

aramex

INVESTOR PRESENTATION

Q3 2024 Financial Results



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1. Aramex at a Glance
2. Key Highlights of Q3 2024
3. Q3 2024 Product Breakdown
4. Q3 2024 Group Financial Results

16,000+

Employees



70

Countries

600+

Offices

USD 1.26bn

Revenues 9M 2024

USD 897M

Market Cap on 30 September 2024



International Express

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



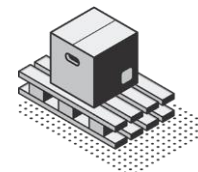
Freight Forwarding

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



Domestic Express

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



Logistics & Warehousing

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

Regions | Aramex Global Footprint

NORTH AMERICA

United States of America
Canada

EU
Czech Republic
Ireland
Netherlands
United Kingdom

MENAT

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

SUB-SAHARAN AFRICA

Ghana
Kenya
Nigeria
Tanzania
Uganda
South Africa

GCC
Bahrain
Kuwait
Oman
Qatar
Saudi Arabia
United Arab Emirates

SOUTH ASIA

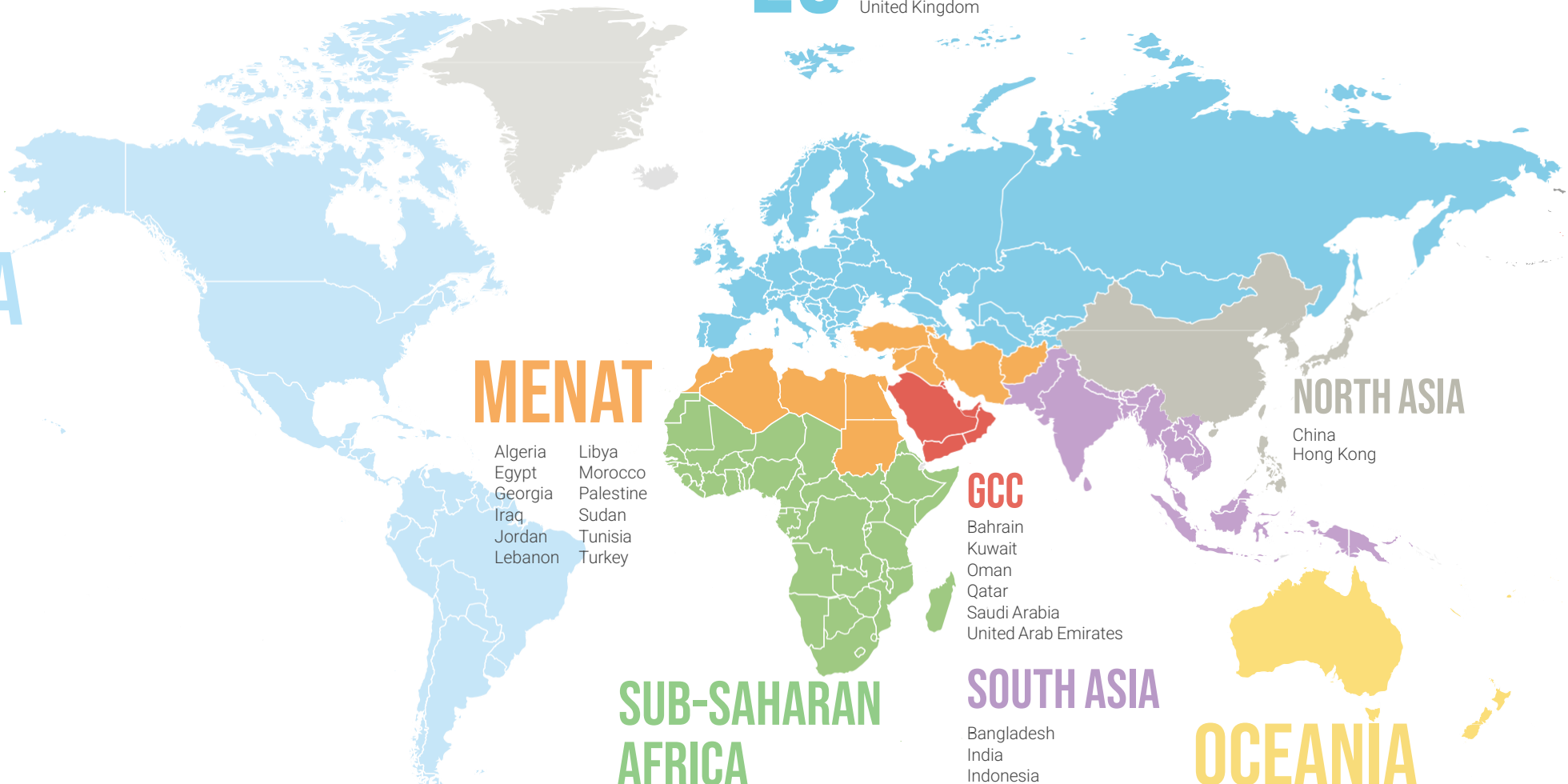
Bangladesh
India
Indonesia
Malaysia
Singapore
Sri Lanka
Thailand

NORTH ASIA

China
Hong Kong

OCEANIA

Australia
New Zealand





Four well-defined business products offer scale, diversification and an end-to-end service offering for customers, underpinned by a 40-year track record of successful operations.

aramex
express

aramex
DOMESTIC

63% of Total Revenue*

aramex
LOGISTICS

aramex
FREIGHT

36% of Total Revenue



Product diversification

A leading transportation player, with domestic and cross border expertise, as well as freight services across air, land and sea. Our Logistics business is leveraged strategically across our infrastructure to increase customer stickiness through supply chain services and 800k sqm in facilities across key markets in the Middle East and Africa.



Competitive advantage

Our end-to-end service offering - across courier express, freight, warehousing and supply chain - is a distinct competitive advantage and a unique capability in many of our key markets. This integrated approach is valuable for our clients and is allowing them to benefit from our total transportation offering across all sectors.



Growth prospects

Well -positioned to capture growth at a higher rate than the market, through expansion of trade lanes, and exposure to high growth verticals in emerging markets with solid GDP projections, where we have the right capabilities to win.



Unlocking value

Operational efficiency and investments in state-of-the-art technologies are unlocking value and are a key profitability driver. Enhancements of our digital systems, automation and AI driven business decisions are fully integrated in our business strategy.



Strategic shareholders

Strategic shareholders provide opportunities. Aramex has two strategic shareholders, Geopost / DPD and Abu Dhabi Ports that provide partnership opportunities for all product lines.



Inorganic growth

The under-gearred balance sheet is a source of value. In an industry where economies of scale are important, value accretive acquisitions will be transformational for Aramex and the source of significant earnings accretion.

*Approximately 1% of global revenues are from Other activities

An aerial photograph of a desert landscape, likely in the Middle East, showing a winding road and a red Aramex truck. The terrain is arid and brown, with some greenery and buildings visible. The Aramex logo is visible on the side of the truck.

aramex

IN THE MIDDLE EAST OF IT ALL

AN ARAMEX DOCUMENTARY | 40 YEARS OF OPERATIONS

Click [here](#) to watch the video.



Q3 & 9M 2024 Key Highlights



Aramex Delivers Strong Q3 2024 Results with Double-Digit Revenue Growth Across All Product Lines



USD 434 mn
Revenue
(▲ 18% YoY)

USD 102 mn | 23%
Gross Profit and Margin
(▲ 11% YoY | ▼ 1.4pps)

USD 19 mn | 4%
EBIT and Margin
(▲ 52% YoY | ▲ 1.0 pps)

USD 7 mn | 2%
Net Profit and Margin
(▲ 177% YoY | ▲ 1.0 pps)

Segmental Breakdown



International Express

153 USD mn
Revenue | ▲ 10% **32%**
GPM | ▼ 4 pps



Domestic Express

122 USD mn
Revenue | ▲ 27% **24%**
GPM | ▲ 4 pps



Freight Forwarding

122 USD mn
Revenue | ▲ 22% **12%**
GPM | ▼ 4 pps



Logistics and Supply Chain Solutions

32 USD mn
Revenue | ▲ 13% **17%**
GPM | ▲ 6pps

Period Highlights

- **Gaining Market Share** – International Express volumes expanded 34% YoY, supported by strong demand for premium services and cross-border e-commerce. Domestic Express volumes expanded 18% YoY, reflecting strong consumer activity across home markets. Freight Forwarding saw solid gains, particularly in air and land freight, as businesses leveraged Aramex’s reliable network for seamless trade. Logistics onboarded new customers won this year into its warehouses and is operating close to full capacity.
- **Double-Digit Revenue Growth all around** – Aramex Group posted an 18% YoY revenue growth in Q3 2024, reaching USD 434mn. All products contributed: International express grows 10%; Domestic express grows 27%; Freight Forwarding grows 22% and Logistics and warehousing grows 13%.
- **Group Profitability** - In Q3 2024, Aramex's gross profit rose 11% YoY to USD 102 million, with net profit reaching USD 7 million. Domestic Express and Logistics improved profitability and margins; International Express margin profile is adjusting based on the new profile of business coming in; Freight Forwarding profitability is under pressure in a challenging operating environment for the industry.
- **Inventories are held closer to consumers** – E-tailers and brands are nearshoring activities and bringing inventories closer to demand centers and to end consumers in our home markets. Our agile, end-to-end service offering across four key products enables Aramex to provide customized solutions to our customers and follow them on their growth journey. Our GCC revenues grew 21% YoY and MENAT revenues grew 33% YoY, reaffirming Aramex's stronghold in its home markets.
- **Balance Sheet** – Aramex continues to be well-positioned with a strong cash position of USD 122m and a Net Debt-to-EBITDA ratio of 2.1x (incl. IFRS16) as of 30 September 2024.
- **Full-Year Outlook** – Aramex remains on track to achieve approximately 9% revenue growth and maintain a 24%-25% gross profit margin for FY 2024, driven by sustained demand and operational improvements.

9M 2024 Update: Recovery story continues



Revenue

Gross Profit %

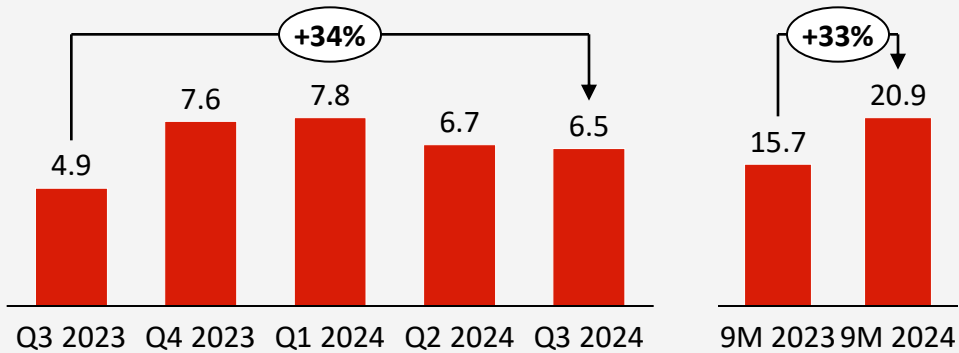
SG&A

Net Profit

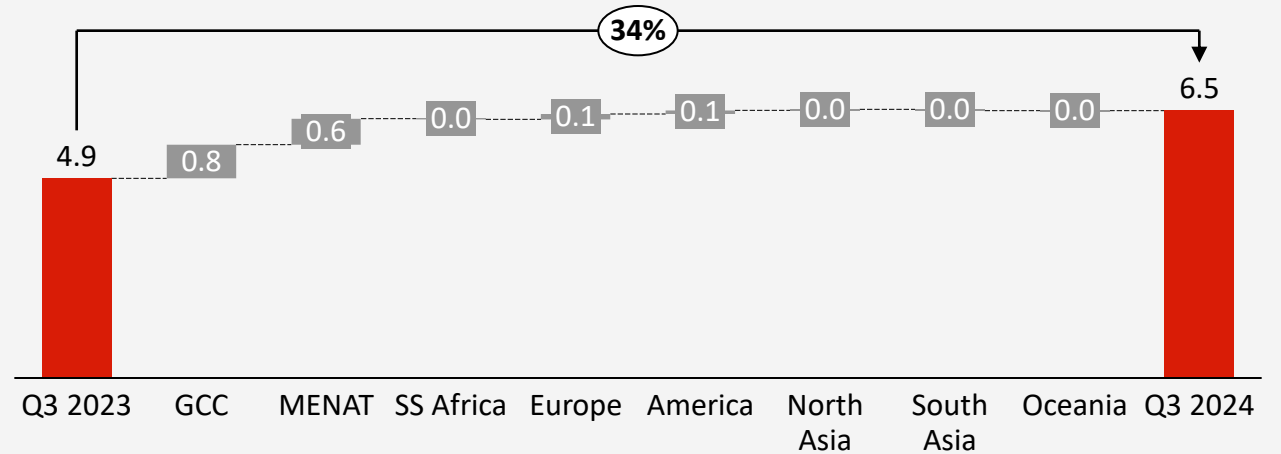


Product Breakdown

International Express Volumes (in million of shipments)



Geographic contributions to int'l express volumes in Q3 2024



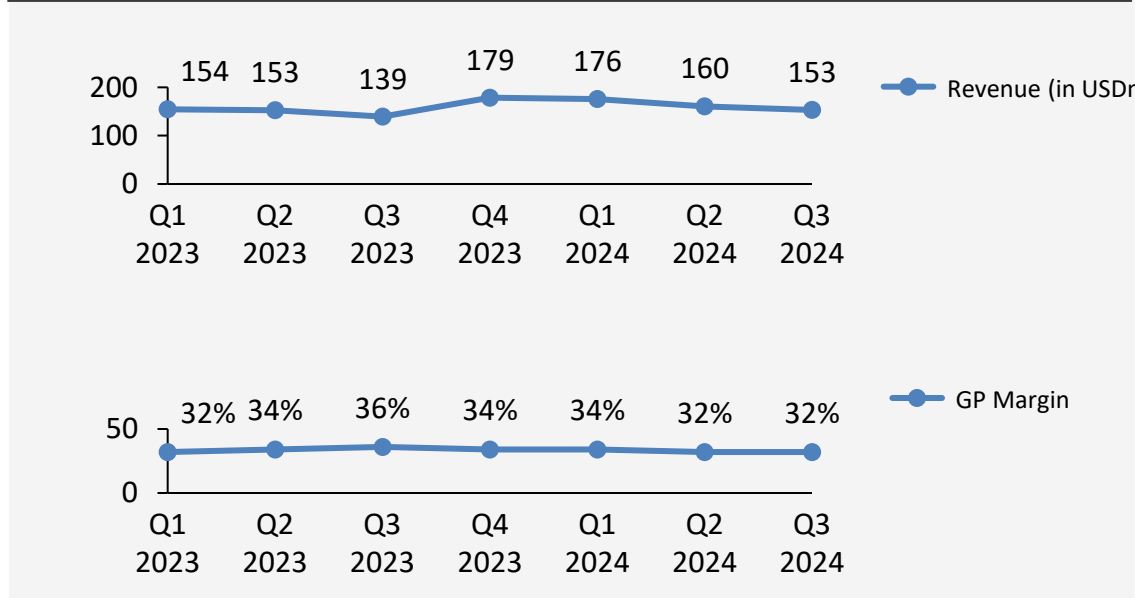
- International Express delivered 34% increase in shipment volumes in Q3 2024 YoY reaching 6.5 million shipments, driven primarily by ecommerce and retail. The product reported good volume contributions from all markets, and particularly strong growth in the GCC and MENAT.
- For the year-to-date performance, volumes were up 33% at 9M 2024, and the product remains on track to deliver a solid Q4 2024, which is typically a high season quarter for the business due the increase in e-commerce activity and online shopping associated with the end of year seasonality.

Quarter Financials (in USD thousands)

	Q3 2023	Q3 2024	Change
Revenue	139,397	153,112	10%
Total Direct Cost	89,702	104,454	16%
Gross Profit	49,695	48,658	(2%)
*GP%	36%	32%	

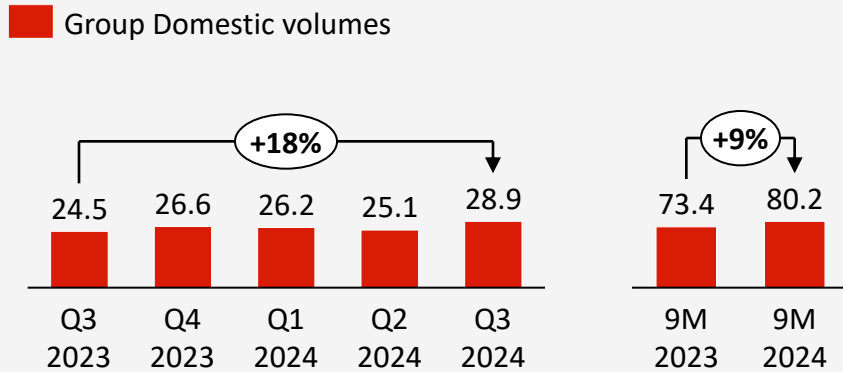
	9M 2023	9M 2024	Change
Revenue	446,434	489,415	10%
Total Direct Cost	295,416	329,869	12%
Gross Profit	151,018	159,546	6%
GP%	34%	33%	

Revenue and GP Margin Evolution

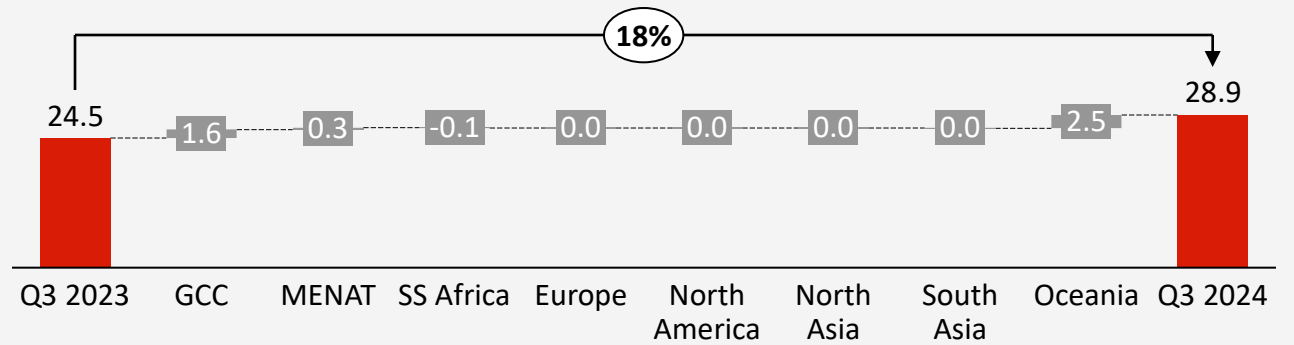


- Revenues were up 10% YoY in Q3 2024, leading to 10% YoY growth for the nine-month period. Gross profit dipped 2%, with margins adjusting to 32% in Q3 2024. As a reminder, at Q3 2023 we had a positive impact in Q3 2023 costs. *Excluding the one-off impact, the adjusted GP margin was 33% at Q3 2023. International express remains on track to meet full-year expectations. For the first nine months of 2024, International Express delivered a 10% growth in revenue and a 6% increase in gross profit
- The profitability of the International express product is adjusting based on: 1) the change in customer mix which is leading to a lower weight per shipment; 2) the change in trade lanes with more cross border activity intra region in GCC and MENAT and 3) the drop in surcharges associated with fuel and covid, which were there last year. We continue looking at further efficiencies to drive costs dynamically.

Quarterly Domestic Volumes (in million of shipments)



Geographic contributions to domestic volumes in Q3 2024



**Oceania restructuring plan is in place

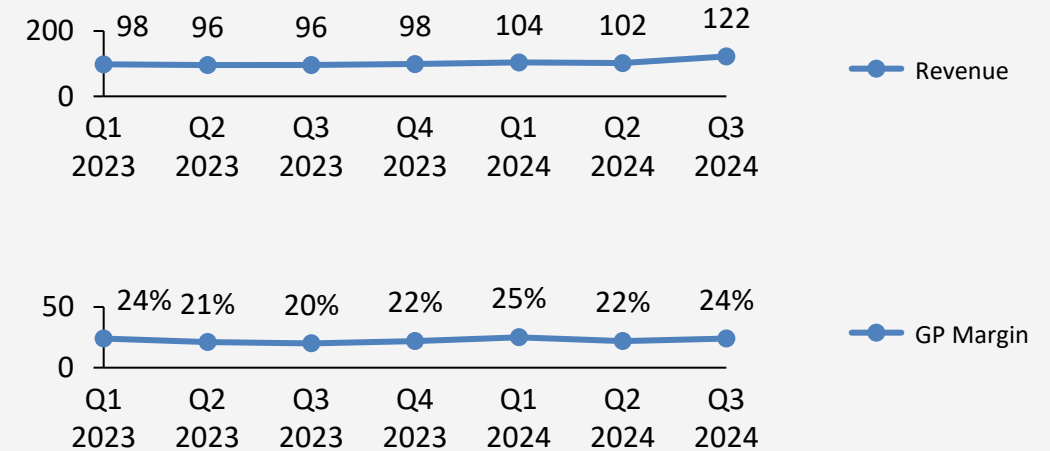
- The Domestic Express product reported 18% YoY growth in volumes in Q3 2024, driven primarily by volume growth in the GCC and MENAT regions, reflecting growing regional demand and trends toward nearshoring and local warehousing. Oceania also reported another solid quarter, with volumes growing double digit YoY on the back of the turnaround strategy, including the consolidation of our distribution network in this market.
- Our focus remains on increasing market share in key markets while we continue the restructuring in Oceania.

Quarter Financials (in USD thousands)

	Q3 2023	Q3 2024	Change
Revenue	96,007	122,157	27%
Total Direct Cost	76,358	92,588	21%
Gross Profit	19,649	29,568	50%
GP%	20%	24%	

	9M 2023	9M 2024	Change
Revenue	290,158	328,081	13%
Total Direct Cost	226,336	250,525	11%
Gross Profit	63,822	77,556	22%
GP%	22%	24%	

Revenue and GP Margin Evolution

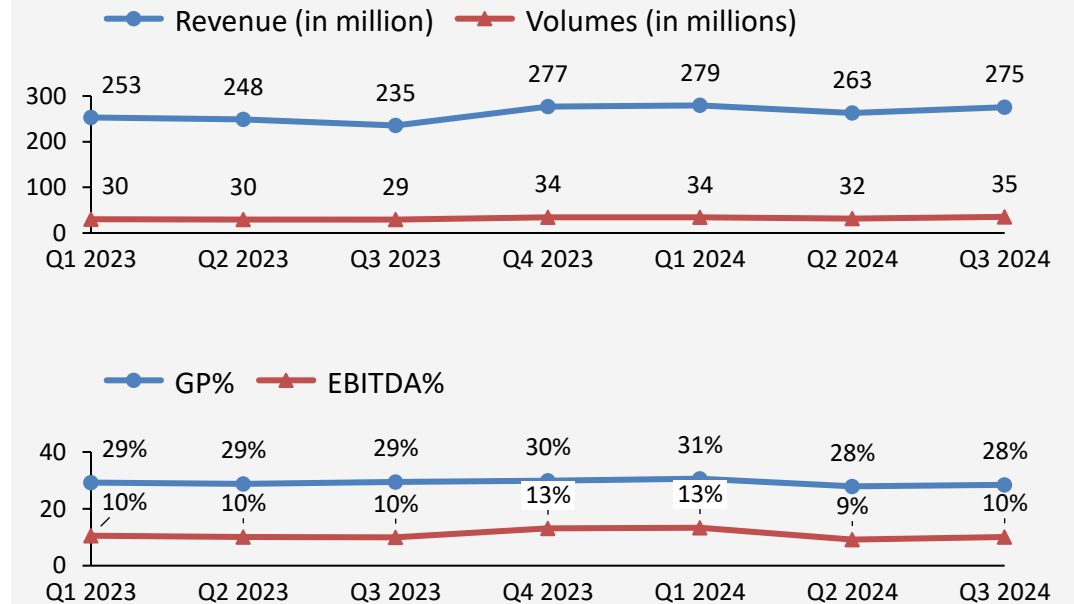


- Revenue grew 27% YoY in Q3 2024 driven by GCC and Oceania, and offsetting the impact of currency devaluation in Egypt. For the first nine months of 2024, revenue climbed 13% YoY, supported by a 9% rise in volumes, as strategic efforts to optimize delivery networks and enhance service offerings continued to pay off.
- Gross profit for Q3 surged 50%, lifting the margin to 24%, up from 20% last year, a level maintained throughout the first nine months of 2024.
- Growth is driven by volume expansion, the recovery in Oceania, and a better utilization of the fixed infrastructure and efficiencies in operations.

Quarter Financials (in USD thousands)

	Q3 2023	Q3 2024	Change	9M 2023	9M 2024	Change
Revenue	235,405	275,269	17%	736,591	817,496	11%
Total Direct Cost	166,060	197,043	19%	521,751	580,394	11%
Gross Profit	69,344	78,226	13%	214,840	237,102	10%
GP%	29%	28%		29%	29%	
EBIT	7,185	11,755	64%	25,725	41,523	61%
EBIT%	3%	4%		3%	5%	
EBITDA	23,372	27,667	18%	74,833	89,084	19%
EBITDA%	10%	10%		10%	11%	

Express Volume, Revenue and Margin Evolution

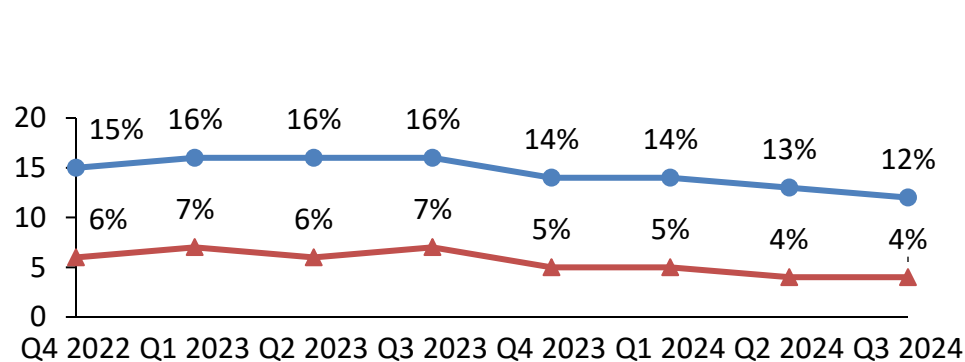


- Our Express product consists of our International Express and Domestic Express products consolidated.
- For the consolidated Express product, Revenue grew 17% and the GP margin was 28% in Q3 2024. For the nine-month period, revenue was up 11% and the GP margin was 29%, in line with the same period last year. The growth in the Courier product is driven by healthy volume expansion.
- Stable EBIT and EBITDA margins allowed for a healthy expansion in business in absolute terms at Q3 and 9M 2024.

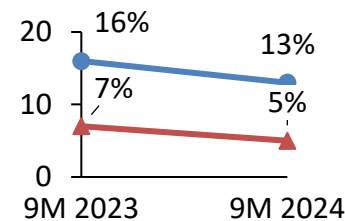
Freight Forwarding Volumes

	Q3 2023	Q3 2024	Change	9M 2023	9M 2024	Change
Air Freight Kgs	10,901,706	11,320,925	4%	32,873,748	34,752,896	6%
Land Freight (FTL)	7,718	7,380	-4%	21,129	22,004	4%
Land Freight (LTL KGs)	53,409,441	56,785,710	6%	128,250,199	156,215,610	22%
Sea Freight (FCL TEU)	8,051	7,594	-6%	23,093	22,934	-1%
Sea Freight (LCL CMB)	5,439	30,889	468%	17,086	49,892	192%

Freight Forwarding Margins



● GP% ▲ EBITDA%



Commentary

- Freight delivered good growth in volumes across air, land LTL, and sea LCL. The situation at Red Sea remains challenging, with spillover effects into the wider transportation ecosystem.
- The operating environment today is characterized by persistent volatility, dynamic pricing and rate evolution, and disruptions which are leading to lower margins across the industry. We are re-assessing certain activities for the freight product, in order to stabilize the margin and create a better profitability profile for our freight business in 2025.
- Freight forwarding, alongside logistics and warehousing, remain two key enablers of our corporate growth strategy and an essential part of our transportation ecosystem. Customers are moving towards a more integrated and regional model, effectively nearshoring their activities and bringing stock closer to demand centers.

**As a reminder, from July 2023 onwards, heavy land shipment business in Ireland and UK was reclassified internally from domestic to freight business from July 2023 onwards, impacting the performance of the domestic express and freight forwarding products (LTL land freight).*

Quarter Financials (in USD thousands)

	Q3 2023	Q3 2024	Change
Revenue	100,177	122,443	22%
Total Direct Cost	84,299	107,887	28%
Gross Profit	15,878	14,557	(8%)
GP%	16%	12%	
EBIT	4,679	3,406	(27%)
EBIT%	5%	3%	
EBITDA	6,539	5,396	(17%)
EBITDA%	7%	4%	

9-Month Financials (in USD thousands)

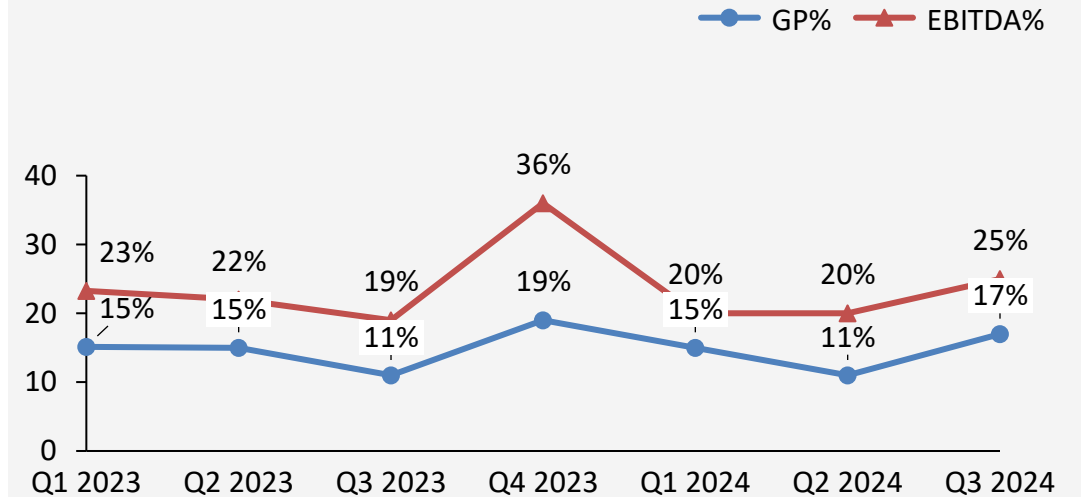
	9M 2023	9M 2024	Change
Revenue	302,770	342,943	13%
Total Direct Cost	254,830	298,855	17%
Gross Profit	47,940	44,088	(8%)
GP%	16%	13%	
EBIT	14,501	9,979	(31%)
EBIT%	5%	3%	
EBITDA	20,153	15,754	(22%)
EBITDA%	7%	5%	

- The Freight Forwarding segment reported a solid YoY revenue growth of 22% in Q3 2024 and 13% for the nine-month period, boosted by increased shipment volumes. Air freight grew double digit and remains the biggest contributor to revenue.
- A fierce competitive environment and the company’s focus on opening capacity in key markets, continued to pressure the margins during the quarter. Gross Profit Margins were recorded at 12% for Q3 2024 and 13% for the nine-month period 2024. We expect to continue to see pressure on the margins given the industry dynamics and therefore, we are re-assessing certain activities to stabilize and improve the profitability of the freight product.

Quarter Financials (in USD thousands)

	Q3 2023	Q3 2024	Change	9M 2023	9M 2024	Change
Revenue	28,539	32,215	13%	86,607	90,559	5%
Total Direct Cost	25,367	26,589	5%	74,585	77,122	3%
Gross Profit	3,173	5,626	77%	12,022	13,437	12%
GP%	11%	17%		14%	15%	
EBIT	(842)	1,789	312%	120	1,030	762%
EBIT%	(3%)	6%		0%	1%	
EBITDA	5,319	7,949	49%	18,568	19,686	6%
EBITDA%	19%	25%		21%	22%	

Logistics Margins



- The Logistics and Supply Chain Solutions product delivered in line with our expectations. In Q3 2024, revenue was up 13% YoY, and Gross Profit improved 77% YoY, leading to significant growth in the GP margin. The strong momentum was sustained for the first nine months of 2024, with the segment recording a 12% rise in Gross Profit, maintaining a solid margin of 15%.
- Q3 2024 performance was primarily driven by the onboarding of new business during H1 2024, which further strengthened the quality of revenue streams. We have reached full utilization across our warehouses and will add further warehouse sqm as part of our expansion strategy.
- Our Logistics product sits at the heart of our transportation eco-system and is an integral part of our corporate strategy as we continue to expand our total end-to-end and flexible transportation solutions for our customers.

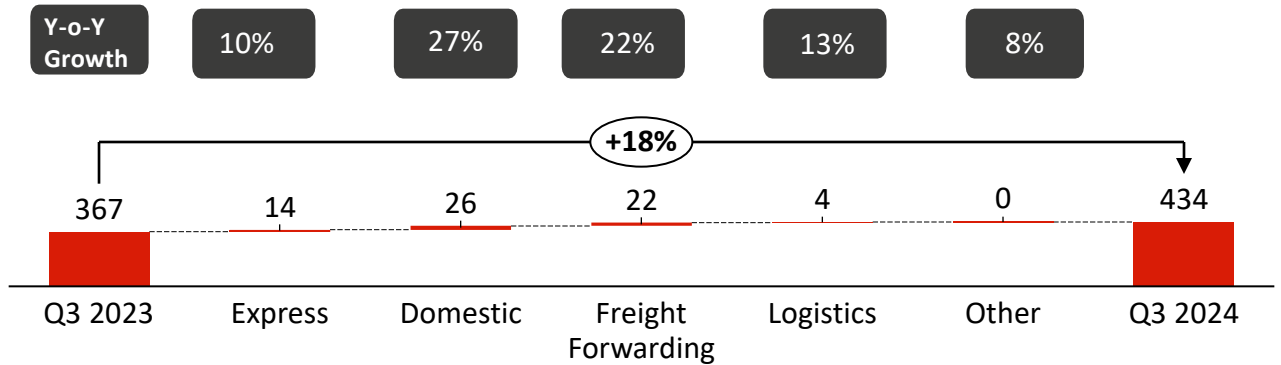


Group Financial Results

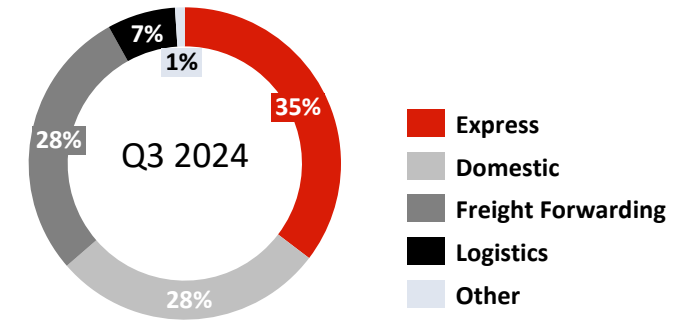


Q3 2024 vs Q3 2023 (in USD million)

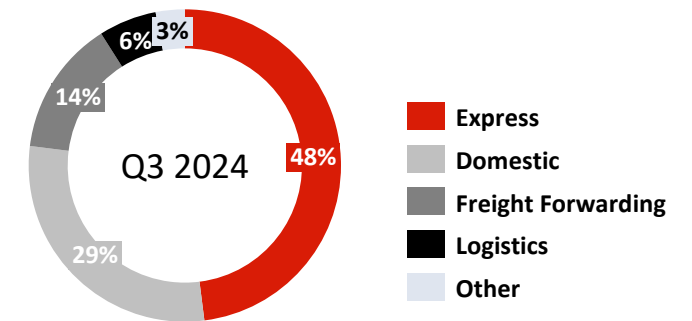
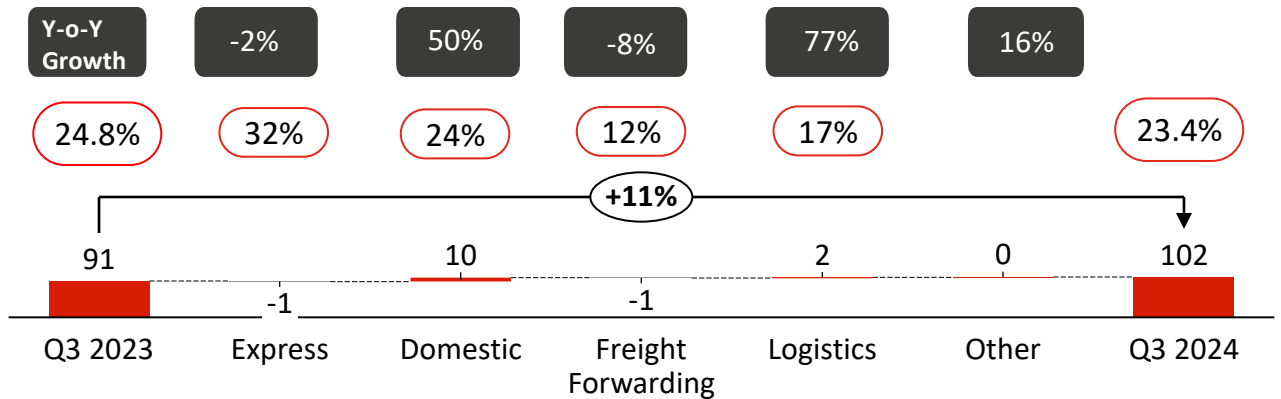
REVENUE



Contribution to Group (in % of total)



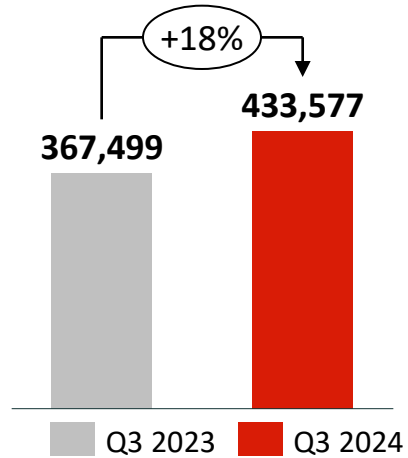
GROSS PROFIT



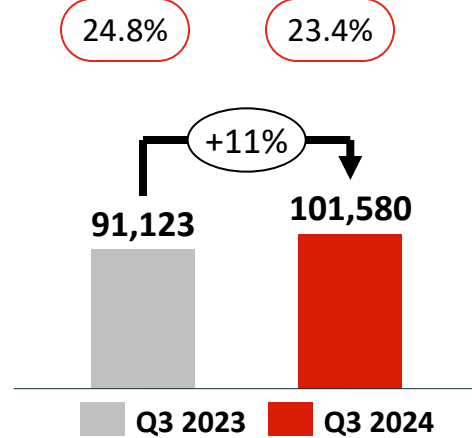
X% Represents Margin in % of Revenue

Financial & Performance Highlights | Group Highlights Q3 2024

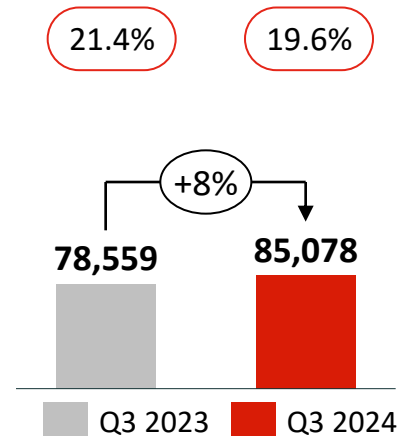
Revenue (USD 000)



Gross Profit (USD 000)

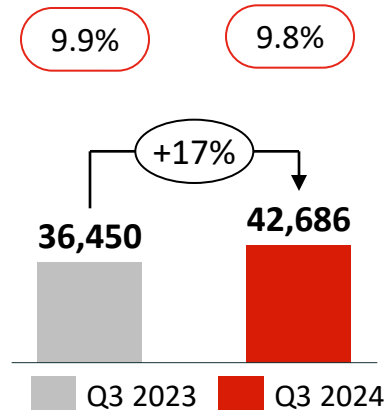


SG&A (USD 000)

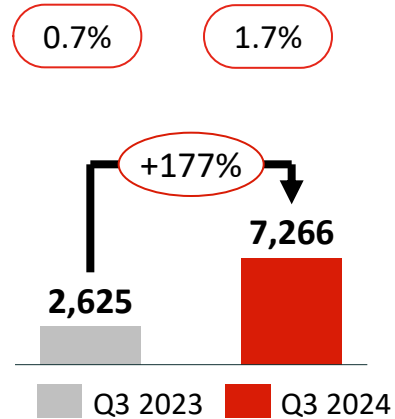


- Aramex saw solid revenue contribution from all products with Group Revenue growing 18% year on year (YoY) in Q3 2024 attributed to volume growth and the company's increased focus on sales specialism.
- Direct costs were effectively managed, leading to a healthy growth of 11% YoY in GP to USD 102 million in Q3 2024. The pressure on margins in international express and freight forwarding led to a contraction in the Group GP margin to 23.4% in Q3 2024 compared to 24.8% GP Margin last year.
- Selling expenses increased 16% YoY in line with the company's strategy to focus on sales specialism. G&A expenses were effectively managed growing 5% YoY and delivering a stable SG&A-to-revenue ratio of 20%, in line with Q2 2024 and an improvement over Q3 2023.
- Consequently, EBITDA expanded to USD 43 million, and the margin was stable at 10%.
- The recovery story continues, with net profit margin increasing by 100 basis points.

EBITDA (USD 000)



Net Profit (USD 000)



(X%) Represents Margin in % of Revenue

Regions (in thousands USD)

GCC		
Rev Ctrb to Group		41%
Rev & Grth	177,200	21%
GP & Grth	41,014	17%
Volumes	11,815,467	26%

MENAT		
Rev Ctrb to Group		14%
Rev & Grth	60,546	33%
GP & Grth	16,065	40%
Volumes	5,708,947	20%

Europe		
Rev Ctrb to Group		10%
Rev & Grth	42,873	(2%)
GP & Grth	4,883	(22%)
Volumes	1,069,877	14%

America		
Rev Ctrb to Group		8%
Rev & Grth	35,829	(7%)
GP & Grth	8,408	(19%)
Volumes	1,337,463	8%

SS Africa		
Rev Ctrb to Group		5%
Rev & Grth	21,556	11%
GP & Grth	7,694	4%
Volumes	1,343,085	(5%)

North Asia		
Rev Ctrb to Group		2%
Rev & Grth	9,713	(3%)
GP & Grth	1,983	(21%)
Volumes	241,612	12%

South Asia		
Rev Ctrb to Group		7%
Rev & Grth	28,646	4%
GP & Grth	4,445	(20%)
Volumes	1,034,373	(6)%

Oceania		
Rev Ctrb to Group		13%
Rev & Grth	55,927	59%
GP & Grth	10,557	91%
Volumes	12,832,933	24%

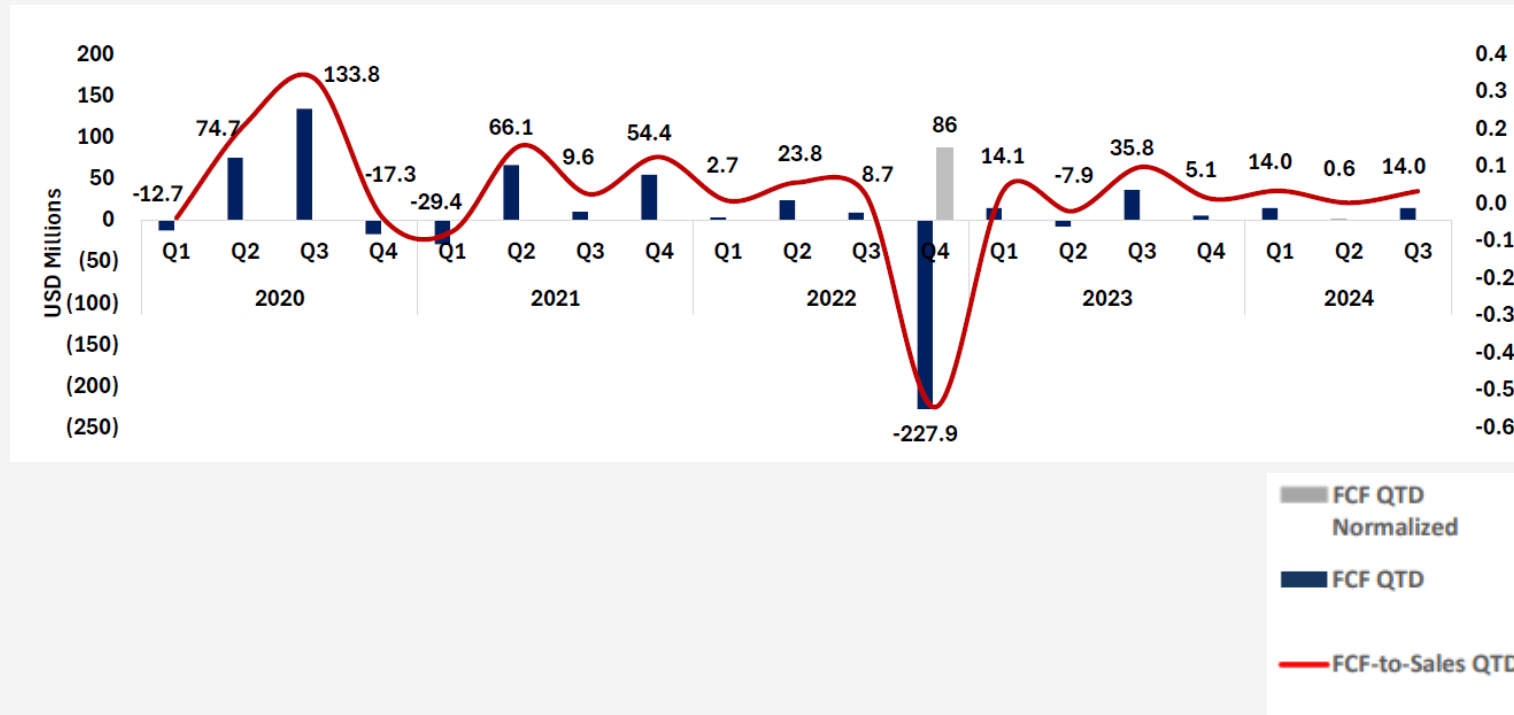
Revenues include revenues from all four product lines: International Express & SnS; Domestic Courier, Freight Forwarding and Logistics, and Other

Ctrb refers to regional revenue contribution to total group revenues.

Volumes: includes volumes from International Express (incl. SnS and MyUS) and Domestic Courier; all volume numbers are actuals

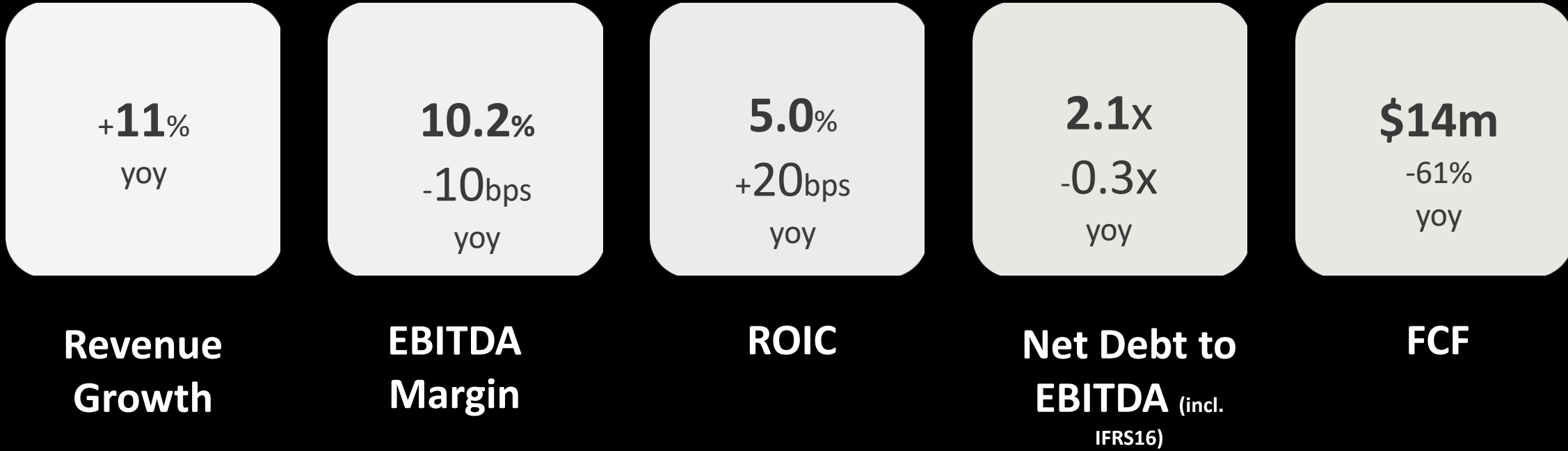
FCF Evolution

$$\text{Free Cash Flow} = \text{Cash Flow from Operating} - (\text{Lease Repayments} + \text{Interest Expense ROU}) - \text{CapEx}$$



- Free Cash Flow (FCF) in Q3 2024 was USD 14 million.
- The increase in FCF in Q3 2024 compared to Q2 2024 is primarily driven by an increase in sales volumes and productivity, which led to a 44% increase in operating cash flow.
- The company continues to focus on driving improvements in working capital and an increase in operating cash flow.

Focus on Improving Value Creation | 9M 2024 vs 9M 2023





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2024 Financial priorities



Approximately 9% Revenue growth in 2024.



Stable Group GP Margin and SG&A structure, unlocking further value in bottom line.



Debt repayment of USD \$43 million in 2024.



Capex run rate at 2% of revenues.
Approximately 27% ETR.

Nicolas Sibuet

Chief Financial Officer

Anca Cighi

Investor Relations Officer

**Investor
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