and (loss) صافي الربح	80	5	10	3	-33	-	65

Balance Sheet Analysis as of 30th September 2025:

- Apex Group maintained a robust financial position, with total assets increasing to AED 2.35 billion as of 30th September 2025, compared to AED 2.24 billion as of 31st December 2024, reflecting continued investment in property, plant, and equipment, and advances toward jointly controlled entities.
- Apex liquidity position remains strong, with a current ratio of 6.6x, compared to 7.9x in the prior year period.

Net Working Capital

- Apex's net working capital increased by AED 37 million reaching AED 1,531 million as of 30th September 2025, compared to AED 1,494 million as of 31 December 2024, led by higher inventory in Cements to support volume growth and increased funding of working capital to Enercap.