

ARAMEX PJSC AND ITS SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 MARCH 2025

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION TO THE SHAREHOLDERS OF ARAMEX PJSC

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Aramex PJSC (the “Company”) and its subsidiaries (collectively the “Group”), which comprise the interim condensed consolidated statement of financial position as at 31 March 2025, and the related interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the three-month period then ended and explanatory notes. Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements 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 the 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 interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

For Ernst & Young





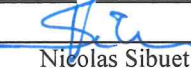
Ashraf Abu-Sharkh
Registration No.: 690

7 May 2025

Dubai, United Arab Emirates

Aramex PJSC and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025 (UNAUDITED)

	Notes	31 March 2025 AED '000 (Unaudited)	31 December 2024 AED '000 Audited
ASSETS			
Non-current assets			
Property and equipment	4	873,854	853,245
Right-of-use assets	5	816,503	838,396
Goodwill	3	1,728,236	1,730,497
Other intangible assets		297,999	299,305
Investments in joint ventures and associates		31,658	31,417
Financial assets at fair value through other comprehensive income		18,621	17,975
Deferred tax assets		36,008	33,351
Other non-current assets		13,847	13,429
		3,816,726	3,817,615
Current assets			
Accounts receivable, net		1,124,317	1,104,844
Other current assets		323,436	290,432
Bank balances and cash	6	544,844	512,730
		1,992,597	1,908,006
TOTAL ASSETS		5,809,323	5,725,621
EQUITY AND LIABILITIES			
Equity			
Share capital		1,464,100	1,464,100
Own shares held by the liquidity provider	15	(757)	(2,767)
Reserve on trading in own shares	15	(814)	(4,069)
Statutory reserve		511,578	511,578
Foreign currency translation reserve		(632,687)	(634,126)
Reserve arising from acquisition of non-controlling interests		(336,986)	(336,986)
Reserve arising from other comprehensive income items		(5,584)	(6,231)
Retained earnings		1,542,165	1,525,042
Equity attributable to equity holders of the Parent		2,541,015	2,516,541
Non-controlling interests		7,337	7,040
TOTAL EQUITY		2,548,352	2,523,581
LIABILITIES			
Non-current liabilities			
Interest-bearing loans and borrowings		919,141	911,918
Lease liabilities	5	710,581	756,743
Employees' end of service benefits		200,485	196,852
Deferred tax liabilities		35,667	34,751
Other non-current liabilities		9,498	9,811
		1,875,372	1,910,075
Current liabilities			
Bank overdrafts	8	7,343	4,015
Accounts payable		346,258	331,060
Lease liabilities	5	184,520	179,806
Interest-bearing loans and borrowings		19,102	21,257
Provisions		27,600	30,256
Other current liabilities		759,493	690,391
Income tax provision	13	41,283	35,180
		1,385,599	1,291,965
TOTAL LIABILITIES		3,260,971	3,202,040
TOTAL EQUITY AND LIABILITIES		5,809,323	5,725,621
<div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;">  Mohamed Juma Alshamsi (Chairman) </div> <div style="text-align: center;">  Lubna Shebli (Acting Chief Financial Officer) </div> <div style="text-align: center;">  Nicolas Sibuet (Acting Chief Executive Officer) </div> </div>			

The accompanying notes from 1 to 17 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED 31 MARCH 2025 (UNAUDITED)

		<i>Three months ended</i>	
		<i>31 March</i>	<i>31 March</i>
		<i>2025</i>	<i>2024</i>
		<i>AED '000</i>	<i>AED '000</i>
Continuing operations			
Rendering of services		1,563,017	1,540,701
Cost of services		(1,198,342)	(1,145,300)
Gross profit		364,675	395,401
Selling and marketing expenses		(87,683)	(81,061)
Administrative expenses		(217,991)	(218,744)
Net impairment loss on financial assets		(3,873)	(6,240)
Other income, net		5,777	3,051
Operating profit		60,905	92,407
Finance income		1,094	1,019
Finance costs		(27,629)	(31,352)
Share of results of joint ventures and associates		147	692
Other non-operating expenses	16	(8,158)	-
Profit before income tax from continuing operations		26,359	62,766
Income tax expense	13	(8,572)	(15,742)
Profit for the period from continuing operations		17,787	47,024
Discontinued operations			
Loss after tax for the period from discontinued operations		-	(284)
Profit for the period		17,787	46,740
Attributable to:			
<i>Equity holders of the Parent</i>			
Profit for the period from continuing operations		17,123	46,849
Loss for the period from discontinued operations		-	(284)
		17,123	46,565
<i>Non-controlling interests</i>			
Profit for the period from continuing operations		664	175
		664	175
Earnings per share attributable to the equity holders of the Parent:			
Basic and diluted earnings per share from continuing operations	7	AED 0.012	AED 0.032
Basic and diluted earnings per share from discontinuing operations	7	-	AED (0.0002)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2025 (UNAUDITED)

	<i>Three months ended</i>	
	<i>31 March 2025 AED '000</i>	<i>31 March 2024 AED '000</i>
Profit for the period	17,787	46,740
Other comprehensive income		
<i>Other comprehensive loss that may be reclassified to profit or loss in subsequent periods (net of tax):</i>		
Gain on debt instruments at fair value through other comprehensive income	646	179
Exchange differences on translation of foreign operations	(579)	(23,676)
Impact of hyperinflation	(8,218)	6,159
	(8,151)	(17,338)
<i>Other comprehensive income may not be reclassified to profit or loss in subsequent periods (net of tax):</i>		
Remeasurements gain on defined benefit plans	1	1
	1	1
Other comprehensive loss for the period, net of tax	(8,150)	(17,337)
Total comprehensive income for the period	9,637	29,403
Attributable to:		
Equity holders of the Parent	8,973	29,563
Non-controlling interests	664	(160)
	9,637	29,403

Aramex PJSC and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2025 (UNAUDITED)

	<i>Attributable to equity holders of the Parent Company</i>										
	<i>Share capital</i>	<i>Own shares held by the liquidity provider</i>	<i>Reserve on trading in own shares</i>	<i>Statutory reserve</i>	<i>Foreign currency translation reserve</i>	<i>Reserve arising from acquisition of non-controlling interests</i>	<i>Reserves arising from other comprehensive income items</i>	<i>Retained earnings</i>	<i>Total</i>	<i>Non-controlling interests</i>	<i>Total equity</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>'000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
For the three-month ended 31 March 2025											
Balance at 1 January 2025	1,464,100	(2,767)	(4,069)	511,578	(634,126)	(336,986)	(6,231)	1,525,042	2,516,541	7,040	2,523,581
Impact of hyperinflation	-	-	-	-	10,236	-	-	-	10,236	-	10,236
At 1 January 2025 (adjusted)	1,464,100	(2,767)	(4,069)	511,578	(623,890)	(336,986)	(6,231)	1,525,042	2,526,777	7,040	2,533,817
Profit for the period	-	-	-	-	-	-	-	17,123	17,123	664	17,787
Other comprehensive income	-	-	-	-	(8,797)	-	647	-	(8,150)	-	(8,150)
Total comprehensive income for the period	-	-	-	-	(8,797)	-	647	17,123	8,973	664	9,637
Trading in own shares (Note 15)	-	2,010	3,255	-	-	-	-	-	5,265	-	5,265
Non-controlling interests	-	-	-	-	-	-	-	-	-	(367)	(367)
Balance at 31 March 2025	1,464,100	(757)	(814)	511,578	(632,687)	(336,986)	(5,584)	1,542,165	2,541,015	7,337	2,548,352
For the three-month ended 31 March 2024											
Balance at 1 January 2024	1,464,100	-	-	500,814	(560,017)	(336,986)	(12,015)	1,405,470	2,461,366	6,554	2,467,920
Impact of hyperinflation	-	-	-	-	(8,788)	-	-	-	(8,788)	-	(8,788)
At 1 January 2024 (adjusted)	1,464,100			500,814	(568,805)	(336,986)	(12,015)	1,405,470	2,452,578	6,554	2,459,132
Profit for the period	-	-	-	-	-	-	-	46,565	46,565	175	46,740
Other comprehensive income	-	-	-	-	(17,182)	-	180	-	(17,002)	(335)	(17,337)
Total comprehensive income for the period	-	-	-	-	(17,182)	-	180	46,565	29,563	(160)	29,403
Balance at 31 March 2024	1,464,100	-	-	500,814	(585,987)	(336,986)	(11,835)	1,452,035	2,482,141	6,394	2,488,535

The accompanying notes from 1 to 17 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2025 (UNAUDITED)

		Three months ended	
		31 March 2025 AED '000	31 March 2024 AED '000
Notes			
OPERATING ACTIVITIES			
		26,359	62,766
		-	(316)
		26,359	62,450
Adjustments for:			
		27,726	28,592
		54,771	57,192
		3,547	3,472
		(59)	(159)
		7,490	11,456
		3,873	5,950
		13,866	18,588
		13,763	12,796
		(1,094)	(1,019)
		(281)	(136)
		(147)	(692)
		149,814	198,490
Working capital adjustments:			
		(23,359)	20,825
		(35,933)	(22,913)
		15,198	3,806
		(2,656)	(5,459)
		70,018	20,215
		(313)	(1,156)
		172,769	213,808
Cash from operations			
		(2,918)	(2,084)
		(3,724)	(4,082)
		166,127	207,642
INVESTING ACTIVITIES			
		(44,839)	(26,779)
		479	2,010
		-	(1,560)
		-	(21,379)
		1,094	1,019
		(418)	(3,810)
		13	(5)
		149	295
		(43,522)	(50,209)
FINANCING ACTIVITIES			
		(28,545)	(33,979)
		10,116	33,390
		(13,781)	(70,589)
		8,141	-
		(67,022)	(91,996)
		(91,091)	(163,174)
Net increase (decrease) in cash and cash equivalents			
		31,514	(5,741)
		(2,579)	(130)
		502,573	564,341
		531,508	558,470

The accompanying notes from 1 to 17 form an integral part of these interim condensed consolidated financial statements.

1 ACTIVITIES

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. 32 of 2021. This interim condensed consolidated financial information of the Company as at and for the period ended 31 March 2025 comprises 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.

As at 31 March 2025, the major shareholders of Aramex PJSC are:

- GeoPost, the express parcel arm of French Groupe La Poste which owns 28% of Aramex PJSC’s issued share capital.
- Abu Dhabi Ports Company PJSC (“ADP”), a subsidiary of Abu Dhabi Developmental Holding Company (“ADQ”) which owns 22.69% of Aramex PJSC’s issued share capital.

This interim condensed consolidated financial statement was authorised for issue by the Board of Directors on 7 May 2025.

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP’S ACCOUNTING POLICIES

BASIS OF PREPARATION

The interim condensed consolidated financial statements for the three months ended 31 March 2025 have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2024. In addition, results for the three-month period ended 31 March 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (CONTINUED)

NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP

The accounting policies adopted in the preparation of the interim condensed 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 standard, interpretation or amendment that has been issued but is not yet effective.

LACK OF EXCHANGEABILITY - AMENDMENTS TO IAS 21

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments did not have a material impact on the Group's interim condensed consolidated financial statements.

3 BUSINESS COMBINATIONS

2024

Aramex (Melbourne) acquisition:

On 29 January 2024, the Group entered into an acquisition arrangement through a Business and Asset Sale Agreement ("BASA") to acquire 4th Dimension Transport named as "Aramex (Melbourne)"; a regional franchise of a courier and freight logistics.

The acquisition has been accounted for using the acquisition method and, accordingly, assets acquired, liabilities assumed, and consideration exchanged were recorded at fair value on the acquisition date.

The fair value of the identifiable assets and liabilities of Aramex (Melbourne), as at the date of acquisition were:

	<i>Fair values recognised on acquisition AED '000</i>
Assets	
Intangible assets (customer relationships)	4,199
Intangible assets (reacquired rights)	15,336
Property and equipment	115
Other current assets	1,644
	21,294
Liabilities	
Other current liabilities	3,152
	3,152
Total identifiable net assets of fair value	18,142
Purchase consideration	(23,127)
Goodwill arising on acquisition *	4,985

* The goodwill of AED 4,985 thousand and intangible assets of AED 19,535 recognised is primarily attributed to the expected synergies and other benefits from combining the assets and activities of Aramex (Melbourne) with those of the Group.

3 BUSINESS COMBINATIONS (CONTINUED)**Geelong acquisition:**

On 15 July 2024, the Group entered into an acquisition arrangement through an Asset Sale Agreement (“ASA”) to acquire Baers Estate Pty Ltd Trading named as "Aramex (Geelong)"; a regional franchise of a courier and freight logistics in Australia.

The acquisition has been accounted for using the acquisition method and, accordingly, assets acquired, liabilities assumed, and consideration exchanged were recorded at fair value on the acquisition date.

The provisional fair value of the identifiable assets and liabilities of Aramex (Geelong), were as follows:

	<i>Provisional Fair values recognised on acquisition AED '000</i>
Assets	
Intangible assets (customer relationships)	692
Intangible assets (reacquired rights)	1,550
Property and equipment	302
Other current assets	242
	<hr/> 2,786 <hr/>
Liabilities	
Other current liabilities	108
	<hr/> 108 <hr/>
Total identifiable net assets of fair value	2,678
Purchase consideration	<hr/> (3,988)
Goodwill arising on acquisition (provisional)*	<hr/> 1,310 <hr/>

* The goodwill of AED 1,310 thousand and intangible assets of AED 2,242 recognised is primarily attributed to the expected synergies and other benefits from combining the assets and activities of Geelong with those of the Group.

Transaction costs of AED 11.6 thousand have been expensed and are included in administrative expenses in consolidated statement of profit or loss and are part of operating cash flows in the consolidated statement of cash flows for the year ended 31 December 2024.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2025 (UNAUDITED)

3 BUSINESS COMBINATIONS (CONTINUED)

A reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period is presented below:

	<i>31 March</i> <i>2025</i> <i>AED '000</i> <i>Unaudited</i>	<i>31 December</i> <i>2024</i> <i>AED '000</i> <i>Audited</i>
Balance at 1 January	1,730,497	1,750,191
Acquisition*	-	8,557
Measurement period adjustment**	(2,261)	-
Exchange differences	-	(28,251)
Balance at period/year end	<u>1,728,236</u>	<u>1,730,497</u>

* On 29 January 2024, the Group entered into an acquisition arrangement through a Business and Asset Sale Agreement (“BASA”) to acquire 4th Dimension Transport named as “Aramex (Melbourne)”; a regional franchise of a courier and freight logistics located in Australia. On 15 July 2024, the Group entered into an acquisition arrangement through an Asset Sale Agreement (“ASA”) to acquire Baers Estate Pty Ltd Trading named as “Aramex (Geelong)”; a regional franchise of a courier and freight logistics located in Australia.

** The allocation of the purchase price for Aramex (Geelong) has been modified during the measurement period, as more information was obtained about the fair value of assets acquired and liabilities assumed. The net impact on Goodwill was a decrease of AED 2,261 thousand.

The goodwill was allocated to the following groups of cash generating units:

	<i>31 March</i> <i>2025</i> <i>AED '000</i> <i>Unaudited</i>	<i>31 December</i> <i>2024</i> <i>AED '000</i> <i>Audited</i>
Publication and distribution	6,212	6,212
Aramex: *		
Express shipping	1,046,905	1,046,905
Domestic shipping	443,309	445,570
Freight forwarding	160,310	160,310
Logistics	71,500	71,500
	<u>1,728,236</u>	<u>1,730,497</u>

* Aramex is the cash generating unit which includes sub segments related to domestic shipping, express shipping, freight forwarding and logistics.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2025 (UNAUDITED)

4 PROPERTY AND EQUIPMENT

During the three-month period ended 31 March 2025, the Group acquired assets with a cost of AED 44.8 million (three-month period ended 31 March 2024: AED 26.8 million).

5 RIGHT OF USE ASSETS AND LEASE LIABILITIES

During the three-month period ended 31 March 2025, the Group made additions of right of use assets and lease liabilities of AED 28 million under various categories (three-month period ended 31 March 2024: AED 59 million).

6 BANK BALANCES AND CASH

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

	<i>31 March 2025 AED '000 Unaudited</i>	<i>31 December 2024 AED '000 Audited</i>
Bank balances and cash	544,844	512,730
Less:		
Margin deposits	5,691	5,842
Banks overdrafts	7,343	4,015
Fixed deposits*	302	300
Cash and cash equivalents	531,508	502,573

Included within bank balances and cash amounts totalling AED 427,787 thousand (31 December 2024: AED 379,554 thousand) held at foreign banks abroad, and amounts totalling approximately AED 53,083 thousand of cash on delivery collected by the Group on behalf of customers, the same balance was recorded as other current liabilities in the interim condensed consolidated statement of financial position (31 December 2024: AED 38,953 thousand).

* Long-term deposits with maturities greater than 3 months accrue interest at prevailing market rates.

The details of cash at banks in Lebanon 31 March 2025 and 31 December 2024 classified under restricted cash was as follows:

	<i>31 March 2025 AED '000 Unaudited</i>	<i>31 December 2024 AED '000 Audited</i>
Restricted cash	191	204
Less: impairment for expected credit losses	(191)	(204)
	-	-

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2025 (UNAUDITED)

6 BANK BALANCES AND CASH (CONTINUED)

Movement on expected credit losses was as follows:

	<i>For the three-month period ended 31 March</i>	
	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
At 1 January	204	181
(Reversal) Charge for the period	(13)	5
At 31 March	191	186

7 EARNING PER SHARE

	<i>Three months ended 31 March</i>	
	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
Profit attributable to the shareholders of the Parent Company		
Profit for the period from continuing operations (AED '000)	17,123	46,849
Loss for the period from discontinued operations (AED '000)	-	(284)
	17,123	46,565
Weighted average number of shares during the period (shares)*	1,464 million	1,464 million
Basic and diluted earnings per share from continuing operations (AED)	0.012	0.032
Basic and diluted earnings per share from discontinued operations (AED)	-	(0.0002)

* Weighted average number of shares takes into account the weighted average effect of changes in treasury shares during the period.

8 BANK OVERDRAFTS

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

	<i>31 March 2025</i>	<i>31 December 2024</i>
	<i>AED '000</i>	<i>AED '000</i>
	<i>Unaudited</i>	<i>Audited</i>
Aramex Tunisia (Arab Bank)	2,494	2,282
Aramex Algeria S.A.L. (Citi Bank)	3,153	-
Aramex Kenya Limited (Citi Bank)	1,696	1,733
	7,343	4,015

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2025 (UNAUDITED)

9 SEGMENT INFORMATION

For management purposes, the Group has identified four reportable segments of its business:

- Courier: includes delivery of small packages across the globe to both, retail and wholesale customers, express delivery of small parcels and pick up and deliver shipments within the country, and related royalty and franchise levies.
- 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 visa services, publication and distribution services.

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.

The following table presents revenue and profit information for each of the Group's operating segments for the three-month-period ended 31 March 2025 and 2024, respectively:

	Courier* AED '000	Freight forwarding AED '000	Logistics AED '000	Other operations AED '000	Total AED '000
Three-month period ended 31 March 2025					
Total revenues from rendering of services	1,279,609	510,661	129,024	32,391	1,951,685
Inter-segment	(288,741)	(77,711)	(450)	(21,766)	(388,668)
Total revenues after elimination	<u>990,868</u>	<u>432,950</u>	<u>128,574</u>	<u>10,625</u>	<u>1,563,017</u>
Gross profit	<u>272,009</u>	<u>60,515</u>	<u>22,889</u>	<u>9,262</u>	<u>364,675</u>
Earnings before interest, tax, and other non-operating expenses	<u>28,339</u>	<u>19,990</u>	<u>7,390</u>	<u>5,186</u>	<u>60,905</u>
Depreciation and amortisation charged on operating expenses	<u>31,552</u>	<u>4,254</u>	<u>20,117</u>	<u>29</u>	<u>55,952</u>
Depreciation and amortisation charged on general and administrative expenses	<u>22,928</u>	<u>3,147</u>	<u>2,966</u>	<u>1,051</u>	<u>30,092</u>
Three-month period ended 31 March 2024					
Total revenues from rendering of services	1,374,568	476,057	106,936	30,384	1,987,945
Inter-segment	(348,558)	(77,518)	(332)	(20,836)	(447,244)
Total revenues after elimination	<u>1,026,010</u>	<u>398,539</u>	<u>106,604</u>	<u>9,548</u>	<u>1,540,701</u>
Gross profit	<u>313,947</u>	<u>56,537</u>	<u>16,331</u>	<u>8,586</u>	<u>395,401</u>
Earnings before interest and tax	<u>78,738</u>	<u>12,494</u>	<u>(1,301)</u>	<u>2,476</u>	<u>92,407</u>
Depreciation and amortisation charged on operating expenses	<u>32,946</u>	<u>2,899</u>	<u>20,390</u>	<u>4</u>	<u>56,239</u>
Depreciation and amortisation charged on general and administrative expenses	<u>25,240</u>	<u>4,311</u>	<u>2,547</u>	<u>430</u>	<u>32,528</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2025 (UNAUDITED)

9 SEGMENT INFORMATION (CONTINUED)

* Courier segment includes international express, domestic express, and operations of Access Shipping LLC.

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

Industry segment and geographical allocation

The business segments are managed on a worldwide basis, but operate in eight principal geographical areas, Gulf Cooperation Council, Middle East, North Africa and Turkey, East and South Africa, Europe, North America, South Asia, North Asia and Oceania. In presenting information on the geographical segments, segment revenue is based on the geographical location of customers. Segments assets are based on the location of the assets.

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

	<i>Three months ended</i>	
	<i>31 March</i>	
	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
Revenues		
United Arab Emirates	291,257	253,401
Gulf Cooperation Council excluding United Arab Emirates	399,612	349,049
Middle East, North Africa and Turkey	187,384	280,487
East and South Africa	71,389	62,247
Europe	171,660	170,237
North America	139,190	132,718
North Asia	24,777	32,772
South Asia	101,451	106,922
Oceania	176,297	152,868
	1,563,017	1,540,701

The following is a summary of the Group's assets and liabilities based on geographical location:

	<i>31 March</i>	<i>31 December</i>
	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>
	<i>Unaudited</i>	<i>Audited</i>
Assets		
United Arab Emirates	1,669,258	1,661,837
Gulf Cooperation Council excluding United Arab Emirates	782,468	706,410
Middle East, North Africa and Turkey	562,626	548,479
East and South Africa	150,532	145,029
Europe	532,640	506,715
North America	1,109,088	1,123,755
North Asia	49,041	54,101
South Asia	238,116	245,575
Oceania	715,554	733,720
	5,809,323	5,725,621

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2025 (UNAUDITED)

9 SEGMENT INFORMATION (CONTINUED)

	<i>31 March 2025 AED '000 Unaudited</i>	<i>31 December 2024 AED '000 Audited</i>
Non-current assets*		
United Arab Emirates	640,557	638,825
Gulf Cooperation Council excluding United Arab Emirates	299,943	311,023
Middle East, North Africa and Turkey	225,294	218,267
East and South Africa	62,535	63,116
Europe	139,386	134,738
North America	207,990	208,228
North Asia	14,128	15,287
South Asia	81,728	83,416
Oceania	367,074	367,438
	2,038,635	2,040,338
Liabilities		
United Arab Emirates	592,306	605,834
Gulf Cooperation Council excluding United Arab Emirates	683,820	635,695
Middle East, North Africa and Turkey	218,227	207,791
East and South Africa	77,608	73,496
Europe	607,428	577,568
North America	539,811	534,823
North Asia	28,821	33,186
South Asia	100,214	107,742
Oceania	412,736	425,905
	3,260,971	3,202,040

* 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.

10 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.

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

Key management compensation

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

	<i>Three months ended 31 March 2025 AED '000 Unaudited</i>	<i>2024 AED '000 Unaudited</i>
Salaries and other short-term benefits	1,945	1,845
Board remuneration	1,100	669
End of service benefits	83	73
	3,128	2,587

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2025 (UNAUDITED)

10 RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)**Other transactions and balances with related parties**

The following table provides the total amount of transactions that have been entered into with related parties during the three-month period ended 31 March 2025 and 2024, as well as balances with related parties as at 31 March 2025 and 31 December 2024:

		Sales to related parties AED '000	Purchases from related parties AED '000	Amounts owed by related parties (*) AED '000	Amounts owed to related parties (**) AED '000
Associates:					
	2025	258	256	37	728
	2024	257	271	29	631
Joint ventures in which the Parent is a venturer:					
	2025	11,760	150	10,807	-
	2024	13,459	143	13,438	-
Related parties and companies controlled by shareholders:					
	2025	40,485	-	27,816	887
	2024	42,526	-	21,482	640

* These amounts are classified as trade receivables.

** These amounts are classified as trade payables.

11 CONTINGENCIES AND COMMITMENTS

	31 March 2025	31 December 2024
	AED '000	AED '000
	Unaudited	Audited
Letters of guarantee	180,490	179,894

Claims against the Group

The Group is a defendant in a number of lawsuits amounting to AED 82,718 thousand as of 31 March 2025 (31 December 2024: AED 73,525 thousand) representing legal actions and claims related to the ordinary course of business. Management and its legal advisors believe that the provision recorded of AED 14,856 thousand as of 31 March 2025 (31 December 2024: AED 14,231 thousand) is sufficient to meet the obligations that may arise from the lawsuits.

12 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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2025 (UNAUDITED)

13 TAXATION

The major components of income tax expense in the interim condensed consolidated statement of profit or loss are:

	<i>Three months ended</i>	
	<i>31 March</i>	
	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
Current income tax expense	9,183	15,095
(Credit) / Charge of deferred tax	(611)	647
Income tax expense recognised in interim condensed consolidated statement of profit or loss	8,572	15,742

Movements on income tax provision were as follows:

	<i>31 March</i>	<i>31 December</i>
	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>
	<i>Unaudited</i>	<i>Audited</i>
At 1 January	35,180	36,676
Income tax expense for the period/year	9,183	49,462
Income tax paid	(2,918)	(43,763)
Foreign exchange	(162)	(7,195)
	41,283	35,180

Implementation of UAE Corporation Tax Law and application of IAS 12 Income Taxes

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal Corporate Tax ("CT") regime in the UAE. The CT regime is effective for annual periods beginning on or after 1 June 2024 and accordingly, it has a current income tax related impact on the interim condensed consolidated financial statements for the Group starting 1 January 2024.

The Cabinet of Ministers Decision No. 116 of 2022 specifies the threshold of income over which the 9% CT rate would apply and accordingly, the Law is now considered to be substantively enacted from the perspective of IAS 12 – Income Taxes. A rate of 9% will apply to taxable income exceeding AED 375,000, a rate of 0% will apply to taxable income not exceeding AED 375,000, and a rate of 0% will apply on qualifying income of qualifying free zone entities.

Income tax appearing in the interim condensed consolidated statement of profit or loss represents the income tax expense of the Parent Company and the Group's subsidiaries that operates in taxable jurisdiction. Taxes on income are accrued using the applicable tax rates that would be applicable to the expected total annual profit.

Pillar Two

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) published the Pillar Two Anti Global Base Erosion Rules ("GloBE Rules") designed to address the tax challenges arising from the digitalisation of the global economy.

UAE, where the Group operates, published Federal Decree-Law No. 60 of 2023, amending specific provisions of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses on 24 November 2023, as part of its commitment to the OECD guidelines.

The amendments introduced by Federal Decree-Law No. 60 of 2023 are intended to prepare for the introduction of the BEPS 2.0 Pillar Two Rules. The implementation of these rules in the UAE is still pending additional Cabinet Decisions, and the specific form and manner of implementation are yet to be determined.

13 TAXATION (CONTINUED)***Pillar Two (continued)***

Separately, on 9 December 2024, the UAE Ministry of Finance (MoF) announced further amendments to Federal Decree-Law No. 47 of 2022, including the implementation of a Domestic Minimum Top-up Tax (DMTT) and the introduction of certain tax incentives. According to the MoF, these amendments aim to enhance the UAE's business environment and promote greater compliance with global standards for transparency and fairness. Press reports indicate that the DMTT will impose a minimum effective tax rate of 15% on multinational enterprises (MNEs) with global revenues exceeding €750 million in at least two of the last four financial years, effective from 1 January 2025. The MoF is expected to provide further details on the legislation.

The Group operates in UAE where Pillar Two legislation will be effective from 1 January 2025 and will be applicable for fiscal year starting on or after 1 January 2025. The Group will continue to monitor the legislation and accrue any potential top-up tax when the legislation becomes effective, in accordance with the IAS 12 Amendments and considering the transitional Country-by-Country (CbC) safe harbour relief.

As of March 2025, the Group has performed an impact assessment of the potential exposure to Pillar Two income taxes in jurisdictions where the legislation will be effective from 1 January 2025 and applicable for fiscal year starting 1 January 2025. The preliminary analysis indicates that Aramex is currently not exposed to any additional taxes under Pillar Two. As part of routinely reviewing the Pillar Two legislation, a routine update of these calculations will be undertaken based on the latest available data to undertake the impact assessment in line with prescribed methodology.

It is unclear if the Pillar Two model rules create additional temporary differences, whether to remeasure deferred taxes for the Pillar Two model rules and which tax rate to use to measure deferred taxes. In response to this uncertainty, on 23 May 2023, the International Accounting Standards Board (IASB) issued amendments to IAS 12 'Income taxes' introducing a mandatory temporary exception to the requirements of IAS 12 under which an entity does not recognise or disclose information about deferred tax assets and liabilities related to the proposed OECD/G20 BEPS Pillar Two model rules.

The Group has applied this mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes.

14 FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of cash on hand and bank balances, receivables, investment securities at fair value through other comprehensive income, and other current assets. Financial liabilities consist of loans and borrowings, bank overdrafts, trade payable, lease liabilities, and other current liabilities.

The fair values of financial instruments are not materially different from their carrying values.

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

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 at fair value 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.

There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2025 (UNAUDITED)

14 FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

As at 31 March 2025, the Group held the following financial instruments measured at fair value:

Assets measured at fair value

	<i>31 March 2025</i> <i>AED '000</i>	<i>Level 1</i> <i>AED '000</i>	<i>Level 2</i> <i>AED '000</i>	<i>Level 3</i> <i>AED '000</i>
Unquoted equity financial assets				
What 3 Words Ltd	15,241	-	-	15,241
Flirtey Tech Pty Ltd.	62	-	-	62
Total	<u>15,303</u>	<u>-</u>	<u>-</u>	<u>15,303</u>
Unquoted debt financial assets				
Cell captive	2,216	-	-	2,216
Shippify Inc	1,102	-	-	1,102
Total	<u>3,318</u>	<u>-</u>	<u>-</u>	<u>3,318</u>

As at 31 December 2024, the Group held the following financial instruments measured at fair value:

Assets measured at fair value

	<i>31 December</i> <i>2024</i> <i>AED '000</i>	<i>Level 1</i> <i>AED '000</i>	<i>Level 2</i> <i>AED '000</i>	<i>Level 3</i> <i>AED '000</i>
Unquoted equity financial assets				
What 3 Words Ltd	15,241	-	-	15,241
Flirtey Tech Pty Ltd.	62	-	-	62
Total	<u>15,303</u>	<u>-</u>	<u>-</u>	<u>15,303</u>
Unquoted debt financial assets				
Cell captive	1,570	-	-	1,570
Shippify Inc	1,102	-	-	1,102
Total	<u>2,672</u>	<u>-</u>	<u>-</u>	<u>2,672</u>

During the period ended 31 March 2025 and year ended 31 December 2024, there were no transfers between the various levels of fair value measurements.

At 31 March 2025, the fair values of debt securities were assessed which resulted in the fair value gain of AED 646 thousand (31 March 2024: gain of AED 179 thousand).

15 OWN SHARES HELD BY THE LIQUIDITY PROVIDER

During 2024, the Group engaged a third-party licensed Liquidity Provider on the Dubai Financial Market to facilitate the selling and buying of Aramex's own shares in the market, in accordance with the Market Maker regulations. At 31 March 2025, the Liquidity Provider held 757 thousand of the Group's shares on behalf of the Group at par value of AED 1 (31 December 2024: 2,767 thousand).

The premium or discount recognised on trading in the Aramex's own shares is recorded as "Reserve on trading in own shares". Such reserve, which amounted to AED 814 thousand as of 31 March 2025, is classified under equity (31 December 2024: AED 4,069 thousand).

At the inception of the agreement, the Group paid AED 10,000 thousand to the liquidity provider to facilitate share trading. The Group's agreement with its liquidity provider was suspended effective 7 February 2025 (the last trading date). The liquidity provider paid back AED 8,141 thousand to the Group while retaining 757 thousand Aramex shares, these shares were tendered to Q Logistics Holding LLC during its offer period for the Group's shares, pending the finalisation of Q Logistics Holding LLC's buyout offer of Group's shares (Note 16).

The movement in the negative reserve on trading in own shares account is as follows:

	<i>31 March 2025 AED '000 Unaudited</i>	<i>31 December 2024 AED '000 Audited</i>
Beginning balance	4,069	-
Premium recognised	-	3,453
Net trading (gain) loss realised for the period*	<u>(3,255)</u>	<u>616</u>
Ending balance	<u>814</u>	<u>4,069</u>

* The net impact of AED 3,255 thousand represents the cumulative effect of buying and selling the Group's own shares during the period. Gains or losses on own shares transactions are recognised directly in equity and do not affect the interim consolidated statement of profit or loss. The reserve is adjusted based on the difference between the purchase price and sale price of the shares, with no recycling to profit or loss in subsequent periods.

16 OTHER NON-OPERATING EXPENSES

On 10 January 2025, Aramex received notification from Q Logistics Holding LLC A subsidiary of (Abu Dhabi Developmental Holding Company PJSC) of its intention to submit a voluntary conditional cash offer for up to 100% of Aramex's shares not held by Abu Dhabi Ports Group. The Securities and Commodities Authority approved the final offer on 9 February 2025, and the Board convened on 11 February 2025 to, among other matters, review the final offer. As of 24 March 2025, Q Logistics secured acceptances for 40.57% of Aramex's shares, bringing total ownership (including Abu Dhabi Ports Group's 22.69% stake) to 63.26%, meeting the minimum acceptance conditions for the offer specified in the Mergers and Acquisition Rules issued by the Securities and Commodities Authority. The transaction remains subject to closing conditions.

During the period, the Group incurred AED 8,158 thousand in professional fees directly attributable to its acquisition offer by Q Logistics Holding LLC (Apollo Project). These costs include advisory, due diligence, and valuation services.

17 SUBSEQUENT EVENTS

Subsequent to the interim condensed consolidated financial statements date, The United States government has imposed new reciprocal tariffs with a 90-day pause on certain tariffs announced on 9 April 2025, baseline tariffs and industry-specific measures remain effective. These developments may impact the Group's operations, but the financial effect could not be determined as at the date of these interim condensed consolidated financial statements. The Group continues to monitor developments.