

Response Plus Holding PJSC

**REPORT OF THE BOARD OF DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS**

31 DECEMBER 2025

Response Plus Holding PJSC

REPORT OF THE BOARD OF DIRECTORS AND CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

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Response Plus Holding PJSC
REPORT OF THE BOARD OF DIRECTORS
31 DECEMBER 2025

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors have pleasure in submitting this report and the consolidated financial statements of Response Plus Holding PJSC (the "Company") and its subsidiaries (together referred to as the "Group") for the year ended 31 December 2025.

Principal activity

The principal activities of the Group are medical services, including but not limited to the provision of on-site medical services, occupational health, medical and non-medical training, emergency medical services and the secondment of medical manpower to other companies, amongst other ancillary services.

Financial results

Revenue earned by the Group during the year ended 31 December 2025 was AED 516,054,545 (2024: AED 454,975,955). The total comprehensive income for the year ended 31 December 2025 amounted to AED 47,501,314 (2024: AED 51,492,203). The movements in retained earnings for the year were:

	<i>AED</i>
At 1 January 2025	68,311,616
Adjustment on finalization of Purchase Price Allocation	(2,247,472)
Profit for the year	49,956,313
Dividend paid	(38,000,000)
At 31 December 2025	<u>78,020,457</u>

Directors

The Directors of the Company are as follows:

Mr. Omran Mohammed Saleh Mohmood Husian Alkhoori	Chairman
Dr. Mohamed Monir Mohamed Yaqoub Hayat Khan	Vice Chairman
Dr. Shamsheer Vayalil Parambath Pokkinari Hashim	Member
Mr. Hari Mohan Haritas	Member
Mr. Kashif Shamsi	Member

Auditors

A resolution proposing the reappointment of Ernst & Young as auditors of the Company for the year ending 31 December 2026 will be put to the shareholders at Annual General Meeting.

Acknowledgement

To the best of our knowledge, the financial information included in these consolidated financial statements present fairly, in all material respects, the consolidated financial position, consolidated results of operations and consolidated cash flows of the Group as of, and for, the years presented therein.

For and on behalf of the Board of Directors



Chairman

Response Plus Holding PJSC
CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2025



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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF RESPONSE PLUS HOLDING PJSC

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Response Plus Holding PJSC (the “Company”) and its subsidiaries (together referred to as the “Group”) which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

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 consolidated financial statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA code), as applicable to the audits of consolidated financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the 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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.



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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
RESPONSE PLUS HOLDING PJSC** continued

Report on the Audit of the Consolidated Financial Statements continued

Key audit matters continued

Key audit matter	How our audit addressed the key audit matter
Revenue recognition <p>Revenue recognition is considered to be a key area of focus given that revenue is material and an important determinant of the Group's performance and profitability. The Group recognises revenue from contracts with customers when control of the goods is transferred or as services are rendered to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services (refer note 2.4 of the consolidated financial statements for the revenue recognition policy of the Group).</p> <p>During the year ended 31 December 2025, total revenue of the Group amounted to AED 516,054,545. Given the magnitude of the amount and inherent risk of revenue overstatement, we consider revenue recognition to be a key audit matter.</p>	<p>To address the risk relating to revenue, we performed the following procedures among others:</p> <ul style="list-style-type: none">• Reviewed the Group's revenue recognition policy as per IFRS 15, Revenue from contracts with customers and assessed its appropriateness;• Understood the design of the internal controls surrounding the revenue recognition process;• Performed substantive testing over transactions on a sample basis and tested their occurrence, accuracy, and recognition, by tracing them back to supporting documents;• Performed analytical procedures, to identify inconsistencies and/or unusual movements during the year;• Performed cut off procedures by selecting a sample of transactions before and after the year end to evaluate the recognition in the current reporting period;• Tested journal entries on a sample basis, based on revenue related risk profiles (such as amounts, posting date, adjustments) to identify any instances of management override; and• Evaluated the adequacy of disclosures relating to revenue.



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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

RESPONSE PLUS HOLDING PJSC continued

Report on the Audit of the Consolidated Financial Statements continued

Key audit matters continued

Key audit matter	How our audit addressed the key audit matter
Provision for expected credit losses	
<p>At 31 December 2025, gross trade receivables amounted to AED 146,313,703 against which provision for expected credit loss ("ECL") of AED 24,904,091 was recorded (note 13). The gross trade receivables represent 36% of the total assets presented in the consolidated financial statements. The Group assesses at each reporting date whether the financial assets carried at amortised cost are credit impaired. Management has applied the simplified approach for measurement of ECL for trade receivables. The ECL model involves the use of various assumptions, historical trends relating to the Group's trade collections experience and other specific factors. The Group exercises significant judgement when determining both when and how much to record as the ECL.</p> <p>We have considered ECL as key audit matter given the size of trade receivables and the identification of significant delays in the collection of trade receivables which results in the application of significant auditor judgement regarding the accounting estimates made by management in determining the ECL.</p> <p>The Group's disclosures included in notes 2.4 and 3 of the consolidated financial statements outline the accounting policies and significant estimates made and judgements applied for determining the ECL.</p>	<p>We performed the following procedures in relation to the provision for expected credit losses:</p> <ul style="list-style-type: none">• We obtained an understanding of the process and identified the relevant controls over the measurement and determination of the allowance for ECL;• We compared the ECL model developed by management against the requirements of IFRS 9 and reviewed the methodology against accepted best practice;• We tested the arithmetical accuracy of the model;• We performed procedures on individually significant balances, such as substantiating transactions with underlying documents, including inspecting contracts, tracing subsequent receipts to the bank statements and inspecting the underlying invoices, to obtain evidence for the existence and valuation of the recorded receivables;• We tested key assumptions, such as those used to calculate the likelihood of default and the subsequent loss on default, by comparing to historical data;• We compared the results of the output of the ECL model developed by management to the amounts reported in the consolidated financial statements; and• We assessed the disclosure in the consolidated financial statements relating to this matter in accordance with IFRSs.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
RESPONSE PLUS HOLDING PJSC continued**

Report on the Audit of the Consolidated Financial Statements continued

Other information

Other information consists of the information included in the report of the Board of Directors, other than the consolidated financial statements and our auditor's report thereon. We obtained the report of the Board of Directors prior to the date of our audit report and we expect to obtain the annual report after the date of our auditor's report. Management is responsible for the other information.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and the Board of Directors for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards and in compliance with the applicable provisions of the Company's Memorandum of Association and the UAE Federal Law No. 32 of 2021, as amended, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 are 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 consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

RESPONSE PLUS HOLDING PJSC continued

Report on the Audit of the Consolidated Financial Statements continued

Auditor's responsibilities for the audit of the consolidated financial statements 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 consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the those charged with governance, 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.



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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
RESPONSE PLUS HOLDING PJSC continued**

Report on the Audit of the Consolidated Financial Statements continued

Auditor's responsibilities for the audit of the consolidated financial statements continued

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Further, as required by the UAE Federal Law No. 32 of 2021, as amended, we report that for the year ended 31 December 2025:

- i) the Group has maintained proper books of account;
- ii) we have obtained all the information and explanations we considered necessary for the purposes of our audit;
- iii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. 32 of 2021, as amended and the Memorandum of Association of the Company;
- iv) the financial information included in the report of the Board of Directors is consistent with the books of account of the Group;
- v) investments in shares and stocks are included in note 12 to the consolidated financial statements;
- vi) note 14 reflects material related party transactions and the terms under which they were conducted;
- vii) based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Company has contravened during the year any of the applicable provisions of the UAE Federal Law No. 32 of 2021, as amended or of its Memorandum of Association which would materially affect its activities or its financial position as at 31 December 2025; and
- viii) the Group made no social contributions during the year.

For Ernst & Young

Walid J Nakfour
Registration No 5479

26 March 2026
Abu Dhabi, United Arab Emirates

Response Plus Holding PJSC

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

	<i>Notes</i>	2025 AED	2024 AED
Revenue	4	516,054,545	454,975,955
Other income		<u>2,103,025</u>	<u>1,542,508</u>
		518,157,570	456,518,463
Staff costs	5	(331,963,202)	(272,925,020)
Materials and outsourced service cost	6	(48,733,149)	(44,402,554)
Other expenses	8	(47,041,901)	(45,056,003)
Depreciation on property and equipment	9	(14,747,318)	(12,987,441)
Utilities and fuel costs		(8,134,694)	(13,931,879)
Rent	10	(8,070,716)	(2,563,169)
Finance costs	7	(2,756,995)	(2,820,581)
Amortization of intangible assets	11	(1,817,681)	-
Provision for expected credit losses	13	<u>(681,837)</u>	<u>(1,707,916)</u>
		(463,947,493)	(396,394,563)
PROFIT BEFORE TAX		54,210,077	60,123,900
Income tax and zakat expense	19	<u>(4,253,764)</u>	<u>(6,642,375)</u>
PROFIT FOR THE YEAR		<u>49,956,313</u>	<u>53,481,525</u>
Basic and diluted earnings per share	22	<u>0.25</u>	<u>0.27</u>

The attached notes 1 to 26 form part of these consolidated financial statements.

Response Plus Holding PJSC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	<i>Notes</i>	2025 AED	2024 AED
PROFIT FOR THE YEAR		<u>49,956,313</u>	<u>53,481,525</u>
Other comprehensive loss:			
<i>Items that may be subsequently reclassified to consolidated profit or loss in subsequent years (net of tax):</i>			
Exchange differences on translation of foreign operations		(116,488)	-
<i>Items that will not be subsequently reclassified to consolidated profit or loss in subsequent years (net of tax):</i>			
Net loss on financial asset designated at fair value through other comprehensive income	12	<u>(2,338,511)</u>	<u>(1,989,322)</u>
Other comprehensive loss for the year, (net of tax)		<u>(2,454,999)</u>	<u>(1,989,322)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		<u>47,501,314</u>	<u>51,492,203</u>


The attached notes 1 to 26 form part of these consolidated financial statements.

Response Plus Holding PJSC

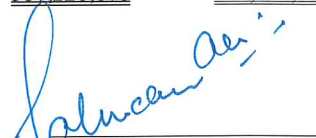
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	Notes	2025 AED	2024 AED
ASSETS			
Non-current assets			
Property and equipment	9	83,038,518	64,481,149
Investment properties		-	2,132,700
Right-of-use assets	10	4,874,729	5,979,932
Intangible assets and goodwill	11	37,265,414	39,083,095
Financial assets at fair value through other comprehensive income	12	3,587,098	5,925,609
Deferred tax asset	19	<u>1,313,507</u>	-
		<u>130,079,266</u>	<u>117,602,485</u>
Current assets			
Inventories		11,164,446	9,601,030
Trade and other receivables	13	207,763,035	189,713,798
Amounts due from related parties	14	13,342,257	20,935,574
Cash and bank balances		<u>24,871,674</u>	<u>38,051,876</u>
		<u>257,141,412</u>	<u>258,302,278</u>
TOTAL ASSETS		<u>387,220,678</u>	<u>375,904,763</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	15	200,000,000	200,000,000
Shareholder's account	15	5,694,953	13,694,953
Merger reserve		(5,502,727)	(5,502,727)
Foreign currency translation reserve		(116,488)	-
Other reserves	15	277,334	277,334
Fair value reserve of financial assets at FVOCI		(32,586,920)	(30,248,409)
Retained earnings		<u>78,020,457</u>	<u>66,064,144</u>
Total equity		<u>245,786,609</u>	<u>244,285,295</u>
Non-current liabilities			
Employees' end of service benefits	17	20,251,401	17,966,242
Lease liabilities	10	2,348,896	3,989,096
Borrowings	16	24,500,000	29,750,000
Deferred tax liability	19	<u>872,336</u>	<u>1,035,897</u>
		<u>47,972,633</u>	<u>52,741,235</u>
Current liabilities			
Trade and other payables	18	66,687,436	65,356,601
Lease liabilities	10	2,473,454	1,549,392
Borrowings	16	18,266,748	5,250,000
Amounts due to related parties	14	179,189	79,865
Income tax and zakat payable	19	<u>5,854,609</u>	<u>6,642,375</u>
		<u>93,461,436</u>	<u>78,878,233</u>
Total liabilities		<u>141,434,069</u>	<u>131,619,468</u>
TOTAL EQUITY AND LIABILITIES		<u>387,220,678</u>	<u>375,904,763</u>


Chairman


Chief Executive Officer


Chief Financial Officer

The attached notes 1 to 26 form part of these consolidated financial statements.



Response Plus Holding PJSC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Share capital AED	Shareholder's account AED	Merger reserve AED	Foreign currency translation reserve AED	Other reserves	Fair value reserve of financial assets at FYOCI AED	Retained earnings	Total equity AED
As at 1 January 2024	200,000,000	13,694,953	(5,502,727)	-	277,334	(28,259,087)	49,830,091	230,040,564
Profit for the year	-	-	-	-	-	-	53,481,525	53,481,525
Other comprehensive loss for the year	-	-	-	-	-	(1,989,322)	-	(1,989,322)
Dividend paid (note 25)	-	-	-	-	-	-	(35,000,000)	(35,000,000)
As at 31 December 2024	<u>200,000,000</u>	<u>13,694,953</u>	<u>(5,502,727)</u>	-	<u>277,334</u>	<u>(30,248,409)</u>	<u>68,311,616</u>	<u>246,532,767</u>
As at 1 January 2025 – as previously reported	200,000,000	13,694,953	(5,502,727)	-	277,334	(30,248,409)	68,311,616	246,532,767
Adjustment on finalization of purchase price allocation (note 2.6)	-	-	-	-	-	-	(2,247,472)	(2,247,472)
Restated total equity as at 1 January 2025	200,000,000	13,694,953	(5,502,727)	-	277,334	(30,248,409)	66,064,144	244,285,295
Profit for the year	-	-	-	-	-	-	49,956,313	49,956,313
Other comprehensive loss for the year	-	-	-	(116,488)	-	(2,338,511)	-	(2,454,999)
Repayment of shareholder's account	-	(8,000,000)	-	-	-	-	-	(8,000,000)
Dividend paid during the year (note 25)	-	-	-	-	-	-	(38,000,000)	(38,000,000)
As at 31 December 2025	<u>200,000,000</u>	<u>5,694,953</u>	<u>(5,502,727)</u>	<u>(116,488)</u>	<u>277,334</u>	<u>(32,586,920)</u>	<u>78,020,457</u>	<u>245,786,609</u>

The attached notes 1 to 26 form part of these consolidated financial statements.

Response Plus Holding PJSC

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	<i>Notes</i>	2025 AED	2024 AED
OPERATING ACTIVITIES			
Profit before tax		54,210,077	60,123,900
Adjustments for:			
Depreciation on property and equipment	9	14,747,318	12,987,441
Depreciation on right-of-use assets	10	2,184,762	1,689,715
Amortization of intangible assets	11	1,817,681	-
Provision for employees' end of service benefits	17	5,378,452	5,398,479
Provision for expected credit losses	13	681,837	1,707,916
Gain on disposal of property and equipment		(10,999)	(73,875)
Loss on disposal of investment properties		32,700	-
Foreign exchange loss on property and equipment	9	11,565	-
Finance costs	7	<u>2,756,995</u>	<u>2,820,581</u>
Operating cash flows before changes in working capital		81,810,388	84,654,157
Working capital changes:			
Inventories		(1,563,416)	237,595
Trade and other receivables		(18,731,074)	(5,458,415)
Amounts due from related parties		7,593,317	(10,506,879)
Amounts due to related parties		99,324	5,031,717
Trade and other payables		<u>1,300,146</u>	<u>2,427,215</u>
Cash generated from operations		70,508,685	76,385,390
Employees' end of service benefits paid	17	(3,093,293)	(1,340,119)
Income tax and zakat paid	19	(6,518,598)	(574,296)
Finance costs paid		<u>(2,346,977)</u>	<u>(2,351,044)</u>
Net cash flows generated from operating activities		<u>58,549,817</u>	<u>72,119,931</u>
INVESTING ACTIVITIES			
Purchase of property and equipment	9	(33,322,030)	(31,919,285)
Proceeds from disposal of property and equipment	9	16,777	378,420
Proceeds from sale of investment properties		2,100,000	-
Net cash paid in business combination	2.6	<u>-</u>	<u>(46,752,531)</u>
Net cash used in investing activities		<u>(31,205,253)</u>	<u>(78,293,396)</u>
FINANCING ACTIVITIES			
Dividend paid	25	(38,000,000)	(35,000,000)
Net movement in borrowings		7,766,748	34,928,657
Repayment of shareholder's account	15	(8,000,000)	-
Payment of lease liabilities	10	<u>(2,175,026)</u>	<u>(2,398,617)</u>
Net cash used in financing activities		<u>(40,408,278)</u>	<u>(2,469,960)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		(13,063,714)	(8,643,425)
Foreign currency translation adjustment		(116,488)	-
Cash and cash equivalents at the beginning of the year		<u>38,051,876</u>	<u>46,695,301</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		<u>24,871,674</u>	<u>38,051,876</u>
Significant non-cash transactions:			
Transfer of investment properties from a customer		<u>-</u>	<u>2,132,700</u>

The attached notes 1 to 26 form part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

1 GENERAL INFORMATION

Response Plus Holding PJSC (“the Company”) is a private joint stock company incorporated under the UAE Federal Law No. 32 of 2021. The registered office address of the Company is P.O. Box 130336, Abu Dhabi, United Arab Emirates. On 14 September 2021, the Company listed 20 million of its ordinary shares on the growth market of the Abu Dhabi Securities Exchange (“ADX”).

These consolidated financial statements include the results of operations and financial position of the Company and its subsidiaries (together referred to as the “Group”).

The principal activities of the Group are medical services, including but not limited to the provision of on-site medical services, occupational health, medical & non-medical training, emergency medical services and the secondment of medical manpower to other companies, amongst other ancillary services.

The consolidated financial statements were approved by the Board of Directors and authorised for issuance on 26 March 2026.

2.1 BASIS OF PREPARATION

Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards (“IFRSs”) as issued by the International Accounting Standards Board (“IASB”) and applicable requirements of the UAE Federal Law No. 32 of 2021.

Basis of measurement

The consolidated financial statements are prepared under the historical cost convention, except for investments in financial assets carried at fair value through other comprehensive income which are stated at fair value.

Functional and presentation currency

The consolidated financial statements are presented in UAE Dirhams (“AED”), which is the presentation currency of the Group and the functional currency of the Company.

2.2 BASIS FOR CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December each year. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

2.2 BASIS FOR CONSOLIDATION continued

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interest;
- Derecognises the cumulative translation differences, recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9, when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

Response Plus Holding PJSC

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31 December 2025

2.2 BASIS FOR CONSOLIDATION continued

Details of the Company's subsidiaries are as follows:

<i>Name of subsidiaries</i>	<i>% of equity interest</i>		<i>Place of incorporation</i>	<i>Principal activities</i>
	<i>2025</i>	<i>2024</i>		
Response Plus Medical Services LLC	100%	100%	UAE	<ul style="list-style-type: none"> - Home healthcare services - Management of medical facilities - Ambulance services - Onshore and offshore oil and gas field and facility services
Saudi Response Plus Medical Services Company	100%	100%	Kingdom of Saudi Arabia	<ul style="list-style-type: none"> - Home healthcare services - Management of medical facilities - Ambulance services - Onshore and offshore oil and gas field and facility services - Medical services complex
Occumed Clinic LLC	100%	100%	UAE	<ul style="list-style-type: none"> - Medical services complex
Response Plus Medical Services One Person LLC	100%	100%	Oman	<ul style="list-style-type: none"> - Retail sale of medical products
Response Plus Manpower Supply LLC	100%	100%	UAE	<ul style="list-style-type: none"> - Supply of medically qualified professionals.
Response Plus Investment Sole Proprietorship LLC	100%	100%	UAE	<ul style="list-style-type: none"> - Healthcare investment
Response Plus Drug Stores LLC	100%	100%	UAE	<ul style="list-style-type: none"> - Wholesale trading of pharmaceutical supplies - Medical warehousing
Health Tech Training LLC	100%	100%	UAE	<ul style="list-style-type: none"> - Training of medical staff - Onshore and offshore oil and gas field services
Response Plus India Private Limited	100%	100%	India	<ul style="list-style-type: none"> - Training of medical staff - Management of medical facilities - Ambulance services
Prometheus Medical Training Center LLC	100%	100%	UAE	<ul style="list-style-type: none"> - Technical and Occupational skills training
Prometheus Medical International AS	100%	100%	Norway	<ul style="list-style-type: none"> - Technical and Occupational skills training
Prometheus Medical International Limited	100%	100%	UK	<ul style="list-style-type: none"> - Technical and Occupational skills training
Prometheus Medical Europe SA	100%	100%	Switzerland	<ul style="list-style-type: none"> - Technical and Occupational skills training
Response Plus Medical International Limited	100%	-	UAE	<ul style="list-style-type: none"> - Healthcare Investment

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. The Group has not early adopted any new or revised standards, interpretations or amendments that have been issued but are not yet effective

- Lack of exchangeability - (Amendments to IAS 21)

The Group does not expect that the adoption of these new and amended standards and interpretations will have a material impact on its consolidated financial statements.

International Tax Reform — Pillar Two Model Rules – Amendments to IAS 12

- On 11 February 2025, the Ministry of Finance (MoF) of the United Arab Emirates (UAE) released Cabinet Decision No. 142 of 2024 on the imposition of top-up tax on Multinational Enterprises (Cabinet Decision), introducing a Domestic Minimum Top-Up Tax (DMTT) on multinational enterprises (MNEs). Effective from fiscal years starting on or after 1 January 2025, the DMTT imposes a top-up tax on low-taxed UAE entities, ensuring a minimum effective tax rate (ETR) of 15% in the UAE.
- The Group is headquartered in the UAE and is within the scope of the OECD BEPS Pillar Two Global Anti-Base Erosion Model Rules (GloBE Rules). The Group has operations in countries where Pillar Two legislation is in effect during 2025 (e.g., UAE, UK and Norway). The Group consolidated revenues does not exceed €750 million and based on the impact assessment performed by the Group, it may be able to meet certain reliefs and may not be required to pay additional taxes for the year under these tax rules in certain countries where the reliefs are legislated. The anticipated reliefs include a transitional DMTT exclusion of early phase international activity, where the UAE DMTT liability would be reduced to nil for the first 5 years provided:
 - the Multinational Enterprises (“MNE”) Group is not located in more than 6 jurisdictions;
 - the relevant entities are not subject to a qualified Income Inclusion Rule of another jurisdiction; and
 - the net book value of tangible assets across all jurisdictions other than the “reference jurisdiction” (being the jurisdiction with the highest value of tangible assets) does not exceed EUR 50 million.
- On 23 May 2023, the International Accounting Standards Board (IASB) issued amendments to IAS 12 Income Taxes (Amendments). The Amendments address concerns related to accounting and reporting of the Pillar Two income taxes. These Amendments are applicable for annual periods beginning on or after 1 January 2023. The Amendments introduce a mandatory temporary exception from recognizing and disclosing deferred taxes related to Pillar Two when the legislation is enacted. The Group has applied this mandatory exception to recognizing and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes.

Though the Group operates in a jurisdiction that has enacted and substantively enacted Pillar Two legislation but its consolidated revenue does not exceed the €750 million threshold, therefore, no additional top-up tax has been provided by the Group under the Pillar Two framework.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION

Revenue recognition

The Group recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

- Step 1* Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- Step 2* Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer. Revenue is measured at fees calculated and billed based on various tariffs agreed with insurers reduced by provision for rejections.
- Step 3* Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or providing services to a customer, excluding amounts collected on behalf of third parties.
- Step 4* Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
- Step 5* Recognise revenue when (or as) the Group satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- a) The Group's performance does not create an asset with an alternate use to the Group, and the Group has as an enforceable right to payment for performance completed to date.
- b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- c) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised goods or providing services it creates a contract-based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

Revenue streams include the following:

Contract revenue

Income from contract revenue represents services rendered for the management of customer's clinics and medical centers and it also includes supply of medical practitioners and ambulance services to corporate customers. This income is recognised on a time apportionment basis.

Medical services

Income from medical services represents services rendered from the clinic and events. This income is recognised on a time apportionment basis.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION continued

Revenue recognition continued

Medical goods

Revenue from the sale of medical goods is recognized at the point in time when control of the product is transferred to the customer, which is generally upon delivery or when the customer has accepted the goods, depending on the terms of the contract. Revenue is measured at the transaction price, net of discounts, rebates.

Revenue from training and consultancy services

Revenue from training and consultancy services includes income from providing technical and occupational skills training, as well as training for medical professionals and other consultancy services to customers. This income is recognised on a time apportionment basis.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value. Acquisition-related costs are expensed as incurred and included in other expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits, respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-based Payment at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in consolidated statement of profit or loss.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION continued

Business combinations and goodwill continued

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Changes in Group's ownership interest in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the Owner of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognised in statement of comprehensive income and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary.

The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the initial carrying amount for the purposes of subsequent accounting for the retained interest as an investment in an associate or a joint venture or financial asset.

Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Inventories

Inventories are valued at the lower of cost, determined on the basis of weighted average cost, and net realisable value. Costs are those expenses incurred in bringing each item to its present location and condition. Net realisable value is based on estimated selling price less any further costs expected to be incurred on disposal.

Property and equipment

Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Gains and losses on disposal of item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment and are recognised net within "other income" in the consolidated statement of profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.4 MATERIAL ACCOUNTING POLICY INFORMATION continued**Property and equipment** continued*Subsequent costs*

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property and equipment. All other expenditure is recognised in the consolidated statement of profit or loss as the expense is incurred.

Depreciation

Depreciation is recognised in the consolidated statement of profit or loss on a straight-line method over the estimated useful lives of property and equipment. The estimated useful lives for the current and comparative periods are as follows:

Leasehold improvements	10 years
Medical and other equipment	5-7 years
Computer and office equipment	4 years
Furniture and fixtures	4-5 years
Motor vehicles	5 years
Ambulance	5-7 Years

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

An item of equipment and vehicles and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss when the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the consolidated statement of profit or loss in the year in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit or loss in the expense category consistent with the function of the intangible asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit or loss when the asset is derecognised.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION continued

Investment properties

Investment properties are properties held to earn rental and / or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gain and losses arising from changes in the fair value of investment properties are included in the consolidated statement of profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss in the period in which the property is derecognised.

Amounts paid to purchase investment properties are initially recorded as advances on investment properties and the related capital commitments are disclosed in the commitments and contingencies. When the investment property recognition criteria are met, advances on investment properties are reclassified to investment properties.

Valuations reflect, when appropriate, the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant accommodation, the allocation of maintenance and insurance responsibilities between the Group and the lessee, and the remaining economic life of the property.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash in hand, bank balances and short-term deposits with an original maturity of three months or less.

Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are 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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the consolidated statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION continued

Financial assets

Initial recognition and measurement

The financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables and bank balance that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding.

This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- a) Financial assets at amortised cost (debt instruments, cash and cash equivalents and trade receivables);
- b) Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- c) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- d) Financial assets at fair value through profit or loss

The Group has the following financial assets:

Financial assets at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- a) The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in the consolidated statement of profit or loss when the asset is derecognised, modified, or impaired. The Group's financial assets at amortised cost include a certain portion of trade and other receivables, due from related parties and cash and bank balances.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as investment and other income in the consolidated statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION continued

Financial assets continued

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in the consolidated statement of profit or loss.

This category includes quoted equity investments which the Group has not irrevocably elected to classify at fair value through OCI. Dividends on quoted and unquoted equity investments are recognised under investment and other income in the consolidated statement of profit or loss when the right of payment has been established.

Impairment and uncollectibility of financial assets

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group assesses receivable balances on an individual basis based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The expected credit losses are recognised in the consolidated statement of profit or loss.

The Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset, is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities and equity instruments

Initial recognition and measurement

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION continued

Financial liabilities and equity instruments continued

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include borrowings, lease liabilities, accounts payable and accruals.

Subsequent measurement

The measurement of financial liabilities depends on their classification as described below:

Financial liabilities at amortised cost (loans and borrowings)

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in consolidated statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit or loss.

This category generally applies to a certain portion of trade and other payables, amounts due to related parties, lease liabilities and borrowings.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Bank loans

Bank loans are initially recognised at fair value plus directly attributable transactions costs.

After initial recognition, interest-bearing loans are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit or loss.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION continued

Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of profit or loss net of any reimbursement.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Employees' end of service benefits

The Group provides end of service benefits to its expatriate employees in United Arab Emirates and other countries the Group is operating. The entitlement to these benefits is usually based upon the employees' final salary and length of service subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

Pension contributions are made in respect of employees in accordance with law of the countries the Group operates in. Such contributions are charged to the consolidated statement of profit or loss during the employee's period of service.

Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current / non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Contingencies

Contingent liabilities are not recognised in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION continued

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets which are mainly offices are depreciated on a straight-line basis over 5 years which is the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are disclosed as a separate line-item under current and non-current portion.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the consolidated statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

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2.4 MATERIAL ACCOUNTING POLICY INFORMATION continued

Value-added Tax (VAT)

Expenses, and assets are recognised net 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; and/or
- 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 consolidated statement of financial position.

Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates, and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss, and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION continued

Taxation continued

Deferred tax continued

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Zakat

Zakat and income tax are provided for in accordance with Saudi Arabian fiscal regulations and are charged to the consolidated statement of profit or loss. Additional amounts, if any, that claimed by the become due on the finalisation of an assessment are accounted for in the year in which the assessment is finalised.

Zakat and income tax assets and liabilities for the period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the Group's tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Foreign jurisdictions

The Group's subsidiaries in Kingdom of Saudi Arabia, Norway, India, Switzerland, United Kingdom, and Oman are subject to taxation. Income tax for the current year is provided on the basis of estimated taxable income computed by the Group using tax rates, enacted, or substantially enacted at the reporting date, applicable in the respective countries in which the subsidiaries operate and any adjustment to tax in respect of previous years.

Foreign currencies

The Group's consolidated financial statements are presented in AED Dirhams, which is also the functional currency of the Group. For each entity, the Group determines the functional currency and items included in the consolidated financial statements of each entity are measured using the functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to consolidated statement of profit or loss reflects the amount that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at respective currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange at the reporting date. All differences arising on settlement or translation of monetary items are taken to the consolidated statement of comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The gain or loss arising on retranslation of non-monetary items is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

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2.4 MATERIAL ACCOUNTING POLICY INFORMATION continued

Foreign currencies continued

Transactions and balances continued

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

Fair value measurements

Fair value is the price 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.5 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7
- IFRS 18 – Presentation and Disclosure in Financial Statements
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

Except for IFRS 18, the Group does not expect that the adoption of these new and amended standards and interpretations will have a material impact on its consolidated financial statements. With respect to IFRS 18, the Group is currently in the process of assessing the possible impact on its consolidated financial statements.

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2.6 BUSINESS COMBINATION

Information on prior year acquisition

On 24 April 2024 (the “acquisition date”), the Group completed the acquisition of the Prometheus healthcare training and consultancy services business (together, “Prometheus”). The acquisition comprised:

- (i) the acquisition of 100% of the share capital of Prometheus Medical Training Center L.L.C (United Arab Emirates) and Prometheus Medical Europe S.A. (Switzerland) (along with an acquisition of business/operations by these entities and the related identifiable assets and liabilities); and
- (ii) the acquisition of the healthcare training and consultancy services business conducted in the United Kingdom, Norway and Denmark region by Prometheus Medical Limited (United Kingdom) and Safeguard Medical Nordic AS (Norway) (being an acquisition of a business/operations and the related identifiable assets and liabilities, rather than an acquisition of the share capital of those entities).

Prometheus provides technical and occupational skills training and related consultancy services. From the acquisition date, Prometheus’ results have been included in the Group’s consolidated financial statements.

The following table summarizes the recognized provisional fair values of identifiable assets acquired and liabilities assumed at the date of acquisition were as follows:

	<i>AED</i>
Non-current asset	
Property and equipment	<u>517,971</u>
Current assets	
Trade and other receivables	22,428,615
Cash and bank balances	<u>989,969</u>
Total identifiable assets acquired	<u>23,936,555</u>
Non-current liability	
Employees’ end of service benefits	<u>(457,388)</u>
Current liabilities	
Trade and other payables	<u>(6,110,161)</u>
Total liabilities assumed	<u>(6,567,549)</u>
Total net identifiable assets	<u>17,369,006</u>
Purchase consideration – paid	47,742,500
Purchase consideration – payable	<u>9,921,176</u>
Total consideration transferred	<u>57,663,676</u>
Goodwill on acquisition	<u>40,294,670</u>

In 2024, acquisition related costs amounting to AED 3,205,334 were expensed (note 8).

Analysis of cashflow on acquisition as follows:

	<i>AED</i>
Amount paid to acquire 100% interest	<u>(47,742,500)</u>
Cash acquired in business combination	<u>989,969</u>
Acquisition of business – net of cash acquired (included in cash flows from investing activities)	<u>(46,752,531)</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2.6 BUSINESS COMBINATION continued

Information on prior year acquisition continued

Prior year acquisition recognized on provisional assessment of fair values

During the year, the purchase price allocation for acquisition of above-mentioned subsidiaries was completed which resulted in the following adjustments:

- Increase in fair value of identifiable assets by AED 12,721,540
- Decrease in goodwill by AED 12,721,540
- Increase in amortization and accumulated amortization of intangible asset by AED 1,211,575
- Increase in deferred tax expense and corresponding deferred tax liability on carrying value of intangible asset by 1,035,897

The relevant adjustments are posted in the consolidated statement of financial position retrospectively in accordance with the requirements of IFRS 3 Business Combination and following reclassifications/adjustments have been made in the consolidated statement of financial position:

	<i>Fair values as per provisional PPA AED</i>	<i>Fair values as per final PPA AED</i>
<i>31 December 2024 (audited)</i>		
<i>Assets</i>		
Goodwill	40,294,670	27,573,130
Intangible assets (customer contracts)	-	12,721,540
<i>Liability</i>		
Deferred tax liability	-	1,035,897
<i>Retained earnings</i>		
Amortization of intangible assets	-	(1,211,575)
Deferred tax expense	-	(1,035,897)
Total	-	(2,247,472)

No adjustments have been recorded in the consolidated statement of profit or loss and consolidated statement of comprehensive income, as the resulting impact is not material to the consolidated financial statements.

The fair value measurement is based on significant inputs that are not observable in the market.

3 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements in conformity with International Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of financial assets and liabilities and the disclosure of contingent liabilities. These judgments estimates and assumptions also affect the revenue, expenses, and provisions as well as fair value changes. Actual results may differ from these estimates.

These judgments, estimates and assumptions may affect the reported amounts in subsequent financial years. Estimates and judgments are currently evaluated and are based on historical experience and other factors.

3 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS continued

The key judgments, estimates and assumptions that have a significant impact on the consolidated financial statements of the Group are discussed below:

Judgements

Identifying performance obligations

At inception of the contract with customers, the Group assesses the performance obligations embedded in the contracts. Based on the assessment, the Group has concluded that sale of goods and healthcare services is generally expected to be the performance obligation. Management considers other incidental services are integral part of healthcare services and not capable of being distinct in the context of contract with the customers. There are no other performance obligations or benefits derived by the customers from the contracts.

Determining method to estimate variable consideration and assessing the constraint

Certain contracts for the sale of medical goods include rights of return and discounts, giving rise to variable consideration. The Group estimates variable consideration using either the expected value method or the most likely amount method, selecting the method that best predicts the consideration to which it expects to be entitled. The Group applies the expected value method. Variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal of revenue will not occur when the uncertainty is resolved. In assessing the constraint, the Group considers historical experience, current and expected sales trends and mix, contractual terms, and prevailing economic conditions. Based on this assessment, the Group concludes that variable consideration recognized is not constrained at the reporting date.

Transfer of control in contracts with customers

Where a performance obligation is satisfied at a point in time, the Group recognises revenue when goods are delivered or services rendered to the customer and control transfers. Control is considered to transfer when the customer has the ability to direct the use of and obtain substantially all of the remaining benefits from the goods or services.

Principal versus agent considerations (judgement relating to revenue recognition)

The Group enters into contracts with its customers for supply of goods and services. The Group determined that it controls the goods and services before they are transferred to customers, and it has the ability to direct the use or obtain benefits from the good or services. The following factors indicate that the Group controls the goods and services before they are being transferred to customers. Therefore, the Group determined that it is a principal in all its revenue arrangements.

- The Group is primarily responsible for fulfilling the promise to provide the specified goods or services.
- The Group has inventory risk before the specified goods has been transferred to the customers.
- The Group has discretion in establishing the price for the specified goods or services.
- The Group is exposed to all the credit risks associated with the revenue arrangement.

Also, each contractual arrangement with individual doctors is assessed against specific criteria to determine whether the Group is acting as principal or agent in the arrangement with these doctors. The Group has determined that it is acting as Principal in these arrangements if it has the responsibility for providing the medical services to the patient, it acts as the primary obligator and it bears the risk of providing the medical service.

Business combinations

Accounting for the acquisition of a business requires the allocation of the purchase price to the various assets and liabilities of the acquired business. For most assets and liabilities, the purchase price allocation is accomplished by recording the asset or liability at its estimated fair value. Determining the fair value of assets acquired and liabilities assumed requires judgment by management and often involves the use of significant estimates and assumptions, including assumptions with respect to future cash inflows and outflows, discount rates, the useful lives of assets and market multiples. The Group's management uses all available information to make these fair value determinations.

3 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS continued

Use of estimates and assumptions

The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur. Certain of these accounting policies require critical accounting estimates that involve complex and subjective judgments and the use of assumptions, some of which may be for matters that are inherently uncertain and susceptible to change. Such critical accounting estimates could change from period to period and have a material impact on the Group's results of operations, consolidated financial positions and cash flows.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. The non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in arm's length transactions of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating units being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Provision for expected credit losses

The expected credit loss (ECL) impairment model requires forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. It also requires management to assign probability of default to various categories of receivables. Probability of default constitutes a key input in measuring an ECL and entails considerable judgement; it is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions, and expectations of future conditions.

Leases – estimating the incremental borrowing rate

Where the Group cannot readily determine the interest rate implicit in the lease, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Fair value of financial instruments

When the fair value of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

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3 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS continued**Change in accounting estimate for useful life of property and equipment**

During the year, the Group reviewed and revised the estimated useful lives of motor vehicles from 5 years to 7 years. This review was conducted as part of its regular assessment of the actual usage, wear and tear, and technological advancements affecting the assets. The estimated useful lives of the motor vehicles have been revised based on the current assessment of the period over which the assets are expected to be utilized by the Group. The change in the estimated useful lives reflects a more realistic expectation of the period over which the assets will generate economic benefits for the Group.

This change has been accounted for as a change in accounting estimate in accordance with the requirements of IAS 8. Accordingly, the effect of this change has been recognized prospectively in the consolidated statement of profit or loss. These changes in accounting estimates have an impact on depreciation expense for the current period. Had there been no change in estimate of useful lives of motor vehicles, depreciation expense pertaining to motor vehicles for the year would have been higher by AED 1,932,924. The expected impact on future periods will depend on the remaining carrying amounts and the revised useful lives of the affected motor vehicles.

4 REVENUE

	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
Type of revenue from goods and services		
Contract revenue	356,689,917	324,413,226
Medical services	111,490,093	74,551,888
Medical goods	12,769,902	30,602,056
Training, consultancy and other services	<u>35,104,633</u>	<u>25,408,785</u>
	<u>516,054,545</u>	<u>454,975,955</u>
Timing of revenue recognition		
Services transferred at the point in time	503,284,643	424,373,899
Goods transferred at the point in time	<u>12,769,902</u>	<u>30,602,056</u>
	<u>516,054,545</u>	<u>454,975,955</u>
Geographical locations		
United Arab Emirates	418,055,147	381,183,332
Kingdom of Saudi Arabia	81,829,381	64,373,224
Others	<u>16,170,017</u>	<u>9,419,399</u>
	<u>516,054,545</u>	<u>454,975,955</u>

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5 STAFF COSTS

	2025 <i>AED</i>	2024 <i>AED</i>
Salaries and wages	285,601,317	215,616,179
Employees' end of service benefits (note 17)	5,378,452	5,398,479
Other employees' benefits	<u>40,983,433</u>	<u>51,910,362</u>
	<u>331,963,202</u>	<u>272,925,020</u>

6 MATERIALS AND OUTSOURCED SERVICE COST

	2025 <i>AED</i>	2024 <i>AED</i>
Consumables and equipment	39,085,142	37,911,460
Laboratory outsource cost	5,854,102	4,347,807
Training and other material cost	<u>3,793,905</u>	<u>2,143,287</u>
	<u>48,733,149</u>	<u>44,402,554</u>

7 FINANCE COST

	2025 <i>AED</i>	2024 <i>AED</i>
Finance cost on borrowings	2,377,666	2,605,821
Interest on lease liabilities (note 10)	<u>379,329</u>	<u>214,760</u>
	<u>2,756,995</u>	<u>2,820,581</u>

8 OTHER EXPENSES

	2025 <i>AED</i>	2024 <i>AED</i>
Legal and professional	8,903,890	8,942,138
Transportation	7,723,049	5,400,330
Repairs and maintenance	5,791,011	5,968,890
Marketing	5,036,040	2,142,051
Events	3,299,026	1,941,703
Depreciation of right of use assets (note 10)	2,184,762	1,689,715
Acquisition costs (note 2.6)	-	3,205,334
Others	<u>14,104,123</u>	<u>15,765,842</u>
	<u>47,041,901</u>	<u>45,056,003</u>

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9 PROPERTY AND EQUIPMENT

	<i>Leasehold improvements AED</i>	<i>Medical and other equipment AED</i>	<i>Computer and office equipment AED</i>	<i>Furniture and fixtures AED</i>	<i>Ambulance and motor vehicles AED</i>	<i>Total AED</i>
2025						
Cost:						
At 1 January 2025	12,636,836	21,169,138	5,087,938	4,272,767	70,413,335	113,580,014
Additions	1,066,914	5,415,521	2,262,346	714,015	23,863,234	33,322,030
Disposals	-	-	(5,930)	(3,476)	-	(9,406)
Foreign exchange movement	5,751	(130,009)	(168,994)	16,522	265,165	(11,565)
At 31 December 2025	<u>13,709,501</u>	<u>26,454,650</u>	<u>7,175,360</u>	<u>4,999,828</u>	<u>94,541,734</u>	<u>146,881,073</u>
Accumulated depreciation:						
At 1 January 2025	4,883,710	6,593,240	2,728,493	2,983,824	31,909,598	49,098,865
Charge for the year	1,257,091	3,011,574	1,119,947	599,002	8,759,704	14,747,318
Disposal	-	-	(2,373)	(1,255)	-	(3,628)
At 31 December 2025	<u>6,140,801</u>	<u>9,604,814</u>	<u>3,846,067</u>	<u>3,581,571</u>	<u>40,669,302</u>	<u>63,842,555</u>
Net carrying amount:						
At 31 December 2025	<u>7,568,700</u>	<u>16,849,836</u>	<u>3,329,293</u>	<u>1,418,257</u>	<u>53,872,432</u>	<u>83,038,518</u>
2024						
Cost:						
At 1 January 2024	8,623,081	14,285,334	3,753,124	3,767,043	51,094,432	81,523,014
Acquired through business combination (note 2.6)	106,883	364,975	54,950	10,727	18,297	555,832
Additions	3,906,872	6,518,829	1,279,864	494,997	19,718,723	31,919,285
Disposals	-	-	-	-	(418,117)	(418,117)
At 31 December 2024	<u>12,636,836</u>	<u>21,169,138</u>	<u>5,087,938</u>	<u>4,272,767</u>	<u>70,413,335</u>	<u>113,580,014</u>
Accumulated depreciation:						
At 1 January 2024	3,594,155	4,935,223	2,056,865	2,578,618	23,022,274	36,187,135
Acquired through business combination (note 2.6)	-	37,861	-	-	-	37,861
Charge for the year	1,289,555	1,620,156	671,628	405,206	9,000,896	12,987,441
Disposal	-	-	-	-	(113,572)	(113,572)
At 31 December 2024	<u>4,883,710</u>	<u>6,593,240</u>	<u>2,728,493</u>	<u>2,983,824</u>	<u>31,909,598</u>	<u>49,098,865</u>
Net carrying amount:						
At 31 December 2024	<u>7,753,126</u>	<u>14,575,898</u>	<u>2,359,445</u>	<u>1,288,943</u>	<u>38,503,737</u>	<u>64,481,149</u>

10 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group has leased office premises. movement in right-of-use assets is as follows:

	<i>2025 AED</i>	<i>2024 AED</i>
At 1 January	5,979,932	766,014
Addition	1,079,559	6,903,633
Depreciation expense	<u>(2,184,762)</u>	<u>(1,689,715)</u>
At 31 December	<u>4,874,729</u>	<u>5,979,932</u>

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10 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES continued

The movement in lease liabilities are as follows:

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
At 1 January	5,538,488	818,712
Additions	1,079,559	6,903,633
Interest expense for the year	379,329	214,760
Payments during the year	<u>(2,175,026)</u>	<u>(2,398,617)</u>
At 31 December	<u>4,822,350</u>	<u>5,538,488</u>

Lease liabilities are presented in the consolidated statement of financial position as follows:

Non-current liabilities	2,348,896	3,989,096
Current liabilities	<u>2,473,454</u>	<u>1,549,392</u>
At 31 December	<u>4,822,350</u>	<u>5,538,488</u>

The following are the amounts recognised in the consolidated statement of profit or loss:

Depreciation expense of right-of-use assets (note 8)	<u>2,184,762</u>	<u>1,689,715</u>
Interest expense on lease liabilities (note 7)	<u>379,329</u>	<u>214,760</u>
Rent expense relating to short term leases	<u>8,070,716</u>	<u>2,563,169</u>

11 INTANGIBLE ASSETS AND GOODWILL

	<i>Goodwill</i> <i>AED</i>	<i>Customer</i> <i>contracts</i> <i>AED</i>	<i>Total</i> <i>AED</i>
Cost:			
At 1 January 2025 – restated (note 2.6)	<u>27,573,130</u>	<u>12,721,540</u>	<u>40,294,670</u>
At 31 December 2025	<u>27,573,130</u>	<u>12,721,540</u>	<u>40,294,670</u>
Accumulated amortization:			
At 1 January 2025 – restated (note 2.6)	-	1,211,575	1,211,575
Charge for the period	-	<u>1,817,681</u>	<u>1,817,681</u>
At 31 December 2025	-	<u>3,029,256</u>	<u>3,029,256</u>
Carrying amount:			
At 31 December 2025	<u>27,573,130</u>	<u>9,692,284</u>	<u>37,265,414</u>
At 31 December 2024 – restated (note 2.6)	<u>27,573,130</u>	<u>11,509,965</u>	<u>39,083,095</u>

Customer contracts are amortized over a period of seven years, consistent with their expected economic benefit.

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12 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

In 2021, the Group invested in an India-based company. The investment is classified as fair value through other comprehensive income (FVOCI) and measured using Level 2 inputs. This investment is irrevocably designated at fair value through OCI as the Group considers this investment to be of strategic nature. During the year, a decline in fair value was recognised in other comprehensive income based on management's assessment as at the reporting date.

	2025 AED	2024 AED
At 1 January	5,925,609	7,914,931
Unrealised fair value loss	<u>(2,338,511)</u>	<u>(1,989,322)</u>
At 31 December	<u>3,587,098</u>	<u>5,925,609</u>

13 TRADE AND OTHER RECEIVABLES

	2025 AED	2024 AED
Trade receivables	146,313,703	134,350,914
Less: provision for expected credit losses	<u>(24,904,091)</u>	<u>(24,222,254)</u>
	121,409,612	110,128,660
Unbilled receivables	46,408,272	41,594,444
Deposits	14,258,827	23,030,530
Prepayments	11,298,881	10,042,387
Advances and other receivables	<u>14,387,443</u>	<u>4,917,777</u>
	<u>207,763,035</u>	<u>189,713,798</u>

Movement in the provision for expected credit losses is as follows:

At 1 January 2025	24,222,254	22,514,338
Charge for the year	<u>681,837</u>	<u>1,707,916</u>
At 31 December 2025	<u>24,904,091</u>	<u>24,222,254</u>

As at 31 December, the ageing analysis of gross trade receivable is as follows:

	Total AED	0-30 days AED	31 – 180 days AED	180 – 360 days AED	>360 days AED
31 December 2025					
Expected credit loss rate	17%	0%	3%	22%	100%
Gross carrying amount at default	146,313,703	49,072,559	67,710,851	8,447,768	21,082,525
Less: expected credit losses	<u>(24,904,091)</u>	<u>(127,641)</u>	<u>(1,860,101)</u>	<u>(1,833,824)</u>	<u>(21,082,525)</u>
	<u>121,409,612</u>	<u>48,944,918</u>	<u>65,850,750</u>	<u>6,613,944</u>	<u>-</u>

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13 TRADE AND OTHER RECEIVABLES continued

	<i>Total</i>	<i>0-30</i>	<i>31 – 180</i>	<i>180 – 360</i>	<i>>360 days</i>
	<i>AED</i>	<i>days</i>	<i>days</i>	<i>days</i>	<i>AED</i>
		<i>AED</i>	<i>AED</i>	<i>AED</i>	
<i>31 December 2024</i>					
Expected credit loss rate	18%	0%	7%	13%	100%
Gross carrying amount at default	134,350,914	70,811,683	33,161,535	9,732,449	20,645,247
Less: expected credit losses	<u>(24,222,254)</u>	<u>-</u>	<u>(2,320,878)</u>	<u>(1,256,129)</u>	<u>(20,645,247)</u>
	<u>110,128,660</u>	<u>70,811,683</u>	<u>30,840,657</u>	<u>8,476,320</u>	<u>-</u>

14 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties are the shareholders, key management and the entities in which the shareholders have the ability to control or exercise significant influence in operating and financial decisions. The Group maintains balances with related parties as follows that arise from transactions at rates agreed between the parties.

	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
<i>Amounts due from related parties:</i>		
Entities under common control	<u>13,342,257</u>	<u>20,935,574</u>
<i>Amounts due to related parties:</i>		
Entities under common control	<u>179,189</u>	<u>79,865</u>

Terms and conditions with related parties

Outstanding balances at the year-end arise in the normal course of business and due to receipt and payment transactions. The Group have not recorded any impairment of amounts due from related parties. This assessment is undertaken each reporting date through examining the financial position of the related party and the market in which the related party operates.

During the year, the Group entered into the following transactions with the related parties:

	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
Revenue	<u>18,056,740</u>	<u>15,144,893</u>
Purchases	<u>177,107</u>	<u>168,058</u>
Directors' fees	<u>2,100,000</u>	<u>2,100,000</u>
Remuneration of key management personnel	<u>2,728,097</u>	<u>2,258,492</u>

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15 SHARE CAPITAL

	2025 AED	2024 AED
Authorised, issued and fully paid shares.		
200,000,000 ordinary shares (2024: 200,000,000 shares) of AED 1 each (2024: AED 1 each)	<u>200,000,000</u>	<u>200,000,000</u>

15.1 Other reserves

Other reserves represent statutory reserves relating to subsidiaries. These reserves are not available for distribution except in such circumstances as specified in the relevant laws and regulations applicable to the respective entities in their country of incorporation.

15.2 Shareholder's account

Shareholders' account represents funds provided by a founding shareholder of the Company, towards meeting the Group's long term capital requirements. These funds are unsecured, interest free and repayment is at the discretion of the Company. During the year, following a repayment request and the necessary internal review and approvals, the board approved to repay an amount of AED 8,000,000 (2024: AED nil) to the founding shareholder.

16 BORROWINGS

	2025		2024	
	Current AED	Non-current AED	Current AED	Non-current AED
Term loan (note a)	5,250,000	24,500,000	5,250,000	29,750,000
Short term finance facilities (note b)	<u>13,016,748</u>	-	-	-
	<u>18,266,748</u>	<u>24,500,000</u>	<u>5,250,000</u>	<u>29,750,000</u>

(a) On 20 November 2024, the Group, through its subsidiaries, entered into a financing agreement with an Islamic bank based in Abu Dhabi for a facility of AED 35 million. The facility is repayable in ten semi-annual instalments over a five-year term, commencing in November 2024. The facility is secured by an assignment of certain receivables, a pledge of shares, and a corporate guarantee provided by Group subsidiaries.

(b) The Group obtained finance facilities from a bank in United Arab Emirates to meet its working capital requirements. The facility carries interest at prevailing market rates plus a spread.

17 EMPLOYEES' END OF SERVICE BENEFITS

	2025 AED	2024 AED
At 1 January	17,966,242	13,450,494
Acquired through business combination (note 2.6)	-	457,388
Charge for the year (note 5)	5,378,452	5,398,479
Paid during the year	<u>(3,093,293)</u>	<u>(1,340,119)</u>
At 31 December	<u>20,251,401</u>	<u>17,966,242</u>

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18 TRADE AND OTHER PAYABLES

	2025 <i>AED</i>	2024 <i>AED</i>
Trade payables	37,142,495	40,133,801
Staff costs payable	14,403,754	12,059,198
VAT payable	3,282,661	2,751,891
Accrued expenses	7,849,398	6,915,581
Other payables	<u>4,009,128</u>	<u>3,496,130</u>
	<u>66,687,436</u>	<u>65,356,601</u>

19 TAXATION AND ZAKAT

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the consolidated statement of profit or loss are:

Taxation and Zakat recognized in the consolidated statement of profit or loss

	2025 <i>AED</i>	2024 <i>AED</i>
<i>Current income tax expense:</i>		
United Arab Emirates (UAE)	5,070,309	5,099,836
Kingdom of Saudi Arabia	404,596	1,004,634
Switzerland	14,279	-
Norway	<u>-</u>	<u>322,368</u>
Total current income tax expense	<u>5,489,184</u>	<u>6,426,838</u>
<i>Deferred tax benefit:</i>		
Relating to origination and reversal of temporary differences		
United Kingdom	(1,249,012)	-
Norway	(64,495)	-
United Arab Emirates	<u>(163,561)</u>	<u>-</u>
Total deferred tax benefit	<u>(1,477,068)</u>	<u>-</u>
Income tax expense	<u>4,012,116</u>	<u>6,426,838</u>
<i>Zakat expense – Kingdom of Saudi Arabia</i>		
Zakat expense	<u>241,648</u>	<u>215,537</u>
Income tax and zakat expense	<u>4,253,764</u>	<u>6,642,375</u>

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19 TAXATION AND ZAKAT continued

Reconciliation of accounting income

	2025 AED	2024 AED
Accounting profit before tax	54,210,077	60,123,900
Loss / (profit) from foreign entities	<u>969,176</u>	<u>(6,093,458)</u>
Accounting profit from the UAE entities	<u>55,179,253</u>	<u>54,030,442</u>
At United Arab Emirates' statutory income tax rate of 9% (2024: 9%)	4,966,133	4,862,740
Less: deferred tax income relating to reversal and origination of temporary differences	(1,477,068)	-
Add: tax related to foreign entities	540,410	1,327,002
Add: other tax adjustments	<u>(17,359)</u>	<u>237,096</u>
Income tax expense reported in the consolidated statement of profit of loss	<u>4,012,116</u>	<u>6,426,838</u>
Effective tax rate	<u>7.3%</u>	<u>10.7%</u>

Income tax and Zakat payable

	2025 AED	2024 AED
Income tax payable	5,640,885	6,426,838
Zakat payable	<u>213,724</u>	<u>215,537</u>
	<u>5,854,609</u>	<u>6,642,375</u>

Income tax payable – United Arab Emirates, Kingdom of Saudi Arabia, Switzerland and Norway

The movement in the income tax payable is as follows:

At 1 January	6,426,838	511,787
Current tax expense during the year	5,489,184	6,426,838
Tax paid during the year	<u>(6,275,137)</u>	<u>(511,787)</u>
At 31 December	<u>5,640,885</u>	<u>6,426,838</u>

Zakat – Kingdom of Saudi Arabia

The movement in the zakat payable account is as follows:

At 1 January	215,537	62,509
Zakat expense during the year	241,648	215,537
Paid during the year	<u>(243,461)</u>	<u>(62,509)</u>
At 31 December	<u>213,724</u>	<u>215,537</u>

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31 December 2025

19 TAXATION AND ZAKAT continued

Status of assessments

The Group has filed the zakat and income tax returns for all years up to 31 December 2024. The Group is under the process of filing zakat and income tax returns for the current year.

Deferred tax liability / asset is presented in the consolidated statement of financial position as follows:

	2025 AED	2024 AED
Deferred tax asset	1,313,507	-
Deferred tax liability	<u>(872,336)</u>	<u>(1,035,897)</u>
At 31 December	<u>441,171</u>	<u>(1,035,897)</u>

Deferred tax asset:

The movement in the deferred tax asset is as follows:

	2025 AED	2024 AED
At 1 January	-	-
Tax benefit for the year	<u>1,313,507</u>	<u>-</u>
At 31 December	<u>1,313,507</u>	<u>-</u>

As at the reporting date, deferred tax asset comprised of:

Tax losses	<u>1,313,507</u>	<u>-</u>
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Deferred tax liability:

The movement in the deferred tax liability is as follows:

At 1 January	(1,035,897)	-
Related to business combination (note 2.6)	-	(1,035,897)
Tax benefit for the year	<u>163,561</u>	<u>-</u>
At 31 December	<u>(872,336)</u>	<u>(1,035,897)</u>

As at the reporting date, deferred tax liability comprised of:

Intangible assets (customer contracts)	<u>(872,336)</u>	<u>(1,035,897)</u>
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20 CONTINGENT LIABILITIES

	2025 <i>AED</i>	2024 <i>AED</i>
Letters of guarantees	<u>50,768,943</u>	<u>43,422,066</u>
Capital commitments	<u>1,271,290</u>	<u>14,183,708</u>

At 31 December 2025, the subsidiaries had capital expenditure commitments and contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business from which it is anticipated that no material liabilities will arise.

21 SEGMENT REPORTING

For management purposes, the Group is organised into business units or segments based on its products and services and has two reportable segments as follows:

1. Medical services and occupational health
2. Training and consulting.

The Chief Executive Officer of the Group is the Chief Operating Decision Maker (CODM) and monitors the operating results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. Also, income taxes are managed on a Group basis and are not allocated to operating segments.

Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

31 December 2025	Medical Services & Occupational health <i>AED</i>	Training & consulting <i>AED</i>	Total Segments <i>AED</i>
Segment revenues	<u>471,222,953</u>	<u>44,831,592</u>	<u>516,054,545</u>
Segment profits before tax	<u>51,711,167</u>	<u>2,498,910</u>	<u>54,210,077</u>
Segment assets	<u>356,119,086</u>	<u>31,101,592</u>	<u>387,220,678</u>
Segment liabilities	<u>135,013,191</u>	<u>6,420,878</u>	<u>141,434,069</u>
31 December 2024	Medical Services & Occupational health <i>AED</i>	Training & consulting <i>AED</i>	Total Segments <i>AED</i>
Segment revenues	<u>425,026,366</u>	<u>29,949,589</u>	<u>454,975,955</u>
Segment profits before tax	<u>58,571,142</u>	<u>1,552,758</u>	<u>60,123,900</u>
Segment assets – restated	<u>344,872,392</u>	<u>31,032,371</u>	<u>375,904,763</u>
Segment liabilities – restated	<u>122,940,747</u>	<u>8,678,721</u>	<u>131,619,468</u>

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22 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit for the year of the Group by the weighted average number of shares in issue throughout the year as follows:

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
Profit attributable to the owners of the Company (AED)	<u>49,956,313</u>	<u>53,481,525</u>
Weighted average number of shares (shares)	<u>200,000,000</u>	<u>200,000,000</u>
Basic earnings per share for the year (AED)	<u><u>0.25</u></u>	<u><u>0.27</u></u>

There are no dilutive instruments therefore, diluted earnings per share is the same as basic earnings per share.

23 RISK MANAGEMENT

The Group's principal financial liabilities consist of loans & borrowings, accounts payable, amounts due to related parties, lease liability and certain other liabilities. The main purpose of the financial liabilities is to finance the Group's operations. The Group has various financial assets such as accounts receivable, amounts due from related parties and bank balances and cash and certain other assets, which arise directly from its operations. The group also holds investment in equity instruments.

The main risks arising from the Group's financial instruments are liquidity risk, foreign currency risk and credit risk. Management reviews and agrees policies for managing each of these risks which are summarised below:

Credit risk

The Group trades only with recognised, creditworthy third parties. Receivable balances are monitored on an ongoing basis with the result that the Group's exposure to credit losses is not significant. The maximum exposure is the carrying amount as disclosed in note 13. The Group's five largest customers account for approximately 39% of outstanding accounts receivable at 31 December 2025 (2024: 60%). The average credit period on trade receivables is 120 days (2024: 120 days). Credit risk is limited to the carrying values of financial assets in the consolidated statement of financial position.

Foreign currency risk

Foreign currency risk comprises of transaction and consolidated statement of financial position risk. Foreign currency risk relates to the Group's cash flow being adversely affected by a change in the exchange rates of foreign currencies against UAE Dirhams. Consolidated statement of financial position risk relates to the risk of the Group's monetary assets and liabilities in foreign currencies acquiring a lower or higher value, when translated into UAE Dirhams, as a result of currency movements.

Foreign currency risk is limited since a significant proportion of the Group's transactions, monetary assets and liabilities are in UAE Dirhams and Saudi Riyals (SAR). As the Saudi Riyals and UAE Dirhams is pegged to the US Dollar, balances in Saudi Riyals are not considered to represent significant currency risk. Balances in UK Pound, Norwegian Krone and Swiss Franc are immaterial and hence, do not represent significant currency risk.

Liquidity risk

Liquidity risk refers to the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities at maturity date.

The Group manages the liquidity risk through risk management framework for the Group's short, medium, and long-term funding and liquidity management requirements by maintaining adequate reserves, sufficient cash and cash equivalent to ensure funds are available from operations and related parties to meet its commitments for liabilities as they fall due.

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23 RISK MANAGEMENT continued

Liquidity risk continued

The table given below analyses the Group's remaining contractual maturity for its financial liabilities based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. The contractual maturity is based on the earliest date on which the Group may be required to pay.

	<i>Less than 3 months AED</i>	<i>3 to 12 months AED</i>	<i>1 to 5 years AED</i>	<i>Total AED</i>
2025				
Trade and other payables	25,218,636	30,336,742	-	55,555,378
Lease liabilities	957,834	1,838,279	3,053,987	5,850,100
Term loan	224,267	6,503,711	27,261,978	33,989,956
Short term finance facilities	13,206,969	-	-	13,206,969
Amounts due to related parties	-	179,189	-	179,189
Total	<u>39,607,706</u>	<u>38,857,921</u>	<u>30,315,965</u>	<u>108,781,592</u>
2024				
Trade and other payables	12,260,411	43,428,718	-	55,689,129
Lease liabilities	90,476	1,779,476	4,462,236	6,332,188
Term loan	254,778	7,113,834	33,873,812	41,242,424
Amounts due to related parties	-	79,865	-	79,865
Total	<u>12,605,665</u>	<u>52,401,893</u>	<u>38,336,048</u>	<u>103,343,606</u>

Changes in liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows used in financing activities.

	<i>1 January 2025 AED</i>	<i>Net cash flows AED</i>	<i>Other AED</i>	<i>31 December 2025 AED</i>
Current:				
Borrowings	5,250,000	13,016,748	-	18,266,748
Non-current:				
Borrowings	29,750,000	(5,250,000)	-	24,500,000
Total	<u>35,000,000</u>	<u>7,766,748</u>	<u>-</u>	<u>42,766,748</u>
	<i>1 January 2024 AED</i>	<i>Net cash flows AED</i>	<i>Other AED</i>	<i>31 December 2024 AED</i>
Current:				
Borrowings	71,343	5,178,657	-	5,250,000
Non-current:				
Borrowings	-	29,750,000	-	29,750,000
Total	<u>71,343</u>	<u>34,928,657</u>	<u>-</u>	<u>35,000,000</u>

Response Plus Holding PJSC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

23 RISK MANAGEMENT continued

Liquidity risk continued

Changes in lease liabilities arising from financing activities continued

	<i>1 January 2025 AED</i>	<i>Cash flows AED</i>	<i>Other AED</i>	<i>31 December 2025 AED</i>
Current:				
Lease liabilities	1,549,392	(2,175,026)	3,099,088	2,473,454
Non-current:				
Lease liabilities	<u>3,989,096</u>	-	<u>(1,640,200)</u>	<u>2,348,896</u>
Total	<u>5,538,488</u>	<u>(2,175,026)</u>	<u>1,458,888</u>	<u>4,822,350</u>
	<i>1 January 2024 AED</i>	<i>Cash flows AED</i>	<i>Other AED</i>	<i>31 December 2024 AED</i>
Current:				
Lease liabilities	418,032	(2,398,617)	3,529,977	1,549,392
Non-current:				
Lease liabilities	<u>400,680</u>	-	<u>3,588,416</u>	<u>3,989,096</u>
Total	<u>818,712</u>	<u>(2,398,617)</u>	<u>7,118,393</u>	<u>5,538,488</u>

The 'Other' column includes the impact of reclassification of the non-current portion of lease liabilities to current due to the passage of time, accretion of interest on lease liabilities and new leases entered into by the Group during the year. Interest on lease liabilities is classified as cash flows from operating activities.

Capital management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in business conditions. No changes were made in the objectives, policies or processes during the years ended 31 December 2025 and 31 December 2024.

24 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values of financial assets and financial liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices at the close of the business on the reporting date.
- The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

24 FAIR VALUE OF FINANCIAL INSTRUMENTS continued**Fair value of the Group's assets that are measured at fair value on recurring basis**

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable and gives information about how the fair value of these financial assets are determined.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table gives information about how the fair value of the Group's assets are determined.

<i>Financial assets</i>	<i>Fair value as at</i>		<i>Fair value hierarchy</i>	<i>Valuation techniques and key inputs</i>	<i>Significant unobservable input</i>	<i>Relationship of unobservable inputs to fair value</i>
	<i>31 December 2025</i>	<i>31 December 2024</i>				
	<i>AED</i>	<i>AED</i>				
Non-listed equity investments	3,587,098	5,925,609	Level 2	Secondary market price	None	Not applicable

There were no transfers between each of levels during the year. There are no financial liabilities which should be measured at fair value and accordingly no disclosure is made in the above table.

25 DIVIDEND

The Board of Directors of the Company at their meeting held on 13 March 2025 have declared cash dividend of AED 20 million for the year ended 31 December 2024 which was paid during the year. The Company also paid an interim dividend of AED 18 million during the year which was declared on 30 July 2025 and was paid during the year.

In 2024, the Company paid a dividend of AED 20 million which was declared by the Board of Directors of the Company at their meeting held on 21 March 2024. The Company also paid an interim dividend of AED 15 million during the year which was declared on 12 August 2024.

26 COMPARATIVE FIGURES

Where necessary, certain comparative figures have been reclassified, to conform to the presentation adopted in the current year's consolidated financial statements. Such reclassifications have no impact on the Group's total assets, total liabilities, total equity, or profit.