

ARAMEX PJSC AND ITS SUBSIDIARIES

**UNAUDITED CONDENSED INTERIM
CONSOLIDATED FINANCIAL INFORMATION**

**FOR THE NINE-MONTH PERIOD ENDED
30 SEPTEMBER 2021**

ARAMEX PJSC AND ITS SUBSIDIARIES

Review report and condensed interim consolidated financial information for the nine-month period ended 30 September 2021

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Review report on condensed interim consolidated financial information to the Directors of Aramex PJSC

Introduction

We have reviewed the accompanying condensed interim consolidated statement of financial position of Aramex PJSC ("the Company") and its subsidiaries (together referred to as "the Group") as at 30 September 2021 and the related condensed interim consolidated statements of income and comprehensive income for the three-month and nine-month periods then ended, and condensed interim consolidated statements of changes in equity and cash flows for the nine-month period then ended and other explanatory notes. Management is responsible for the preparation and presentation of this condensed interim consolidated financial information in accordance with International Accounting Standard 34 – Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on this condensed interim consolidated financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers
4 November 2021

Rami Sarhan
Registered Auditor Number 1152
Dubai, United Arab Emirates



ARAMEX PJSC AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	Note	30 September 2021 AED "000" Unaudited	31 December 2020 AED "000" Audited
Assets			
Non-current assets			
Property and equipment		980,472	956,755
Right of use assets		956,865	890,129
Goodwill	6	1,031,265	1,135,511
Other intangible assets		212,034	216,405
Investments in joint ventures and associates		35,984	39,803
Financial assets at fair value through other comprehensive income		17,244	25,451
Deferred tax assets		7,275	7,786
Other non-current assets		3,700	4,800
		<u>3,244,839</u>	<u>3,276,640</u>
Current assets			
Accounts receivable, net		1,076,168	1,093,927
Other current assets		353,365	271,874
Margins and bank deposits	8	372,533	252,359
Cash and bank balances	8	778,329	1,002,407
		<u>2,580,395</u>	<u>2,620,567</u>
Assets held for sale	7	10,796	217,963
Total assets		<u>5,836,030</u>	<u>6,115,170</u>
Equity and liabilities			
Equity			
Share capital		1,464,100	1,464,100
Statutory reserve		387,956	408,929
Foreign currency translation reserve		(245,213)	(344,425)
Reserve arising from acquisition of non-controlling interests		(329,759)	(335,186)
Reserve arising from other comprehensive income items		(12,372)	(7,064)
Retained earnings		1,507,169	1,504,306
		<u>2,771,881</u>	<u>2,690,660</u>
Equity attributable to equity holders of the Parent Company		<u>2,771,881</u>	<u>2,690,660</u>
Non-controlling interests		11,564	16,301
Total equity		<u>2,783,445</u>	<u>2,706,961</u>
Liabilities			
Non-current liabilities			
Interest-bearing loans and borrowings		139,069	162,000
Lease liabilities		730,981	701,190
Employees' end of service benefits		151,071	149,187
Deferred tax liabilities		67,701	58,359
Deferred income		18,964	-
		<u>1,107,786</u>	<u>1,070,736</u>
Current liabilities			
Accounts payable		296,363	328,879
Lease liabilities		179,242	186,548
Bank overdrafts	10	170,128	68,059
Interest-bearing loans and borrowings		282,409	542,841
Income tax provision		94,008	78,165
Other current liabilities		917,790	1,038,975
		<u>1,939,940</u>	<u>2,243,467</u>
Liabilities held for sale	7	4,859	94,006
Total liabilities		<u>3,052,585</u>	<u>3,408,209</u>
Total equity and liabilities		<u>5,836,030</u>	<u>6,115,170</u>

To the best of our knowledge, the condensed interim consolidated financial information is prepared, in all material respects, in accordance with IAS 34.

Mohamed Juma Alshamsi
(Chairman)

Othman Aljeda
(Chief Executive Officer)

Arun Singh
(Interim Chief Financial Officer)

The notes on pages 8 to 26 form an integral part of this condensed interim consolidated financial information.

ARAMEX PJSC AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	Note	For the three-month period ended		For the nine-month period ended	
		30 September		30 September	
		2021 AED "000" Unaudited	2020 AED "000" Unaudited (Restated)	2021 AED "000" Unaudited	2020 AED "000" Unaudited (Restated)
Rendering of services		1,461,404	1,466,533	4,457,261	3,911,954
Cost of services		(1,105,324)	(1,058,479)	(3,353,870)	(2,785,135)
Gross profit		356,080	408,054	1,103,391	1,126,819
Selling and marketing expenses		(62,964)	(56,314)	(207,478)	(158,527)
Administrative expenses		(220,767)	(213,578)	(647,788)	(590,367)
Net impairment loss on financial assets		(6,363)	(3,260)	(17,789)	(24,145)
Other income/(expense), net		(4,579)	2,137	10,076	9,488
Gain/(loss) on property damages and customer goods	18	6,611	(52,885)	6,611	(52,885)
Operating profit		68,018	84,154	247,023	310,383
Finance income		1,374	1,516	5,047	7,988
Finance cost		(15,494)	(15,258)	(46,148)	(50,157)
Share of results of joint ventures and associates		1,911	4,877	9,205	8,544
Profit before income tax		55,809	75,289	215,127	276,758
Income tax expense		(23,812)	(33,574)	(80,867)	(83,531)
Profit for the period from continuing operations		31,997	41,715	134,260	193,227
Discontinued operations					
Period results from discontinued operations	7	5,037	5,450	16,364	16,684
Gain on sale of discontinued operations	7	31,608	-	31,608	-
Profit after tax for the period from discontinued operations		36,645	5,450	47,972	16,684
Profit for the year		68,642	47,165	182,232	209,911
Attributable to:					
<i>Equity holders of the Parent Company</i>					
Profit for the period from continuing operations		31,350	41,220	132,425	192,301
Profit for the period from discontinued operations		36,465	4,986	46,869	15,702
		67,815	46,206	179,294	208,003
<i>Non-controlling interests</i>					
Profit for the period from continuing operations		647	495	1,835	926
Profit for the period from discontinued operations		180	464	1,103	982
		827	959	2,938	1,908
Earnings per share attributable to equity holders of the Parent Company					
Basic and diluted earnings per share from continuing operations	9	0.021	0.028	0.090	0.131
Basic and diluted earnings per share from discontinued operations	9	0.025	0.003	0.032	0.011

ARAMEX PJSC AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2021 AED "000" Unaudited	2020 AED "000" Unaudited	2021 AED "000" Unaudited	2020 AED "000" Unaudited
Profit for the period	68,642	47,165	182,232	209,911
Other comprehensive income				
<i>Other comprehensive (loss)/income to be reclassified to the condensed interim consolidated statement of income in subsequent periods:</i>				
Exchange differences on translation of foreign operations	(4,943)	2,797	(13,555)	(23,236)
Impact of hyperinflation	(31,738)	-	(31,340)	-
	<u>(36,681)</u>	<u>2,797</u>	<u>(44,895)</u>	<u>(23,236)</u>
<i>Other comprehensive (loss)/income not to be reclassified to the condensed interim consolidated statement of income in subsequent periods:</i>				
Loss on equity instruments at fair value through other comprehensive income	(6,277)	(252)	(7,460)	(631)
Remeasurements of post-employment benefit obligations through other comprehensive income	46	-	46	-
	<u>(6,231)</u>	<u>(252)</u>	<u>(7,414)</u>	<u>(631)</u>
Other comprehensive (loss)/income for the period, net of tax	(42,912)	2,545	(52,309)	(23,867)
Total comprehensive income for the period	<u>25,730</u>	<u>49,710</u>	<u>129,923</u>	<u>186,044</u>
Attributable to:				
Equity holders of the Parent Company	24,993	49,369	129,048	185,314
Non-controlling interests	737	341	875	730
	<u>25,730</u>	<u>49,710</u>	<u>129,923</u>	<u>186,044</u>
Total comprehensive income attributable to Equity holders of the Parent arises from:				
Continuing operations	(11,472)	44,383	82,179	169,612
Discontinued operations	36,465	4,986	46,869	15,702
	<u>24,993</u>	<u>49,369</u>	<u>129,048</u>	<u>185,314</u>

ARAMEX PJSC AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2021

		<i>Attributable to equity holders of the Parent Company</i>							
		Share capital AED "000"	Statutory reserve AED "000"	Foreign currency translation reserve AED "000"	Reserve arising from acquisition of non- controlling interests AED "000"	Reserves arising from other comprehensive income items AED "000"	Retained earnings AED "000"	Non- controlling interests AED "000"	Total equity AED "000"
For the nine-month period ended 30 September 2021									
Balance at 1 January 2021		1,464,100	408,929	(344,425)	(335,186)	(7,064)	1,504,306	16,301	2,706,961
Impact of hyperinflation		-	-	94,340	-	-	-	-	94,340
At 1 January 2021 (adjusted)		1,464,100	408,929	(250,085)	(335,186)	(7,064)	1,504,306	16,301	2,801,301
Profit for the period		-	-	-	-	179,294	179,294	2,938	182,232
Other comprehensive loss		-	-	(42,830)	-	(7,416)	-	(2,063)	(52,309)
Total comprehensive (loss)/income for the period		-	-	(42,830)	-	(7,416)	179,294	875	129,923
Loss on disposal of equity investments at fair value through other comprehensive income to retained earnings		-	-	-	-	1,102	(1,102)	-	-
Disposal of subsidiary		-	(20,973)	47,702	5,427	1,006	15,004	(3,223)	44,943
Dividends of subsidiaries		-	-	-	-	-	-	(2,389)	(2,389)
Dividends to shareholders (note 3)		-	-	-	-	-	(190,333)	-	(190,333)
Balance at 30 September 2021		1,464,100	387,956	(245,213)	(329,759)	(12,372)	1,507,169	11,564	2,783,445
For the nine-month period ended 30 September 2020									
Balance at 1 January 2020		1,464,100	367,095	(398,720)	(335,186)	272	1,519,928	15,053	2,632,542
Profit for the period		-	-	-	-	-	208,003	1,908	209,911
Other comprehensive loss		-	-	(22,058)	-	(631)	-	(1,178)	(23,867)
Total comprehensive (loss)/income for the period		-	-	(22,058)	-	(631)	208,003	730	186,044
Directors' fees for the period		-	-	-	-	(3,030)	(3,030)	-	(3,030)
Non-controlling interests		-	-	-	-	-	-	(649)	(649)
Gain on sale of financial assets at fair value through other comprehensive income		-	-	-	-	(4,737)	4,737	-	-
Dividends to shareholders (note 3)		-	-	-	-	(241,577)	(241,577)	-	(241,577)
Balance at 30 September 2020		1,464,100	367,095	(420,778)	(335,186)	(5,096)	1,488,061	15,134	2,573,330

The notes on pages 8 to 26 form an integral part of this condensed interim consolidated financial information.

ARAMEX PJSC AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2021

	Note	For the nine-month period ended	
		30 September	
		2021	2020
		AED "000"	AED "000"
		Unaudited	Unaudited
OPERATING ACTIVITIES			
Profit before tax from continuing operations		215,127	276,758
Profit before tax from discontinued operations		50,222	19,106
Profit before tax		265,349	295,864
Adjustments for			
Depreciation of property and equipment		85,002	88,311
Depreciation of right of use assets		191,720	177,073
Amortisation of other intangible assets		4,371	6,642
Gain on sale of property and equipment		(1,618)	(405)
Gain on sale of a subsidiary	7	(31,608)	-
Provision for employees' end of service benefits		26,981	29,811
Losses on property damages	18	-	2,571
Net impairment loss on financial assets		17,804	27,195
Finance costs – borrowings		10,624	16,976
Finance costs – lease liabilities		35,784	35,825
Finance income		(5,047)	(8,251)
Share of results of joint ventures and associates		(9,205)	(8,544)
		590,157	663,067
Working capital adjustments:			
Accounts receivable		(31,519)	115,890
Accounts payable		(31,622)	10,328
Other current assets		(34,567)	20,639
Other current liabilities		(120,889)	32,748
Deferred income		18,964	-
Net cash flows from operating activities before income tax, employees' end of service benefit and employee benefit liability paid		390,524	842,672
Employees' end of service benefits paid		(24,728)	(16,019)
Income tax paid		(61,465)	(89,617)
Net cash flows generated from operating activities		304,331	737,036
INVESTING ACTIVITIES			
Purchase of property and equipment	4	(99,376)	(88,835)
Proceeds from sale of property and equipment		5,654	1,842
Proceeds from sale of subsidiary		289,566	-
Purchase of intangible assets		(5,142)	-
Net cash disposed from discontinued operations		250	-
Finance income		5,047	8,251
Dividends received from joint ventures		13,209	-
Other non-current assets		1,099	333
Margin and bank deposits		(120,174)	250,029
Proceeds from sale of financial assets at fair value through other comprehensive income		-	5,349
Net cash flows generated from investing activities		90,133	176,969

ARAMEX PJSC AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 2021

	Note	For the nine-month period ended	
		30 September	
		2021	2020
		AED "000"	AED "000"
		Unaudited	Unaudited
<u>FINANCING ACTIVITIES</u>			
Finance cost paid		(46,408)	(66,100)
Proceeds from loans and borrowings		3,043	5,223
Repayment of loans and borrowings		(286,405)	(55,205)
Repayment of lease liabilities		(188,375)	(159,093)
Dividends paid to non-controlling interests		(2,389)	(649)
Directors' fees paid		-	(3,030)
Dividends paid to shareholders	3	(190,333)	(241,577)
Net cash flows used in financing activities		(710,867)	(520,431)
Net (decrease)/increase in cash and cash equivalents (before impairment provision)		(316,403)	393,574
Net foreign exchange difference		(7,038)	(19,405)
Cash and cash equivalents at 1 January		955,649	588,114
Cash and cash equivalents at 30 September (before impairment provision)	8	632,208	962,283

Non-cash transactions are disclosed in Note 19.

ARAMEX PJSC AND ITS SUBSIDIARIES
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2021

1. General

Aramex PJSC (the “Parent Company or Company”) was established as a Public Joint Stock Company on 15 February 2005 and is registered in the Emirate of Dubai, United Arab Emirates under UAE Federal Law No 2 of 2015. The condensed interim consolidated financial information of the Company as at and for the period ended 30 September 2021 comprise the Parent Company and its subsidiaries (collectively referred to as the “Group” and individually as “Group entities”).

The Parent Company was listed on the Dubai Financial Market on 9 July 2005.

The Principal activities of the Group are to invest in the freight, express, logistics and supply chain management businesses through acquiring and owning controlling interests in companies in the Middle East and other parts of the world.

The Parent Company’s registered office address is Building and Warehouse No. 3, Um Rammool, Dubai, United Arab Emirates.

Federal Decree Law No. 26 of 2020 which amends certain provisions of Federal Law No. 2 of 2015 on Commercial Companies was issued on 27 September 2020 and the amendments came into effect on 2 January 2021. The Company is in the process of reviewing the new provisions and will apply the requirements thereof no later than one year from the date on which the amendments came into effect.

On 17 September 2020, Alpha Oryx Limited, a subsidiary of Abu Dhabi Development Holding Company (“ADQ”) acquired 22.5% of Aramex PJSC’s issued share capital.

The condensed interim consolidated financial information were authorised for issue by the Board of Directors on 4 November 2021.

2. Summary of significant accounting policies

2.1 Basis of preparation

This condensed interim consolidated financial information of the Group is prepared under a historical cost basis adjusted for the effects of inflation where entities operate in hyperinflationary economies, except for financial assets at fair value through other comprehensive income at fair value, defined benefit pension plans that have been measured the present value of future obligations using the Projected Unit Credit Method and assets held for sale which are measured at fair value less cost to sell.

The condensed interim consolidated statement of income and the condensed interim consolidated statement of comprehensive income for the prior period have been re-presented to reflect discontinued operations.

This condensed interim consolidated financial information does not include all the information and disclosures required in full consolidated financial statements and should be read in conjunction with the annual Group’s consolidated financial statements for the year ended 31 December 2020. In addition, results for the period from 1 January 2021 to 30 September 2021 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2021.

ARAMEX PJSC AND ITS SUBSIDIARIES
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2021 (CONTINUED)

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

This condensed interim consolidated financial information is prepared in accordance with International Accounting Standard 34: *Interim Financial Reporting* (“IAS 34”), issued by the International Accounting Standard Board (IASB).

Except for the adoption of new and amended standards as set out below, the accounting policies used in the preparation of this condensed interim consolidated financial information are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2020.

The Lebanese economy is considered to be hyperinflationary. Accordingly, the results, cash flows and financial position of the Group’s subsidiary, Aramex Lebanon SARL have been expressed in terms of current measuring unit at the reporting date.

2.2 Changes in accounting policies

New and revised IFRS applied in the preparation of condensed interim consolidated financial information

The following new and revised IFRS, which became effective for annual periods beginning on or after 1 January 2021, have been adopted in this condensed interim consolidated financial information.

- (a) Interest Rate Benchmark Reform – Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (effective 1 January 2021).

The Group is currently assessing the impact of the above amended standard on the Group consolidated financial statements.

New and revised IFRS issued but not yet effective and not early adopted

- (a) IFRS 17, ‘Insurance contracts’ (effective 1 January 2023);
- (b) Amendment to IFRS 3 (effective 1 January 2022);
- (c) Amendment to IAS 37 (effective 1 January 2022);
- (d) Amendment to IAS 16 (effective 1 January 2022); and
- (e) Amendments to IAS 1 and IAS 8 (effective 1 January 2022).

The Group is currently assessing the impact of these standards, and amendments on the future consolidated financial statements of the Group and intends to adopt these, if applicable, when they become effective.

2.3 Basis of consolidation

This condensed interim consolidated financial information incorporates the financial information of Aramex PJSC and entities controlled by Aramex PJSC. Control is achieved where the Company has the power over the investee, exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the investor’s returns.

ARAMEX PJSC AND ITS SUBSIDIARIES
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2021 (CONTINUED)

2. Summary of significant accounting policies (continued)

2.3 Basis of consolidation (continued)

The condensed interim consolidated financial information comprises the financial information of Aramex PJSC and its subsidiaries. The financial information of the subsidiaries are prepared for the same reporting period as that of Aramex PJSC, using consistent accounting policies except for new accounting policies.

3. Dividends

At the Annual General Meeting of the shareholders held on 21 April 2021, the shareholders approved a cash dividend of 13% for the year ended 31 December 2020 (31 December 2019: cash dividend of 16.5% was approved at the Annual General Meeting of the shareholders held on 22 June 2020 for the year ended 31 December 2019) of the issued and paid up capital amounting to AED 1,464,100 thousands (31 December 2020: AED 1,464,100 thousands). The dividends per share amount to AED 0.13 (31 December 2020: AED 0.165).

4. Property and equipment

During the nine-month period ended 30 September 2021, the Group purchased various types of property and equipment amounting to AED 99 million (nine-month period ended 30 September 2020: AED 89 million).

5. Right of use assets and lease liabilities

During the nine-month period ended 30 September 2021, the Group entered into new lease agreements for which right of use assets and the lease liabilities amounting to AED 240 million were recognized (nine-month period ended 30 September 2020: AED 181 million) under various categories (Note 19).

6. Goodwill

	30 September 2021	31 December 2021
	AED "000"	AED "000"
	Unaudited	Audited
At 1 January	1,135,511	1,128,337
Discontinued operations	(109,388)	(6,438)
Acquisition*	5,142	-
Exchange differences	-	13,612
	<u>1,031,265</u>	<u>1,135,511</u>

*On 24 December 2020, the Group entered into a Sale and Purchase Agreement (SPA) to acquire 100% equity interest in Aramex Canterbury Regional Franchise in New Zealand. On 1 June 2021, the agreement was settled for a cash consideration of AED 5,930 thousand. The excess between the fair value of the groups of assets acquired and the consideration paid amounted to AED 4,659 thousand which was recognized as goodwill. An amount of AED 483 thousand was recognized as goodwill as a result of an acquisition of 100% equity interest in Perth Regional Franchise.

ARAMEX PJSC AND ITS SUBSIDIARIES
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2021 (CONTINUED)

7. Discontinued operations

(A) Description

(i) Disposal group of assets

On 3 February 2021, the Company entered into a Sale and Purchase Agreement (SPA) to dispose of its 100% equity interest in Information Fort LLC, products of Information Fort LLC, and other group of assets. Information Fort LLC is a leading records and information management provider that operates in the Middle East, North Africa, and Turkey regions.

(ii) Group of assets disposed

During the nine month period ended 30 September 2021, most of the group of assets were sold with effect on 31 August 2021 and the results of the operation along with the gain on sale is reported in the current period as discontinued operations on the condensed interim consolidated statement of income for the period. The related assets and liabilities of the disposed group of assets have been derecognised from the condensed interim statement of financial position.

(iii) Group of assets held for sale

The remaining group of assets not yet disposed and recorded as assets/liabilities held for sale, are recognised in the condensed interim consolidated statement of income as discontinued operations. The related assets and liabilities of the group of assets held for sale are classified separately on the condensed interim consolidated statement of financial position. These remaining group of assets are still under process of disposal.

(B) Financial performance of the discontinued operation

Analysis of results of operations discontinued during the period is as follows:

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2021 AED "000" Unaudited	2020 AED "000" Unaudited	2021 AED "000" Unaudited	2020 AED "000" Unaudited
Rendering of services	30,856	40,707	118,320	122,904
Cost of services	(15,530)	(18,927)	(58,801)	(58,001)
Gross profit	15,326	21,780	59,519	64,903
Selling and marketing expenses	(1,457)	(2,442)	(6,509)	(7,328)
Administrative expenses	(7,139)	(11,607)	(30,011)	(33,789)
Net impairment loss on financial assets	(630)	(947)	(2,145)	(3,050)
Other income, net	(199)	531	(514)	749
Operating profit	5,901	7,315	20,340	21,485
Finance income	177	58	359	263
Finance cost	(557)	(816)	(2,085)	(2,642)
Profit before income tax	5,521	6,557	18,614	19,106
Income tax expense	(484)	(1,107)	(2,250)	(2,422)
Profit for the year	5,037	5,450	16,364	16,684

ARAMEX PJSC AND ITS SUBSIDIARIES
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2021 (CONTINUED)

7. Discontinued operations (continued)

(B) Financial performance of the discontinued operation (continued)

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2021 AED "000" Unaudited	2020 AED "000" Unaudited	2021 AED "000" Unaudited	2020 AED "000" Unaudited
Gain on sale of a discontinued operations	31,608	-	31,608	-
Profit from discontinued operations	36,645	5,450	47,972	16,684
Other comprehensive income	-	-	-	-
Total comprehensive income	36,645	5,450	47,972	16,684
Profit for the year attributable to:				
<i>Equity holders of the Parent</i>	36,465	4,986	46,869	15,702
<i>Non-controlling interests</i>	180	464	1,103	982
	36,645	5,450	47,972	16,684

(C) Assets held for sale

The summarised financial position for Information Fort LLC, which is accounted for as a group of assets classified as held for sale are as follows:

	30 September 2021 AED "000" Unaudited	31 December 2020 AED "000" Audited
Assets		
Non-current assets		
Property and equipment	2,999	81,171
Right of use assets	3,282	41,514
Goodwill	-	6,438
Other intangible assets	-	1,911
Deferred tax assets	-	885
	6,281	131,919
Current assets		
Accounts receivable, net	3,096	29,409
Other current assets	183	14,520
Cash and bank balances	1,236	42,115
	4,515	86,044
Total assets	10,796	217,963
Liabilities		
Non-current liabilities		
Employees' end of service benefits	259	14,949
Lease liabilities	1,135	33,757
Deferred tax liabilities	-	1,038
Interest-bearing loans and borrowings	-	4,091
	1,394	53,835

ARAMEX PJSC AND ITS SUBSIDIARIES
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7. Discontinued operations (continued)

(C) Assets held for sale (continued)

	30 September 2021 AED "000" Unaudited	31 December 2020 AED "000" Audited
Current liabilities		
Trade payables	205	5,814
Lease liabilities	1,945	9,324
Other current liabilities	154	21,126
Income tax provision	1,161	2,818
Interest-bearing loans and borrowings	-	1,089
	<u>3,465</u>	<u>40,171</u>
Total liabilities	<u>4,859</u>	<u>94,006</u>
Net assets directly associated with disposal group	<u>5,937</u>	<u>123,957</u>

Cash flows from discontinued operations:

	30 September 2021 AED "000" Unaudited	30 September 2020 AED "000" Unaudited
Net cash (used in)/generated from operating activities	(876)	38,130
Net cash generated from/(used in) investing activities	352	(3,130)
Net cash used in financing activities	-	(30,299)
Net cash (outflows)/inflows	<u>(524)</u>	<u>4,701</u>

(D) Sale of a subsidiary

The financial information relating to the discontinued operations as of the date of disposal of the group of assets is set out below:

	31 August 2021 AED "000" Unaudited
Assets	
Non-current assets	
Property and equipment	78,891
Right of use assets	45,843
Goodwill	6,438
Other intangible assets	892
Deferred tax assets	925
	<u>132,989</u>
Current assets	
Accounts receivable, net	31,542
Other current assets	21,694
Cash and bank balances	43,430
	<u>96,666</u>
Total assets	<u>229,655</u>

ARAMEX PJSC AND ITS SUBSIDIARIES
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7. Discontinued operations (continued)

(D) Sale of a subsidiary (continued)

	31 August 2021
	AED "000"
	Unaudited
Liabilities	
Non-current liabilities	
Employees' end of service benefits	15,393
Lease liabilities	38,994
Deferred tax liabilities	1,251
	<u>55,638</u>
Current liabilities	
Trade payables	6,794
Lease liabilities	8,661
Other current liabilities	61,001
Income tax provision	2,240
	<u>78,696</u>
Total liabilities	<u>134,334</u>
Non-controlling interest	<u>3,223</u>
Net assets directly associated with disposal group	<u>92,098</u>

In accordance with the SPA, the management has recorded an amount receivable for AED 47,101 thousand from the remaining balance available in the escrow account, where the Group has made an estimate of potential claims and true-up adjustments on the basis of the available information as at the reporting date and has accordingly recognized a receivable from the escrow account. During the time specified in the SPA and once the adjustments have crystallized as a result of procedures described in the SPA, as well as the result of the Purchaser identifying any amounts that would represent claims as defined in the SPA, those adjustments will be recognized prospectively as changes in estimates in the condensed interim statement of income in the period when they take place. At the time of the sale, the fair value of the consideration was determined to be AED 335,157 thousand.

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FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2021 (CONTINUED)

7. Discontinued operations (continued)

(D) Sale of a subsidiary (continued)

The gain on sale of the subsidiary has been calculated as follows:

	30 September 2021
	AED "000"
	Unaudited
Consideration received or receivable:	
Cash	288,056
Receivable	47,101
Total disposal consideration	<u>335,157</u>
Carrying amount of net assets sold (including goodwill recognised at the group level)	<u>(237,327)</u>
Gain on sale before income tax, reclassification of foreign currency translation reserve and costs to sell	97,830
Reclassification of foreign currency translation reserve	(47,702)
Cash received related to products of Information Fort LLC not yet sold	(5,105)
Costs to sell	(13,415)
Gain on sale after income tax	<u>31,608</u>

8. Cash and cash equivalents

	30 September 2021	31 December 2020
	AED "000"	AED "000"
	Unaudited	Audited
Cash and bank balances	778,329	1,002,407
Margins and bank deposits *	372,533	252,359
	<u>1,150,862</u>	<u>1,254,766</u>

Included within bank balances are amounts totalling AED 642,039 thousand (31 December 2020: AED 736,100 thousand) of cash held at foreign banks abroad and amounts totalling AED 131,277 thousand of cash on delivery collected by the Group on behalf of customers, the same balance was recorded as other current liabilities in the condensed interim consolidated statement of financial position (31 December 2020: AED 235,228 thousand).

* Margins and bank deposits consist of margin deposits against guarantees of AED 7,319 thousand (31 December 2020: AED 9,276 thousand) and long-term deposits with maturities greater than 3 months of AED 365,214 thousand (31 December 2020: AED 243,083 thousand).

ARAMEX PJSC AND ITS SUBSIDIARIES
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2021 (CONTINUED)

8. Cash and cash equivalents (continued)

	30 September 2021 AED "000" Unaudited	31 December 2020 AED "000" Audited
Cash and bank balances	802,336	1,023,708
Less: impairment for expected credit losses	<u>(24,007)</u>	<u>(21,301)</u>
	<u>778,329</u>	<u>1,002,407</u>

As at 30 September 2021, cash and cash equivalents of AED 24,007 thousand (30 September 2020: AED nil) were impaired for cash at banks in Lebanon. Movement on expected credit losses was as follows:

	30 September 2021 AED "000" Unaudited	30 September 2020 AED "000" Unaudited
At 1 January	21,301	-
Charge for the period	<u>2,706</u>	<u>-</u>
At 30 September	<u>24,007</u>	<u>-</u>

For the purpose of the condensed interim consolidated statement of cash flows, cash and cash equivalents consist of:

	30 September 2021 AED "000" Unaudited	30 September 2020 AED "000" Unaudited
Cash and bank balances	778,329	1,086,149
Add: impairment for expected credit losses	24,007	-
Less: bank overdrafts (Note 10)	<u>(170,128)</u>	<u>(123,866)</u>
	<u>632,208</u>	<u>962,283</u>

ARAMEX PJSC AND ITS SUBSIDIARIES
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION
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9. Earnings per share

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2021 Unaudited	2020 Unaudited	2021 Unaudited	2020 Unaudited
Profit attributable to the shareholders of Parent Company				
Profit for the period from continuing operations	31,350	41,220	132,425	192,301
Profit for the period from discontinued operations	36,465	4,986	46,869	15,702
	<u>67,815</u>	<u>46,206</u>	<u>179,294</u>	<u>208,003</u>
Weighted average number of shares during the period (shares)	<u>1,464.1 million</u>	<u>1,464.1 million</u>	<u>1,464.1 million</u>	<u>1,464.1 million</u>
Basic and diluted earnings per share from continuing operations (AED)	<u>0.021</u>	<u>0.028</u>	<u>0.090</u>	<u>0.131</u>
Basic and diluted earnings per share from discontinued operations (AED)	<u>0.025</u>	<u>0.003</u>	<u>0.032</u>	<u>0.011</u>

10. Bank overdrafts

The Group maintains overdrafts and lines of credit with various banks. Overdrafts and lines of credit include the following (Note 8):

Aramex Tunisia has outstanding overdrafts from Arab Bank of AED 729 thousand as at 30 September 2021 (31 December 2020: AED 202 thousand).

Aramex Algeria SARL has outstanding overdraft from Citibank of AED 6,102 thousand as at 30 September 2021 (31 December 2020: AED 3,586 thousand).

Aramex International LLC has outstanding overdraft from HSBC of AED 60,917 thousand as at 30 September 2021 (31 December 2020: AED 51,416 thousand).

Aramex Special Logistics LLC has outstanding overdraft from Citibank of AED 102,310 thousand as at 30 September 2021 (31 December 2020: AED 12,834 thousand).

Aramex Kenya Limited has outstanding overdraft from Citibank of AED 70 thousand as at 30 September 2021 (31 December 2020: AED 21 thousand).

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION
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11. Segment information

A business segment is a group of assets and processes that jointly engage in the rendering of products or services subject to risks and rewards that are different from those of other business segments and which are measured according to reports used by the Group's chief executive officer and chief decision maker.

The Group is comprised of the following operating segments:

- Courier: includes delivery of small packages across the globe to both, retail and wholesale customers, and express delivery of small parcels and pick up and deliver shipments within the country.
- Freight forwarding: includes forwarding of loose or consolidated freight through air, land and ocean transport, warehousing, customer clearance and break bulk services.
- Logistics: includes warehousing and its management distribution, supply chain management, inventory management as well as other value added services.
- Other operations: includes catalogue shipping services, document storage, airline ticketing and travel, visa services and publication and distribution.

Management monitors the operating results of the operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

Transfer prices between operating segments are on an arm's-length basis in a manner similar to transactions with third parties.

ARAMEX PJSC AND ITS SUBSIDIARIES
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION
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11. Segment information (continued)

	<i>Courier**</i> <i>AED'000</i>	<i>Freight forwarding</i> <i>AED'000</i>	<i>Logistics</i> <i>AED'000</i>	<i>Others</i> <i>AED'000</i>	<i>Total</i> <i>AED'000</i>
Nine month period ended 30 September 2021					
Revenue					
Total revenues	<u>3,100,319</u>	<u>934,875</u>	<u>321,840</u>	<u>100,227</u>	<u>4,457,261</u>
Timing of revenue recognition					
Goods transferred at a point in time	3,100,319	934,875	321,840	100,227	4,457,261
Services transferred overtime	-	-	-	-	-
Total revenues from contracts with customers	<u>3,100,319</u>	<u>934,875</u>	<u>321,840</u>	<u>100,227</u>	<u>4,457,261</u>
Gross profit	<u>890,493</u>	<u>108,997</u>	<u>38,614</u>	<u>65,287</u>	<u>1,103,391</u>
Earnings before interest and tax	<u>226,242</u>	<u>10,196</u>	<u>6,641</u>	<u>3,944</u>	<u>247,023</u>
Nine month period ended 30 September 2020					
Total revenues	<u>2,752,310</u>	<u>804,884</u>	<u>274,104</u>	<u>80,656</u>	<u>3,911,954</u>
Timing of revenue recognition					
Goods transferred at a point in time	2,752,310	804,884	274,104	80,656	3,911,954
Services transferred overtime	-	-	-	-	-
Total revenues from contracts with customers	<u>2,752,310</u>	<u>804,884</u>	<u>274,104</u>	<u>80,656</u>	<u>3,911,954</u>
Gross profit	<u>919,387</u>	<u>116,545</u>	<u>40,893</u>	<u>49,994</u>	<u>1,126,819</u>
Earnings/(losses) before interest and tax	<u>330,054</u>	<u>30,025</u>	<u>(45,311)</u>	<u>(4,385)</u>	<u>310,383</u>

** Courier segment includes international express and domestic express.

Transactions between stations are priced and agreed upon rates. All material intergroup transactions have been eliminated on consolidation. The Group doesn't segregate assets and liabilities by business segments, and accordingly, such information is not presented.

ARAMEX PJSC AND ITS SUBSIDIARIES
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2021 (CONTINUED)

11. Segment information (continued)

Industry segment and geographical allocation

The following is a summary of sales by the Group based on customers' geographical location:

	For the nine month period ended 30 September	
	2021 AED "000" Unaudited	2020 AED "000" Unaudited
Revenue		
United Arab Emirates	646,456	609,684
Gulf Cooperation Council excluding United Arab Emirates	935,123	919,329
Middle East, North Africa and Turkey	591,635	508,405
East and South Africa	242,320	186,376
Europe	577,845	478,360
North America	214,423	137,067
North Asia	429,759	460,363
South Asia	372,925	263,370
Oceania	446,775	349,000
	<u>4,457,261</u>	<u>3,911,954</u>
	30 September 2021 AED "000" Unaudited	31 December 2020 AED "000" Audited
Assets		
United Arab Emirates	2,261,544	2,561,367
Gulf Cooperation Council excluding United Arab Emirates	776,365	799,407
Middle East, North Africa and Turkey	802,637	700,885
East and South Africa	181,822	166,578
Europe	538,183	557,409
North America	170,274	164,070
North Asia	172,222	274,517
South Asia	256,632	239,005
Oceania	676,351	651,932
	<u>5,836,030</u>	<u>6,115,170</u>
Non-current assets*		
United Arab Emirates	785,868	839,590
Gulf Cooperation Council excluding United Arab Emirates	319,755	293,109
Middle East, North Africa and Turkey	418,117	344,380
East and South Africa	66,267	49,928
Europe	112,166	123,597
North America	43,357	45,116
North Asia	39,917	9,529
South Asia	62,528	66,311
Oceania	354,624	356,983
	<u>2,202,599</u>	<u>2,128,543</u>

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FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2021 (CONTINUED)

11. Segment information (continued)

Industry segment and geographical allocation (continued)

	30 September 2021	31 December 2020
	AED "000" Unaudited	AED "000" Audited
Liabilities		
United Arab Emirates	1,080,098	1,311,396
Gulf Cooperation Council excluding United Arab Emirates	634,215	730,287
Middle East, North Africa and Turkey	353,893	362,874
East and South Africa	73,959	58,178
Europe	157,263	185,060
North America	78,845	75,935
North Asia	125,468	126,008
South Asia	81,779	88,475
Oceania	467,065	469,996
	<u>3,052,585</u>	<u>3,408,209</u>

* Non-current assets for this purpose consist of property and equipment, other intangible assets, right of use assets, financial assets at fair value through other comprehensive income and investments in joint ventures and associates. Goodwill is allocated to business segments.

12. Related party transactions and balances

Certain related parties (shareholder, directors, and officers of the Group and companies which they control or over which they exert significant influence) were service providers of the Company and its subsidiaries in the ordinary course of business. Such transactions were made on substantially the same terms as with unrelated parties.

Transactions with related parties included in the condensed interim consolidated statement of income are as follows:

Key management compensation

Compensation of the key management personnel, including executive officers, comprises the following:

	For the nine-month period ended 30 September	
	2021	2020
	AED "000" Unaudited	AED "000" Unaudited
Salaries, other short term benefits and end of service benefits	4,975	8,846
Board remuneration	3,038	2,700
	<u>8,013</u>	<u>11,546</u>

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12. Related party transactions and balances (continued)

The following table provides the total amount of transactions that have been entered into with related parties during the nine month period ended 30 September 2021 and 2020, as well as balances with related parties as at 30 September 2021 and 31 December 2020:

		Sales to related parties	Cost from related parties	Amounts owed by related parties *	Amounts owed to related parties **
		AED'000	AED'000	AED'000	AED'000
Associates	2021	7,582	562	2,175	1,156
	2020	1,140	853	53	970
Joint ventures in which the Parent Company is a venture	2021	56,683	372	30,909	102
	2020	55,036	753	25,329	53
Transactions/balances with companies controlled by previous shareholders ***	2021	-	-	-	-
	2020	60,808	-	-	-
Related parties and companies controlled by shareholders	2021	9,614	-	5,933	-
	2020	4,774	-	4,721	-

* These amounts are classified as accounts receivable.

** These amounts are classified as accounts payable.

*** Transactions with the previous shareholders and entities under common control by the shareholders were presented for the period from 1 January 2020 to 30 September 2020. The related outstanding balances as at 31 December 2020 are not included in the above disclosure since those entities ceased to be related parties on 17 September 2020.

13. Contingent liabilities and commitments

	30 September 2021	31 December 2020
	AED "000" Unaudited	AED "000" Audited
Letters of guarantee	146,791	138,995

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14. Seasonality of operations

The Group's business is seasonal in nature. Historically, the Group experienced a decrease in demand for its services in the post-winter holiday and summer vacation seasons. The Group traditionally experiences its highest volumes towards the latter half of the year. The seasonality of the Group's revenue may cause a variation in its quarterly operating results. However, local Middle East and Islamic holidays vary from year to year and, as a result, the Group's seasonality may shift over time.

15. Legal claims

The Group is involved in litigations from time-to-time in the ordinary course of business. Legal claims often involve complex issues, actual damages, and other matters. These issues are subject to substantial uncertainties and, therefore, the probability of loss and an estimate of damages are often difficult to determine.

The Group has recorded a provision for claims for which it is able to make an estimate of the expected loss or range of possible loss, but believe that the publication of this information on a case-by-case basis would prejudice its position in the ongoing legal proceedings or in any related settlement discussions.

The Group believes that the aggregate provisions recorded for these matters are adequate based upon currently available information as of the reporting date, which may be subject to ongoing revision of existing estimates. However, given the inherent uncertainties related to these claims, the Group could, in the future, incur judgments that could have a material adverse effect on its results of operations, liquidity, financial position or cash flows in any particular period.

As of 30 September 2021, the Group is a defendant in a number of lawsuits amounting to AED 41 million representing claims in connection with activities within the normal course of business.

16. Income tax

Aramex PJSC is registered in the United Arab Emirates of where there is no corporate income taxation. Income tax appearing in the condensed interim consolidated statement of income represents the income tax expense of the Group's subsidiaries that operates in taxable jurisdiction.

Taxes on income in the interim periods are accrued using the applicable tax rates that would be applicable to the expected total annual profit.

17. COVID-19 impact assessment

In January 2020, the World Health Organization (WHO) announced a global health emergency because of (the "COVID-19 outbreak") which, in March 2020, was declared as a pandemic based on the rapid increase in exposure and infections across the world. The pandemic nature of this disease has necessitated global travel restrictions and total lockdown in most countries of the world, with negative implications on the global economy and social life. As of 30 September 2021, the Group is continuously monitoring the impact of COVID-19 pandemic on the business, operations and its finances, particularly on the international express costs which was affected mainly due to the transportation restrictions imposed globally.

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17. COVID-19 impact assessment (continued)

COVID-19 impact on measurement of ECL

IFRS 9 framework requires the estimation of Expected Credit Loss (“ECL”) based on current and forecast economic conditions. In order to assess ECL under forecast economic conditions, the Group utilises a range of economic scenarios of varying severity, and with appropriate weightings, to ensure that ECL estimates are representative of a range of possible economic outcomes. The Group has reviewed the potential impact of COVID-19 outbreak on the inputs and assumptions for IFRS 9 ECL measurement in light of available information. Overall, the COVID-19 situation remains fluid and is evolving at this point, which makes it challenging to reliably reflect impacts on the ECL estimates.

However, management has performed revised assessments and no material impact has been accounted for in this condensed interim consolidated financial information. These assumptions will be revisited at each reporting date according to the evolution of the situation and the availability of data allowing better estimation.

Liquidity management

The global market stress brought on by the COVID-19 crisis can negatively affect the liquidity. In this environment, the Group has taken measures to manage liquidity risk until the crisis is over. The Group’s credit and treasury department is closely monitoring the cash flows and forecasts.

Business continuity planning

The Group is closely monitoring the situation and has invoked crisis management actions to ensure the safety and security of the Group’s staff as well as uninterrupted customer service. Alternative working arrangements have been made and administrative staff are currently working remotely.

18. Losses on property and customer goods

On 4 August 2020, an explosion occurred in the Port of Beirut, Lebanon, which resulted in a damage to the entire warehouse facility of the Group’s subsidiary in Beirut, Lebanon (Aramex Lebanon SARL “Aramex Lebanon”). Furthermore, a fire incident occurred during September 2020 in a storage facility of the Group’s subsidiary in Casablanca, Morocco (Aramex Morocco Logistics SARL “Aramex Morocco”) which resulted in damage to three chambers of that storage facility.

These facilities are covered under existing comprehensive insurance policies and Group management has appointed an independent loss assessor to manage the claims in Lebanon with the respective insurance company while the incident in Morocco is being managed internally by the insurance, legal and compliance teams.

Based on the Group’s initial assessment, management booked a provision of AED 7,712 thousand (AED 1,469 thousand representing property damages and AED 6,243 thousand representing estimated loss on the customers goods) and AED 45,173 thousand (AED 1,102 thousand representing property damages and AED 44,071 thousand representing estimated loss on the customers goods) to cover the estimated losses as at 31 December 2020 for Aramex Lebanon and Aramex Morocco, respectively.

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18. Losses on property and customer goods (continued)

As a result of the fire incident in Morocco, a provision of AED 36,726 thousand was provided as at 31 December 2020 related to a settlement agreement dated 16 March 2021 between the Company and a customer. On 28 March 2021, an amount of AED 36,726 thousand was paid to the customer.

Aramex Lebanon received an amount of AED 6,611 thousand from the insurance company which was recognized in the condensed interim consolidated statement of income during the period ended 30 September 2021.

Subsequent to the date of these financial statements, management recovered a portion of the insurance claim amounts related to property damages and customers' goods resulting from the Aramex Morocco incident (Note 21). Management is confident that the remaining balance will be collected from the insurance company during the year. Reimbursements will be recognized when it is certain that they will be received.

19. Non-cash transactions

	For the nine-month period ended 30 September	
	2021 AED "000" Unaudited	2020 AED "000" Unaudited
Additions of right of use assets	239,761	180,804
Disposal of right of use assets	30,072	37,120
Impact on application of IFRS 16 amendments	-	1,517

20. Prior year reclassification

During the period ended 30 September 2020, the Group classified direct costs, which included salaries and benefits, vehicle running and maintenance, depreciation of property and equipment, right of use assets and other expenses incurred for rendering of services, as "other operating expenses" which relate to costs of services. Accordingly, the Group reclassified the "other operating expenses" on the condensed interim consolidated statement of income for the period ended 30 September 2020 to "cost of services" to comply with the condensed interim consolidated financial information presentation for the current year. Management believes that the current period presentation provides more meaningful information to the users of the condensed interim consolidated financial information.

Condensed interim consolidated statement of income for the three-month period ended 30 September 2020

	As previously reported AED	Reclassification increase/ (decrease) AED	Restated AED
Cost of services	800,982	257,497	1,058,479
Other operating expenses	257,497	(257,497)	-

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FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2021 (CONTINUED)

20. Prior year reclassification (continued)

Condensed interim consolidated statement of income for the nine-month period ended 30 September 2020

	As previously reported AED	Reclassification increase/ (decrease) AED	Restated AED
Cost of services	2,065,211	719,925	2,785,135
Other operating expenses	719,925	(719,925)	-

21. Subsequent events

- (1) On 2 October 2021, Aramex Morocco Logistics SARL received an amount of AED 6,243 thousand in insurance refunds related to the warehouse fire incident from the insurance company. The Group considers this a non-adjusting event.
- (2) During October 2021, GeoPost, the express parcel arm of French Groupe La Poste, acquired 24.93% of Aramex PJSC's issued share capital. The Group considers this a non-adjusting event.