



20 February 2020

Mr. Hassan Abdulrahman Al Serkal
Executive Vice President -Head of Operations Division
Dubai Financial Market, United Arab Emirates

Subject: Agility's BOD results

Reference to the above mentioned subject, kindly be informed that Agility's Board of Directors has met on Thursday February 20, 2020 at 1:30 pm and discussed the financial results for the period ending in 31 December 2019 as per the attached template.

And pursuant to the requirements of Bursa Kuwait, resolution no. (1) of 2018, we wish to inform you that the quarterly Analyst/ Investors Conference will be held through a Live Webcast on Monday 2 March 2020 at 2:00 pm local time. Interested parties can visit our website www.agility.com under News or Investor Relations page for instructions on how to participate in the aforementioned conference. For any clarifications, please reach us at investor@agility.com.

Best Regards,

Tarek Abdulaziz Sultan Al Essa
Vice Chairman and CEO



Financial Results Form
Kuwaiti Company (KWD)

نموذج نتائج البيانات المالية
الشركات الكويتية (د.ك.ع)

Select from the list	2019-12-31	اختر من القائمة
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Company Name	اسم الشركة
Agility Public Warehousing Company KSCP	شركة أجيليتي للمخازن العمومية ش.م.ك.ع
Board of Directors Meeting Date	تاريخ اجتماع مجلس الإدارة
2020-02-20	
Required Documents	المستندات الواجب إرفاقها بالنموذج
☒ Approved financial statements	☒ نسخة من البيانات المالية المعتمدة
☒ Approved auditor's report	☒ نسخة من تقرير مراقب الحسابات المعتمد

التغيير (%) Change (%)	السنة المقارنة Comparative Year	السنة الحالية Current Year	البيان Statement
	2018-12-31	2019-12-31	
7.0%	81,110,000	86,759,000	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
7.0%	48.75	52.14	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
1.1%	584,810,000	591,210,000	الموجودات المتداولة Current Assets
13.0%	1,843,159,000	2,082,134,000	إجمالي الموجودات Total Assets
-3.2%	506,475,000	490,478,000	المطلوبات المتداولة Current Liabilities
20.0%	776,925,000	932,564,000	إجمالي المطلوبات Total Liabilities
8.6%	1,013,539,000	1,100,380,000	إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company
1.8%	1,550,190,000	1,578,563,000	إجمالي الإيرادات التشغيلية Total Operating Revenue
6.5%	118,847,000	126,544,000	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)
لا يوجد Nil	لا يوجد Nil	لا يوجد Nil	الخسائر المتراكمة / رأس المال المدفوع Accumulated Loss / Paid-Up Share Capital

التغيير (%) Change (%)	الربع الرابع المقارن Fourth quarter Comparative Year 2018-12-31	الربع الرابع الحالي Fourth quarter Current Year 2019-12-31	البيان Statement
4.4%	22,212,000	23,184,000	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
4.3%	13.35	13.93	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
0.8%	399,777,000	402,809,000	إجمالي الإيرادات التشغيلية Total Operating Revenue
-2.7%	31,726,000	30,858,000	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)

• Not Applicable for first Quarter

• لا ينطبق على الربع الأول

سبب ارتفاع/انخفاض صافي الربح (الخسارة)	Increase/Decrease in Net Profit (Loss) is due to
يعود سبب ارتفاع صافي الربح السنوي الى الزيادة في الارباح التشغيلية	Increase in net profit for the full year is due to increase in operating profits
بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)	Total Revenue realized from dealing with related parties (value, KWD)
9,601,000	9,601,000
بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)	Total Expenditures incurred from dealing with related parties (value, KWD)
496,000	496,000

Corporate Actions		استحقاقات الأسهم (الإجراءات المؤسسية)	
النسبة	القيمة		
20%	20 فلس للسهم الواحد 20 fils per share	توزيعات نقدية Cash Dividends	
10%	10 أسهم لكل 100 سهم 10 shares for every 100 shares	توزيعات أسهم منحة Bonus Share	
NIL لا يوجد	NIL لا يوجد	توزيعات أخرى Other Dividend	
NIL لا يوجد	NIL لا يوجد	عدم توزيع أرباح No Dividends	
NIL لا يوجد	علاوة الإصدار Issue Premium	NIL لا يوجد	زيادة رأس المال Capital Increase
NIL لا يوجد	NIL لا يوجد		تخفيض رأس المال Capital Decrease

The Company's comments in case the auditor has concerns or a qualified opinion	تعقيب الشركة في حال قيام مراقب الحسابات بإبداء ملاحظات أو تحفظات
Due to the ongoing litigation relating to Korek, the Group's management was unable to determine the fair value of this investment and the recoverability of interest bearing loan, thus the external auditors have qualified this investment and the loan to Korek Telecom which are carried at KD 109,183 thousand and KD 35,259 thousand respectively in the consolidated statement of financial position as at 31 December 2019.	نتيجة النزاع المستمر بشركة كوريك تيليكوم لم تتمكن الإدارة من تحديد القيمة العادلة لاستثمار المجموعة في شركة كوريك تيليكوم ("كوريك") وإمكانية استرداد القرض ذي الفوائد فقد أبدى المدقق الخارجي للشركة تحفظ على هذا الاستثمار وعلى القرض المقدم لها، بمبلغ 109,183 ألف دينار كويتي ومبلغ 35,259 ألف دينار كويتي على التوالي، في بيان المركز المالي المجمع كما في 31 ديسمبر 2019.



ختم الشركة Company Seal	التوقيع Signature	المسمى الوظيفي Title	الاسم Name
		نائب رئيس مجلس الإدارة والرئيس التنفيذي Vice Chairman and CEO	طارق عبد العزيز سلطان العيسى Tarek Abdulaziz Sultan Al Essa

Attach a copy of the financial statements approved by the Board of Directors and the approved auditor's report

يجب ارفاق نسخة البيانات المالية المعتمدة من مجلس الإدارة وتقرير مراقبي الحسابات المعتمد

INDEPENDENT AUDITOR’S REPORT TO THE SHAREHOLDERS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P.

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of Agility Public Warehousing Company K.S.C.P (the “Parent Company”) and its subsidiaries (collectively, the “Group”), which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2019, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

As stated in Note 11 to the consolidated financial statements, the Group’s investment in and loan to Korek Telecom (“Korek”) is carried at KD 109,183 thousand (2018: KD 109,246 thousand) and KD 35,259 thousand (2018: KD 35,321 thousand) respectively in the consolidated statement of financial position as at 31 December 2019. The Group has filed an arbitration related to its investment in Korek. We were unable to obtain sufficient appropriate audit evidence about the investment in Korek and the recoverability of the loan due to the nature and significant uncertainty around the investment and outcome of the arbitration. Consequently, we were unable to determine whether any adjustments to the carrying value of the investment and loan to Korek was necessary.

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’ *Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. (continued)**

Report on the Audit of the Consolidated Financial Statements (continued)

Emphasis of Matter

We draw attention to:

- (i) Note 26 (a) to the consolidated financial statements, which describes the contingencies relating to cost reimbursable contracts with U.S. Coalition Provisional Authority ("CPA");
- (ii) Note 26 (b) to the consolidated financial statements, which describes the contingencies and claims relating to the litigations with the General Administration of Customs for Kuwait; and
- (iii) Note 26 (c) to the consolidated financial statements which describes the uncertainty relating to renewal of the lease contract with Public Authority for Industry of the State of Kuwait.

Our opinion is not modified in respect of the matters set out above.

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 year. 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. In addition to the matter described in the *Basis for Qualified Opinion* section, we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

a) Impairment of goodwill

Impairment testing of goodwill performed by the management is significant to our audit because the assessment of the recoverable amount of goodwill under the value-in-use basis is complex and requires considerable judgment on the part of the management. Estimates of future cash flows are based on management's views of variables such as the growth in the logistics sector, economic conditions such as the economic growth, expected inflation rates, impact of the competition on expected revenue and margin development and discount rates. Therefore, we identified the impairment testing of goodwill as key audit matter.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. (continued)

Report on the Audit of the Consolidated Financial Statements (continued)

Key Audit Matters (continued)

a) Impairment of goodwill (continued)

As part of our audit procedures, we assessed the knowledge and expertise of the management of the Group to perform such valuations and obtained management's impairment calculations and key assumptions, including profit forecasts and basis of selection of growth rates and discount rates. We also involved our valuation team to assist us in assessing the appropriateness of the valuation model and reviewing the reasonableness of key assumptions used in the impairment analysis, such as the discount rate and terminal growth rate. We reviewed the sensitivity analysis performed by management around key assumptions noted above and the outcomes of the assessment. Future cash flow assumptions were also reviewed through comparison to current trading performance against budget and forecasts, considering the historical consistency of budgeting and forecasting and the understanding of the reasons for growth profiles used.

We also reviewed the adequacy of the Group's disclosures included in Note 9 to the consolidated financial statements about those assumptions to which the outcome of the impairment test is more sensitive.

b) Contingent liabilities and provisions from claims and proceedings

The Parent Company and certain of its group companies are involved as a party in legal proceedings with third parties as well as investigations with certain governmental entities. As the ultimate disposition of asserted investigations, claims and proceedings cannot be determined with certainty, an adverse outcome could have a material effect on the Group's consolidated financial position, results from operations and cash flows.

The determination of (contingent) liabilities from investigations, claims and proceedings is judgmental and the amounts involved are, or can be material to the Group's consolidated financial statements as a whole. Details of Group's investigations and legal claims are presented in Note 11 and Note 26 of the consolidated financial statements. Due to the significant judgment and estimation uncertainty with respect to the ongoing investigations and legal claims, we identified this as key audit matter.

In response to this matter, our audit procedures included, amongst others, understanding of the Group's processes around the identification and evaluation of investigations, claims and proceedings at different levels in the organization, the recording and continuous re-assessment of the related (contingent) liabilities, provisions and disclosures in accordance with IFRS. We also inquired with management in respect of ongoing investigations or claims, proceedings and read relevant correspondence and minutes of the meetings of the Board of Directors, requested internal and external legal confirmation letters of the Group. We also assessed the appropriateness of disclosure regarding (contingent) liabilities from investigations, claims and proceedings and as shown in Note 11 and Note 26 to the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. (continued)

Report on the Audit of the Consolidated Financial Statements (continued)

Other information included in the Group's 2019 Annual Report

Management is responsible for the other information. Other information consists of the information included in the Group's 2019 Annual Report, other than the consolidated financial statements and our auditor's report thereon. We obtained the report of the Parent Company's Board of Directors, prior to the date of our auditor's report, and we expect to obtain the remaining sections of the Annual Report after the date of our auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will 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 identified above 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact.

As described in the *Basis for Qualified Opinion* section above, we were unable to obtain sufficient appropriate audit evidence about the carrying value of Group's investment and loan to Korek as at 31 December 2019. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, 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.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. (continued)

Report on the Audit of the Consolidated Financial Statements (continued)

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements (continued)

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.

Those charged with governance are 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism 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.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. (continued)

Report on the Audit of the Consolidated Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

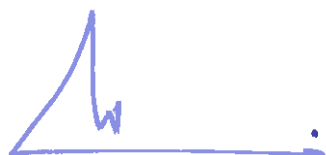
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 year 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.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. (continued)

Report on Other Legal and Regulatory Requirements

Furthermore, in our opinion, proper books of account have been kept by the Parent Company and the consolidated financial statements, together with the contents of the report of the Parent Company's Board of Directors relating to these consolidated financial statements, are in accordance therewith. We further report that, except for the possible effect of the matters described in the *Basis for Qualified Opinion* section above, we obtained all the information and explanations that we required for the purpose of our audit and that the consolidated financial statements incorporate all information that is required by the Companies Law No.1 of 2016, as amended, and its Executive Regulations, as amended, and by the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, that an inventory was duly carried out and that, to the best of our knowledge and belief, no violations of the Companies Law No.1 of 2016, as amended, and its Executive Regulations, as amended, nor of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, have occurred during the year ended 31 December 2019 that might have had a material effect on the business of the Parent Company or on its financial position.



BADER A. AL-ABDULJADER
LICENCE NO. 207 A
EY
AL-AIBAN, AL-OSAIMI & PARTNERS



Dr. SHUAIB A. SHUAIB
LICENCE NO. 33- A
RSM Albazie & Co.

20 February 2020
Kuwait

Agility Public Warehousing Company K.S.C.P. and Subsidiaries

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

		31 December 2019 KD 000's	31 December 2018 KD 000's
	Notes		
ASSETS			
Non-current assets			
Property, plant and equipment	4	215,458	296,690
Projects in progress	5	56,313	42,087
Right-of-use assets	6	182,947	-
Investment properties	7	371,190	301,568
Intangible assets	8	25,052	25,536
Goodwill	9	254,007	249,708
Investment in associates and joint ventures	10	101,352	101,228
Financial assets at fair value through profit or loss	11	112,148	112,831
Financial assets at fair value through other comprehensive income	12	15,856	15,150
Other non-current assets		22,610	36,176
Loan to a related party	27	98,732	42,054
Loan to an associate	27	35,259	35,321
Total non-current assets		1,490,924	1,258,349
Current assets			
Inventories	13	28,674	20,989
Trade receivables	14	331,616	338,245
Other current assets	15	99,988	99,649
Bank balances, cash and deposits	16	130,932	125,927
Total current assets		591,210	584,810
TOTAL ASSETS		2,082,134	1,843,159
EQUITY AND LIABILITIES			
EQUITY			
Share capital	17	176,294	153,299
Share premium	17	152,650	152,650
Statutory reserve	17	85,368	76,279
Treasury shares	17	(49,239)	(49,239)
Treasury shares reserve		44,366	44,366
Foreign currency translation reserve	17	(39,548)	(38,428)
Hedging reserve	17	(19,842)	(18,897)
Investment revaluation reserve	17	60	351
Other reserves	17	(706)	(24,848)
Retained earnings		750,977	718,006
Equity attributable to equity holders of the Parent Company		1,100,380	1,013,539
Non-controlling interests	3	49,190	52,695
Total equity		1,149,570	1,066,234
LIABILITIES			
Non-current liabilities			
Provision for employees' end of service benefits	18	50,351	46,837
Interest bearing loans	19	247,708	207,448
Lease liabilities	6	131,319	1,693
Other non-current liabilities	20	12,708	14,472
Total non-current liabilities		442,086	270,450
Current liabilities			
Interest bearing loans	19	23,148	53,534
Lease liabilities	6	36,974	1,473
Trade and other payables	21	422,213	443,245
Dividends payable		8,143	8,223
Total current liabilities		490,478	506,475
Total liabilities		932,564	776,925
TOTAL EQUITY AND LIABILITIES		2,082,134	1,843,159

Tarek Abdul Aziz Sultan
Vice Chairperson and CEO

The attached notes 1 to 31 form part of these consolidated financial statements.

Agility Public Warehousing Company K.S.C.P. and Subsidiaries

CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 December 2019

	Notes	2019 KD 000's	2018 KD 000's
Revenues			
Logistics and freight forwarding revenues		1,253,995	1,267,620
Rental revenues		70,606	62,784
Other services		253,962	219,786
Total revenues		1,578,563	1,550,190
Cost of revenues		(1,047,164)	(1,052,380)
Net revenues		531,399	497,810
General and administrative expenses	22	(349,648)	(352,583)
Change in fair value of investment properties	7	3,642	1,320
Share of results of associates and joint ventures	10	3,018	4,914
Miscellaneous income		4,719	3,380
Profit before interest, taxation, depreciation, amortisation and Directors' remuneration (EBITDA)		193,130	154,841
Depreciation	4,6	(60,502)	(31,362)
Amortisation	8	(6,084)	(4,632)
Profit before interest, taxation and Directors' remuneration (EBIT)		126,544	118,847
Interest income		8,492	5,130
Finance costs		(21,494)	(14,132)
Profit before taxation and Directors' remuneration		113,542	109,845
Taxation	23	(13,383)	(9,929)
Directors' remuneration		(140)	(140)
PROFIT FOR THE YEAR		100,019	99,776
Attributable to:			
Equity holders of the Parent Company		86,759	81,110
Non-controlling interests		13,260	18,666
		100,019	99,776
BASIC AND DILUTED EARNINGS PER SHARE – ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY (fils)	24	52.14	48.75

The attached notes 1 to 31 form part of these consolidated financial statements.