

**RAPCO INVESTMENT P.J.S.C
PUBLIC SHAREHOLDING COMPANY
RAS AL KHAIMAH - UNITED ARAB EMIRATES**

**FINANCIAL STATEMENTS
DECEMBER 31, 2025
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT**

**RAPCO INVESTMENT P.J.S.C
PUBLIC SHAREHOLDING COMPANY
RAS AL KHAIMAH - UNITED ARAB EMIRATES**

**FINANCIAL STATEMENTS
DECEMBER 31, 2025
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT**

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DIRECTORS' REPORT

The Directors have pleasure in presenting their report and the financial statements for the year ended December 31, 2025.

Principal activities of the Company

The principal activities of RAPCO Investment P.J.S.C (the "Company") are commercial enterprises investment, institution and management, real estate enterprises investment, development, institution and management, and agricultural enterprises investment, institution and management

Financial review

The table below summarizes the financial results of year 2025 and 2024:

	December 31, 2025	December 31, 2024 (restated)
Profit for the year	29,912,260	31,631,331
Basic and diluted earnings per share	0.31	0.33
	=====	=====

Role of the Directors

The Directors are the Company's principal decision-making forum. The Directors have the overall responsibility for leading and supervising the Company for delivering sustainable shareholder value through their guidance and supervision of the Company's business. The Directors set the strategies and policies of the Company. They monitor performance of the Company's business, guide and supervise its management.

Events after the period end

In the opinion of the Board of Directors, no transaction or event of material and unusual nature, favorable or unfavorable has arisen in the period between the end of financial period and the date of this report that is likely to affect substantially the result of the operations or the financial position of the Company.

Projections and Risk

The Company is continuously monitoring its liquid funds and investments in equity and fixed income securities to maximize the yield. The Company is exposed to and affected by the fluctuation in the financial market it operates. However, the Company has various in-house systems to evaluate these risks and accordingly take steps to mitigate the effect of such risks.

Directors' report (Continued)

Statement of Directors' Responsibilities

The applicable requirements require the directors to prepare the financial statements for each financial period which present fairly, in all material respects, the financial position of the Company and its financial performance for the period then ended.

The financial statements for the year under review have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The directors confirm that sufficient care has been taken for the maintenance of proper and adequate accounting records that disclose, with reasonable accuracy at any time, the financial position of the Company and enables them to ensure that the financial statements comply with the requirements of the applicable statute. The directors also confirm that the accounting policies and methods of computation adopted in preparing this financial information reflect fairly the form and substance of the transactions carried out during the year under review, and reasonably present the Company's financial condition and results of its operations.

These financial statements, which were prepared on a going concern basis, were approved by the Board of Directors on 2 March 2026 and signed on behalf of the Company by:



Shaikh Mohamed Humaid Abdulla Mohamed Alqasimi

Chairman



Raman Garg Mahabir Saran Garg

Chief Executive Officer

Independent Auditor's Report

The Shareholders
RAPCO Investment P.J.S.C
Public Shareholding Company
Ras Al Khaimah - United Arab Emirates

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of RAPCO Investment P.J.S.C (the "Company") which comprise the statement of financial position as at December 31, 2025 and the statement of profit or loss and other comprehensive income, statement of changes in shareholder's equity and statement of cash flows for the year then ended and notes to the financial statements, including material accounting policy information and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants ("IESBA Code") (including international independence standards) together with the ethical requirements that are relevant to our audit of the Company's financial statements in the State of United Arab Emirates and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matters

The financial statements of RAPCO Investment P.J.S.C. for the year ended December 31, 2024, were audited by another auditor, who expressed an unqualified opinion on those financial statements in their report dated March 13, 2025.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed on the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report.

1) Valuation of investment property

We identified the valuation of investment properties as a key audit matter due to the significant judgement involved in determining the inputs used in the valuation.

As at 31 December, 2025, the Entity's investment properties amounting to AED 7,163,010 and a gain on revaluation of investment properties amounting to AED 243,010 was recognized in the statement of profit or loss for the year then ended.

The Entity's investment properties are stated at fair value based on valuations carried out by an independent qualified valuer "the Valuer" appointed by the management. The valuation was dependent on certain key estimates which requires significant judgement, including yield rates, contractual lease rents and forecasted operating expenses, which are influenced by prevailing market forces and specific characteristics such as property location and income returns of each property in the portfolio.

**Independent Auditor's Report for RAPCO Investment P.J.S.C
for the year ended December 31, 2025 (continued)**

How our audit addressed the key audit matters

We have performed the following procedures in relation to the valuation of investment properties:

- We assessed the competence, capabilities and objectivity of the valuer and reviewed the terms of engagement between the valuer and the Entity to determine whether the scope of the work is adequate and there were any matters that might have affected their objectivity or may have imposed scope limitations upon their work;
- We obtained the external valuation reports for all properties valued by the valuer
- We matched the valuation amount in the valuer' reports with the amount stated in the financial statements.
- We assessed the appropriateness and reasonableness of the valuation methodologies, key assumptions and estimates used in the valuation on a sample basis;
- We assessed the adequacy of the disclosures in the financial statement's accordance with the requirements of IFRS.

2) Valuation of unquoted financial assets at fair value

We identified the valuation of unquoted financial assets at fair value as a key audit matter due to the significance of the Entity's unquoted financial assets at fair value in the context of the Entity's financial statements as a whole and due to significant judgement involved in determining the inputs used in the valuation.

As at 31 December, 2025, the Entity's unquoted financial assets at fair value amounting to AED 163,788,825 which represented 36% of the Entity's total assets and an unrealised gain amounting to AED 7,041,805 was recognized in the statement of profit or loss for the year then ended and unrealized loss amount of 3,311,980 recognized in the other comprehensive income

The Entity's unquoted financial assets at fair value are stated at fair value based on valuations carried out by an independent qualified valuer "the Valuer" appointed by the management. The valuation was dependent on certain key estimates which requires significant judgement, including discount rates, growth rate, revenue growth projections, forecasted operating margins. These assumptions are influenced by prevailing market conditions, industry performance, and company-specific factors affecting expected future cash flows.

How our audit addressed the key audit matters

We have performed the following procedures in relation to the valuation of unquoted financial assets at fair value:

- We assessed the competence, capabilities and objectivity of the valuer and reviewed the terms of engagement between the valuer and the Entity to determine whether the scope of the work is adequate and there were any matters that might have affected their objectivity or may have imposed scope limitations upon their work;
- We obtained the external valuation reports for all properties valued by the valuer.
- We matched the valuation amount in the valuer reports with the amount stated in the financial statements.
- We assessed the appropriateness and reasonableness of the valuation methodologies, key assumptions and estimates used in the valuation on a sample basis;
- We assessed the adequacy of the disclosures in the financial statement's accordance with the requirements of IFRS.

**Independent Auditor's Report for RAPCO Investment P.J.S.C
for the year ended December 31, 2025 (continued)**

Other information

Management is responsible for the other information. Other information consists of information included in the company's report of 2025, other than the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material statement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and applicable provisions of UAE Commercial Companies' Law, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**Independent Auditor's Report for RAPCO Investment P.J.S.C
for the year ended December 31, 2025 (continued)**

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

As required by UAE Federal Law No. (32) of 2021 we report that:

1. We have obtained all the information and explanation we considered necessary for our audit.
2. The financial statements comply, in all material respect with the applicable provisions of UAE Federal Law No. (32) of 2021 and the Articles of Association of the Company.
3. The Company has maintained proper books of accounts.
4. The financial information included in the Directors' report is consistent with the books of account of the Company.
5. Transactions and term with related parties disclosed in Note 12.
6. Shares purchased by the Company during the current year disclosed in Note 7 and 13
7. The Social Contribution made during the year disclosed in Note 28.
8. Based on the information and explanation that has been made available to us nothing came to our attention which causes us to believe that the Company has contravened during the financial year ended December 31, 2025 any of the applicable provisions of UAE Federal Law No. (32) of 2021 or the Articles of Association of the Company which would have a material effect on the Company's activities or on its financial position for the year.



Mohammad S. Al Sela
License No. 884
Rödl Middle East
Certified Public Accountants



March 2, 2026
Sharjah - U.A.E.

RAPCO INVESTMENT P.J.S.C
PUBLIC SHAREHOLDING COMPANY
RAS AL KHAIMAH - UNITED ARAB EMIRATES

STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2025
(All amounts are in U.A.E. Dirhams)

	Notes	December 31, 2025	December 31, 2024 (restated)
ASSETS			
Non-current assets			
Property, plant and equipment	5	2,721	7,347
Property investment	6	7,163,010	59,416,800
Financial assets at fair value through other comprehensive income (FVTOCI)	7	155,083,451	156,226,192
Financial assets at amortised cost	8	98,755,410	67,064,030
Deferred tax- asset	9	275,696	1,449,461
Digital assets	10	377,577	-
Total non-current assets		<u>261,657,865</u>	<u>284,163,830</u>
Current assets			
Accounts and other receivables	11	747,709	5,705,420
Due from a related party	12	-	103,798
Financial assets at fair value through profit or loss (FVTPL)	13	190,972,366	130,190,021
Cash and cash equivalents	14	1,607,252	2,242,865
Total current assets		<u>193,327,327</u>	<u>138,242,104</u>
Total assets		<u>454,985,192</u>	<u>422,405,934</u>
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	15	95,040,000	95,040,000
Statutory reserve	16	47,520,000	44,892,921
Special reserve	17	80,000,000	80,000,000
Fair value reserve	18	74,850,578	73,564,909
Retained earnings		124,165,226	96,018,326
Total shareholders' equity		<u>421,575,804</u>	<u>389,516,156</u>
Non-current liabilities			
Employees' end of service benefits	19	241,086	344,240
Bank borrowings	20	30,000,000	30,000,000
Total non-current liabilities		<u>30,241,086</u>	<u>30,344,240</u>
Current liabilities			
Due to related parties	12	-	230,663
Accounts and other payables	21	3,168,302	2,314,875
Total current liabilities		<u>3,168,302</u>	<u>2,545,538</u>
Total liabilities		<u>33,409,388</u>	<u>32,889,778</u>
Total shareholders' equity and liabilities		<u>454,985,192</u>	<u>422,405,934</u>

To the best of our knowledge, the financial statements fairly present, in all material respects, the financial position, results of operations, and cash flows of the Company as of, and for the year ended 31 December 2025.


Sheikh Mohamed Humaid Abdullah Mohamed Al Qasimi
Chairman


Raman Garg Mahabir Saran Garg
Chief Executive Officer

The accompanying notes are an integral part of these financial statements.

RAPCO INVESTMENT P.J.S.C
PUBLIC SHAREHOLDING COMPANY
RAS AL KHAIMAH - UNITED ARAB EMIRATES

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED
DECEMBER 31, 2025

(All amounts are in U.A.E. Dirhams)

	<u>Notes</u>	December 31, 2025	December 31, 2024 (restated)
Revenues			
Investment income	22	15,627,014	12,284,631
Gain on sale of investments at FVTPL		2,938,187	1,730,572
Gain on sale of investment property		9,411,013	126,190
Gain / (Loss) on changes in fair value of investment properties		243,010	(23,331,200)
Other income	23	66,248	1,194,354
Share of (loss) of associates - net		-	(865,081)
Gain on sale of investments in associates		-	1,423,252
Unrealised gain on investments at FVTPL	13	7,755,606	42,031,974
		36,041,078	34,594,692
Total revenues			
General and administrative expenses	24	(3,106,992)	(4,106,007)
Finance costs		(1,490,556)	(353,206)
		31,443,530	30,135,479
Net profit for the year before tax			
Income tax expense	9	(357,505)	-
Deferred tax (expense) / credit	9	(1,173,765)	1,495,852
		29,912,260	31,631,331
Net profit for the year after tax			
Other comprehensive income			
Net gain on sale of investments carried at FVTOCI		516,407	3,331,651
Net change in investment at FVTOCI	7	1,620,754	20,552
Gain in revaluation of Digital assets	10	10,227	-
Deferred tax expense		-	(46,391)
		2,147,388	3,305,812
Total comprehensive income			
		32,059,648	34,937,143
Basic / diluted earnings per share	25	0.31	0.33

The accompanying notes are an integral part of these financial statements.

RAPCO INVESTMENT P.J.S.C
PUBLIC SHAREHOLDING COMPANY
RAS AL KHAIMAH - UNITED ARAB EMIRATES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED DECEMBER 31, 2025

(All amounts are in U.A.E. Dirhams)

	Share capital	Statutory reserve	Special reserve	Fair value reserve	Retained earnings	Total
Balance at December 31, 2023	95,040,000	41,712,319	80,000,000	76,202,049	62,524,645	355,479,013
Net profit for the year -restated note (27)	-	-	-		31,631,331	31,631,331
Other comprehensive income	-	-	-	20,552	3,285,260	3,305,812
Total comprehensive income	-	-	-	20,552	34,916,591	34,937,143
Transfer to retained earnings on sale of financial assets at FVTOCI	-	-	-	(2,657,692)	2,657,692	-
Transfer to statutory reserve	-	3,180,602	-	-	(3,180,602)	-
Board of Directors' remuneration	-	-	-	-	(900,000)	(900,000)
Balance at December 31, 2024- restated-note (27)	95,040,000	44,892,921	80,000,000	73,564,909	96,018,326	389,516,156
Net profit for the year	-	-	-	-	29,912,260	29,912,260
Other comprehensive income	-	-	-	1,630,981	516,407	2,147,388
Total comprehensive income	-	-	-	1,630,981	30,428,667	32,059,648
Transfer to statutory reserve	-	2,627,079	-	-	(2,627,079)	-
Transfer to retained earnings on sale of financial assets at FVTOCI	-	-	-	(345,312)	345,312	-
Balance at December 31, 2025	95,040,000	47,520,000	80,000,000	74,850,578	124,165,226	421,575,804

The accompanying notes are an integral part of these financial statements.

RAPCO INVESTMENT P.J.S.C
PUBLIC SHAREHOLDING COMPANY
RAS AL KHAIMAH - UNITED ARAB EMIRATES

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2025

(All amounts are in U.A.E. Dirhams)

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Cash flows from operating activities		
Net profit for the year before tax	31,443,530	30,135,479
<i>Adjustments for:</i>		
Unrealised (gain) on investments at FVTPL	(7,755,606)	(42,031,974)
Fair value (gain) / loss from investment properties	(243,010)	23,331,200
Share of loss of associates	-	865,081
Gain on sale of property, plant and equipment	(18,571)	-
Gain on sale of investments in associates	-	(1,423,252)
Depreciation on property, plant and equipment	4,626	6,648
Interest income	(5,838,286)	(2,046,652)
Provision for employees' end of service benefits	62,873	54,394
Finance costs	1,490,556	353,206
Gain on sale of investment property	(9,411,013)	(222,702)
Dividend income	(8,865,844)	(8,533,902)
Gain on sale of investment carried at FVTPL	(2,938,187)	(1,730,572)
Operating (loss) before changes in operating assets and liabilities	(2,068,932)	(1,243,046)
Trade and other receivables	4,957,711	(4,296,258)
Due from a related party	103,798	(103,798)
Trade and other payables	495,922	(5,758,069)
Due to related parties	(230,663)	230,663
Net cash generated from (used in) operating activities	3,257,836	(11,170,508)
Employees' end of services benefits paid	(166,027)	(136,784)
Finance costs paid	(1,490,556)	(353,206)
Net cash from (used in) operating activities	1,601,253	(11,660,498)
Cash flows from investing activities		
Proceeds from sale of investment in associate	-	6,760,760
Purchase of property, plant and equipment	-	(4,490)
Proceed from sale of property, plant and equipment	18,571	-
Proceeds from sale of investments carried at FVTOCI	3,279,902	10,507,148
Purchase of investments carried at FVTPL	(87,114,189)	(34,643,863)
Proceeds from sale of investments carried at FVTPL	37,025,637	25,037,607
Assets at amortised cost matured during the year	-	3,145,282
Purchase of financial assets at FVTOCI	-	(3,002,568)
Purchase of financial assets at amortised cost	(30,854,177)	(44,258,558)
Proceeds from investments in fixed deposits	-	1,000,000
Interest income received	5,001,083	1,432,385
Dividend received	8,865,844	8,533,902
Proceeds from sale of investment properties	61,907,813	585,000
Purchase of digital assets	(367,350)	-
Net cash (used in) investing activities	(2,236,866)	(24,907,395)
Cash flows from financing activities		
Proceeds from bank borrowings	-	30,000,000
Board remuneration paid	-	(900,000)
Net cash from financing activities	-	29,100,000
Net (decrease) in cash and cash equivalents	(635,613)	(7,467,893)
Cash and cash equivalents, beginning of the year	2,242,865	9,710,758
Cash and cash equivalents at the end of the year	1,607,252	2,242,865

The accompanying notes are in integral part of these financial statements.

**RAPCO INVESTMENT P.J.S.C
PUBLIC SHAREHOLDING COMPANY
RAS AL KHAIMAH - UNITED ARAB EMIRATES**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

(All amounts are in U.A.E. Dirhams)

1- LEGAL STATUS AND PRINCIPAL ACTIVITIES

a) General information

RAPCO Investment P.J. S.C (formerly known as "Ras Al Khaimah Poultry and Feeding Co Public JSC") (the "Company") is public shareholding company, facilitated under Emiri decree No. 76/8 of 1976 issued by His Highness, the Ruler of Ras Al Khaimah. The Company was incorporated on March 11, 1978 and operates under the current commercial license no. 302 issued by Department of Economic Development of Government of Ras Al Khaimah. The shares of the Company are traded on the Abu Dhabi Securities Exchange.

The principal activities of the Company consist of commercial enterprises investment, institution and management, real estate enterprises investment, development, institution and management, and agricultural enterprises investment, institution and management

The address of the registered office of the Company is Al jazirah alhamra P.O. Box: 184, Ras Al Khaimah, United Arab Emirates.

The management is vested with Mr. Raman Garg Mahabir Saran Garg, General Manager, Indian National, under the supervision of the Board of Directors of the Company.

These financial statements incorporate the operating results of the Company's license no. 302.

2- BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with applicable International Financial Reporting Standards (IFRSs) and the requirements of the UAE Commercial Companies Law No. 32 of 2021.

2.2 Basis of measurement

The financial statements are prepared under the historical cost basis, except for investment properties and certain financial assets in shareholders' equity which are measured at fair value.

2.3 Functional and presentation currency

The financial statements are presented in UAE Dirham (AED) which is the functional and presentation currency of the Company, unless otherwise specified.

**RAPCO INVESTMENT P.J.S.C
PUBLIC SHAREHOLDING COMPANY
RAS AL KHAIMAH - UNITED ARAB EMIRATES**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

(All amounts are in U.A.E. Dirhams)

2.4 Use of estimates and judgments

In preparing these financial statements, management has made estimates and judgments that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period and / or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty that have the most significant effect on the amounts recognized in the financial statements are as follows:

Going concern

The Management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. The Company has been profitable, and it had positive net asset (equity), working capital and cash flow positions as at the year end. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going concern basis.

Depreciation of property and equipment

Items of property and equipment are depreciated over their estimated individual useful lives. The determination of useful lives is based on the expected usage of the asset, physical wear and tear, and technological or commercial obsolescence, and impacts the annual depreciation charge recognized in profit or loss. Management reviews annually the residual values and useful lives of these assets.

Future depreciation charge could be materially adjusted where management believes the useful lives and / or the residual values differ from previous estimates. No such adjustments were considered necessary at the end of the current year or the comparative year.

Impairment of property and equipment

The carrying amounts of the Company's property and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. The determination of what can be considered impaired requires judgement. As at the reporting date, management did not identify any evidence from internal reporting indicating impairment of an asset or class of assets.

Revaluation of investment properties

The Company carries its investment properties at fair value, with changes in fair value being recognised in the statement of profit or loss. For investment properties, a valuation methodology based on a discounted cash flow (DCF) model was used, as there is a lack of comparable market data because of the nature of the properties. The Company engaged an independent valuation specialist to assess fair values as at 31/12/2025.

**RAPCO INVESTMENT P.J.S.C
PUBLIC SHAREHOLDING COMPANY
RAS AL KHAIMAH - UNITED ARAB EMIRATES**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

(All amounts are in U.A.E. Dirhams)

Other provisions and liabilities

Other provisions and liabilities are recognized in the period only to the extent management considers it probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the actual cash outflows can take place in subsequent years, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances. A change in estimate of a recognized provision or liability would result in a charge or credit to profit or loss in the period in which the change occurs.

The Company determined that the input method is the best method in measuring progress of the installation services because there is a direct relationship between the Company's effort (i.e., labour hours incurred) and the transfer of service to the customer. The Company recognises revenue on the basis of the labour hours expended relative to the total expected labour hours to complete the service.

Provision for employees' end-of-service benefits

Management has measured the Company's obligation for the post-employment benefits of its employees based on the provisions of the UAE federal Decree Law no. 33 of 2021 regarding Employment Regulations. Management does not perform an actuarial valuation as required by International Accounting Standard (IAS) 19 "Employee Benefits" as it estimates that such valuation does not result to a significantly different level of provision. The provision is reviewed by management at the end of each year, and any change to the projected benefit obligation at the year-end is adjusted in the provision for employees' end-of-service benefits in the profit or loss.

2.5 Income tax

The financial period is charged with the tax expense in accordance with the accounting regulations, laws and standards as applicable in UAE.

2.6 Applications of new, amendments and improvements to standards

i. Amendments and improvements to standards that are effective for the current year:

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended December 31, 2024, except for the adoption of amendments and improvement standards that become effective from January 1, 2025.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended December 31, 2024.

The following amendments to *existing* standards have been applied by the Company in preparation of these financial statements. The adoption of the below amendments to standards do not have significant impact are previously reported net profit (loss) or equity of the Company.

<u>Effective date</u>	<u>Description</u>
January 1, 2025	<ul style="list-style-type: none"> Lack of Exchangeability – (Amendments to IAS 21)

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ii) standards and amendments to standards issued but not yet effective

The standards and amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below.

The Company is currently evaluating the impact of these new standards, amendments and interpretations.

The Company intends to adopt these standards and amendments to standards, if applicable, when they become effective.

<u>Effective date</u>	<u>Description</u>
January 1, 2026	<ul style="list-style-type: none"> Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7. Annual Improvements to IFRS Accounting Standards – Volume 11. Power Purchase Agreements – Amendments to IFRS 9 and IFRS 7.
January 1, 2027	<ul style="list-style-type: none"> IFRS 18 Presentation and Disclosure in Financial Statements IFRS 19 Subsidiaries without Public Accountability: Disclosures
Deferred indefinitely	<ul style="list-style-type: none"> Sale or Contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28)

The Company is currently evaluating the impact of these new standards, amendments and interpretations. The Company intends to adopt these standards and amendments to the standards, if applicable, when they become effective.

3- MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information used in the financial statement are as follows. The accounting policies have been applied consistently to each of the years presented in these financial statements.

3-1 Property and equipment

i. Recognition and measurement

Items of property and equipment, are recognised at cost of acquisition and thereafter measured at cost less accumulated depreciation and accumulated impairment losses, except for land owned by the Company that is measured at fair value.

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bring the asset to a working condition for their intend to use, the cost if dismantling and removing the items and restoring the site on which they are located.

Cost includes expenditure that is directly attributable to the acquisition of an asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

ii. Subsequent expenditures

Subsequent expenditure that can reliably measure are included in the assets carrying amount is capitalized or recognised as a separate asset as appropriate only if it is probable that future economic benefits associated with the expenditure will flow to the Company.

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iii. Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using straight-line method over their estimated useful lives, and recognised in profit or loss. Land is not depreciated.

The estimated useful lives of property and equipment for the current year and the comparative year are as follows:

- Furniture and fixture	5 years
- Equipment	3-5 years
- Motor vehicles	5 years

The management has determined the estimated useful lives of each asset and for categories of assets based on the expected usage of the assets, physical wear and tear depending on operational, environmental factors and legal assumptions permits on the useful of the asset.

The depreciation method, residual value and useful lives of the property and equipment are reviewed at each reporting date and adjusted, if appropriate.

iv. Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Profits and losses on disposals of items of property and equipment are determined by comparing the proceeds from their disposals with their respective carrying amounts, and are recognised net within statement of profit or loss.

Gain or loss on disposal is determined as the difference between the net sales proceeds and the carrying value of the assets, and is recognized in Income Statement.

There is no significant change in any of accounting estimates during the year regarding property, plant and equipment.

3-2 Investment properties

Recognition and measurement

An investment property is initially measured at cost of acquisition including transaction costs, and subsequently at fair value with any changes therein recognised profit or loss, as the Company recognises these investment properties at revaluation model.

Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. When investment property that was previously classified as property and equipment is sold, any related amount included in the revaluation reserve, if available is transferred to retained earnings.

Rental income from investment property is recognised as revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

Derecognition

An item of investment property is derecognised upon disposal or when no future economic benefits are expected from its use. Profits and losses on disposals of items of investment property are determined by comparing the proceeds from their disposals with their respective carrying amounts and are recognised net in profit or loss in the period in which the property is derecognised.

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3-3 Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they originate. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVTOCI – debt investment and FVTOCI – equity investment or FVTPL. Financial assets are not reclassified subsequently to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL;

- It is held within a business model whose objectives is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investments that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash flows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model and how those risks are managed;
- how managers of the business are compensated – e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

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Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g., liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension feature; and
- terms that limit the Company's claim to cash flows from specified assets (e.g., non-resource features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual per amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including interest or dividend income are recognized in profit or loss.
Debt investment at FVTOCI	These are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. on derecognition, gains and losses accumulated in OCI are reclassified in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the EIR method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Equity investments at FVTOCI	These assets are subsequently measured at fair value net of transaction costs. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

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Financial Liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the EIR method. Interest expense, foreign exchange gains or losses and other gain or loss on derecognition is recognised in profit or loss.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3-4 Impairment

i) Non-derivative financial assets

Financial assets

The Company also recognises loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs;

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables (including lease receivables) are always measured at an amount equal to lifetime ECLs.

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When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information.

The Company considers the credit risk significantly increased if the due date contravenes 90 days.

The Company assumes a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is more than 360 days past due.

Measure of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the

contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses the financial assets carried at amortised cost. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower;
- a breach of contract such as a default or being more than 360 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVTOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Impairment losses related to trade and other receivables are presented under general and administrative expenses in the statement of profit or loss.

Write off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is more than 1 year past due and not secured by any guarantees, based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

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i) Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (property and equipment) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Impairment testing of goodwill should be made annually to determine impairment, if any.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs).

The recoverable amount of an asset or a CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the CGU.

An impairment loss is recognized if the carrying amount of an asset or a CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss. They are allocated to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

3-5 Digital assets

Digital assets comprise cryptocurrencies (Bitcoin), held by the Company for investment purposes. Digital assets are classified as intangible assets in accordance with IAS 38 Intangible Assets, as they are identifiable non-monetary assets without physical substance.

Initial Recognition

Digital assets are initially recognized at cost, including directly attributable transaction costs.

Subsequent Measurement

Subsequent to initial recognition, digital assets are measured using the revaluation model. They are carried at fair value based on quoted market prices in active markets at the reporting date.

Revaluations are performed at each reporting date to ensure that the carrying amount does not differ materially from fair value.

Revaluation Gains and Losses

- Increases in fair value are recognized in Other Comprehensive Income (OCI) and accumulated in equity under the revaluation reserve.
- Decreases in fair value are recognized in profit or loss to the extent they exceed any balance held in the revaluation reserve relating to the same asset. Otherwise, they are recognized in OCI and reduce the revaluation reserve.

Derecognition

Upon disposal, any cumulative revaluation surplus included in equity is transferred directly to retained earnings and is not reclassified to profit or loss.

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3-6 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with a maturity of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of any outstanding bank overdrafts.

3-7 Other receivables

The Company's financial assets fall within the category of "Other receivables". Other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables (including trade and other receivables, cash and bank balances, and balances due from related parties) are measured at amortized cost using the effective interest method, less any impairment. Interest income is recognized by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

3-8 Employees' end of service benefits

The Company provides for employees' end of service benefits to its employees that meets or exceeds the provisions of the UAE Labour Law. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of minimum service period. The expected costs of these benefits are accrued over the period of employment.

In respect of the Emirati employees, the Company makes contributions to the General Pension and Social Security Authority, which is calculated as a percentage of the employees' salaries in accordance with the respective local laws pertaining to retirement and pensions. The Company's share of contribution to these schemes is charged to the profit or loss in the year to which they relate.

3-9 Contingent liabilities

Contingent liabilities are possible obligations depending on whether some uncertain future events occur, or they are present obligations but payments are not probable or the amounts cannot be measured reliably. Contingent liabilities are not recognized in the financial statements but are disclosed.

3-10 Revenue

Dividend Income

Dividend income is recognized in the profit or loss statement on the date the company is entitled to receive the proposed amounts and approves them.

Rental Income

Rental income arises from the lease of an investment property and is calculated on a straight-line basis over the lease term. Rental incentives are recognized as a significant part of total rental income over the lease term. Rental income from other properties is included in other income. The company has applied IFRS 15 – "Revenue from Contracts with Customers" to allocate the contract output for both lease and non-lease income as a primary component.

Interest Income

Interest income from a financial asset is recognized when economic benefits are likely to flow to the company and when the amount of the income can be reliably measured. Interest income is calculated on a time basis, with reference to the principal due and the applicable effective interest rate, which is the rate that accurately deducts the estimated future cash receipts over the financial asset's useful life from the net carrying amount of that asset at initial recognition.

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3-11 Expenses recognition

Expenses are recognized in profit or loss when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen and can be measured reliably.

An expense is recognized immediately in profit or loss when an expenditure produces no future economic benefits, or when, and to the extent that, future economic benefits do not qualify or cease to qualify for recognition in the statement of financial position as an asset, such as in the case of asset impairments.

3-12 Foreign currency transactions and balances

Transactions in foreign currencies during the year are translated into the functional currency of the Company at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the year are translated into the functional currency at the exchange rate at the reporting date. Foreign currency differences are recognized in profit or loss.

3-13 Value added tax ("VAT")

Expenses and assets are recognised net of the amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of VAT included. The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

3-14 Income tax

The company makes a provision for income tax in accordance with the Income Tax Law and International Accounting Standard 12 -Income Taxes, which mandates the recognition of temporary timing differences as deferred tax assets or liabilities as of the financial statement date.

Deferred taxes are taxes expected to be paid or recovered as a result of temporary time differences between the value of assets or liabilities in the financial statements and the value on the basis of which the taxable profit is calculated. Deferred taxes are calculated according to the tax rates that are expected to be applied when settling the tax liability or realizing the deferred tax assets.

Tax expense is calculated on the basis of taxable profits. Taxable profits differ from profits declared in the financial statements because declared profits include non-taxable revenue or expenses that are not deductible in the current financial period but in subsequent years or accumulated losses that are taxable or items that are not subject to or deductible for tax purposes.

4 Financial risk and capital management

4-1 Financial risks management

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk;
- Foreign currency risk;

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

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Risk management framework

Management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company and to monitor risks. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit.

The Company's current credit risk grading framework comprises the following categories:

<u>Category</u>	<u>Description</u>	<u>Basis for recognizing expected credit losses</u>
Performing	The counterparty has a low risk of default and does not have any past-due amounts	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition	Lifetime ECL – not credit impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Company has no realistic prospect of recovery	Amount is written off

The carrying amount of financial assets represents the maximum credit exposure.

Risk is influenced mainly by the individual characteristics of each counterparty

	<u>2025</u>	<u>2024</u>
Accounts and other receivables	747,709	5,705,420
Due from related parties	-	103,798
Bank balances	1,607,252	2,242,865
	<u>2,354,961</u>	<u>8,052,083</u>

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The table below provides information and analysis of the life time and exposure to credit risk and ECL for trade receivables as at the reporting date.

December 31, 2025

Particular	Weighted average loss rate	Gross carrying Amount	Loss allowance
Current	0%	349,331	-
0-30 days past due	0%	-	-
31-60 days past due	0%	-	-
More than 61 days past due	61 %	700,080	424,135
Total		1,049,411	424,135

December 31, 2024

Particular	Weighted average loss rate	Gross carrying amount*	Loss allowance
Current	0%	-	-
0-30 days past due	0%	10,570	-
31-60 days past due	0%	12,958	-
More than 61 days past due	50 %	852,596	424,135
Total		876,124	424,135

Cash at bank

The Company's cash at bank is held with banks that are independently rated by credit rating agencies.

The Company's bank deposits are held with credit worthy and reputable banks with high credit ratings. As a result, management believes that credit risk in respect of these balances is minimal.

b) Liquidity risks

Liquidity risk is the risk that the company will be unable to meet its cash obligations. The management of liquidity risks consist of keeping sufficient cash, and arranging financing sources through enough facilities, managing highly liquid assets, and monitoring liquidity on a yearically basis by method of future cash flow.

The maturity of liabilities stated below based on the year from the financial position date to the contractual maturity date. In the case of financial instruments that do not have a contractual maturity date, the maturity is based on management's estimate of time year in which the asset will be collected or disposed and the liability settled.

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The table below summarizes the contractual undiscounted maturities of the Company's financial liabilities at the reporting date.

The following is maturity table for the financial liabilities as of December 31, 2025:

	On demand	1-12 months	From 1 to 5 years	More than 5 years	Total
Liabilities					
Accounts and other payables	-	3,168,302	-	-	3,168,302
Bank borrowings	-	-	30,000,000	-	30,000,000
	-----	-----	-----	-----	-----
Total liabilities	-	3,168,302	30,000,000	-	33,168,302
	=====	=====	=====	=====	=====

The following is maturity table for the financial liabilities as of December 31, 2024:

	On demand	1-12 months	From 1 to 5 years	More than 5 years	Total
Liabilities					
Due to related parties	-	230,663	-	-	230,663
Accounts and other payables	-	2,314,875	-	-	2,314,875
Bank borrowings	-	-	30,000,000	-	30,000,000
	-----	-----	-----	-----	-----
Total liabilities	-	2,545,538	30,000,000	-	32,545,538
	=====	=====	=====	=====	=====

c) Market risk

Market risk is defined as the risk which causes fluctuation in financial instruments value as a result of change in market prices. International Financial Reporting Standards require disclosure of the financial instruments that are exposed to fluctuation in its value as a result of change in its market prices. The financial instruments that expose the Company to market price fluctuation risk as at December 31, 2025 comprise of investment in financial assets amounting to AED 182,644,569(2024: 126,357,213).

d) Foreign currency risk

Foreign exchange risk arises when future business transactions, recognized assets, or liabilities are recorded in a currency other than the company's functional currency. The company does not face significant foreign exchange risk, as it primarily deals in UAE Dirhams, its functional currency. Transactions in foreign currencies do not carry risk because the UAE Dirham is pegged to the US Dollar at a fixed rate. Transactions or balances in other foreign currencies are insignificant, as management continuously monitors exchange rate fluctuations.

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e) Capital risk management

The primary objective of the Company's capital management is to ensure that it maintains a sufficient capital base for meeting the company's operational and strategic needs to maintain confidence of market participation in order to support its business and to sustain future development of the business. Management monitors its capital structure and makes adjustments to it, in light of economic conditions.

Gearing ratio

The gearing ratio at the year-end were as follow:

	December 31, 2025	December 31, 2024 (restated)
Debts	30,000,000	30,000,000
Less: cash and cash equivalent	(1,607,252)	(2,242,865)
Net debts	28,392,748	27,757,135
Total equity	421,575,804	389,516,156
Gearing ratio	0.067	0.071

i) Debt is defined as bank borrowings and loan from a related party as defined in note 18.

ii) Equity include all capital, retained earnings and other reserves of the Entity.

4-3 Fair value measurement

Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at a measurement date. The carrying amounts of financial assets and financial liabilities reasonably approximate their fair values because of their short-term nature or due to the immaterial effect of discounting when the present value of future cash flows from these instruments are calculated.

4-4 Offsetting financial assets and liabilities

The Company does not have any financial assets or financial liabilities that are subject to offsetting, enforceable master netting arrangements or any similar agreements.

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5- PROPERTY, PLANT AND EQUIPEMENT

	Buildings	Furniture and fixture	Motor Vehicles	Office equipment	Total
Cost					
At December 31, 2024	1,864,651	1,308,451	350,300	34,289	3,557,691
Disposal	(1,864,651)	(1,308,451)	(172,800)	-	(3,345,902)
At December 31, 2025	-	-	177,500	34,289	211,789
Depreciation					
At December 31, 2024	1,864,651	1,308,451	350,300	26,942	3,550,344
Charges for the year	-	-	-	4,626	4,626
Disposal	(1,864,651)	(1,308,451)	(172,800)	-	(3,345,902)
At December 31, 2025	-	-	177,500	31,568	209,068
Net book value					
At December 31, 2025	-	-	-	2,721	2,721
At December 31, 2024	-	-	-	7,347	7,347

Properties, plant and equipment includes building, equipment, furniture and Motor vehicles which are all located in the United Arab Emirates.

6- PROPERTY INVESTMENT

	December 31, 2025	December 31, 2024
Lands	6,395,660	35,101,800
Buildings	767,350	24,315,000
	7,163,010	59,416,800

The movement in investment properties during the year was as follows:

	December 31, 2025	December 31, 2024
Balance at January 1	59,416,800	83,333,000
Sold during the year	(52,496,800)	(585,000)
Revaluation difference of investments	243,010	(23,331,200)
	7,163,010	59,416,800

Investment properties include the fair value of plots of land and buildings located in the United Arab Emirates. Investment properties are stated at fair value based on a valuation performed by an independent external valuer at the end of the financial year.

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7- FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVTOCI)

	December 31, 2025	December 31, 2024
Quoted	106,566,431	104,397,192
Unquoted	48,517,020	51,829,000
	-----	-----
	155,083,451	156,226,192
	=====	=====

The movement in financial assets at fair value through other comprehensive income during the year was as follows:

	December 31, 2025	December 31, 2024
Balance at January 1	156,226,192	160,378,569
Purchase during the year	-	3,002,568
Sold during the year	(2,763,495)	(7,175,497)
Change in fair value for the year	1,620,754	20,552
	-----	-----
	155,083,451	156,226,192
	=====	=====

All financial assets at fair value through other comprehensive income are located in the United Arab Emirates.

8- FINANCIAL ASSETS AT AMORTISED COST

The movement in the financial assets at amortised cost during the year was as follows:

	December 31, 2025	December 31, 2024
Balance at January 1	67,064,030	25,113,785
Purchase during the year	30,854,177	44,258,558
Matured during the year	-	(2,922,580)
Net interest movement	837,203	614,267
	-----	-----
	98,755,410	67,064,030
	=====	=====

The geographical distribution of the financial assets at amortised cost is as follows:

	December 31, 2025	December 31, 2024
United Arab Emirates	15,272,147	16,171,261
GCC Countries	52,628,928	4,304,211
Other Countries	30,854,335	46,588,558
	-----	-----
	98,755,410	67,064,030
	=====	=====

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9- Income tax

Deferred tax assets

The movement in deferred tax assets during the year were as follows:

	December 31, 2025	December 31, 2024 (restated)
	-----	-----
Balance at January 1	1,449,461	-
Deferred tax (expense) / credit recognized in profit and loss	(1,173,765)	1,495,852
Deferred tax credit recognized in other comprehensive income	-	(46,391)
	-----	-----
	275,696	1,449,461
	=====	=====

Deferred tax expense/ (credit)

	December 31, 2025	December 31, 2024 (restated)
	-----	-----
Deferred tax credit	-	(1,495,852)
Deferred tax expense	1,173,765	-
	-----	-----
Deferred tax expense/ (credit)	1,173,765	(1,495,852)
	=====	=====

Income tax expense

Based on the assessment conducted by the Company's management, an amount of AED 357,505 was recognized as income tax expense for the current year as below:

Reconciliation of tax	December 31, 2025	December 31, 2024 (restated)
	-----	-----
Accounting profit for the year	31,443,529	31,806,021
Add: OCI that will not be reclassified to profit or loss	2,147,814	3,352,203
Add: Share of profit to investment accounted under equity	-	865,061
Less: income not subject to tax	(17,341,445)	(51,652,709)
Add: Non deductible expenses	1,139,206	1,194,813
Add: Other adjustments	-	(1,670,542)
	-----	-----
Taxable profit / (loss) prior to tax loss adjustment	17,389,104	(16,105,153)
Less: Utilize Tax loss from prior years (0.75 of taxable profit)	(13,041,828)	-
Taxable profit / (loss)	4,347,276	(16,105,153)
Income tax expense charged for the year	357,505	-
	=====	=====

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10- DIGITAL ASSETS

The company holds digital asset accounted as an intangible asset and initially measured at cost and subsequently measured under the revaluation method. The movement of the digital assets during the year were as follows:

Bitcoin (BTC)

	December 31, 2025
Balance at January 1	-
Purchase during the year	367,350
Change in fair value for the year	10,227

	377,577
	=====

11- ACCOUNTS AND OTHER RECEIVABLES

	December 31, 2025	December 31, 2024
Account Receivables	1,049,411	876,124
Provision for expected credit losses	(424,135)	(424,135)
	-----	-----
	625,276	451,989
Receivables from broker	-	4,886,668
Refundable deposits	197,649	172,774
Prepaid expense	60,364	72,963
Tax receivables	27,302	19,398
Employee loans and advances	1,000	520
Other receivables	8,892	273,882
Provision for expected credit losses on refundable deposits	(172,774)	(172,774)
	-----	-----
	747,709	5,705,420
	=====	=====

Of the trade receivables as at 31 December 2025 there are 6 customers (2024: 6 customers) which represent 79 % (2024: 76%) of the total receivables.

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12- RELATED PARTIES

The Company enters into transactions with companies and entities that fall within the definition of a related party as contained in International Accounting Standard 24 Related Party Disclosures. Related parties comprise companies and entities under common ownership and/or common management and control, key management personnel and shareholders. The management decides on the terms and conditions of the transactions and services received/rendered from/to related parties as well as on other charges.

Related party's transactions during the year were as follows:

	December 31, 2025	December 31, 2024
	<u> </u>	<u> </u>
Sale of property	20,450,000	-
Recharge of expense	342,401	112,987
	=====	=====

Key Management Personnel Compensation:

	December 31, 2025	December 31, 2024
	<u> </u>	<u> </u>
Provision for Board of Directors' remuneration	900,000	900,000
Technical Committee Allowance	241,000	300,000
	-----	-----
	1,141,000	1,200,000
	=====	=====

Due from related party

	December 31, 2025	December 31, 2024
	<u> </u>	<u> </u>
Al Hamra Real Estate Development LLC – UAE	-	103,798
	-----	-----
	-	103,798
	=====	=====

Due to related parties

	December 31, 2025	December 31, 2024
	<u> </u>	<u> </u>
Falcon Investments PJSC – UAE	-	218,251
Al Hamra Real Estate Development LLC – UAE	-	12,412
	-----	-----
	-	230,663
	=====	=====

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13- FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

	December 31, 2025	December 31, 2024
Quoted	75,700,561	21,960,021
Unquoted	115,271,805	108,230,000
	-----	-----
	190,972,366	130,190,021
	=====	=====

The movement in these financial assets at fair value through profit or loss during the year was as follows:

	December 31, 2025	December 31, 2024
Balance at January 1	130,190,021	11,009,492
Purchase during the year	87,114,189	34,643,863
Sold during the year	(34,087,450)	(23,307,035)
Change in fair value for the year	7,755,606	42,031,974
Transfer from investments in associates	-	65,811,727
	-----	-----
	190,972,366	130,190,021
	=====	=====

The geographical distribution of the financial assets at fair value through profit or loss is as follows:

	December 31, 2025	December 31, 2024
United Arab Emirates	141,798,405	130,190,021
USA	49,173,961	-
	-----	-----
	190,972,366	130,190,021
	=====	=====

Financial Assets at Fair Value Through Profit or Loss include investment funds amounting to 49,173,961(2024: nil) with the remaining balance comprising equity shares (2024: entirely equity shares).

14- CASH AND CASH EQUIVALENTS

	December 31, 2025	December 31, 2024
Current accounts	490,755	407,858
Demand deposits	116,497	435,007
Deposit	1,000,000	1,400,000
	-----	-----
	1,607,252	2,242,865
	=====	=====

Deposits represent a short-term deposit held with financial institutions in the U.A.E. and denominated in AED. These deposits carry the interest rate 2.9% (2024: 4.35%)

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15- SHARE CAPITAL

The authorized and fully paid up capital is AED 95,040,000 made up of 95,040,000 shares of AED 1 each

16- STATUTORY RESERVE

	December 31, 2025	December 31, 2024
Balance at January 1	44,892,921	41,712,319
Transfer from retained earnings	2,627,079	3,180,602
	47,520,000	44,892,921

As mentioned in the Company Law of United Arab Emirates, 10% of the profit for the year is to be transferred to Statutory reserve. The shareholders may resolve to discontinue such annual transfers when the reserve equals one half of the share capital. The reserve is not available for distribution.

Th management limited the legal reserve transfer for the year to the amount necessary to cap the reserve at 50% of the share capital.

17- SPECIAL RESERVE

	December 31, 2025	December 31, 2024
Balance at January 1	80,000,000	80,000,000
	80,000,000	80,000,000

18- Fair value reserve

The fair value reserve comprises the net changes in fair value of investments classified as fair value through other comprehensive income (FVTOCI) amounting to AED 74,840,351 (2024: AED 73,564,909) and the revaluation reserve arising from the revaluation of digital assets held as intangible assets amounting to AED 10,227 (2024: nil).

The movement in the Fair value reserve during the year was as follows:

	December 31, 2025	December 31, 2024
Balance at January 1	73,564,909	76,202,049
Fair value gain on financial assets at FVTOCI	1,620,754	20,552
Transfer on sale of financial assets at FVTOCI	(345,312)	(2,657,692)
Revaluation gain on Digital assets	10,227	-
	74,850,578	73,564,909

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19- EMPLOYEES' END OF SERVICE BENEFITS

	December 31, 2025	December 31, 2024
Balance at January 1	344,240	426,630
Provision during the year	62,873	54,394
Paid during the year	(166,027)	(136,784)
	-----	-----
	241,086	344,240
	=====	=====

20- BANK BORROWINGS

The bank loan balance represents overdraft amounts withdrawn under banking facilities granted to the Company by local banks in the United Arab Emirates. The interest rate is based on the 3-months (EIBOR) plus 1.25% per month.

Securities/Collateral:

- a) Confirmation of share pledge from Abu Dhabi Securities Exchange / Dubai Financial Market.
- b) Share pledge agreement and pledge request form signed by the shareholder for DFM / ADX.
- c) Registered pledge on shares of Ras Al Khaimah Ceramics PJSC, RAKBANK. All shares are listed on the Abu Dhabi Securities Exchange / Dubai Financial Market.

Covenant

Maintain the loan-to-value (LTV) ratio at 75% at all times.

21- ACCOUNTS AND OTHER PAYABLES

	December 31, 2025	December 31, 2024
Accounts payable	1,156,185	410,654
Accrued expenses	1,575,418	1,521,376
Advance payments received	-	204,000
Customer advance payments	-	178,845
Tax payables	357,505	-
Other payable	79,194	-
	-----	-----
	3,168,302	2,314,875
	=====	=====

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22- INVESTMENT INCOME

	December 31, 2025	December 31, 2024
Dividend income	8,865,844	8,533,902
Interest income	5,838,091	2,046,652
Rental income from investment properties	923,079	1,481,375
Gain on maturity of investments at amortized cost	-	222,702
	-----	-----
	15,627,014	12,284,631
	=====	=====

23- OTHER INCOME

	December 31, 2025	December 31, 2024
Reversal of unclaimed creditors.	-	594,450
Gain from disposal of property, plant and equipment	18,571	25,714
Penalties charged	37,673	13,450
Others	10,004	560,740
	-----	-----
	66,248	1,194,354
	=====	=====

24- GENERAL AND ADMINISTRATIVE EXPENSES

	December 31, 2025	December 31, 2024
Salaries and related benefits	847,911	1,157,407
Technical and audit committee allowance	241,000	1,135,000
Legal, license and professional fees	777,711	867,525
Board of Directors' remuneration	900,000	-
Repairs and maintenance	97,072	128,284
Provision for trade receivables	-	382,861
Utilities	72,389	114,245
Depreciation expense (Note 5)	4,626	6,648
Others	166,283	314,037
	-----	-----
	3,106,992	4,106,007
	=====	=====

25- BASIC / DILUTED EARNINGS PER SHARE

	December 31, 2025	December 31, 2024 (restated)
Profit for the year	29,912,260	31,631,331
Number of shares at the year end	95,040,000	95,040,000
	-----	-----
Basic earnings per share	0.31	0.33
	=====	=====

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26- FAIR VALUES

Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Accordingly, differences may arise between the carrying amounts and fair value estimates under the assumption that the Company is a going concern with no intention or need to liquidate or make transactions under unfavorable terms.

Assets and liabilities measured at fair value are categorized in the statement of financial position using a three-level fair value hierarchy. This classification is based on the lowest level of significant input used in the fair value measurement, as follows:

- **Level 1:** Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- **Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- **Level 3:** Inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

As at December 31, 2025	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income (quoted)	106,566,431	-	-	106,566,431
Financial assets at fair value through other comprehensive income unquoted)	-	-	48,517,020	48,517,020
Financial assets at fair value through profit or loss (quoted)	75,700,561	-	-	75,700,561
Financial assets at fair value through profit or loss (unquoted)	-	-	115,271,805	115,271,805
Property investment	-	-	7,163,010	7,163,010
Digital assets	377,577	-	-	377,577
	=====	=====	=====	=====
As at December 31, 2024	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income (quoted)	104,397,192	-	-	104,397,192
Financial assets at fair value through other comprehensive income (unquoted)	-	-	51,829,000	51,829,000
Financial assets at fair value through profit or loss (quoted)	21,960,021	-	-	21,960,021
Financial assets at fair value through profit or loss (unquoted)	-	-	108,230,000	108,230,000
Property investment	-	-	59,416,800	59,416,800
	=====	=====	=====	=====

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27- Prior year adjustment

During the year, the Company identified an error in the calculation of deferred tax balances relating to prior period. The balance of deferred taxes in the current year has been adjusted, with the corresponding effect recorded as an adjustment to the prior year through opening retained earnings as follows:

Statement of financial position as of January 1, 2025

	As previously reported	Adjustment	as restated
ASSETS			
Non-current assets			
Property, plant and equipment	7,347	-	7,347
Property investment	59,416,800	-	59,416,800
Financial assets at fair value through other comprehensive income (FVTOCI)	156,226,192	-	156,226,192
Financial assets at amortised cost	67,064,030	-	67,064,030
Deferred tax- asset	1,624,151	(174,690)	1,449,461
Total non-current assets	284,338,520	(174,690)	284,163,830
Current assets			
Accounts and other receivables	5,705,420	-	5,705,420
Due from a related party	103,798	-	103,798
Financial assets at fair value through profit or loss (FVTPL)	130,190,021	-	130,190,021
Cash and cash equivalents	2,242,865	-	2,242,865
Total current assets	138,242,104	-	138,242,104
Total assets	422,580,624	(174,690)	422,405,934
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	95,040,000	-	95,040,000
Statutory reserve	44,892,921	-	44,892,921
Special reserve	80,000,000	-	80,000,000
Fair value reserve	73,564,909	-	73,564,909
Retained earnings	96,193,016	(174,690)	96,018,326
Total shareholders' equity	389,690,846	(174,690)	389,516,156
Non-current liabilities			
Employees' end of service benefits	344,240	-	344,240
Bank borrowings	30,000,000	-	30,000,000
Total non-current liabilities	30,344,240	-	30,344,240
Current liabilities			
Due to related parties	230,663	-	230,663
Accounts and other payables	2,314,875	-	2,314,875
Total current liabilities	2,545,538	-	2,545,538
Total liabilities	32,889,778	-	32,889,778
Total shareholders' equity and liabilities	422,580,624	(174,690)	422,405,934

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Statement of profit or loss and other comprehensive income for the year ended December 31, 2024

	as previously reported	Adjustment	as restated
Revenues			
Investment income	12,284,631	-	12,284,631
Gain on sale of investments at FVTPL	1,730,572	-	1,730,572
Gain on sale of investment property	126,190	-	126,190
Gain / (Loss) on changes in fair value of investment properties	(23,331,200)	-	(23,331,200)
Other income	1,194,354	-	1,194,354
Share of (loss) of associates - net	(865,081)	-	(865,081)
Gain on sale of investments in associates	1,423,252	-	1,423,252
Unrealised gain on investments at FVTPL	42,031,974	-	42,031,974
Total revenues	34,594,692		34,594,692
General and administrative expenses	(4,106,007)	-	(4,106,007)
Finance costs	(353,206)	-	(353,206)
Net profit for the year before tax	30,135,479	-	30,135,479
Income tax expense	-	-	-
Deferred tax (expense) / credit	1,670,542	(174,690)	1,495,852
Net profit for the year after tax	31,806,021	(174,690)	31,631,331
Other comprehensive income			
Net gain on sale of investments carried at FVTOCI	3,331,651	-	3,331,651
Net change in fair value of investments carried at FVTOCI	20,552	-	20,552
Deferred tax expense	(46,391)	-	(46,391)
	3,305,812	-	3,305,812
Total comprehensive income	35,111,833	(174,690)	34,937,143

28- SOCIAL CONTRIBUTION

There are no social contributions during the year ended December 31, 2025.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025
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29- SUBSEQUENT EVENTS

There were no significant events after the reporting date, which have a bearing on these financial statements.

30- COMPARATIVE FIGURES

The comparative figures have been reclassified to be consistent with presentation adopted in the current year.

31- APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the management on 2 March 2026.