

ARAMEX PJSC AND ITS SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

REPORT ON REVIEW OF INTERIM CONDENSED 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 30 June 2025, and the related interim condensed consolidated statements of profit or loss and comprehensive income for the three-month and six-month periods ended 30 June 2025, the interim condensed consolidated statements of changes in equity and cash flows for the six-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 August 2025

Dubai, United Arab Emirates

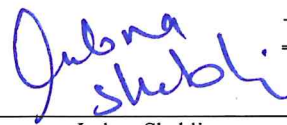
Aramex PJSC and its Subsidiaries

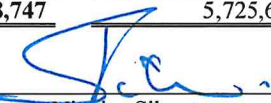
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025 (Unaudited)

	Notes	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 Audited
ASSETS			
Non-current assets			
Property and equipment	4	888,824	853,245
Right of use assets	5	799,223	838,396
Goodwill	3	1,728,267	1,730,497
Other intangible assets		294,374	299,305
Investments in joint ventures and associates		30,948	31,417
Financial assets at fair value through other comprehensive income		18,470	17,975
Deferred tax assets		40,989	33,351
Other non-current assets		14,184	13,429
		<u>3,815,279</u>	<u>3,817,615</u>
Current assets			
Accounts receivable, net		1,044,260	1,104,844
Other current assets		326,740	290,432
Bank balances and cash	6	542,468	512,730
		<u>1,913,468</u>	<u>1,908,006</u>
TOTAL ASSETS		<u>5,728,747</u>	<u>5,725,621</u>
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		(638,344)	(634,126)
Reserve arising from acquisition of non-controlling interests		(336,986)	(336,986)
Reserve arising from other comprehensive income items		(9,788)	(6,231)
Retained earnings		1,532,896	1,525,042
		<u>2,521,885</u>	<u>2,516,541</u>
Equity attributable to equity holders of the Parent		<u>2,521,885</u>	<u>2,516,541</u>
Non-controlling interests		5,189	7,040
TOTAL EQUITY		<u>2,527,074</u>	<u>2,523,581</u>
LIABILITIES			
Non-current liabilities			
Interest-bearing loans and borrowings		938,314	911,918
Lease liabilities	5	718,796	756,743
Employees' end of service benefits		202,451	196,852
Deferred tax liabilities		38,511	34,751
Other non-current liabilities		9,680	9,811
		<u>1,907,752</u>	<u>1,910,075</u>
Current liabilities			
Bank overdrafts	8	6,889	4,015
Accounts payable		371,699	331,060
Lease liabilities	5	179,635	179,806
Interest-bearing loans and borrowings		21,312	21,257
Provisions		23,193	30,256
Other current liabilities		661,683	690,391
Income tax provision	13	29,510	35,180
		<u>1,293,921</u>	<u>1,291,965</u>
TOTAL LIABILITIES		<u>3,201,673</u>	<u>3,202,040</u>
TOTAL EQUITY AND LIABILITIES		<u>5,728,747</u>	<u>5,725,621</u>


Mohamed Juma Aishamsi
(Chairman)


Lubna Shebli
(Acting Chief Financial Officer)


Nicolas Sibuet
(Acting Chief Executive Officer)

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 30 June 2025 (Unaudited)

	<i>Notes</i>	For the three-month period ended 30 June		For the six-month period ended 30 June	
		2025	2024	2025	2024
		AED '000	AED '000	AED '000	AED '000
Continuing operations					
Rendering of services		1,497,690	1,496,254	3,060,707	3,036,955
Cost of services		(1,168,425)	(1,151,123)	(2,366,767)	(2,296,423)
Gross profit		329,265	345,131	693,940	740,532
Selling and marketing expenses		(83,848)	(83,428)	(171,531)	(164,489)
Administrative expenses		(225,155)	(216,954)	(443,146)	(435,698)
Net impairment loss on financial assets		(5,716)	(4,409)	(9,589)	(10,649)
Other income, net		1,583	6,622	7,360	9,673
Operating profit		16,129	46,962	77,034	139,369
Finance income		1,557	1,581	2,651	2,600
Finance costs		(27,827)	(30,502)	(55,456)	(61,854)
Share of results of joint ventures and associates		(1,039)	220	(892)	912
Other non-operating expenses	16	(133)	-	(8,291)	-
(Loss) profit before income tax from continuing operations		(11,313)	18,261	15,046	81,027
Income tax expense	13	1,208	(14,909)	(7,364)	(30,651)
(Loss) profit for the period from continuing operations		(10,105)	3,352	7,682	50,376
Discontinued operations					
Loss after tax for the period from discontinued operations		-	(268)	-	(552)
(Loss) profit for the period		(10,105)	3,084	7,682	49,824
Attributable to:					
<i>Equity holders of the Parent Company</i>					
(Loss) profit for the period from continuing operations		(9,269)	3,161	7,854	50,010
Loss for the period from discontinued operations		-	(268)	-	(552)
		(9,269)	2,893	7,854	49,458
<i>Non-controlling interests</i>					
(Loss) profit for the period from continuing operations		(836)	191	(172)	366
		(10,105)	3,084	7,682	49,824
Earnings per share attributable to equity holders of the Parent:					
Basic and diluted earnings per share from continuing operations	7	(0.006)	0.002	0.005	0.034
Basic and diluted earnings per share from discontinued operations	7	-	(0.0002)	-	(0.0004)

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 June 2025 (Unaudited)

	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2025 AED '000	2024 AED '000	2025 AED '000	2024 AED '000
(Loss) profit for the period	(10,105)	3,084	7,682	49,824
Other comprehensive income				
<i>Other comprehensive loss that may be reclassified to profit or loss in subsequent periods (net of tax):</i>				
(Loss) gain on debt instruments at fair value through other comprehensive income	(156)	147	490	326
Exchange differences loss on translation of foreign operations	(1,945)	(5,003)	(2,524)	(28,679)
Impact of hyperinflation	(6,228)	(9,098)	(14,446)	(2,939)
	<u>(8,329)</u>	<u>(13,954)</u>	<u>(16,480)</u>	<u>(31,292)</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax):</i>				
Remeasurements (loss) gain on defined benefit plans	(4,048)	13	(4,047)	14
	<u>(4,048)</u>	<u>13</u>	<u>(4,047)</u>	<u>14</u>
Other comprehensive loss for the period, net of tax	(12,377)	(13,941)	(20,527)	(31,278)
Total comprehensive income for the period	<u>(22,482)</u>	<u>(10,857)</u>	<u>(12,845)</u>	<u>18,546</u>
Attributable to:				
Equity holders of the Parent Company	(21,238)	(10,862)	(12,265)	18,701
Non-controlling interests	(1,244)	5	(580)	(155)
	<u>(22,482)</u>	<u>(10,857)</u>	<u>(12,845)</u>	<u>18,546</u>

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2025 (Unaudited)

	Attributable to equity holders of the Parent Company										Non-controlling interests	Total equity
	Share capital	Own shares held by the liquidity provider	Reserve on trading in own shares	Statutory reserve	Foreign currency translation reserve	Reserve arising from acquisition of non-controlling interests	Reserves arising from other comprehensive income items	Retained earnings	Total			
	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000
For the six-month ended 30 June 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	-	-	-	-	12,344	-	-	-	12,344	-	12,344	
At 1 January 2025 (adjusted)	1,464,100	(2,767)	(4,069)	511,578	(621,782)	(336,986)	(6,231)	1,525,042	2,528,885	7,040	2,535,925	
Profit for the period	-	-	-	-	-	-	-	7,854	7,854	(172)	7,682	
Other comprehensive income	-	-	-	-	(16,562)	-	(3,557)	-	(20,119)	(408)	(20,527)	
Total comprehensive income for the period	-	-	-	-	(16,562)	-	(3,557)	7,854	(12,265)	(580)	(12,845)	
Non-controlling interests	-	-	-	-	-	-	-	-	-	(392)	(392)	
Trading in own shares (Note 15)	-	2,010	3,255	-	-	-	-	-	5,265	-	5,265	
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	(879)	(879)	
Balance at 30 June 2025	1,464,100	(757)	(814)	511,578	(638,344)	(336,986)	(9,788)	1,532,896	2,521,885	5,189	2,527,074	
For the six-month ended 30 June 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	-	-	-	-	2,892	-	-	-	2,892	-	2,892	
At 1 January 2024 (adjusted)	1,464,100	-	-	500,814	(557,125)	(336,986)	(12,015)	1,405,470	2,464,258	6,554	2,470,812	
Profit for the period	-	-	-	-	-	-	-	49,458	49,458	366	49,824	
Other comprehensive income	-	-	-	-	(31,097)	-	340	-	(30,757)	(521)	(31,278)	
Total comprehensive income for the period	-	-	-	-	(31,097)	-	340	49,458	18,701	(155)	18,546	
Non-controlling interests	-	-	-	-	-	-	-	-	-	(1,343)	(1,343)	
Trading in own shares (Note 15)	-	(2,751)	(4,360)	-	-	-	-	-	(7,111)	-	(7,111)	
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	(389)	(389)	
Balance at 30 June 2024	1,464,100	(2,751)	(4,360)	500,814	(588,222)	(336,986)	(11,675)	1,454,928	2,475,848	4,667	2,480,515	

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 30 June 2025 (Unaudited)

		<i>Six months ended</i>	
		<i>30 June 2025 AED '000</i>	<i>30 June 2024 AED '000</i>
OPERATING ACTIVITIES	<i>Notes</i>		
Profit before tax from continuing operations		15,046	81,027
Loss before tax from discontinued operations		-	(613)
Profit before tax		15,046	80,414
Adjustments for:			
Depreciation of property and equipment		56,641	56,914
Depreciation of right of use assets		110,930	113,791
Amortisation of other intangible assets		7,141	7,010
Loss on disposal of property and equipment		136	22
Provision for employees' end of service benefits		10,851	19,359
Net impairment loss on financial assets		9,589	10,415
Finance costs – borrowings		27,742	36,359
Finance costs – lease liabilities		27,714	25,556
Finance income		(2,651)	(2,600)
Gain on disposal of right of use assets and lease liabilities		(421)	(573)
Share of results of joint ventures and associates		892	(912)
		263,610	345,755
Working capital adjustments:			
Accounts receivable		50,979	62,228
Other current assets		(39,237)	(41,582)
Accounts payables		40,639	(23,948)
Provisions		(7,063)	(16,130)
Other current liabilities		(27,973)	(842)
Other non-current liabilities		(131)	(1,411)
Cash from operations			
Income tax paid	13	(15,066)	(24,418)
Employees' end of service benefits paid		(9,364)	(8,670)
Net cash flows from operating activities		256,394	290,982
INVESTING ACTIVITIES			
Purchase of property and equipment	4	(78,652)	(56,291)
Proceeds from sale of property and equipment		1,454	4,456
Acquisition of a subsidiary	3	-	(23,127)
Purchase of intangible assets		-	(1,561)
Finance income received		2,651	2,600
Margins and bank deposits		(1,190)	230
Other non-current assets		(755)	(3,516)
Restricted cash		16	9
Non-controlling interest		-	(1,343)
Net cash flows used in investing activities		(76,476)	(78,543)
FINANCING ACTIVITIES			
Finance costs paid		(56,190)	(64,113)
Proceeds from interest-bearing loans and borrowings		11,513	33,779
Repayment of interest-bearing loans and borrowings		(15,490)	(155,354)
Principal elements of lease liabilities		(90,811)	(131,794)
Acquisition of own shares	15	-	(10,000)
Proceeds from own shares		8,141	-
Dividends paid to non-controlling interests		(879)	(389)
Net cash flows used in financing activities		(143,716)	(327,871)
Net increase (decrease) in cash and cash equivalents		36,202	(115,432)
Net foreign exchange loss		(10,528)	(6,309)
Cash and cash equivalents at 1 January		502,573	564,341
Cash and cash equivalents at 30 June	6	528,247	442,600

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 30 June 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 30 June 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. Subsequent to the interim condensed consolidated financial statements date, ADQ has increased its effective ownership in Aramex to 63.16% (Note 17).

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

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

BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 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 six-month period ended 30 June 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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2025 (Unaudited)

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)

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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2025 (Unaudited)

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

	<i>Fair values recognised on acquisition AED '000</i>
Assets	
Intangible assets (customer relationships)	661
Intangible assets (reacquired rights)	1,550
Property and equipment	302
Other current assets	242
	<u>2,755</u>
Liabilities	
Other current liabilities	108
	<u>108</u>
Total identifiable net assets of fair value	2,647
Purchase consideration	<u>(3,988)</u>
Goodwill arising on acquisition *	<u><u>1,341</u></u>

* The goodwill of AED 1,341 thousand and intangible assets of AED 2,211 thousand 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 STATEMENTS

For the period ended 30 June 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>30 June 2025 AED '000 Unaudited</i>	<i>31 December 2024 AED '000 Audited</i>
Balance at 1 January	1,730,497	1,750,191
Acquisition*	-	8,557
Measurement period adjustment**	(2,230)	-
Exchange differences	-	(28,251)
Balance at period/year end	<u>1,728,267</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 2,230 thousand.

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

	<i>30 June 2025 AED '000 Unaudited</i>	<i>31 December 2024 AED '000 Audited</i>
Publication and distribution	6,212	6,212
Aramex: *		
Express shipping	1,046,905	1,046,905
Domestic shipping	443,340	445,570
Freight forwarding	160,310	160,310
Logistics	71,500	71,500
	<u>1,728,267</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 STATEMENTS

For the period ended 30 June 2025 (Unaudited)

4 PROPERTY AND EQUIPMENT

During the six-month period ended 30 June 2025, the Group acquired assets with a cost of AED 78.6 million (six-month period ended 30 June 2024: AED 56 million).

5 RIGHT OF USE ASSETS AND LEASE LIABILITIES

During the six-month period ended 30 June 2025, the Group made additions on right of use assets and lease liabilities of AED 57 million under various categories (six-month period ended 30 June 2024: AED 100 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>30 June 2025 AED '000 Unaudited</i>	<i>31 December 2024 AED '000 Audited</i>
Bank balances and cash	542,468	512,730
Less:		
Margin deposits	5,761	5,842
Bank overdrafts	6,889	4,015
Fixed deposits*	1,571	300
Cash and cash equivalents	528,247	502,573

Included within bank balances and cash amounts totalling AED 386,039 thousand (31 December 2024: AED 379,554 thousand) held at foreign banks abroad, and amounts totalling to AED 36,928 thousand of cash on delivery collected by the Group on behalf of customers, the same balance was recorded under 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 30 June 2025 and 31 December 2024 classified under restricted cash was as follows:

	<i>30 June 2025 AED '000 Unaudited</i>	<i>31 December 2024 AED '000 Audited</i>
Restricted cash	188	204
Less: impairment for expected credit losses	(188)	(204)
	-	-

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2025 (Unaudited)

6 BANK BALANCES AND CASH (CONTINUED)

Movement on expected credit losses was as follows:

	<i>For the six-month period ended 30 June</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
(Reversals) for the period	(16)	(9)
At 30 June	188	172

7 EARNING PER SHARE

	<i>For the three-month period ended 30 June</i>		<i>For the six-month period ended 30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>
Profit attributable to the shareholders of Parent Company				
Profit for the period from continuing operations (AED'000)	(9,269)	3,161	7,854	50,010
Loss for the period from discontinued operations (AED'000)	-	(268)	-	(552)
	(9,269)	2,893	7,854	49,458
Weighted average number of shares during the period (shares)*	1,463 million	1,463 million	1,463 million	1,463 million
Basic and diluted earnings per share from continuing operations (AED)	(0.006)	0.002	0.005	0.034
Basic and diluted earnings per share from discontinued operations (AED)	-	(0.0002)	-	(0.0004)

* 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>30 June 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)	2,007	2,282
Aramex Algeria S.A.L. (Citi Bank)	3,125	-
Aramex Kenya Limited (Citi Bank)	1,757	1,733
	6,889	4,015

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 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 six-month-period ended 30 June 2025 and 2024, respectively:

	Courier*	Freight forwarding	Logistics	Others	Total
	AED'000	AED'000	AED'000	AED'000	AED'000
<i>Six-month period ended 30 June 2025 (Unaudited)</i>					
Total revenues from rendering of service	2,440,241	1,022,402	261,913	65,371	3,789,927
Inter-segment	(532,900)	(151,173)	(936)	(44,211)	(729,220)
Total revenues after elimination	<u>1,907,341</u>	<u>871,229</u>	<u>260,977</u>	<u>21,160</u>	<u>3,060,707</u>
Gross profit	<u>508,429</u>	<u>117,265</u>	<u>50,280</u>	<u>17,966</u>	<u>693,940</u>
Operating profit	<u>20,077</u>	<u>33,329</u>	<u>15,868</u>	<u>7,760</u>	<u>77,034</u>
Depreciation and amortization charged on operating expenses	<u>64,016</u>	<u>8,712</u>	<u>41,176</u>	<u>57</u>	<u>113,961</u>
Depreciation and amortization charged on general and administrative expenses	<u>46,387</u>	<u>6,548</u>	<u>5,798</u>	<u>2,018</u>	<u>60,751</u>
<i>Six-month period ended 30 June 2024 (Unaudited)</i>					
Total revenues from rendering of services	2,638,416	966,982	214,917	65,308	3,885,623
Inter-segment	(647,033)	(157,176)	(643)	(43,816)	(848,668)
Total revenues after elimination	<u>1,991,383</u>	<u>809,806</u>	<u>214,274</u>	<u>21,492</u>	<u>3,036,955</u>
Gross profit	<u>583,487</u>	<u>108,457</u>	<u>28,687</u>	<u>19,901</u>	<u>740,532</u>
Operating profit	<u>109,327</u>	<u>24,139</u>	<u>(2,789)</u>	<u>8,692</u>	<u>139,369</u>
Depreciation and amortization charged on operating expenses	<u>65,523</u>	<u>6,504</u>	<u>40,936</u>	<u>8</u>	<u>112,971</u>
Depreciation and amortization charged on general and administrative expenses	<u>50,709</u>	<u>7,398</u>	<u>4,958</u>	<u>699</u>	<u>63,764</u>

* Courier segment includes international express, and domestic express.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2025 (Unaudited)

9 SEGMENT INFORMATION (CONTINUED)

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>Six months ended</i>	
	<i>30 June</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	578,956	506,016
Gulf Cooperation Council excluding United Arab Emirates	756,744	676,892
Middle East, North Africa and Turkey	372,937	528,051
East and South Africa	146,467	134,528
Europe	325,173	324,681
North America	263,737	265,075
North Asia	52,861	65,857
South Asia	198,924	209,462
Oceania	364,908	326,393
	3,060,707	3,036,955

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

	<i>30 June</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	1,673,419	1,661,837
Gulf Cooperation Council excluding United Arab Emirates	714,543	706,410
Middle East, North Africa and Turkey	556,771	548,479
East and South Africa	147,524	145,029
Europe	525,339	506,715
North America	1,092,770	1,123,755
North Asia	47,466	54,101
South Asia	229,110	245,575
Oceania	741,805	733,720
	5,728,747	5,725,621

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2025 (Unaudited)

9 SEGMENT INFORMATION (CONTINUED)**Industry segment and geographical allocation (continued)**

	<i>30 June</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>
Non-current assets*		
United Arab Emirates	634,672	638,825
Gulf Cooperation Council excluding United Arab Emirates	285,048	311,023
Middle East, North Africa and Turkey	233,075	218,267
East and South Africa	61,627	63,116
Europe	151,068	134,738
North America	201,626	208,228
North Asia	12,470	15,287
South Asia	77,818	83,416
Oceania	374,435	367,438
	<u>2,031,839</u>	<u>2,040,338</u>
Liabilities		
United Arab Emirates	586,404	605,834
Gulf Cooperation Council excluding United Arab Emirates	613,584	635,695
Middle East, North Africa and Turkey	224,138	207,791
East and South Africa	70,184	73,496
Europe	616,549	577,568
North America	524,500	534,823
North Asia	25,780	33,186
South Asia	100,482	107,742
Oceania	440,052	425,905
	<u>3,201,673</u>	<u>3,202,040</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.

10 RELATED PARTIES TRANSCATIONS 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.

Directors' fees paid

Directors' fees of AED 3,848 thousand, representing remuneration for attending meetings and compensation for professional services rendered by the directors for the year 2025, were accrued during the six-month period ended 30 June 2025. This amount includes an additional provision of AED 1,620 thousand related to directors' fees for the year 2024 recorded in March 2025. Directors' fees of AED 2,870 thousand, representing remuneration for attending meetings and compensation for professional services rendered by the directors for the year 2024, were paid in 2025.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2025 (Unaudited)

10 RELATED PARTIES TRANSCATIONS AND BALANCES (CONTINUED)

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>Six months ended</i>	
	<i>30 June</i>	
	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>
	<i>Unaudited</i>	<i>Unaudited</i>
Salaries and other short-term benefits	7,258	4,958
Board remuneration	2,870	2,675
End of service benefits	207	171
	10,335	7,804

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 six-month period ended 30 June 2025 and 2024, as well as balances with related parties as at 30 June 2025 and 31 December 2024:

		<i>Sales to related</i>	<i>Purchases from</i>	<i>Amounts owed</i>	<i>Amounts owed to</i>
		<i>parties</i>	<i>related parties</i>	<i>by related parties</i>	<i>related parties</i>
		<i>AED '000</i>	<i>AED '000</i>	<i>(*)</i>	<i>(**)</i>
		<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Associates:					
	2025	855	3,720	29	938
	2024	508	539	29	631
Joint ventures in which the Parent is a venturer:					
	2025	26,928	24,128	5,536	4,346
	2024	22,974	296	13,438	-
Related parties and companies controlled by shareholders:					
	2025	73,348	-	15,322	1,377
	2024	77,543	-	21,482	640

* These amounts are classified as trade receivables.

** These amounts are classified as trade payables.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2025 (Unaudited)

11 CONTINGENCIES AND COMMITMENTS

	<i>30 June 2025 AED '000 Unaudited</i>	<i>31 December 2024 AED '000 Audited</i>
Letters of guarantee	<u>173,326</u>	<u>179,894</u>

Claims against the Group

The Group is a defendant in a number of lawsuits amounting to AED 107,306 thousand as of 30 June 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 16,213 thousand as of 30 June 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.

13 TAXATION

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

	<i>Six months ended 30 June</i>	
	<i>2025 AED '000 Unaudited</i>	<i>2024 AED '000 Unaudited</i>
Current income tax expense	9,681	28,266
(Credit) / Charge of deferred tax	<u>(2,317)</u>	<u>2,385</u>
Income tax expense recognised in interim condensed consolidated statement of profit or loss	<u>7,364</u>	<u>30,651</u>

Movements on income tax provision were as follows:

	<i>30 June 2025 AED '000 Unaudited</i>	<i>31 December 2024 AED '000 Audited</i>
At 1 January	35,180	36,676
Income tax expense for the period/year	9,681	49,462
Income tax paid	(15,066)	(43,763)
Foreign exchange	<u>(285)</u>	<u>(7,195)</u>
	<u>29,510</u>	<u>35,180</u>

13 TAXATION (CONTINUED)

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 2023 and accordingly, it has a current income tax related impact on the interim condensed consolidated financial statements for the Group starting 1 January 2024.

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 on 24 November 2023. This law amends specific provisions of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, as part of the UAE's 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.

On 11 February 2025, the Ministry of Finance of the United Arab Emirates (UAE) released Cabinet Decision No. 142 of 2024 regarding the Imposition of Top-Up Tax on Multinational Enterprises. This decision provides further details on the UAE Domestic Minimum Top-up Tax (UAE DMTT), which applies to fiscal years starting on or after 1 January 2025. The UAE DMTT aims to ensure that certain in-scope UAE entities of a multinational enterprise (MNE) meet a 15% effective tax rate (ETR) on profits derived in the UAE.

The Group operates in UAE where Pillar Two legislation is effective for the 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 June 2025, the Group has performed an impact assessment of the potential exposure to Pillar Two income taxes in jurisdictions where the legislation is effective from 1 January 2025 and applicable for fiscal year starting 1 January 2025. The 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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2025 (Unaudited)

13 TAXATION (CONTINUED)

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 STATEMENTS

For the period ended 30 June 2025 (Unaudited)

14 FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

As at 30 June 2025, the Group held the following financial instruments measured at fair value:

Assets measured at fair value

	<i>30 June 2025</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Unquoted equity financial assets				
What 3 Words Ltd	15,241	-	-	15,241
Flirtey Tech Pty Ltd.	67	-	-	67
Total	15,308	-	-	15,308
Unquoted debt financial assets				
Cell captive	2,060	-	-	2,060
Shippify Inc	1,102	-	-	1,102
Total	3,162	-	-	3,162

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

During the period ended 30 June 2025 and year ended 31 December 2024, there were no transfers between the various levels of fair value measurements.

At 30 June 2025, the fair values of debt securities were assessed which resulted in the fair value gain of AED 490 thousand (30 June 2024: gain of AED 326 thousand).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2025 (Unaudited)

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 30 June 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 30 June 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. Subsequent to the interim condensed consolidated financial statements, the shares ownership has been transferred to Q Logistics Holding LLC as part of the share purchase offer (Note 17).

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

	<i>30 June 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*	(3,255)	616
Ending balance	814	4,069

* 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 condensed 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 (Note 17).

During the period, the Group incurred AED 8,291 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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 June 2025 (Unaudited)

17 SUBSEQUENT EVENTS

- Subsequent to the interim condensed consolidated financial statements date, the voluntary conditional offer made by Q Logistics, a subsidiary of Abu Dhabi Developmental Holding Company PJSC, became unconditional on 22 July 2025 upon receipt of all required regulatory approvals from authorities both within and outside the United Arab Emirates. on 25 July 2025, the shares subject to the offer were registered in the name of the Q Logistics and as a result, Abu Dhabi Developmental Holding Company PJSC has increased its effective ownership in Aramex to 63.16%, including shares held through Abu Dhabi Ports Group.
- Subsequent to the interim condensed consolidated financial statements date, the United States government announced the imposition of new tariffs, effective 1 August 2025, on imports from several countries including the European Union, Canada, Mexico, and Brazil. These tariffs range from 30% to 50% and apply to a broad range of goods. In response, several of the affected countries have indicated their intention to implement retaliatory tariffs on U.S. exports. Although Aramex is not directly involved in the trade of these goods, the Group provides international logistics, freight forwarding, and supply chain solutions that may be indirectly impacted by these developments. Potential effects include changes in global trade volumes, increased customs clearance complexity, delays at international borders, and fluctuations in the cost and demand for cross-border transportation services. Management is closely monitoring the situation. While the financial impact of these developments cannot be reliably estimated at this time.