

aramex

INVESTOR PRESENTATION

Q1 2022 RESULTS



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ARAMEX OVERVIEW | ARAMEX IS A GLOBAL PROVIDER OF COMPREHENSIVE LOGISTICS AND TRANSPORTATION SOLUTIONS



17,000+
EMPLOYEES



65+
COUNTRIES



600+
OFFICES



AED 1.4
BILLION REVENUES
Q1 2022



AED 5.5 +
BILLION MARKET CAP AS AT
31 MARCH 2022

INTERNATIONAL EXPRESS

With Aramex International Express, sending time-sensitive documents or packages is prompt, convenient and easy.

DOMESTIC EXPRESS

We understand that delivering from one side of the country to another requires efficiency and reliability of global standards and local operations that continually strive for excellence.

FREIGHT FORWARDING

Whether by sea, air or land, Aramex Freight provides the facilities and expertise for seamless and streamlined operations.

LOGISTICS & OTHER

As a global logistics and transportation solutions provider, Aramex will help simplify customers' operations with cost-effective and comprehensive solutions.

E-COMMERCE

Aramex works round-the-clock to serve e-businesses of all sizes. From customized solutions for the checkout, order fulfilment, customs clearance, international shipping, and last mile delivery to returns management.

REGIONS | ARAMEX GLOBAL FOOTPRINT

N&S AMERICA

United States of America
Canada

MENAT & GSO

Algeria
Egypt
Georgia
Iran
Iraq
Jordan
Lebanon
Libya
Morocco
Palestine
Sudan
Tunisia
Turkey

AFRICAN SUB-SAHARAN

Ghana
Kenya
Nigeria
Tanzania
Uganda
South Africa

EU

Czech Republic
France
Ireland
Malta
Netherlands
Slovakia
United Kingdom

GCC

Bahrain
Kuwait
Oman
Qatar
Saudi Arabia
United Arab Emirates

SOUTH ASIA

Bangladesh
India
Indonesia
Malaysia
Singapore
Sri Lanka

NORTH ASIA

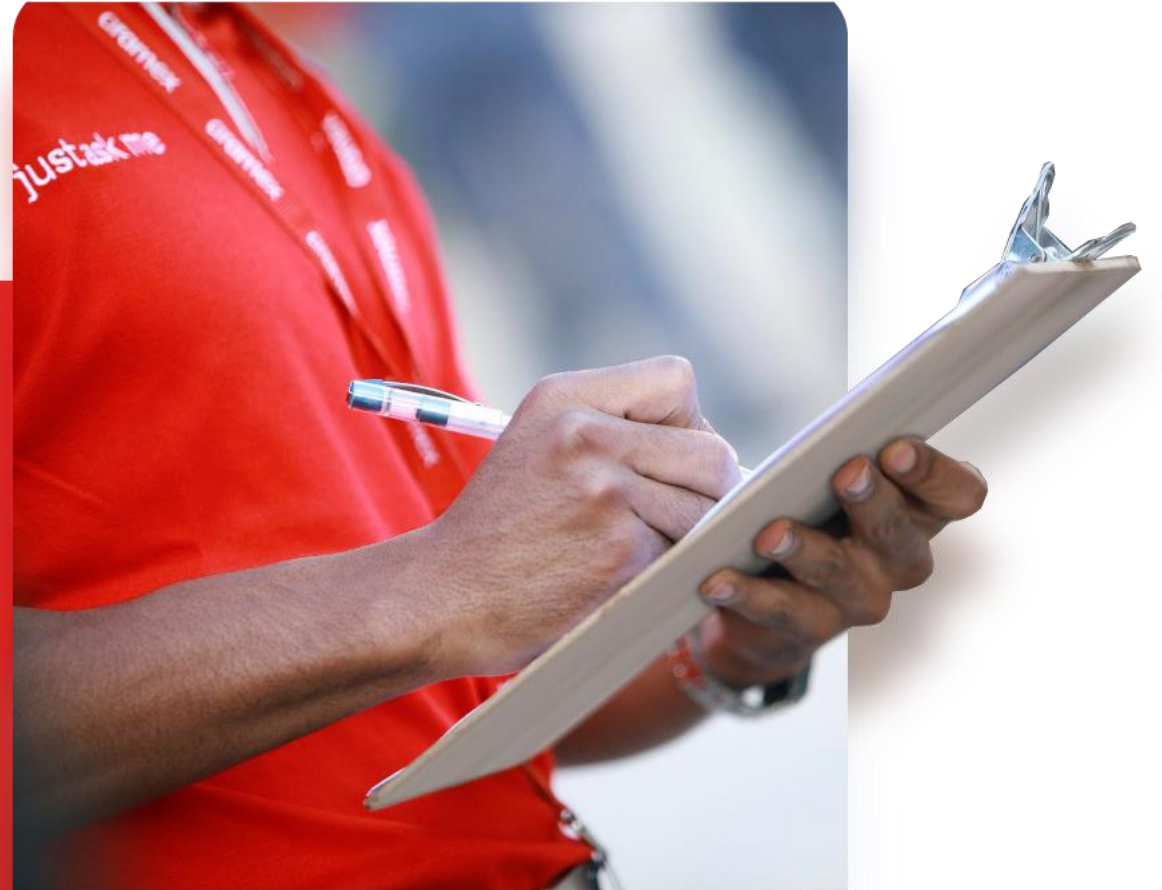
China
Hong Kong

OCEANIA

Australia
New Zealand

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**Q1 2022
RESULTS
HIGHLIGHTS**



KEY BUSINESS HIGHLIGHTS Q1 2022

GROWING THE FREIGHT AND LOGISTICS BUSINESS

- 36% growth in FF and 7% growth in Logistics in Q1 22 vs Q1 21 driven mostly by the revival in O&G, with good contributions from other high growth verticals such as retail and pharma and SME business
- IT systems are being optimized to enable growth and to drive operational efficiency. Positioning FF and Logistics for long term sustainable growth.
- Our stated target is to grow FF and Logistics to account for 50% of total group revenues. It currently stands at 35%, up from 29% in 2021

DRIVING EFFICIENCY FOR ARAMEX EXPRESS

- Operational efficiency continues through automatization of warehouses, AI solutions across the entire life cycle, and scaling up presence for a more efficient last mile operation through PUDOs and FLEET (crowdsourcing)
- Arrested the decline in margins – GP Margin stabilized in Q1 2022 at the same level as Q1 2021 despite decline in revenue
- Finance strategy focused on right sizing SG&A and optimizing tax. At a group level, ETR was down 10% in Q1 22 vs Q1 21
- Centrally governed program to improve profitability through revenue and cost measures. The program includes all central functions and regions/stations.

M&A IS A KEY ENABLER OF OUR BUSINESS STRATEGY

- Currently engaged in multiple transactions at different stages of the life-cycle
- Targeting value accretive deals to Aramex across Express, Freight and 3PL

SUSTAINABLE OPERATIONS

- Sustainability is embedded in our business strategy, with renewed focus for achieving our net zero goal for 2050
- In Q1 22, we upgraded two solar farms in Jordan and received approval for the installation of a new solar farm in Egypt

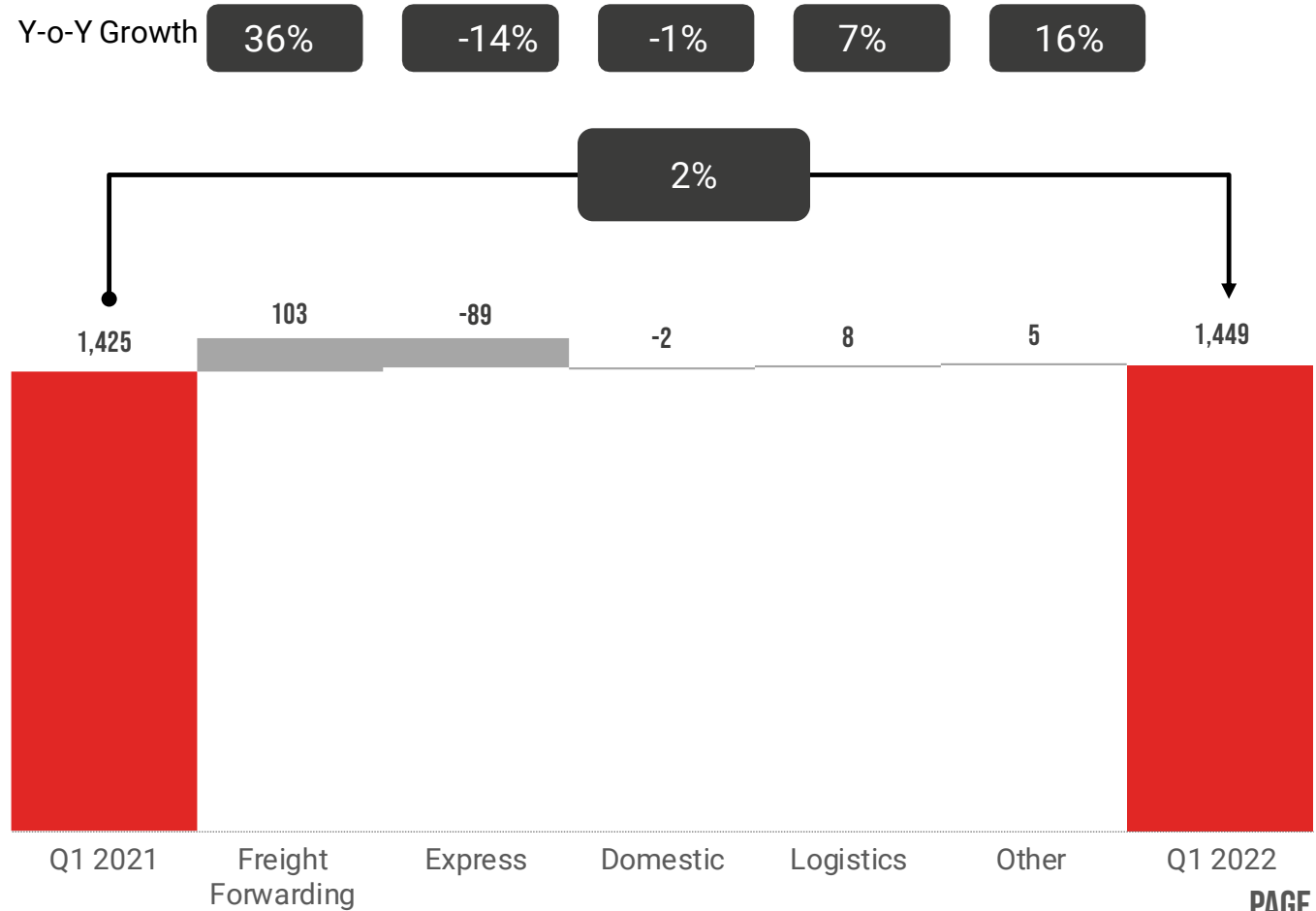
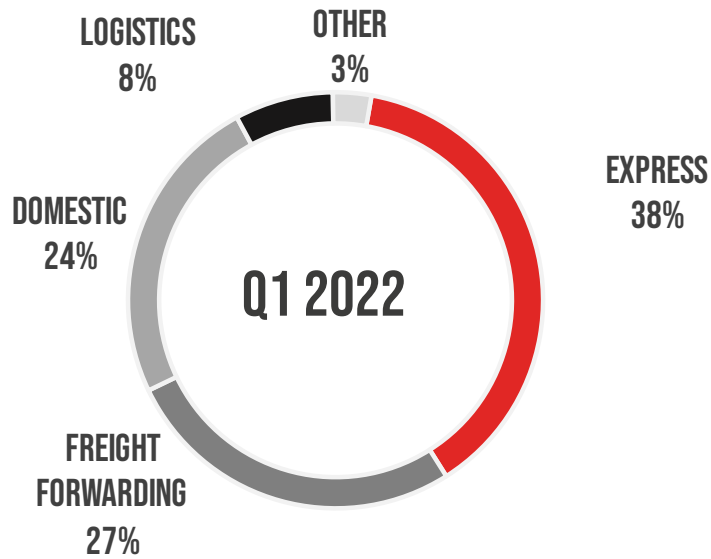
UNDERPINNED BY A SMART AND FLEXIBLE TECHNOLOGY INFRASTRUCTURE

- In Q1 22, we continued to strengthen global technology infrastructure in preparation for peak loads (currently Ramadan), and volume growth projections, to mitigate load related service interruptions. This allowed us to manage 15% more peak load without any service impact in Q1 22.
- In Q1 22 we launched SAP-Ariba, supporting the new procurement department and roadmap for streamlining procurement and increase cost efficiencies.
- New digital strategy will optimize internal systems to support business priorities globally and locally with an improved target operating model and supporting tools following the operating model split
- Key opportunity lies in enhancing consumer satisfaction by addressing Aramex's "Total Experience" across digital touch points end to end.

FOL Developments

- Post period, on Wednesday, 27th April 2022 the Board of Directors of Aramex PJSC (“Aramex”) (“the Company”) held a meeting by circulation and passed a resolution to amend Article (6) of the Company’s Articles of Association to remove restrictions related to foreign investment and increase the Company’s Foreign Ownership Limit (“FOL”) to 100% from 49%.
- Aramex is the first onshore UAE company listed on the Dubai Financial Market (DFM) to allow for full ownership of its free-floating shares by foreign investors. This decision is subject to obtaining the necessary approvals from the Securities and Commodities Authority and all other relevant regulatory authorities.
- This decision comes in line with Aramex’s global growth ambitions and commitment to unlock greater value for all shareholders. With a clear strategic roadmap for growth, Aramex is seeking to further connect the world and facilitate global trade.
- Lifting foreign ownership limits on its stock will provide all investors with the opportunity to invest in the Company as it embarks on the next stage of growth and expansion.
- Aramex is a constituent of the FTSE Emerging Market Index and the MSCI Small Cap Emerging Market Index. The change in foreign ownership is expected to increase the stock’s available foreign room which would result in an increase of the stock’s weight in these indices, followed by an increase in passive money flows.

REVENUES BY SEGMENT (AED M)



REGIONAL BREAKDOWN | Q1 2022

AMERICA

REV	74.4	5%
Rev GRTH	0.85	1%
GP	8.3	-30% ↓
Volumes	1,179,725	5% ↑

EUROPE

REV	182.5	13%
Rev GRTH	-4.41	-2%
GP	33.9	14% ↑
Volumes	1,195,424	-4% ↓

NORTH ASIA

REV	86	6%
Rev GRTH	-54.79	-39% ↓
GP	25.2	-40% ↓
Volumes	375,327	-55% ↓

MENAT

REV	189.5	13%
Rev GRTH	1.44	1%
GP	55	-8% ↓
Volumes	4,662,066	3% ↑

GCC

REV	565.1	39%
Rev GRTH	61.32	12%
GP	109.5	13% ↑
Volumes	9,691,451	3% ↑

SOUTH ASIA

REV	124.2	9%
Rev GRTH	14.13	13%
GP	15.6	-17% ↓
Volumes	1,052,180	12% ↑

SS & S AFRICA

REV	87.1	6%
Rev GRTH	12.41	17%
GP	28.3	17% ↑
Volumes	1,591,446	-10% ↓

OCEANIA

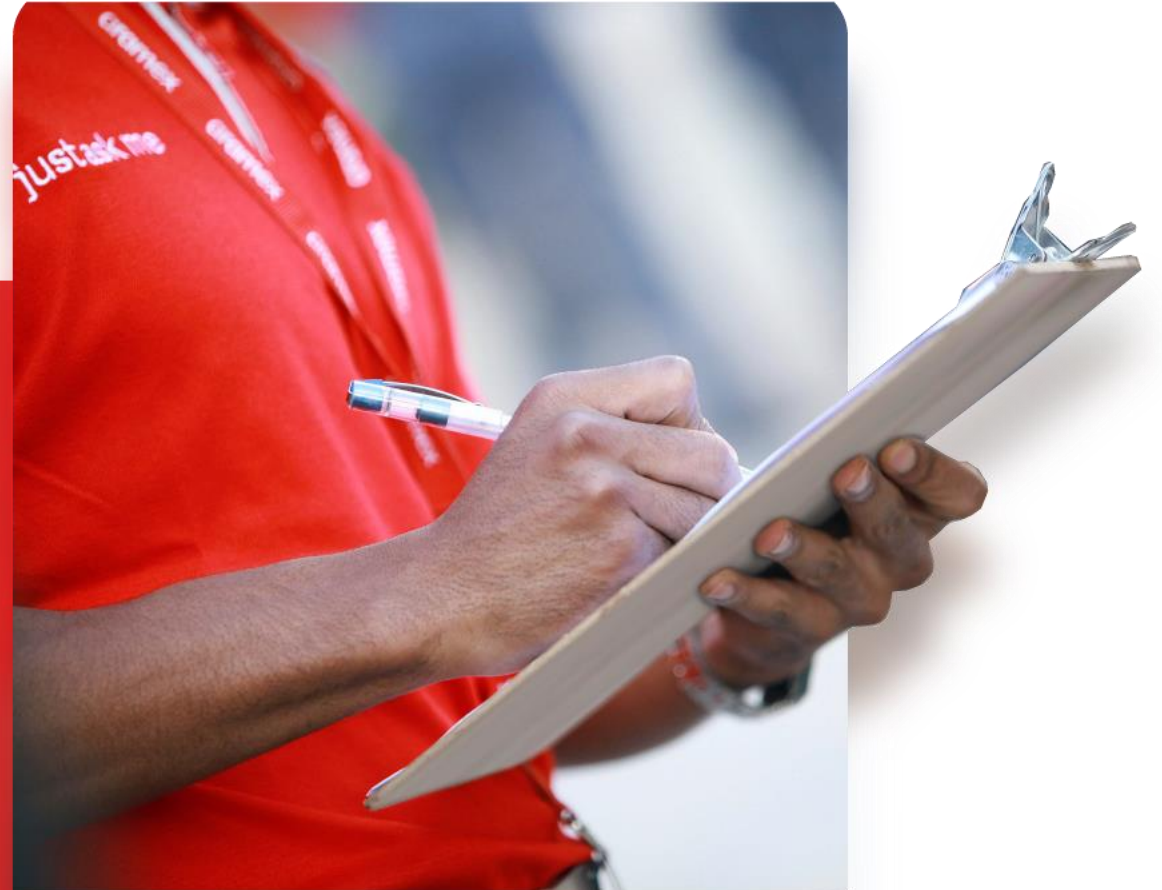
REV	132.7	9%
Rev GRTH	-4.37	-3%
GP	30.6	-17% ↓
Volumes	10,600,494	-10% ↓

*Volumes: Include Express, SNS and domestic.

All amounts are in AED Millions

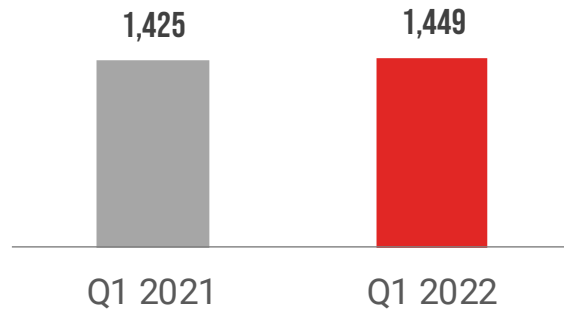
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**GROUP
FINANCIAL
RESULTS**

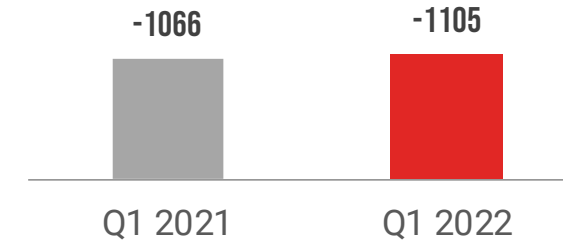


FINANCIAL & PERFORMANCE HIGHLIGHTS | Q1 2022 GROUP HIGHLIGHTS

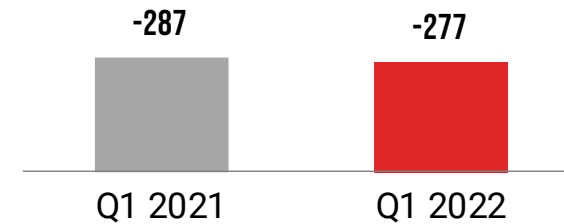
REVENUE (AED M)



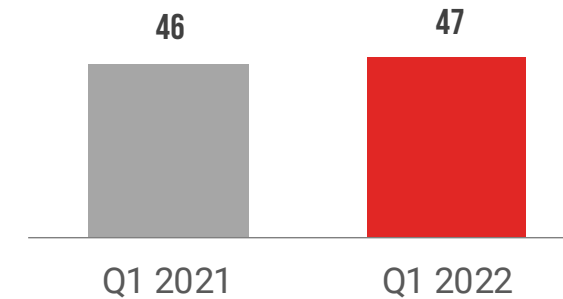
COST OF SERVICES (AED M)



TOTAL OVERHEADS (AED M)



ATTRIBUTABLE NET PROFIT (AED M)

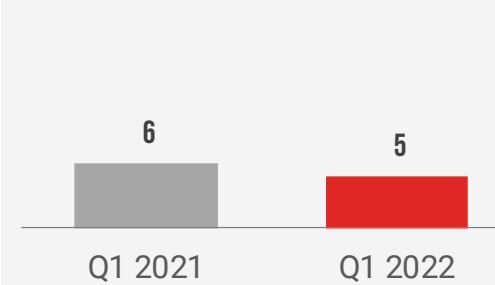


FINANCIAL & PERFORMANCE HIGHLIGHTS | ARAMEX COURIER

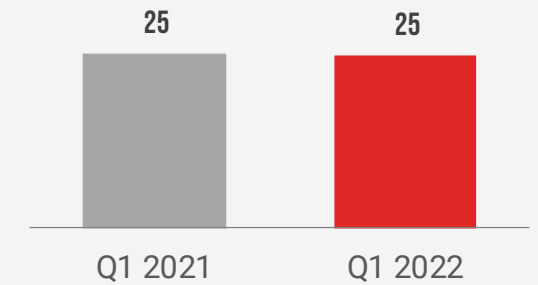
QUARTER FINANCIALS

	Q1 2022	Q1 2021	QoQ
REVENUE	911,092	1,002,142	-9%
TOTAL DIRECT COST	653,885	717,028	-9%
GROSS PROFIT	257,207	285,114	-10%
GP%	28%	28%	
EBIT	52,447	67,794	-23%
EBIT%	6%	7%	
EBITDA	112,107	126,972	-12%
EBITDA%	12%	13%	

EXPRESS VOLUMES



DOMESTIC VOLUMES



FINANCIAL & PERFORMANCE HIGHLIGHTS | ARAMEX FREIGHT FORWARDING

QUARTER FINANCIALS

	Q1 2022	Q1 2021	QoQ
REVENUE	391,133	288,281	36%
TOTAL DIRECT COST	339,171	251,448	35%
GROSS PROFIT	51,962	36,833	41%
GP%	13%	13%	
EBIT	14,686	3,823	284%
EBIT%	4%	1%	
EBITDA	21,688	11,650	86%
EBITDA%	6%	4%	

VOLUMES

	Q1 2022	Q1 2021	QoQ
LAND FREIGHT (FTL)	7,270	5,951	22%
LAND FREIGHT (LTL KGS)	8,018,115	6,396,933	25%
SEA FREIGHT (FCL TEU)	8,219	8,666	-5%
SEA FREIGHT (LCL CBM)	5,330	13,152	-59%
AIR FREIGHT (KGS)	13,413,015	11,528,842	16%

FINANCIAL & PERFORMANCE HIGHLIGHTS | ARAMEX LOGISTICS

QUARTER FINANCIALS

	Q1 2022	Q1 2021	QoQ
REVENUE	112,105	104,586	7%
TOTAL DIRECT COST	98,843	86,554	14%
GROSS PROFIT	13,262	18,032	-26%
GP%	12%	17%	
EBIT	5,885	5,702	3%
EBIT%	5%	5%	
EBITDA	29,406	25,987	13%
EBITDA%	26%	25%	

TOP REVENUE GENERATING SECTORS



O&G



FMCG



Telecommunication



Fashion



Ecommerce



Electronics



Healthcare

FINANCIAL RATIOS

	Q1 2022	Q1 2021	QoQ
GROSS PROFIT MARGIN %	23.7%	25.2%	-1.5%
EBIT %	5.2%	5.6%	-0.4%
EBTIDA%	11.7%	11.9%	-0.2%
NET PROFIT MARGIN %	3.3%	3.2%	0.1%
EPS (AED)	0.032	0.031	3.2%
DEBT/EQUITY %	46.8%	56.3%	-
DEBT TO EBITDA	1.5	1.6	-
DEBT TO EBITDA (EXCLUDING IFRS 16)	0.6	1.0	-

BALANCE SHEET HIGHLIGHTS

	31 Mar 2022	31 Dec 2021	Actual	Movement Change %
CURRENT ASSETS	2,237	2,283	-45	-2%
ASSETS HELD FOR SALE	7	11	-4	-37%
NON-CURRENT ASSETS	3,083	3,107	-24	-1%
TOTAL ASSETS	5,327	5,400	-73	-1%
CURRENT LIABILITIES	1,547	1,618	-71	-4%
LIABILITIES HELD FOR SALE	2	5	-3	-53%
NON-CURRENT LIABILITIES	1,090	1,101	-11	-1%
TOTAL LIABILITIES	2,639	2,724	-85	-3%
NON-CONTROLLING INTEREST	11	11	0	-2%
SHAREHOLDERS' EQUITY	2,677	2,665	12	0%

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CORPORATE UPDATE



NICOLAS SIBUET

Chief Financial Officer

ANCA CIGHI

Investor Relations Officer

**INVESTOR
RELATIONS**

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Dubai - UAE

aramex.com/investors

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THANK
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APPENDIX EXTRAORDINARY ITEMS



APPENDIX | EXTRAORDINARY ITEMS

EBIT

	Q1 2022	Q1 2021	QoQ
REPORTED EBIT	75,006	79,455	-6%
EXTRAORDINARY ITEMS:			
LESS: REVERSAL OF SOUTH AFRICA ROBBERY PROVISION	-3,673	-	
ADD: IT PROJECT WRITE-OFFS	8,675	-	
NORMALIZED EBIT	80,009	79,455	1%

APPENDIX | EXTRAORDINARY ITEMS

EBITDA

	Q1 2022	Q1 2021	QoQ
REPORTED EBITDA	169,935	169,844	0%
EXTRAORDINARY ITEMS:			
LESS: REVERSAL OF SOUTH AFRICA ROBBERY PROVISION	-3,673	-	
ADD: IT PROJECT WRITE-OFFS	8,675	-	
NORMALIZED EBITDA	174,937	169,844	3%

NET INCOME

	Q1 2022	Q1 2021	QoQ
REPORTED NET INCOME	47,302	46,013	3%
EXTRAORDINARY ITEMS:			
LESS: REVERSAL OF SOUTH AFRICA ROBBERY PROVISION	-3,673	-	
ADD: IT PROJECT WRITE-OFFS	8,675	-	
NORMALIZED NET INCOME	52,304	46,013	14%