

ARAMEX PJSC AND ITS SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2025

Chairman's Message

Resilience, Transformation and Positioning for a Shifting Global Landscape

2025 was a year that tested resilience and rewarded adaptability. Reshaped by geopolitical realignments, policy shifts, and nearshoring, global trade saw companies move production and inventory closer to end markets in 2025, shortening lead times but adding regional complexity. Amid this, the GCC — and especially the UAE — remained resilient, supported by resilient demand, robust investment in infrastructure, and strong policy frameworks sustaining logistics activity.

For Aramex, these dynamics reinforced the importance of regionalisation. By leaning into intra-GCC flows, expanding warehousing and fulfilment capabilities, and supporting management's transformation agenda, the Board ensured the company remained well positioned to capture opportunities in a more localised, demand-driven logistics ecosystem.

Corporate developments and governance

A notable milestone in 2025 was the ADQ acquisition of a majority stake in Aramex through its subsidiary Q Logistics. The acquisition involved a voluntary cash offer and has integrated Aramex into ADQ's Transport & Logistics cluster, creating a larger, integrated global logistics platform. Majority ownership represents a strong endorsement of Aramex's brand, business model, and growth potential. It also embeds the company within a synergistic ecosystem of ports, industrial platforms, and regional champions, unlocking new strategic opportunities across network optimization, joint service offerings, and capital deployment.

Alongside this ownership development, the Board managed a leadership transition with the appointment of an Acting Group CEO. Governance remained robust throughout, with the Board engaging closely on strategy, risk, and performance, while committees continued to oversee audit, remuneration, and nomination matters in line with best practice.

In parallel with this ownership development, Aramex underwent a phased leadership transition. In April 2025, following the resignation of Othman Aljeda, the Board appointed the Chief Financial Officer, Nicolas Sibuet, as Acting Group Chief Executive Officer. Subsequently, in November 2025, the Board announced the appointment of Amadou Diallo as the new Group CEO, effective 1 May 2026, to lead the company's next phase of growth. Throughout this transition, governance remained strong, with the Board maintaining active oversight of strategy, risk, and performance. Board committees continued to fulfil their mandates across audit, remuneration, and nomination matters in accordance with best practices.

Operational achievements and strategic initiatives

Operationally, Aramex demonstrated adaptability in 2025. The company expanded and upgraded fulfilment centres and warehouses in key markets such as the UAE, Saudi Arabia, and Egypt, increasing storage capacity and throughput to meet nearshoring-driven demand.

The launch of Accelerate28, a multi-year transformation program, was another cornerstone. With more than 300 initiatives across nine workstreams, Accelerate28 is designed to capture value through operational efficiency, network optimisation, and digital enablement. The Board views this program as essential to protecting margins and funding growth in a changing industry, with EBIT uplift expected to be realised progressively through 2028.

Financial performance and shareholder value

From a financial perspective, 2025 was a year of stability in revenues and recalibration in margins. Group revenues held broadly steady year-on-year, even as the composition shifted, while inflationary cost pressures and continued investment in capacity weighed on profitability, and contributed to a softer bottom line than in prior years.

For the full year, Group revenues were AED 6 billion. Growth in Domestic Express, Logistics and Freight Forwarding was partly offset by a decline in International Express, in line with industry-wide nearshoring trends. The resulting change in product mix led to a Group gross profit margin of 23%. Through disciplined cost control and operational efficiency, Aramex delivered a normalised EBIT of AED 238 million and a normalised net profit of AED 85 million, supporting the Company's financial resilience during a year of transformation.

Management took steps to protect resilience through disciplined pricing, sharper contract selection, and cost control. Normalised performance indicators, excluding one-off items related to the ADQ transaction and transformation program, provided reassurance that the underlying business remains sound. As Aramex navigates this evolving landscape, the Company remains focused on disciplined execution, operational agility, and strengthening its platform for sustainable, profitable growth.

Sustainability and partnerships

Aramex's renewed sustainability strategy, approved by the Board in 2025, strengthens our long-term vision and aligns with global and national ESG priorities, including the UAE Climate Law, the Paris Agreement, and our Net Zero 2050 ambition. Anchored by a bold interim target to significantly cut emissions by 2030, the strategy drives climate action through fleet electrification, solar deployment, and biofuel expansion across the GCC. In 2025, we advanced these goals through smarter fleet management, route optimization, and pilot programs using electric trucks and solar-powered facilities, helping customers decarbonize through innovative logistics and digital solutions.

Equally, our focus on strong governance, employee well-being, diversity, and community impact reinforces alignment with the UN SDGs and UN Global Compact principles - ensuring responsible growth and shared value creation. As we collaborate with regulators and partners across the UAE and Saudi Arabia, Aramex continues to lead in sustainable logistics, delivering measurable progress toward a resilient, low-carbon future for all.

Outlook for 2026

Looking ahead, the same dynamics that reshaped 2025 will continue to define demand patterns in 2026. Nearshoring is expected to sustain local and intra-regional activity, including warehousing and fulfilment. The Board anticipates disciplined contract selection, pricing, and performance management will support growth in Domestic Express and Logistics, while Freight Forwarding remains well-positioned in diversified sectors.

As Accelerate28 matures, overhead efficiency, network optimisation, and digital enablement will continue to strengthen Aramex's competitiveness. The company enters 2026 with a clear strategic direction, a stronger shareholder base, and an operating model aligned to customer needs in a regionalised supply chain.

Closing remarks

On behalf of the Board, I extend gratitude to our colleagues for their commitment, to our customers for their trust, and to our partners and shareholders for their continued support. Together, we are building a leaner, more adaptive Aramex capable of delivering sustainable growth and long-term value in the years ahead.

Sincerely yours,



Mohamed Juma Alshamsi
Chairman of the Board of Directors
Aramex PJSC

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ARAMEX PJSC

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Aramex PJSC (the “Company”) and its subsidiaries (collectively the “Group”), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the “IESBA Code”), as applicable to audits of consolidated financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
ARAMEX PJSC (continued)**

Report on the Audit of the Consolidated Financial Statements (continued)

Key Audit Matters (continued)

Key Audit Matter	How the Key Audit Matter was addressed in our Audit
Revenue recognition	
<p>During the year ended 31 December 2025 the Group has recognized revenue of AED 6,359 million from contract with customers.</p> <p>The Group focuses on revenues as a key performance measure and as a driver for growth and expansion. Due to the materiality of the amounts involved, diversity of the Group's geographical footprint, and susceptibility of such revenues to misstatements and fraud risk, we consider revenue recognition as a key audit matter.</p>	<p>We have performed the following procedures:</p> <ul style="list-style-type: none">- Evaluated the appropriateness of the Group's accounting policies related to recognition of revenue as well as assessing compliance with the requirements of IFRS 15 "Revenue from contract with customers".- Obtained an understanding and tested the design and operating effectiveness of the internal controls related to revenue recognition.- Performed substantive audit procedures which included overall analytical procedures by comparing amounts of revenues recognized during the current year compared with the previous year to determine whether there are any significant trends or fluctuations. Further, we performed testing of revenue transactions on a sample basis, by examining the revenue to supporting documents to substantiate that revenue was recorded properly.- Performed cutoff testing to substantiate that the revenue was recorded in the correct period.- Assessed the adequacy of management's disclosures relating to revenue as disclosed in note 25 to the consolidated financial statements, in accordance with IFRS Accounting Standards.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ARAMEX PJSC (continued)

Report on the Audit of the Consolidated Financial Statements (continued)

Key Audit Matters (continued)

Key Audit Matter	How the Key Audit Matter was addressed in our Audit
Goodwill impairment As described in note 6, Goodwill amounts to AED 1,754 million in the consolidated financial statements as at 31 December 2025. Under IAS 36, the Group is required to annually test goodwill for impairment. This annual impairment test was significant to our audit because the balance as of 31 December 2025 is material to the consolidate the financial statements. In addition, management's assessment process is complex and highly judgmental, and is based on assumptions, specifically the discount rate and the growth rate estimate which are affected by expected future market or economic conditions. Any changes in assumptions could result in impairment of the goodwill. Accordingly, we consider impairment testing of goodwill to be a key audit matter.	We have performed the following procedures with the support of our experts: <ul style="list-style-type: none">- Analyzed the methodology adopted by the Group in identifying the individual CGUs.- Obtained an understanding of the key controls over the impairment testing process.- Assessed the reasonableness of the assumptions used by the Group's management in the preparation of long-term business plans. In particular, we checked the consistency of the assumptions used in preparation of the long-term business plans.- Analyzed the forecast trends used in the long-term business plan prepared by management.- Analyzed the differences between the historical data and the forecasted data, in order to assess the reliability of the process followed by the management in preparing the long-term business plan.- Analyzed the impairment test carried out by the Group, with particular reference to:<ol style="list-style-type: none">i. Technical evaluation of the method used by the Group to determine the discount rate (WACC) used in the test;ii. Verification of the mathematical accuracy of the calculation model used by the Group to determine "value in use";iii. Verification of the sensitivity analyses prepared by the Group;- Involved our valuation experts to assist us in evaluating the assumptions and methodologies used by the Group, in particular those relating to discount rates, forecasted revenue growth and profit margins for the cash generating units.- Assessed the adequacy of management's disclosures relating to goodwill and impairment testing as disclosed in note 6 to the consolidated financial statements, in accordance with IFRS Accounting Standards.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ARAMEX PJSC (continued)

Report on the Audit of the Consolidated Financial Statements (continued)

Key Audit Matters (continued)

Key Audit Matter	How the Key Audit Matter was addressed in our Audit
Expected credit losses (ECL) of trade receivables	
<p>As at 31 December 2025, the Group recognised trade receivables of AED 1,109 million, representing 19% of the total assets.</p> <p>In assessing the recoverability of trade receivables, management exercised significant judgements to evaluate the collectability from individual customers after taking into account their creditworthiness, whether they have financial difficulties, experience of default or delinquency in interest or principal payments, the probability that they will enter bankruptcy and aging analysis.</p> <p>The judgements applied by management have a significant impact on the level of provision required for trade receivables.</p> <p>Management's continued refinement of the allowance for expected credit loss based on known customer information and changes in a region's economy or legal systems can provide significant change in the estimate between periods. Accordingly, we consider expected credit losses of trade receivables to be a key audit matter.</p>	<p>We have performed the following procedures:</p> <ul style="list-style-type: none">- Obtained the management prepared expected credit loss model and evaluated and tested the reasonableness of the management assessment.- Tested the inputs and other information used in calculating ECL.- Evaluated management's assumption and judgment by comparing to the historical collection trends and analysis of receivables' aging brackets and write-offs as a percentage of gross trade receivables.- Re-calculated the allowance for expected credit loss using management's model and considered the adequacy of the provision.- Assessed the adequacy of management's disclosures relating to ECL as disclosed in note 13 to the consolidated financial statements, in accordance with IFRS Accounting Standards.

Other Information

Other information comprises the information included in the Annual report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. We obtained a section "Chairman Statement" of the Annual report, prior to the date of our auditor's report, and we expect to obtain other sections of the Annual Report after the date of our auditor's report. Management is responsible for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ARAMEX PJSC (continued)

Report on the Audit of the Consolidated Financial Statements (continued)

Other Information (continued)

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and in compliance with the applicable provisions of the Company's Articles of Association and the UAE Federal Law No. (32) of 2021, as amended, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ARAMEX PJSC (continued)

Report on the Audit of the Consolidated Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

UAE Federal Law No. (32) of 2021, as amended

Further, as required by the UAE Federal Law No. (32) of 2021, as amended, we report that for the year ended 31 December 2025:

- i) the Company has maintained proper books of account;
- ii) we have obtained all the information we considered necessary for the purposes of our audit;
- iii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the Company's Articles of Association and the UAE Federal Law No. (32) of 2021, as amended;



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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ARAMEX PJSC (continued)

Report on Other Legal and Regulatory Requirements (continued)

UAE Federal Law No. (32) of 2021, as amended (continued)

- iv) the financial information included in the Chairman's statement is consistent with the books of account of the Company;
- v) investments in shares and stocks during the year ended 31 December 2025, if any, are disclosed in note 9,10 and 11 to the consolidated financial statements;
- vi) note 30 reflects material related party transactions and the terms under which they were conducted;
- vii) based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Company has contravened during the year ended 31 December 2025, any of the applicable provisions of the UAE Federal Law No. (32) of 2021, as amended, or of its Articles of Association which would have a material impact on its activities or its consolidated financial position as at 31 December 2025; and
- viii) note 27 reflects the social contributions, if any, made during the year ended 31 December 2025.

Abu Dhabi Accountability Authority ("ADAA") Chairman Resolution No. (88) of 2021

Pursuant to the requirements of Article 5 of Abu Dhabi Accountability Authority ("ADAA") Chairman Resolution No. (88) of 2021 regarding the examination of internal controls over financial reporting, we have not been engaged to perform assurance engagement to provide a reasonable assurance report on the effectiveness of internal controls over financial reporting on the consolidated financial statements of the Group.

Further, as required by the Resolution of the Chairman of the Abu Dhabi Accountability Authority No. (88) of 2021 regarding financial statements Audit Standards for the Subject Entities, we report, in connection with our audit of the consolidated financial statements for the year ended 31 December 2025, except for above, that nothing else has come to our attention that causes us to believe that the Group has not complied, in all material respects, with any of the provisions of the following laws, regulations and circulars as applicable, which would materially affect its activities or the consolidated financial statements as at 31 December 2025:

- i) Its Articles of Association or Law of Establishment which would materially affect its activities or its consolidated financial position as at 31 December 2025; and
- ii) Relevant provisions of the applicable laws, resolutions and circulars organising the Group's operations.

Ernst & Young Middle East (Dubai Branch)

Ashraf Abu Sharkh
Registration No: 690

10 February 2026

Dubai, United Arab Emirates

A branch of a member firm of Ernst & Young Global Limited

	Notes	2025 AED'000	2024 AED'000
ASSETS			
Non-current assets			
Property and equipment	4	892,688	853,245
Right-of-use assets	5	890,119	838,396
Goodwill	6	1,754,256	1,730,497
Other intangible assets	7	294,694	299,305
Investments in joint ventures and associates	9,10	27,214	31,417
Financial assets at fair value through other comprehensive income	11	4,835	17,975
Deferred tax assets	12	44,609	33,351
Other non-current assets		12,273	13,429
		<u>3,920,688</u>	<u>3,817,615</u>
Current assets			
Accounts receivable, net	13	1,109,344	1,104,844
Other current assets	14	293,706	290,432
Cash and bank balances	15	573,121	512,730
		<u>1,976,171</u>	<u>1,908,006</u>
TOTAL ASSETS		<u>5,896,859</u>	<u>5,725,621</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	16	1,464,100	1,464,100
Own shares held by the liquidity provider	37	-	(2,767)
Reserve on trading in own shares	37	-	(4,069)
Statutory reserve	17	519,648	511,578
Foreign currency translation reserve	17	(604,496)	(634,126)
Reserve arising from acquisition of non-controlling interests	17	(336,986)	(336,986)
Reserve arising from other comprehensive income items	17	(23,351)	(6,231)
Retained earnings		<u>1,538,255</u>	<u>1,525,042</u>
Equity attributable to equity holders of the Parent		<u>2,557,170</u>	<u>2,516,541</u>
Non-controlling interests	8	<u>5,832</u>	<u>7,040</u>
TOTAL EQUITY		<u>2,563,002</u>	<u>2,523,581</u>
LIABILITIES			
Non-current liabilities			
Interest-bearing loans and borrowings	19	911,850	911,918
Lease liabilities	5	814,608	756,743
Employees' end of service benefits	20	209,923	196,852
Deferred tax liabilities	12	43,385	34,751
Other non-current liabilities		<u>8,397</u>	<u>9,811</u>
		<u>1,988,163</u>	<u>1,910,075</u>
Current liabilities			
Bank overdrafts	22	2,773	4,015
Accounts payable	21	375,926	331,060
Lease liabilities	5	192,419	179,806
Interest-bearing loans and borrowings	19	26,746	21,257
Provisions	23	23,138	30,256
Other current liabilities	24	683,647	690,391
Income tax provision	12	41,045	35,180
		<u>1,345,694</u>	<u>1,291,965</u>
TOTAL LIABILITIES		<u>3,333,857</u>	<u>3,202,040</u>
TOTAL EQUITY AND LIABILITIES		<u>5,896,859</u>	<u>5,725,621</u>



Mohamed Juma Alshamsi
(Chairman)



Lubna Shebli
(Acting Chief Financial Officer)



Nicolas Sibuet
(Acting Chief Executive Officer)

	Notes	2025 AED'000	2024 AED'000
Continuing operations			
Revenue from rendering of services	25	6,359,946	6,324,444
Cost of services	26	(4,910,478)	(4,812,241)
Gross profit		1,449,468	1,512,203
Selling and marketing expenses		(347,783)	(340,070)
Administrative expenses	27	(905,383)	(893,001)
Net impairment (loss) reversal on financial assets	13,15	(18,373)	6,749
Other income, net	28	14,782	10,794
Operating profit		192,711	296,675
Other non-operating expenses	38	(19,897)	-
Finance income		6,598	4,797
Finance costs	28.1	(118,640)	(121,015)
Share of results of joint ventures and associates	9,10	(4,831)	2,534
Profit before tax from continuing operations		55,941	182,991
Income tax expense	12	(35,072)	(45,805)
Profit for the year from continuing operations		20,869	137,186
Discontinued operations			
Loss after tax for the year from discontinued operations		-	(703)
Gain on sale of a subsidiary		-	7,042
PROFIT FOR THE YEAR		20,869	143,525
Attributable to:			
<i>Equity holders of the Parent Company</i>			
Profit for the year from continuing operations		20,582	135,472
Profit for the year from discontinued operations		-	6,339
		20,582	141,811
<i>Non-controlling interests</i>			
Profit for the year from continuing operations		287	1,714
		20,869	143,525
Earnings per share attributable to the equity holders of the Parent:			
Basic and diluted earnings per share	31	0.014	0.097
Basic and diluted earnings per share from continuing operations	31	0.014	0.093
Basic and diluted earnings per share from discontinued operations	31	-	0.004

	Note	2025 AED'000	2024 AED'000
Profit for the year		20,869	143,525
Other comprehensive income:			
<i>Other comprehensive Income (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	11	892	409
Exchange differences gain / (loss) on translation of foreign operations		37,796	(73,387)
Impact of hyperinflation	3	(12,816)	(7,804)
Net other comprehensive income / (loss) that may be reclassified to profit or loss in subsequent periods		25,872	(80,782)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax):</i>			
Loss on equity instruments at fair value through other comprehensive income	11	(14,034)	-
Remeasurements losses on defined benefit plans	20	(3,978)	(149)
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods		(18,012)	(149)
Other comprehensive income / (loss) for the year, net of tax		7,860	(80,931)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		28,729	62,594
Attributable to:			
Equity holders of the Parent Company		28,685	61,532
Non-controlling interests		44	1,062
		28,729	62,594

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 31 DECEMBER 2025

Attributable to equity holders of the Parent Company													
	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	Non-controlling interests	Total equity
	Share capital AED '000	Reserve on liquidity provider AED '000	Reserve on trading in own shares AED '000	Statutory reserve AED '000	Foreign currency translation reserve AED '000	Reserve arising from acquisition of non-controlling interests AED '000	Retained earnings AED '000	Total AED '000	Retained earnings AED '000	Total AED '000	Non-controlling interests AED '000	Total equity AED '000	
For the year ended 31 December 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 (note 3)					4,407				4,407		4,407		
At 1 January 2025 (adjusted)	1,464,100	(2,767)	(4,069)	511,578	(629,719)	(336,986)	(6,231)	1,525,042	2,520,948	7,040	2,527,988		
Profit for the year	-	-	-	-	25,223	-	(17,120)	-	20,582	20,582	287	20,869	
Other comprehensive income	-	-	-	-	25,223	-	(17,120)	-	20,582	28,685	(243)	7,860	
Total comprehensive income for the year	-	-	-	-	25,223	-	(17,120)	-	20,582	44	28,729		
Movement in non-controlling interests, net	-	-	-	-	-	-	-	-	-	(372)	(372)		
Trading in own shares (Note 37)	-	2,767	4,770	-	-	-	-	-	-	-	7,537		
Transfer to retained earnings (Note 37)	-	-	(701)	-	-	-	-	-	701	-	-		
Transfer to statutory reserve	-	-	-	8,070	-	-	-	-	(8,070)	-	-		
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	(880)	(880)		
Balance at 31 December 2025	1,464,100	-	-	519,648	(604,496)	(336,986)	(23,351)	1,538,255	2,557,170	5,832	2,563,002		
 For the year ended 31 December 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 (note 3)	-	-	-	-	6,430	-	-	-	6,430	-	6,430		
Prior years adjustment	-	-	-	-	-	-	-	(5,951)	(5,951)	-	(5,951)		
At 1 January 2024 (adjusted)	1,464,100	-	-	500,814	(553,587)	(336,986)	(12,015)	1,399,519	2,461,845	6,554	2,468,399		
Profit for the year	-	-	-	-	-	-	-	-	141,811	141,811	1,714	143,525	
Other comprehensive loss	-	-	-	-	(80,539)	-	-	260	-	(80,279)	(652)	(80,931)	
Total comprehensive income for the year	-	-	-	-	(80,539)	-	260	141,811	61,532	1,062	62,594		
Movement in non-controlling interests, net	-	-	-	-	-	-	-	-	-	-	1,197	1,197	
Reduction in capital	-	-	-	-	-	-	-	-	-	-	(1,419)	(1,419)	
Trading in own shares (Note 37)	-	(2,767)	(4,069)	-	-	-	-	-	-	(6,836)	-	(6,836)	
Transfer from statutory reserve to retained earnings	-	-	-	(2,115)	-	-	-	-	2,115	-	-		
Transfer to statutory reserve	-	-	-	12,879	-	-	-	-	(12,879)	-	-		
Transfer of fair value reserve of equity instruments designated at FVOCI	-	-	-	-	-	-	-	5,524	(5,524)	-	-		
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	(354)	(354)		
Balance at 31 December 2024	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		

The accompanying notes from 1 to 38 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 AED'000	2024 AED'000
OPERATING ACTIVITIES			
Profit before tax from continuing operations		55,941	182,991
Profit before tax from discontinued operations		-	6,253
Profit before tax		55,941	189,244
Adjustments for:			
Depreciation of property and equipment	4	119,834	114,959
Depreciation of right of use assets	5	242,160	224,528
Amortisation of other intangible assets	7	14,244	14,142
Gain on disposal of property and equipment		(68)	(96)
Provision for employees' end of service benefits	20	35,531	45,936
Net impairment loss (reversal) on financial assets		18,373	(6,749)
Finance costs – borrowings	28.1	54,643	68,655
Finance costs – lease liabilities	5	63,997	52,360
Finance income		(6,598)	(4,797)
Gain on derecognition of leases on expiry/termination	5	(1,468)	(1,014)
Share of results of joint ventures and associates	9,10	4,831	(2,534)
Employees' share-based payment expense	38	5,553	-
Goodwill Impairment	6	2,567	-
Deferred revenues realized		(9,952)	
Gain on sale of a subsidiary		-	(7,042)
		599,588	687,592
Working capital changes:			
Accounts receivable		(22,892)	(7,714)
Accounts payable		44,866	4,696
Other current assets		(4,555)	(18,508)
Provisions		(7,118)	(17,418)
Other current liabilities		(5,048)	32,291
Other non-current liabilities		(1,389)	(3,191)
Cash from operations		603,452	677,748
Employees' end of service benefits paid	20	(26,441)	(19,051)
Income tax paid	12	(29,962)	(43,763)
Net cash flows from operating activities		547,049	614,934
INVESTING ACTIVITIES			
Purchase of property and equipment	4	(148,639)	(124,325)
Other intangible assets		-	(1,560)
Payment for acquisition of subsidiaries	35	(2,995)	(27,137)
Proceeds from sale of property and equipment		3,354	7,814
Finance income received		5,376	4,797
Dividends from joint ventures		185	4,216
Other non-current assets		476	(6,167)
Restricted cash	15	19	(23)
Margin and bank deposits	15	(171)	315
Fixed deposits	15	(1,270)	1,564
Decrease in capital related to non-controlling interest		-	(1,419)
Net cash flows used in investing activities		(143,665)	(141,925)
FINANCING ACTIVITIES			
Finance costs paid		(120,335)	(126,758)
Proceeds from interest-bearing loans and borrowings		14,209	31,366
Repayment of interest-bearing loans and borrowings		(32,919)	(194,293)
Principal elements of lease payments		(207,229)	(237,389)
Acquisition of own-shares	37	-	(10,000)
Proceeds from own shares		10,412	-
Dividends paid to non-controlling interests		(880)	(354)
Net cash flows used in financing activities		(336,742)	(537,428)
Net increase / (decrease) in cash and cash equivalents		66,642	(64,419)
Net foreign exchange difference		(6,450)	2,651
Cash and cash equivalents at 1 January		502,573	564,341
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	15	562,765	502,573

The accompanying notes from 1 to 38 form an integral part of these 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 as amended. These consolidated financial statements of the Company as at 31 December 2025 comprise the Parent Company and its subsidiaries (collectively referred to as the “Group” and individually as “Group entities”).

The Parent Company was listed on the Dubai Financial Market on 12 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, Umm Ramool, Dubai, United Arab Emirates., Dubai, United Arab Emirates.

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

- Q Logistics Holding LLC a subsidiary of Abu Dhabi Developmental Holding Company (“ADQ”) which owns 40.47% of Aramex PJSC’s issued share capital.
- 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.

The consolidated financial statements were authorised for issue by the Board of Directors on 10 February 2026.

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with IFRS accounting standards as issued by the International Accounting Standards Board (IASB), and applicable requirements of UAE Federal Law No. (32) of 2021 as amended.

The consolidated financial statements are presented in UAE Dirhams (AED), being the functional currency of the Parent Company, and all values are rounded to the nearest thousand (AED “000”), except when otherwise indicated.

The consolidated financial statements have been prepared under a historical cost basis, except for financial assets measured at fair value through other comprehensive income and defined benefit pension plans that have been measured at the present value of future obligations.

The Lebanese and Turkish economies are considered to be hyperinflationary. Accordingly, the results, cash flows and financial position of the group’s subsidiaries, Aramex Lebanon S.A.L. and Aramex International Hava Kargo ve Keye Anonim Sirketyi have been expressed in terms of measuring unit current at the reporting date.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION
(continued)**

2.2 Basis of consolidation (continued)

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in the consolidated statement of profit or loss.

Significant subsidiaries of the Group include:

Aramex Fastway Holdings PTY Ltd.

Aramex New Zealand Holdings Ltd

Aramex Nederland B.V.

Aramex Jordan Ltd.

Aramex International Egypt for Air and Local services (S.A.E), Egypt

Aramex Emirates LLC, UAE

Aramex International Hava Kargo ve Kerye Anonim Sirketyi (Turkey)

Aramex International Ltd

Aramex Ireland Limited

Aramex South Africa PTY Ltd.

Aramex Hong Kong Limited

Aramex Saudi Limited Company

Aramex International Logistics Private Ltd.

Aramex (UK) Limited

Aramex India Private Ltd.

Access USA Shipping LLC

Aramex New York Ltd.

All of the above subsidiaries are directly or indirectly 100% owned by the Parent Company as of 31 December 2024 and 2025.

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION
(continued)**

2.3 Changes in accounting policies and disclosures

New and amended standards and interpretations

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2025 (unless otherwise stated). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

- Lack of exchangeability – Amendments to IAS 21

The amendments above had no impact on the Group's consolidated financial statements.

Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later)
- Hedge Accounting by a First-time Adopter - IFRS 1 First-time Adoption of International Financial Reporting Standards (The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted)
- Gain or Loss on Derecognition - IFRS 7 Financial Instruments: Disclosures (The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted)
- Lessee Derecognition of Lease Liabilities - IFRS 9 Financial Instruments (The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted)
- Transaction Price - IFRS 9 Financial Instruments (The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted)
- Determination of a 'De Facto Agent' - IFRS 10 Consolidated Financial Statements (The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted)
- Cost Method – IAS 7 Statement of Cash Flows (The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted)
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted, but will need to be disclosed)
- IFRS 18 Presentation and Disclosure in Financial Statements (The amendments will be effective for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively)
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (The amendments will be effective for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively)
- Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21 (The amendments will be effective for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively)
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28 (In December 2015, the IASB decided to defer the effective date of the amendments until such time as it has finalised any amendments that result from its research project on the equity method. The amendments must be applied prospectively. Early application is still permitted and must be disclosed)

The above standards, amendments and interpretations are not expected to have any material impact on the consolidated financial statements of the Group except for IFRS 18. In relation to IFRS 18, the Group is currently working to identify all impacts the amendments will have on the primary consolidated financial statements and notes to the consolidated financial statements.

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION
(continued)**

2.4 Material accounting policies information

Property, plant and equipment

Property and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the consolidated statement of profit or loss during the financial period in which they are incurred.

Except for capital work in progress and land, depreciation is calculated on a straight-line basis, the estimated useful lives of the assets is as follows:

Leasehold improvements*	4-7 years
Buildings	8-50 years
Furniture and fixtures	5-10 years
Warehousing racks	15 years
Office equipment	3-7 years
Computers	3-5 years
Vehicles	4-5 years

* The leasehold improvements range represents the shorter between the lease term and the useful life of the asset.

An item of property and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the consolidated statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs.

The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION
(continued)**

2.4 Material accounting policies information (continued)

Business combinations and goodwill (continued)

The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in the consolidated statement of profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in the consolidated statement of profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in the consolidated statement of profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
- Or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability assuming that market participants act in their economic best interest.

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION
(continued)**

2.4 Material accounting policies information (continued)

Fair value measurement (continued)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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 in the consolidated financial statements 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.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The Group measures financial instruments at fair value at each reporting date. Fair value related disclosures for financial instruments and that are measured at fair value or where fair values are disclosed, are summarised in the following notes:

- Disclosures for valuation methods, significant estimates and assumptions Note 36
- Quantitative disclosures of fair value measurement hierarchy Note 36

Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of these intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION
(continued)**

2.4 Material accounting policies information (continued)

Other intangible assets (continued)

Intangible assets with finite lives are amortised over their economic lives as follows:

Customer lists and other intangible assets with definite useful life	10-30 years
Other intangible assets	7 years
Brand	20 years

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss.

Investments in associates and joint arrangements

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in its associates and joint ventures are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The consolidated statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in other comprehensive income (OCI) of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION
(continued)**

2.4 Material accounting policies information (continued)

Investments in associates and joint arrangements (continued)

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associates and joint ventures in the consolidated statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Prepaid agency fees

Amounts paid in advance to agents to purchase or alter their agency rights are accounted for as prepayments. As these amounts are paid in lieu of annual payments they are expensed to consolidated statement of profit or loss over the period equivalent to the number of years of agency fees paid in advance.

Impairment of non-financial assets

Further disclosures relating to impairment of non-financial assets are provided in the following notes:

Disclosures for significant assumptions	Note 3
Goodwill	Note 6
Other intangible assets	Note 7

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, are recognised in the consolidated income statement in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to other comprehensive income. For such properties, the impairment is recognised in other comprehensive income up to the amount of any previous revaluation.

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION
(continued)**

2.4 Material accounting policies information (continued)

Impairment of non-financial assets (continued)

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated income statement unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are also tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

Cash and short-term deposits

Cash and short-term deposits in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash on hand, bank balances, and short-term deposits as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management, restricted cash and cash margin.

Restricted cash, margins and fixed deposits

Restricted cash, margins and fixed deposits in the consolidated statement of financial position comprise restricted cash and long-term deposits with maturity of more than three months. Restricted cash represents cash held at Lebanese banks which can be withdrawn at unfavourable rates.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION
(continued)**

2.4 Material accounting policies information (continued)

Financial assets (continued)

Initial recognition and measurement (continued)

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are ‘solely payments of principal and interest (SPPI)’ on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group’s financial assets at amortised cost includes trade receivables and other current assets.

Financial assets at fair value through OCI (debt instruments)

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the consolidated statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Group’s debt instruments at fair value through OCI includes investments in unquoted debt instruments.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the consolidated statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investments under this category.

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION
(continued)**

2.4 Material accounting policies information (continued)

Financial assets (continued)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired
Or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - (a) the Group has transferred substantially all the risks and rewards of the asset, or
 - (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment and un-collectability of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms (if any).

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. see note 13 for further details.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION
(continued)**

2.4 Material accounting policies information (continued)

Financial liabilities

Initial recognition, measurement and presentation

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

The Group does not have any financial liabilities carried at fair value through profit or loss

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the consolidated statement of profit or loss when the liabilities are derecognised as well as through EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the consolidated statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings, accounts payable, bank overdrafts, other current and non-current liabilities, and lease liabilities.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION
(continued)**

2.4 Material accounting policies information (continued)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees are granted phantom shares, which are settled in cash (cash-settled transactions).

Cash-settled transactions

A liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense.

Employees' end of service and other benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated statement of financial position.

A provision is made for the estimated liability for employees' entitlement to annual leave and leave passage as a result of services rendered by eligible employees up to the reporting date. The provision relating to annual leave and leave passage is considered as a current liability.

(ii) Other long-term employee benefit obligations

In some countries, the Group also has liabilities for long service end of service benefits that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period, using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments are recognised in the consolidated statement of profit or loss. Remeasurements as a result of changes in actuarial assumptions are recognised in the consolidated statement of comprehensive income.

The provision for employees' end of service benefits, disclosed as a long-term liability, where their respective labour laws require providing indemnity payments upon termination of relationship with their employees. The provision relating to end of service benefits is disclosed as a non-current liability.

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION
(continued)**

2.4 Material accounting policies information (continued)

Social security

Payments made to the social security institutions in connection with government pension plans applicable in certain jurisdictions are dealt with as payments to defined contribution plans, where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan. The Group pays contributions to the social security institutions on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense in the period to which the employees' service relates.

Revenue recognition

The Group recognises revenue from contracts with customers based on five step model as sets out in IFRS 15 - Revenue from contracts with customers:

- Step 1: Identify the contract(s) with a customer;
- Step 2: Identify the performance obligations in the contract;
- Step 3: Determine the transaction price;
- Step 4: Allocate the transaction price to the performance obligations in the contract; and
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Revenue represents the value of services rendered to customers and is stated net of discounts and sales taxes or similar levies.

The standards require that revenue be recognised as a Group satisfies a performance obligation by transferring control of a good or service. A performance obligation can be satisfied over time or at a point in time.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty or discounts. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements, has pricing latitude and is exposed to credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

Express and shop 'n' ship services revenue

The Group provides courier and express to businesses and private customers. Delivery occurs when the packages have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the end user, and either the end user has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied. It is therefore accounted for as a single performance obligation satisfied at a point of time and revenue is recognised at a point of time.

Freight forwarding revenue

The Group provides transportation services to businesses and private customers. Delivery occurs when the packages have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the end user, and either the end user has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied. It is therefore accounted for as a single performance obligation satisfied at a point of time and revenue is recognised at a point of time.

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION
(continued)**

2.4 Material accounting policies information (continued)

Revenue recognition (continued)

Revenue from logistics services

The Group provides logistics and warehousing services to customers. Delivery of service occurs when the contractual terms of agreement are satisfied, and either the end user has accepted the services in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

All the contracts and work orders include a single deliverable, and does not include an integration service and could not be performed by another party. It is therefore accounted for as a single performance obligation satisfied over time and revenue is recognised over the performance period.

Interest income

Interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the consolidated statement of profit or loss.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION
(continued)**

2.4 Material accounting policies information (continued)

Taxes (continued)

Deferred tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in the consolidated statement of profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Sales tax

Expenses and assets are recognised net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; or
- When receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION
(continued)**

2.4 Material accounting policies information (continued)

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of less than 12 months from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION
(continued)**

2.4 Material accounting policies information (continued)

Cash dividends

The Group recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Earning per share

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset excluding the finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of the classification.

Property and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the consolidated statement of financial position.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated statement of profit or loss.

All other notes to the consolidated financial statements include amounts for continuing operations, unless otherwise mentioned.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations;
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale.

Own shares

Own equity instruments that are reacquired are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the reserve on trading in own shares.

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION
(continued)**

2.4 Material accounting policies information (continued)

Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Foreign currencies

The Group's consolidated financial statements are presented in AED, which is also the Parent Company's functional currency. For each entity, the Group determines the functional currency and items included in the consolidated financial statements of each entity are measured using that functional currency. In relation to subsidiaries having operations in hyperinflationary economies, the Group applies the requirements for translation into the presentation currency (AED) as explained in section "Hyperinflation".

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date of the transaction first qualify for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in the consolidated statement of profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment in a foreign operation. These are recognised in other comprehensive income until the net investment is disposed, at which time, the cumulative amount is reclassified to the consolidated statement of profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive profit or loss or the consolidated statement of profit or loss are also recognised in other comprehensive income or consolidated statement of profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

**2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES INFORMATION
(continued)**

2.4 Material accounting policies information (continued)

Foreign currencies (continued)

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into AED's, at the rate of exchange prevailing at the reporting date and their consolidated statement of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the consolidated statement of profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Hyperinflation

The financial statements (including comparative amounts) of the Group entities whose functional currencies are the currencies of hyperinflationary economies are adjusted in terms of the measuring unit current at the end of the reporting period.

As the presentation currency of the group or the company is that of a non-hyperinflationary economy, comparative amounts are not adjusted for changes in the price level in the current year. Differences between these comparative amounts and current year hyperinflation adjusted equity balances are recognised in other comprehensive income.

The carrying amounts of non-monetary assets and liabilities are adjusted to reflect the change in the general price index from the date of acquisition to the end of the reporting period.

At the beginning of the first period of application, the components of equity, except retained earnings, are restated by applying a general price index from the dates the components were contributed or otherwise arose. These restatements are recognised directly in equity as an adjustment to opening retained earnings. Restated retained earnings are derived from all other amounts in the restated statement of financial position. If on initial application of hyperinflation accounting the restated value of the non-monetary assets exceed their recoverable amount, the amount in excess of the recoverable amount is recorded as a reduction in retained earnings. At the end of the first period and in subsequent periods, all components of equity are restated by applying a general price index from the beginning of the period or the date of contribution, if later.

The Lebanese and Turkish economies have been classified as hyperinflationary. Accordingly, the results, cash flows and financial position of the Group's subsidiaries; Aramex Lebanon S.A.L. and Aramex International Hava Kargo ve Keye Anonim Sirketi have been expressed in terms of the measuring unit current at the reporting date.

Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its consolidated financial statements. The Group will adjust the amounts recognised in its consolidated financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its consolidated financial statements, but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

3 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

• Capital management	Note 34
• Financial instruments risk management and policies	Note 34
• Sensitivity analyses disclosures	Note 6, 7

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Determining the lease term of contracts with renewal and termination options – Group as lessee

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Potential future cash outflows exceeding the lease term have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated).

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee. During the year ended 31 December 2025, no significant events or significant change in circumstances occurred that caused the management to reassess the lease term.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The Group has tax losses carried forward. These losses relate to subsidiaries that have a history of losses, do not expire, and may not be used to offset taxable income elsewhere in the Group. The subsidiaries have neither any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

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Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

3 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)**Estimates and assumptions (continued)***Useful lives of property and equipment*

The Group's management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Hyperinflation

The Group exercises significant judgement in determining the onset of hyperinflation in countries in which it operates and whether the functional currency of its subsidiaries, associates or joint ventures is the currency of a hyperinflationary economy, in order to assess whether an economy has a hyperinflationary inflation rate, the country's economic environment is evaluated, analyzing whether certain circumstances exist, such as:

- The country's population prefers to keep its wealth or savings in non-monetary assets or in a relatively stable foreign currency;
- Prices may be quoted in another relatively stable foreign currency;
- Sales and purchases on credit take place at prices that compensate for the expected loss of purchasing power during the credit period, even if the period is short;
- Interest rates, wages and prices are linked to a price index; and
- The cumulative inflation rate over three years is approaching or exceeds 100%.

Following management's assessment, the group's subsidiaries Aramex Lebanon S.A.L. and Aramex International Hava Kargo Ve Kerye Anonim Sirketi have been accounted for as entities operating in hyperinflationary economies. The results, cash flows and financial positions of Aramex Lebanon S.A.L. and Aramex International Hava Kargo Ve Kerye Anonim Sirketi have been expressed in terms of the measuring units current at the reporting date.

Aramex Lebanon S.A.L.

The economy of Lebanon was assessed to be hyperinflationary during 2020, and hyperinflation accounting has been applied since. Upon application of hyperinflation, net prior period gain of AED 1,335 thousand were recognised directly in equity during 2025 (2024: losses of AED 814 thousand were recognised directly in equity during 2024).

The Group has recognised in OCI an amount of AED 3,446 thousand loss (2024: AED 2,098 thousand loss) which represents the impact of indexing of non-monetary items from the date these were acquired by applying fluctuations in the CPI from the date of acquisition to 31 December 2025, to the extent determined to be recoverable.

The general price index used as published by the International Monetary Fund is as follows:

	<i>Base year</i>	<i>General price index</i>	<i>Inflation rate (%)</i>
31 December 2025*	2025	1.08	295
31 December 2024	2024	1.08	666
31 December 2023	2023	1.44	2,005

* The cumulative inflation rate over three years as at 31 December 2025 is 295% (2024: 666 %). The average adjustment factor used for 2025 was 1.08 (2024: 1.08).

3 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)**Estimates and assumptions (continued)***Hyperinflation (continued)***Aramex International Hava Kargo Ve Kerye Anonim Sirketi**

The economy of Turkey was assessed to be hyperinflationary during 2022, and hyperinflation accounting has been applied since. Upon application of hyperinflation, net prior period gain of AED 3,072 thousand were recognised directly in equity during 2025 (2024: gain of AED 7,244 thousand were recognised directly in equity during 2024).

The Group has recognised in OCI an amount of AED 9,370 thousand loss (2024: AED 5,706 thousand loss) which represents the impact of indexing of non-monetary items from the date these were acquired by applying fluctuations in the CPI from the date of acquisition to 31 December 2025, to the extent determined to be recoverable.

The general price index used as published by the International Monetary Fund is as follows:

	<i>Base year</i>	<i>General price index</i>	<i>Inflation rate (%)</i>
31 December 2025*	2025	1.11	211
31 December 2024	2024	1.15	291
31 December 2023	2023	1.28	268

* The cumulative inflation rate over three years as at 31 December 2025 is 211% (2024: 291%). The average adjustment factor used for 2025 was 1.11 (2024: 1.15).

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 6 and 7.

Provision for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 13.

3 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Provision for tax

The Group reviews the provision for tax on a regular basis. In determining the provision for tax, laws of particular jurisdictions (where applicable entity is registered) are taken into account. The management considers the provision for tax to be a reasonable estimate of potential tax liability after considering the applicable laws and past experience.

Defined benefit obligation (End of service benefits)

The present value of the end of service benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population of bonds on which the discount rate is based, on the basis that they do not represent high quality bonds.

The mortality rate is based on publicly available mortality tables for the related countries. Future salary increases are based on expected future inflation rates for the respective country.

Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available.

4 PROPERTY AND EQUIPMENT

	<i>Land</i> AED'000	<i>Leasehold improvements</i> AED'000	<i>Buildings</i> AED'000	<i>Furniture and fixtures</i> AED'000	<i>Warehousing racks</i> AED'000	<i>Office equipment</i> AED'000	<i>Computers</i> AED'000	<i>Vehicles</i> AED'000	<i>Capital work in progress</i> AED'000	<i>Total</i> AED'000
2025										
Cost:										
At 1 January 2025										
Additions	4,812	9,994	2,322	2,271	6,151	42,089	23,424	10,433	47,143	148,639
Transfers	1,281	639	-	2	6,841	28,247	3,487	-	(40,497)	-
Disposals	(11)	(1,581)	(4,358)	(2,812)	(35)	(11,155)	(31,247)	(8,707)	-	(59,906)
Reclassification	-	40	-	-	-	(1,104)	-	1,064	-	-
Impact of hyperinflation	-	1,093	358	192	78	1,108	(396)	(1,051)	-	1,382
Exchange differences	3,750	4,338	5,604	1,088	1,666	7,117	5,319	4,942	-	33,824
At 31 December 2025	84,280	153,320	527,359	47,025	91,999	346,997	360,019	104,220	49,379	1,764,598
Accumulated depreciation:										
At 1 January 2025										
Charge for the year	-	82,540	152,764	30,143	32,792	152,998	273,581	62,596	-	787,414
Disposals	-	14,504	16,063	4,764	5,670	33,061	34,863	10,909	-	119,834
Reclassification	-	(1,235)	(4,056)	(2,276)	(32)	(10,430)	(31,117)	(7,474)	-	(56,620)
Impact of hyperinflation	-	(210)	(13)	-	-	(252)	-	475	-	-
Exchange differences	-	1,173	358	119	97	930	(378)	(860)	-	1,439
At 31 December 2025	-	99,084	168,378	33,474	39,577	180,567	281,522	69,308	-	871,910
Net book value:										
At 31 December 2025	84,280	54,236	358,981	13,551	52,422	166,430	78,497	34,912	49,379	892,688

4 PROPERTY AND EQUIPMENT (CONTINUED)

	<i>Land</i> AED'000	<i>Leasehold improvements</i> AED'000	<i>Buildings</i> AED'000	<i>Furniture and fixtures</i> AED'000	<i>Warehousing racks</i> AED'000	<i>Office equipment</i> AED'000	<i>Computers</i> AED'000	<i>Vehicles</i> AED'000	<i>Capital work in progress</i> AED'000	<i>Total</i> AED'000
2024										
Cost:										
At 1 January 2024										
Additions	-	16,311	6,532	2,455	4,336	15,917	17,196	20,480	41,098	124,325
Acquisition of subsidiaries (Note 35)	-	-	-	-	-	419	-	-	-	419
Transfers	-	310	162	14	1,590	4,178	941	631	(7,826)	-
Disposals	-	(7,226)	(1,536)	(3,998)	(5,726)	(23,618)	(13,054)	(6,161)	-	(61,319)
Reclassification	-	(167)	167	-	-	63	(63)	-	-	-
Impact of hyperinflation	-	1,153	325	127	260	902	(591)	1,340	-	3,516
Exchange differences	(4,829)	(3,897)	(14,344)	(1,382)	(3,166)	(11,592)	(7,054)	(6,406)	-	(52,670)
At 31 December 2024	74,448	138,797	523,433	46,284	77,298	280,695	359,432	97,539	42,733	1,640,659
Accumulated depreciation:										
At 1 January 2024										
Charge for the year	-	76,492	141,413	29,904	31,196	152,917	253,744	59,580	-	745,246
Disposals	-	13,452	15,955	4,862	5,214	27,084	38,704	9,688	-	114,959
Impact of hyperinflation	-	(7,014)	(1,536)	(3,834)	(2,698)	(21,858)	(12,638)	(4,023)	-	(53,601)
Exchange differences	-	1,954	325	135	259	538	(628)	985	-	3,568
At 31 December 2024	-	(2,344)	(3,393)	(924)	(1,179)	(5,683)	(5,601)	(3,634)	-	(22,758)
Net book value:										
At 31 December 2024	74,448	56,257	370,669	16,141	44,506	127,697	85,851	34,943	42,733	853,245

Depreciation charge for the year is allocated as follows:

	<i>2025</i> AED'000	<i>2024</i> AED'000
Administrative expenses (Note 27)	72,722	76,241
Cost of services (Note 26)	47,112	38,718
	119,834	114,959

5 LEASES

The Group leases various land, buildings, equipment and motor vehicles. Rental contracts are typically made for fixed periods of 12 months to 10 years, but may have extension options.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Right of use assets

	<i>Land</i> AED'000	<i>Buildings</i> AED'000	<i>Equipment</i> AED'000	<i>Motor vehicles</i> AED'000	<i>Total</i> AED'000
Cost:					
At 1 January 2024	189,418	1,005,239	5,374	206,901	1,406,932
Additions	491	175,723	1,156	51,951	229,321
Disposals	(999)	(128,206)	(389)	(38,190)	(167,784)
Exchange differences	(159)	(38,667)	(201)	(5,734)	(44,761)
Impact of hyperinflation	-	7,911	-	127	8,038
At 31 December 2024	188,751	1,022,000	5,940	215,055	1,431,746
Additions*	38,327	202,108	2,258	49,033	291,726
Disposals	(500)	(90,131)	(478)	(82,814)	(173,923)
Exchange differences	36	33,660	272	3,072	37,040
Impact of hyperinflation	-	(8,599)	-	1,721	(6,878)
At 31 December 2025	226,614	1,159,038	7,992	186,067	1,579,711
Accumulated depreciation:					
At 1 January 2024	29,300	396,951	1,485	115,214	542,950
Charge for the year	6,346	166,868	1,147	50,167	224,528
Disposals	(151)	(125,993)	(389)	(38,296)	(164,829)
Exchange rate difference	(121)	(16,960)	(80)	(3,780)	(20,941)
Impact of hyperinflation	-	11,454	-	188	11,642
At 31 December 2024	35,374	432,320	2,163	123,493	593,350
Charge for the year	6,845	182,016	1,511	51,788	242,160
Disposals	(500)	(83,690)	(477)	(80,939)	(165,606)
Exchange rate difference	26	16,150	120	1,722	18,018
Impact of hyperinflation	-	1,639	-	31	1,670
At 31 December 2025	41,745	548,435	3,317	96,095	689,592
Net book value:					
At 31 December 2025	184,869	610,603	4,675	89,972	890,119
At 31 December 2024	153,377	589,680	3,777	91,562	838,396

* This amount includes AED 4,234 thousand relates to a make-good provision recognised within other non-current liabilities.

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	<i>2025</i> AED'000	<i>2024</i> AED'000
At 1 January	936,549	948,586
Additions	287,492	229,321
Finance cost	63,997	52,360
Payments of principal and interest	(271,226)	(289,749)
Disposals	(9,785)	(3,969)
At 31 December	1,007,027	936,549
Current	192,419	179,806
Non-current	814,608	756,743

5 LEASES (continued)

Future minimum annual payments under all non-cancellable leases together with the present value of the net minimum lease payments are as follows:

	<i>Future minimum lease payments AED'000</i>	<i>Interest AED'000</i>	<i>Present value of minimum lease payments AED'000</i>
2025 -			
Within one year	238,488	46,069	192,419
More than one year	1,120,193	305,585	814,608
	1,358,681	351,654	1,007,027
 2024 -			
Within one year	230,767	50,961	179,806
More than one year	1,044,420	287,677	756,743
	1,275,187	338,638	936,549

The following are the amounts recognised in profit or loss:

	<i>2025 AED'000</i>	<i>2024 AED'000</i>
Depreciation charge of right of use assets		
Administrative expenses (Note 27)	37,453	37,504
Cost of services (Note 26)	204,707	187,024
	242,160	224,528
Finance costs – lease liabilities	63,997	52,360
Expense relating to short-term and low-value leases (included in cost of services)	227	9,020
Expense relating to short-term and low-value leases (included in administrative expenses)	3,844	5,327
Gain on derecognition of leases on expiry/termination	1,468	1,014

6 GOODWILL

	<i>2025 AED'000</i>	<i>2024 AED'000</i>
At 1 January	1,730,497	1,750,191
Acquisitions*	1,155	8,557
Measurement period adjustment**	(2,230)	-
Impairment	(2,567)	-
Exchange differences	27,401	(28,251)
At 31 December	1,754,256	1,730,497

* On 25 February 2025, the Group entered into an acquisition arrangement through a Business and Asset Sale Agreement (“BASA”) to acquire S.A. Logistics Pty LTD as “Aramex (Adelaide)”; a regional franchise of a courier and freight logistics located in Australia.

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. (Note 35).

6 GOODWILL (continued)

On 12 May 2024, the Group entered into an acquisition arrangement through a Business and Asset Sale Agreement (“BASA”) to acquire Newcastle; a regional franchise of a courier and freight logistics.

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. (Note 35).

** 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 Group performed its annual impairment test on 31 December 2025 and 2024. The Group considers the relationship between its market capitalisation and its book value among other factors, when reviewing for indicators of impairment.

The recoverable amounts of the cash generating units have been determined based on a value in use calculation using cash flow projections from financial forecasts approved by the board of directors covering a five year period.

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

	2025 AED'000	2024 AED'000
Publication and distribution	6,212	6,212
Aramex: *		
Express shipping	1,053,490	1,046,905
Domestic shipping	456,800	445,570
Freight forwarding	164,421	160,310
Logistics	73,333	71,500
	1,754,256	1,730,497

* Aramex includes the below the cash generating units:

- (a) domestic shipping,
- (b) express shipping,
- (c) freight forwarding and
- (d) logistics.

Key assumptions used in value-in-use calculations and sensitivity to changes in assumptions

The calculation of the value-in-use is most sensitive to the following assumptions:

Transaction volumes – based on average annual growth rate over the five-year forecast period considered; based on past performance and management’s expectations of market development.

Discount rates – Discount rates represent the current market assessment of the risks specific to each cash generating unit, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its WACC for the industry measured at 9% (2024: 8.8%). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group’s investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate.

Terminal growth rate – Growth rate used of 3.1% (2024: 3.1%) are based on actual operating results and future expected performance based on current industry trends and including long-term inflation forecasts for each territory of Aramex.

Sensitivity to changes in assumptions

Management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

7 OTHER INTANGIBLE ASSETS

	<i>Customer lists and other intangible assets with definite useful life</i> AED'000	<i>Franchises and other intangible assets with indefinite useful life*</i> AED'000	<i>Other intangible assets</i> AED'000	<i>Brand</i> AED'000	Total AED'000
Cost:					
At 1 January 2024	117,211	170,147	49,645	37,963	374,966
Additions	3,853	-	-	-	3,853
Acquisition of subsidiaries (Note 35)	4,199	15,336	-	-	19,535
Exchange differences	-	(19,876)	-	-	(19,876)
At 31 December 2024	125,263	165,607	49,645	37,963	378,478
Reclassified from other current assets	-	33	-	-	33
Acquisition of subsidiaries (Note 35)	908	3,364	-	-	4,272
Exchange differences	-	5,328	-	-	5,328
At 31 December 2025	126,171	174,332	49,645	37,963	388,111
Amortisation and impairment:					
At 1 January 2024	48,496	-	14,242	2,293	65,031
Amortisation	6,131	-	6,113	1,898	14,142
At 31 December 2024	54,627	-	20,355	4,191	79,173
Amortisation	6,233	-	6,113	1,898	14,244
At 31 December 2025	60,860	-	26,468	6,089	93,417
Net book value:					
At 31 December 2025	65,311	174,332	23,177	31,874	294,694
At 31 December 2024	70,636	165,607	29,290	33,772	299,305

* Intangible assets acquired through a business combination. These assets have indefinite useful lives and are tested for impairment annually as they represent an operational system used by the Group entities which is considered to have indefinite useful life. The Group intends to renew the franchise continuously and evidence supports its ability to do so. An analysis of market and competitive trends provides evidence that the franchise will generate net cash inflows for the Group for an indefinite period. Therefore, the franchise is carried at cost without amortisation, but is tested for impairment annually.

The Group performed its annual impairment test on 31 December 2025 and 2024. As at 31 December 2025, the market capitalisation of the Group was above the book value of its equity. The recoverable amounts of the cash generating units have been determined based on a value in use calculation using cash flow projections from financial forecasts approved by the board of directors covering a five-year period.

Key assumptions used in value-in-use calculations and sensitivity to changes in assumptions

The calculation of the value-in-use is most sensitive to the following assumptions:

Transaction volumes – based on average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development.

Terminal growth rate – Terminal growth rate used of 2.2% (2024: 2.4%) is based on actual operating results and future expected performance based on current industry trends and including long-term inflation forecasts for each territory.

7 OTHER INTANGIBLE ASSETS (continued)**key assumptions used in value-in-use calculations and sensitivity to changes in assumptions (continued)**

Discount rates – Discount rates represent the current market assessment of the risks specific to each cash generating unit, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC) for the industry of 8.3% to 10.2% (2024: 8.3% to 8.4%). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate.

Sensitivity to changes in assumptions

Management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

8 NON-CONTROLLING INTERESTS

As at 31 December 2025 and 2024, there were no subsidiaries with material non-controlling interest to the Group.

9 INVESTMENTS IN JOINT VENTURES

The details of the investments in joint ventures are as follows:

	Ownership percentage		Country of incorporation	Nature of activity	Book value	
	2025	2024			2025	2024
	%	%			AED'000	AED'000
Aramex Sinotrans Co. LTD	50	50	China	Express, freight and logistics services	11,338	15,558
Aramex Logistics LLC	50	50	Oman	Logistics	13,229	12,518
					24,567	28,076

The joint ventures are accounted for using the equity method in the consolidated financial statements.

Summarised financial information of the joint ventures, based on their IFRS financial statements, are set out below:

	2025		
	Aramex Sinotrans Co. LTD	Aramex Logistics LLC	Total
	AED'000	AED'000	AED'000
Non-current assets	8,084	23,589	31,673
Current assets*	61,332	14,898	76,230
Non-current liabilities	(1,343)	(8,668)	(10,011)
Current liabilities**	(45,397)	(3,361)	(48,758)
Equity	22,676	26,458	49,134
Proportion of the Group's ownership	50%	50%	50%
Carrying amount of the investment	11,338	13,229	24,567

9 INVESTMENTS IN JOINT VENTURES (continued)

* The current assets of Aramex Sinotrans Co. Ltd include cash at banks amounted to AED 16,323 thousand, accounts receivable amounted to AED 29,933 thousand and other current assets amounted to AED 15,076 thousand.

The current assets of Aramex Logistics LLC include cash at banks amounted to AED 8,284 thousand, account receivables amounted to AED 5,770 thousand and other current assets amounted to AED 844 thousand.

** The current liabilities of Aramex Sinotrans Co. Ltd include, accruals amounted to AED 18,640 thousand, account payables amounted to AED 15,124 thousand, other current liabilities amounted to AED 7,884 thousand and lease liability of AED 3,749 thousand.

The current liabilities of Aramex Logistics LLC include account payables amounted to AED 1,291 thousand, accrued expenses amounted to 722 thousand, short term lease liability amounted to 395 thousand, other current liabilities amounted to 669 thousand and income tax provision amounted to 284 thousand.

	2024		
	Aramex Sinotrans Co. LTD AED'000	Aramex Logistics LLC AED'000	Total AED'000
Non-current assets	9,792	25,666	34,114
Current assets*	71,734	11,648	83,382
Non-current liabilities	(3,305)	(8,878)	(12,183)
Current liabilities**	(47,105)	(3,400)	(49,161)
Equity	31,116	25,036	56,152
Proportion of the Group's ownership	50%	50%	50%
Carrying amount of the investment	15,558	12,518	28,076

* The current assets of Aramex Sinotrans Co. Ltd include cash at banks amounted to AED 27,849 thousand, accounts receivable amounted to AED 27,415 thousand and other current assets amounted to AED 16,470 thousand.

The current assets of Aramex Logistics LLC include cash at banks amounted to AED 7,778 thousand, account receivables amounted to AED 3,566 thousand and other current assets amounted to AED 304 thousand.

** The current liabilities of Aramex Sinotrans Co. Ltd include, accruals amounted to AED 18,208 thousand, account payables amounted to AED 18,044 thousand, other current liabilities amounted to AED 8,116 thousand and lease liability of AED 2,737 thousand.

The current liabilities of Aramex Logistics LLC include account payables amounted to AED 1,562 thousand, accrued expenses amounted to 573 thousand, short term lease liability amounted to 705 thousand, other current liabilities amounted to 340 thousand and income tax provision amounted to 220 thousand.

Summarised statement of profit or loss of the joint ventures:

	2025		
	Aramex Sinotrans Co. LTD AED'000	Aramex Logistics LLC AED'000	Total AED'000
Revenue	272,432	14,409	286,841
Cost of sale	(253,058)	(10,244)	(263,302)
Administrative expenses	(22,908)	(1,954)	(24,862)
Other expenses	(6,042)	(528)	(6,570)
(Loss) profit before tax	(9,576)	1,683	(7,893)
Income tax	(35)	(262)	(297)
(Loss) profit for the year	(9,611)	1,421	(8,190)
Group's share of (loss) profit for the year	(4,806)	711	(4,095)

9 INVESTMENTS IN JOINT VENTURES (continued)

	2024		
	Aramex Sinotrans Co. LTD AED'000	Aramex Logistics LLC AED'000	Total AED'000
Revenue	299,370	12,993	312,363
Cost of sale	(268,965)	(8,895)	(277,860)
Administrative expenses	(20,045)	(2,518)	(22,563)
Other expenses	(6,769)	(573)	(7,342)
Profit before tax	3,591	1,007	4,598
Income tax	(835)	(189)	(1,024)
Profit for the year	2,756	818	3,574
Group's share of profit for the year	1,378	409	1,787

The joint ventures had no contingent liabilities or capital commitments as at 31 December 2025 and 2024.

10 INVESTMENTS IN ASSOCIATES

The details of the investments in associates were as follows:

	Ownership percentage		Country of incorporation	Nature of activity	Book value	
	2025 %	2024 %			2025 AED'000	2024 AED'000
Linehaul Express Australia Pty Ltd *	-	-	Australia	Domestic Services	-	-
Aramex Thailand Ltd	49	49	Thailand	Logistics and transportation	2,647	3,341
					2,647	3,341

* During 2024, the Group acquired an additional interest in Linehaul Express Australia Pty Ltd at fair value through the acquisition of regional franchisees, with no consideration exchanged. This acquisition resulted in the Group gaining control over the investment, leading to the recognition of a bargain purchase gain amounting to AED 114 thousand in the consolidated statement of profit or loss.

As of 31 December 2024, the assets, liabilities, income, and expenses of Linehaul Express Australia Pty Ltd have been fully consolidated into the Group's consolidated financial statements. Additionally, the Group recorded a share of results amounting to AED 1,376 thousand in profit in accordance with the equity method, for the period from 1 January 2024 up to the date of obtaining control over the investee on 1 July 2024.

The associates are accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarized financial information of the Group's investments in associates:

	2025		
	Linehaul Express Australia PTY Ltd AED'000	Aramex Thailand Ltd AED'000	Total AED'000
Non-current assets	-	967	967
Current assets	-	7,947	7,947
Non-current liabilities	-	(869)	(869)
Current liabilities	-	(2,642)	(2,642)
Equity	-	5,403	5,403
Proportion of the Group's ownership	-	49%	
Group's share	-	2,647	2,647
Carrying amount of the investment	-	2,647	2,647

10 INVESTMENTS IN ASSOCIATES (continued)

	2024		
	<i>Linehaul Express</i>	<i>Aramex Thailand</i>	<i>Total</i>
	<i>Australia PTY Ltd</i>	<i>Ltd</i>	<i>AED'000</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Non-current assets	-	1,061	1,061
Current assets	-	8,478	8,478
Non-current liabilities	-	(336)	(336)
Current liabilities	-	(2,384)	(2,384)
Equity	-	6,819	6,819
Proportion of the Group's ownership	-	49%	
Group's share	-	3,341	3,341
Carrying amount of the investment	-	3,341	3,341
	2025		
	<i>Linehaul Express</i>	<i>Aramex Thailand</i>	<i>Total</i>
	<i>Australia PTY Ltd</i>	<i>Ltd</i>	<i>AED'000</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Revenue	-	25,154	25,154
Cost of sale	-	(21,467)	(21,467)
Administrative expenses	-	(4,146)	(4,146)
Other expenses, net	-	(1,043)	(1,043)
Loss before tax	-	(1,502)	(1,502)
Income tax	-	-	-
Loss for the year	-	(1,502)	(1,502)
Group's share of profit for the year	-	(736)	(736)
	2024		
	<i>Linehaul Express</i>	<i>Aramex Thailand</i>	<i>Total</i>
	<i>Australia PTY Ltd</i>	<i>Ltd</i>	<i>AED'000</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Revenue	-	21,137	21,137
Cost of sale	-	(16,751)	(16,751)
Administrative expenses	-	(4,382)	(4,382)
Other expenses	-	(1,287)	(1,287)
Loss before tax	-	(1,283)	(1,283)
Income tax	3,011	(1)	3,010
Profit (Loss) for the year	3,011	(1,284)	1,727
Group's share of loss for the year	1,376	(629)	747

The associates had no contingent liabilities or capital commitments as at 31 December 2025 and 2024.

11 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

At 31 December 2025, the Group designated investments disclosed in the following table as equity and debt securities at FVOCI. The FVOCI designation was made because the investments are expected to be held for strategic purposes rather than with a view to profit on a subsequent sale, and there are no plans to dispose of these investments in the short or medium term.

	Ownership percentage		Country of incorporation	Nature of activity	Fair value	
	2025 %	2024 %			2025 AED'000	2024 AED'000
<i>Unquoted equity financial instruments</i>						
What 3 Words Ltd	1.04	1.04	UK	Global addressing systems	1,207	15,241
Gvtechno Logistic Private Limited	5.68	5.68	India	Transportation Drone Technology	-	-
Flirtey Tech Pty Ltd.	0.13	0.13	USA		64	62
<i>Unquoted debt financial instruments</i>						
Cell captive Shippify Inc			South Africa USA	Insurance Food delivery	2,462 1,102	1,570 1,102
					4,835	17,975

For equity instruments at fair value through OCI, gains and losses on these financial assets are never recycled to the consolidated statement of profit or loss. Dividends are recognised as other income in the consolidated statement of profit or loss when the right of payment has been established. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The movements on the investment during the year is as follows:

	2025 AED'000	2024 AED'000
As at 1 January	17,975	17,574
Gain from revaluation of debt instruments, net	892	409
Loss on revaluation of equity instruments, net	(14,034)	-
Exchange differences	2	(8)
As at 31 December	4,835	17,975

12 INCOME TAX

The major components of income tax expense for the years ended 31 December 2025 and 2024 are:

Consolidated statement of profit or loss

	2025 AED'000	2024 AED'000
Current income tax expense*	35,841	49,462
Deferred tax credit	(769)	(3,657)
Income tax expense reported in the consolidated statement of profit or loss	35,072	45,805

* The Group has recognised a Pillar Two current tax expense of AED 2.45 million that arises in Qatar and Kuwait – which is not subject to the transitional safe harbour relief – because of low statutory tax rates.

Deferred tax relates to the following:

Provision for expected credit losses	7,776	7,540
Impact of hyperinflation	(432)	(1,092)
Impact of IFRS 16	12,255	8,025
Depreciation	(14,245)	(13,893)
Employees' end of service benefits	6,878	5,925
Net operating losses carried forward	45,879	35,793
Intangible assets with indefinite useful life	(72,522)	(60,277)
Others	15,635	16,579
	1,224	(1,400)

Recognised as follows:

As deferred tax assets	44,609	33,351
As deferred tax liabilities	(43,385)	(34,751)
	1,224	(1,400)

Reconciliation of deferred tax liability, net:

At 1 January	(1,400)	(10,088)
Benefit during the year	768	3,657
Foreign exchange	1,856	5,031
At 31 December	1,224	(1,400)

Reconciliation between accounting profit and taxable profit:

	2025 AED'000	2024 AED'000
Accounting profit before income tax	55,941	182,991
Non-deductible expenses	82,713	112,976
Taxable profit	138,654	295,967
Income tax expense reported in the consolidated statement of profit or loss	35,072	45,805
Effective income tax rate (%)	62.69%	25.03%

12 INCOME TAX (continued)

Movements on income tax provision were as follows:

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
At 1 January	35,180	36,676
Income tax expense for the year	35,841	49,462
Income tax paid	(29,962)	(43,763)
Foreign exchange	(14)	(7,195)
At 31 December	41,045	35,180

On 9 December 2022, the United Arab Emirates (UAE) Ministry of Finance (MoF) released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, known as the Corporate Tax Law ("CT Law"), to enact a new corporate tax regime in the UAE. This new regime became effective for accounting periods beginning on or after 1 June 2023. The Group will be subject to the CT Law starting 1 January 2024. The taxable income of the entities that fall within the scope of UAE corporate tax is subject to a tax rate of 9%.

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 digitalization of the global economy.

As of December 2025, the Group performed an impact assessment of the potential exposure to Pillar Two income taxes in jurisdictions where the legislation is applicable for fiscal year starting 1 January 2025. The preliminary analysis indicates that Qatar and Kuwait has a top up tax obligation given it fails all safe harbor tests. Of the 44 countries tested, the following is summarized:

- 17 countries meet the de- minimum test
- 3 country has failed all tests.
- 9 countries have a negative PBT and therefore top up is not relevant.
- 3 countries qualify for SBIE test.
- Bahrain qualifies for the SBIE but a top up tax applies on account of DMTT for safeguard.
- 11 countries qualify for simplified ETR test.

It is unclear if the Pillar Two model rules create additional temporary differences, whether to measure 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 recognize 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 recognizing and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes.

13 ACCOUNTS RECEIVABLE, NET

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
Accounts receivable	1,180,538	1,169,082
Less: allowance for expected credit losses	(71,194)	(64,238)
	1,109,344	1,104,844

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

13 ACCOUNTS RECEIVABLE, NET (continued)

Geographic concentration of accounts receivable as of 31 December is as follows:

	2025	2024
	%	%
Gulf Cooperation Council (GCC)	48	49
Middle East excluding GCC, North Africa and Turkey	12	13
East and South Africa	4	4
Europe	12	10
North America	7	7
North Asia	1	2
South Asia	7	8
Oceania	9	7

As at 31 December 2025, accounts receivable at nominal value of AED 71,194 thousand (2024: AED 64,238 thousand) were impaired. Movement on expected credit losses allowance was as follows:

	2025	2024
	<i>AED'000</i>	<i>AED'000</i>
At 1 January	64,238	94,465
Charge (recovery) for the year, net	18,392	(6,772)
Amounts written-off	(12,646)	(19,238)
Foreign exchange	1,210	(4,217)
At 31 December	<u>71,194</u>	<u>64,238</u>

13 ACCOUNTS RECEIVABLE, NET (continued)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

	Trade Receivables Days past due											Total
	Current	1 - 60 days	61 - 120 days	121 - 180 days	181-240 days	241-300 days	301-365 days	366-425 days	426-485 days	486-545 days	More than 545 days	
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Expected credit loss rate	1.37%	0.52%	1.24%	4.45%	9.82%	19.32%	43.52%	57.18%	40.72%	89.56%	100.00%	
Gross carrying amount – Accounts receivable	769,427	263,077	45,897	18,744	10,488	8,705	4,386	3,657	7,662	3,927	44,568	1,180,538
Expected credit loss	10,511	1,365	568	833	1,030	1,682	1,909	2,091	3,120	3,517	44,568	71,194
31 December 2025	758,916	261,712	45,329	17,911	9,458	7,023	2,477	1,566	4,542	410	-	1,109,344
Trade Receivables Days past due												
Current	1 - 60 days	61 - 120 days	121 - 180 days	181-240 days	241-300 days	301-365 days	366-425 days	426-485 days	486-545 days	More than 545 days	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	AED'000
Expected credit loss rate	0.71%	0.18%	1.59%	5.68%	9.17%	19.55%	29.41%	17.43%	51.99%	81.07%	100.00%	
Gross carrying amount – Accounts receivable	727,150	294,871	41,949	20,088	6,490	8,292	5,934	7,211	9,354	5,844	41,899	1,169,082
Expected credit loss	5,177	538	665	1,140	595	1,621	1,745	1,257	4,863	4,738	41,899	64,238
31 December 2024	721,973	294,333	41,284	18,948	5,895	6,671	4,189	5,954	4,491	1,106	-	1,104,844

Accounts receivable are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 545 days past due.

Impairment losses on accounts receivable are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

14 OTHER CURRENT ASSETS

	2025 AED'000	2024 AED'000
Advances to suppliers	54,982	64,990
Prepaid expenses	54,519	53,337
Refundable deposits	40,417	41,926
VAT and GST receivable	32,893	27,845
Others*	110,895	102,334
	293,706	290,432

* This item mainly represent stationery, supplies and other receivables.

15 CASH AND BANK BALANCES

	2025 AED'000	2024 AED'000
Cash and bank balances	565,538	506,588
Restricted cash, margins and fixed deposits*	7,583	6,142
	573,121	512,730

Included in cash at banks are amounts totalling AED 369,091 thousand (2024: AED 379,554 thousand) of cash held at foreign banks abroad and amounts totalling approximately AED 33,758 thousand (2024: AED 38,953 thousand) of cash on delivery collected by the Group on behalf of customers and, the same balance was recorded as other current liabilities on the consolidated statement of financial position. The Group has rights of these amounts and there is no restriction on its usage.

*Bank deposits consist of margin deposits of AED 6,013 thousand (2024: AED 5,842 thousand) and short-term deposits with maturities more than 3 months of AED 1,570 thousand (2024: AED 300 thousand).

Long-term deposits are held with local and foreign banks. These are long-term in nature with an original maturity of more than three months at an effective interest rate ranging between 2.9 % - 8.375% per annum (2024: 5.25% - 9.875% per annum).

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

	2025 AED'000	2024 AED'000
Restricted cash	185	204
Less: impairment for expected credit losses	(185)	(204)
	-	-

Movement on expected credit losses was as follows:

	2025 AED'000	2024 AED'000
At 1 January	204	181
(Reverse) / charge for the year	(19)	23
At 31 December	185	204

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprises the following at 31 December:

	2025 AED'000	2024 AED'000
Cash and bank balances	565,538	506,588
Less: bank overdrafts (Note 22)	(2,773)	(4,015)
	562,765	502,573

16 SHARE CAPITAL

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
<i>Authorised, issued and paid up capital</i>		
2025: 1,464,100,000 ordinary shares of AED 1 each	<u>1,464,100</u>	1,464,100
(2024: 1,464,100,000 ordinary shares of AED 1 each)		

17 RESERVES**Statutory reserve**

In accordance with the Company's Articles of Association and the UAE Federal Decree Law No. (32) of 2021, 10% of the net profit for each year is required to be transferred to a statutory reserve. Such transfers may be ceased when the statutory reserve equals half of the paid-up share capital of the applicable entities. This reserve is non-distributable except in certain circumstances. The consolidated statutory reserve reflects transfers made post-acquisition for subsidiary companies together with transfers made by the Parent Company.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the consolidated financial statements of foreign subsidiaries.

Reserve arising from acquisition of non-controlling interests

The reserve represents the difference between the consideration paid to acquire non-controlling interests and the carrying amount of those interests at the date of acquisition.

Reserve arising from other comprehensive income items

Movement on the reserve arising from other comprehensive income items is as follows:

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
At 1 January	(6,231)	(12,015)
Net (loss) gain from revaluation of debt instruments	<u>(13,142)</u>	409
Transfer of fair value reserve of equity instruments designated at FVOCI	-	5,524
Remeasurements of post-employment benefit obligations (Note 20)	<u>(3,978)</u>	(149)
At 31 December	<u>(23,351)</u>	(6,231)

18 DIVIDENDS

During the years ended 31 December 2025 and 2024, no dividends were declared.

19 INTEREST-BEARING LOANS AND BORROWINGS

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
Non-current		
Revolving and term loans (a)	<u>911,850</u>	911,918
Current		
Revolving and term loans (a)	<u>26,746</u>	21,257

19 INTEREST-BEARING LOANS AND BORROWINGS (continued)

(a) Revolving and term loans

Revolving loan

On 27 October 2025, Aramex PJSC entered into a new 5 year revolving credit facility agreement with a syndicate of banks comprising of HSBC Bank Middle East Limited and DBS Bank LTD (DIFC Branch). The rate of interest on each loan for each interest period is the percentage rate per annum which is aggregate of the applicable margin and SOFR. The total limit of this facility is USD 150 million (equivalent to AED 551 million). The purpose of this facility is to fund capital expenditure and working capital requirements including permitted acquisitions. The loan is secured by corporate guarantee extended by Aramex PJSC, Aramex Abu Dhabi LLC, Aramex Emirates LLC, Aramex International LLC, Aramex Hong Kong Limited, Aramex Int'l Egypt for Air & Local Services (Egypt), Aramex Saudi Limited Company, Aramex UK Limited, Aramex Doha WLL, Aramex International Limited (Kuwait), Aramex USA Ltd, Access USA Shipping LLC, Access USA C2C, LLC, Parcels Abroad Blocking LLC, Parcels Abroad MGPEF Blocking, LLC, Aramex Jordan – Limited, Aramex Nederland B.V, Aramex Ireland Limited, Aramex International Logistics Private Ltd., Aramex Fastway Holdings Pty Ltd and Aramex New Zealand Holdings Limited.

As at 31 December 2025, the Group had not utilised any amount of this facility.

Term loans

HSBC loan (1)

During 2021, Aramex Fastway refinanced a 5 year term loan agreement with HSBC Bank Australia that matured in January 2021. The total loan amount is AED 83.2 million (AUD 28.7 million) bearing annual interest rate of AUD (BBSY) plus a margin of 2.1% p.a. The term loan was repayable in 20 consecutive quarterly instalments, the first instalment was due on 31 March 2021. The loan was subsequently refinanced in February 2024, with a revised margin of 1.55% p.a. which included a six month payment holiday for the Feb 2024 and May 2024 installment due. The purpose of the loan is to finance capital expenditure of the Group or general corporate purposes of the Group. The loan is secured by corporate guarantee extended by Aramex PJSC.

HSBC loan (2)

During 2021, Aramex New Zealand refinanced a 5 year term loan agreement with HSBC Bank New Zealand that matured in January 2021. The total loan amount is AED 85 million (NZD 31.62 million) bearing annual interest rate of NZD (BKBM) plus a margin of 2.1% p.a. The term loan was repayable in 20 consecutive quarterly instalments, the first instalment was due on 31 March 2021. The loan was subsequently refinanced in February 2024, with a revised margin of 1.55% p.a. which included a six month payment holiday for the Feb 2024 and May 2024 installment due. The purpose of the loan is to finance capital expenditure of the Group or general corporate purposes of the Group. The loan is secured by corporate guarantee extended by Aramex PJSC.

Acquisition Financing – MyUS Syndicated loan

On 5th of August 2022, Aramex UK and Aramex USA entered into a new 5 year credit facility agreement with a syndicate of banks comprising Emirates NBD Bank PJSC and First Abu Dhabi Bank PJSC. The purpose of this facility is to fund MyUS acquisition. The loan is secured by corporate guarantee extended by Aramex PJSC, Aramex Abu Dhabi LLC, Aramex Emirates LLC, Aramex Hong Kong Limited, Aramex Int'l Egypt for Air & Local Services (Egypt), Aramex Saudi Limited Company, Aramex UK Limited, Aramex Doha WLL, Aramex International Limited (Kuwait), Aramex USA and MyUS. The financing arrangement of the loan has been agreed to be drawn in GBP and USD currencies with interest rates as detailed below:

- (1) The loan was drawn by Aramex UK on 14th October 2022 from Emirates NBD Bank PJSC. The amount drawn under the facility is GBP 53.825 million (AED 239.2 million) bearing a quarterly interest rate which is the aggregate of the over-night SONIA daily rate compounded in arrears plus a margin of 1.25% p.a.
- (2) The loan was drawn by Aramex UK on 17th October 2022 from Emirates NBD Bank PJSC. The amount drawn under the facility is USD 50 million (AED 183.6 million) bearing a quarterly interest rate which is the aggregate of the over-night SOFR daily rate compounded in arrears plus a margin of 1.35% p.a.
- (3) The loan was drawn by Aramex USA on 17th of October 2022 from First Abu Dhabi Bank PJSC. The amount drawn under the facility is USD 150 million (AED 550.9 million) bearing a quarterly interest rate which is the aggregate of the over-night SOFR daily rate compounded in arrears plus a margin of 1.35% p.a.

19 INTEREST-BEARING LOANS AND BORROWINGS (continued)**Term loans (continued)****Acquisition Financing – MyUS Syndicated loan (continued)**

During 2025, in addition to the 2024 repayment of GBP 5 million for the loan drawn by Aramex UK in (1) above, and the 2024 repayment of USD 43 million for the loan drawn down by Aramex USA in (3) above, the Group made an early principal settlement for an additional amount of USD 5 million (AED 18.36 million) for the loan drawn by Aramex USA in (3) above making it a total repayment of USD 48 million on the loan drawn by Aramex USA in (3) above.

Others

Term loans also include a number of loans obtained by Group with a balance of AED 1.26 million to finance their operating activities. These loans carry interest at commercial rates, are repayable in regular instalments and are subject to covenants consistent with the Group's borrowing policies. The loans are secured by corporate guarantees extended by various Group's subsidiaries.

There were several financial covenants attached to the interest-bearing loans and borrowings as disclosed below:

1. Maximum Leverage - (Net debt/EBITDA)
2. Minimum Interest cover - (EBITDA/Net finance charge)
3. Minimum tangible net worth

The above covenants are being tested annually and the Group's has no indication that it will have difficulty complying with these covenants.

The principal instalments payable after 2025 for loans as of 31 December 2025 are as follows:

<i>Year</i>	<i>AED'000</i>
2026	26,746
2027	804,318
2028	59,877
2029	47,655
Total	938,596

20 EMPLOYEES' END OF SERVICE BENEFITS

Movements on provision for employees' end of service benefits were as follows:

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
At 1 January	196,852	169,968
Provided during the year (Note 29)	35,531	45,936
Paid during the year	(26,441)	(19,051)
Actuary valuation through other comprehensive income (Note 17)	3,978	149
Exchange differences	3	(150)
At 31 December	209,923	196,852

Principal assumptions used in determining benefit obligations for the Group are shown below:

	<i>2025</i> %	<i>2024</i> %
Discount rate	4.60 - 7.23	4.37 - 7.05
Salary increase rate	3.2 - 5	3.3 - 5
Normal retirement age (years)	64	64

The provision recorded during the year includes the following:

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
Current service cost	22,967	21,839
Past service (reversal) cost	(1,137)	8,592
Finance cost	8,358	8,524

20 EMPLOYEES' END OF SERVICE BENEFITS (continued)

The expected maturity analysis of undiscounted employee benefits obligations is as follows:

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
Between 1 – 5 years	91,627	80,161
Over 5 years	174,159	172,933
	<u><u>265,786</u></u>	<u><u>253,094</u></u>

A quantitative sensitivity analysis for significant assumptions on the defined benefit obligation as at 31 December 2025 and 31 December 2024 is, as shown below:

	<i>Impact on defined benefit obligation</i>	
	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
Discount rate:		
0.5% increase	(660)	(851)
0.5% decrease	<u><u>709</u></u>	<u><u>632</u></u>
Salary increase rate:		
0.5% increase	725	638
0.5% decrease	<u><u>(680)</u></u>	<u><u>(864)</u></u>

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.

21 ACCOUNTS PAYABLE

Accounts payable mainly include payables to third party suppliers against invoices received from them for line haul, freight services, handling and delivery charges. These amounts are non-interest bearing and normally settled by the Group on 60-day terms.

22 BANK OVERDRAFTS

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

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
Aramex Tunisia (Arab Bank)	436	2,282
Aramex Kenya Limited (Citibank)	2,337	1,733
	<u><u>2,773</u></u>	<u><u>4,015</u></u>

These overdraft facilities are secured by corporate guarantees extended by various Group's subsidiaries.

23 PROVISIONS

Movements in provisions are as follows:

	<i>Total</i> <i>AED'000</i>
Carrying amount at 1 January 2024	47,674
Provided during the year	18,494
Reversed during the year	(13,753)
Paid during the year	(21,325)
Exchange differences	(834)
Carrying amount at 31 December 2024	30,256
Provided during the year	27,012
Reversed during the year	(27,968)
Paid during the year	(6,563)
Exchange differences	401
Carrying amount at 31 December 2025	23,138

The above provisions primarily relate to legal and other claims.

24 OTHER CURRENT LIABILITIES

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
Accrued expenses	434,419	427,026
Sales tax and other taxes	97,522	88,236
Customers' deposits	22,762	22,479
Deferred revenue	15,125	15,474
Social security taxes payable	8,759	7,026
Others *	105,060	130,150
	683,647	690,391

* As at 31 December 2025, this balance included liabilities related mainly to cash on delivery collected by the Group on behalf of the customers, amounting to AED 33,758 thousand (2024: AED 38,953 thousand) (Note 15).

25 REVENUE FROM RENDERING OF SERVICES

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
International express	2,144,254	2,412,484
Freight forwarding	1,791,345	1,723,973
Domestic express	1,843,244	1,685,599
Logistics	536,748	455,318
Others*	44,355	47,070
	6,359,946	6,324,444

* Represents revenues from other special services which the Group renders, including publications and distribution and visa services. All related costs are reflected in cost of services.

The Group does not expect to have any contracts where the period between the transfer of the promised services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Revenue from international express, domestic express, freight forwarding and other services is recognised at a point in time; logistics revenue is recognised over time as services are rendered.

Contract balances arising from revenue from rendering of services are disclosed in notes 13 and 24.

26 COST OF SERVICES

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
Freight forwarding costs	1,365,080	1,332,140
International express costs	1,068,842	1,216,986
Domestic express costs	930,724	832,703
Salaries and benefits (Note 29)	838,087	804,153
Depreciation of right of use assets (Note 5)	204,707	187,024
Logistics costs	121,926	104,301
Vehicle running and maintenance	93,784	89,636
Supplies	47,478	44,744
Depreciation of property and equipment (Note 4)	47,112	38,718
Communication expenses	23,685	19,240
Government fees and taxes	5,310	4,684
Others	163,743	137,912
	4,910,478	4,812,241

27 ADMINISTRATIVE EXPENSES

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
Salaries and benefits (Note 29)	407,204	380,544
Software expenses	91,406	105,419
Office and equipment maintenance	15,977	24,659
Depreciation of property and equipment (Note 4)	72,722	76,241
Depreciation of right of use assets (Note 5)	37,453	37,504
Professional fees	67,303	40,919
Communication expenses	37,817	40,200
Insurance and security	23,524	23,396
Government fees and taxes	41,730	32,049
Utilities	9,028	9,884
Travel expenses	9,811	11,110
Entertainment	7,055	8,576
Printing and stationery	4,090	4,509
Vehicle running expenses	3,781	4,547
Corporate social responsibility	1,300	1,398
Legal expenses	569	9,878
Sponsorship	18	18
Others	74,595	82,150
	905,383	893,001

Social contributions made during the year amounted to AED 1,300 thousand (2024: AED 1,398 thousand).

28 OTHER INCOME, NET

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
Exchange (loss) gain	(5,099)	582
Gain on disposals of property and equipment and right of use assets	1,536	1,046
Miscellaneous income	18,345	9,166
	14,782	10,794

28.1 FINANCE COSTS

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
Finance costs – borrowings	54,643	68,655
Finance costs – lease liabilities (note 5)	63,997	52,360
	118,640	121,015

29 STAFF COSTS

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
Salaries and allowances	1,464,597	1,380,628
End of service benefits (Note 20)	35,531	45,936
Other employees' benefits	23,814	25,133
	<u>1,523,942</u>	<u>1,451,697</u>
Staff costs are allocated as follows:		
Administrative expenses (Note 27)	407,204	380,544
Selling and marketing expenses	278,651	267,000
Cost of services (Note 26)	838,087	804,153
	<u>1,523,942</u>	<u>1,451,697</u>

30 RELATED PARTY TRANSACTIONS

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 4,421 thousand representing remuneration for attending meetings and compensation for professional services rendered by the directors for the year 2025 were accrued for during 2025 (2024: directors' fees of AED 2,780 thousand were accrued for during 2024). This includes an additional provision for 2024 directors' fees of AED 1,620 thousand recognised in 2025 based on the approval of the AGM. Directors' fees of AED 2,870 thousand relating to the year 2024 were paid in 2025 (2024: directors' fees of AED 2,675 thousand relating to the year 2023 were paid in 2024).

Key management compensation

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

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
Salaries and other short-term benefits	10,807	8,848
Board remuneration	2,870	2,675
End of service benefits	327	370
	<u>14,004</u>	<u>11,893</u>

Employees' share-based benefit plan

Senior executives of the Group were granted phantom shares as detailed in Note 38.

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 year ended 31 December 2025 and 2024, as well as balances as at 31 December 2025 and 2024 are included in Notes 13 and 21:

	<i>Rendering of services to related parties AED'000</i>	<i>Cost of services from related parties AED'000</i>	<i>Amounts owed by related parties (*) AED'000</i>	<i>Amounts owed to related parties (**) AED'000</i>
Associates and shareholders:				
2025	2,045	8,496	58	1,206
2024	992	1,069	29	631
Joint ventures in which the parent is a venture:				
2025	48,202	51,078	7,782	6,360
2024	55,622	609	13,438	-

30 RELATED PARTY TRANSACTIONS (continued)

	<i>Sales to related parties</i> AED'000	<i>Cost from related parties</i> AED'000	<i>Amounts owed by related parties (*)</i> AED'000	<i>Amounts owed to related parties (**)</i> AED'000
Related parties and companies controlled by shareholders (***)				
	2025	158,240	-	25,614
	2024	154,753	-	21,482
				929
				640

(*) These amounts are classified as accounts receivable. No loss allowance was recognised in relation to amounts owed by related parties during 2025 and 2024.

(**) These amounts are classified as accounts payable.

(***) Included in the above, balances as at 31 December 2025 and 31 December 2024 and transactions for the year ended 31 December 2025 by the shareholders, GeoPost, Abu Dhabi Ports PJSC, and Q Logistics.

The sales to and purchases from related parties are made on terms agreed with related parties. Outstanding balance at the year-end are unsecured and interest free. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2025, the Group recognised provision for expected credit losses on amounts owed by related parties which are included in note 12.

31 EARNINGS PER SHARE

	2025	2024
Profit attributable to shareholders of the Parent (AED'000)		
Profit for the year from continuing operations	20,582	135,472
Profit for the year from discontinued operations	-	6,339
	20,582	141,811
Weighted average number of shares during the year (shares)*	1,464 Million	1,463 Million
Basic and diluted earnings per share (AED)	0.014	0.097
Basic and diluted earnings per share from continuing operations (AED)	0.014	0.093
Basic and diluted earnings per share from discontinued operations (AED)	-	0.004

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

32 SEGMENTAL INFORMATION

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

The chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments has been identified collectively as the Group's executive directors, the chief operating decision maker examines the Group's performance both from a product and geographic perspective and has identified four reportable segments of its business:

For management purposes, the Group is organised into four operating segments:

- Courier: includes delivery of small packages across the globe to both, retail and wholesale customers, and express delivery of small parcels and pick up and deliver shipments within the country, 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.

32 SEGMENTAL INFORMATION (continued)

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 years ended 31 December 2025 and 2024, respectively.

	<i>Courier*</i> AED'000	<i>Freight forwarding</i> AED'000	<i>Logistics</i> AED'000	<i>Others</i> AED'000	<i>Total</i> AED'000
Year ended 31 December 2025					
Revenue					
Total revenues from rendering of services	5,048,826	2,103,061	538,627	130,631	7,821,145
Inter-segment	(1,061,328)	(311,716)	(1,879)	(86,276)	(1,461,199)
Total revenues after elimination	3,987,498	1,791,345	536,748	44,355	6,359,946
 Gross profit	 1,082,914	 224,740	 104,614	 37,200	 1,449,468
Operating profit	99,822	50,446	30,366	12,077	192,711
 Depreciation and amortisation charged on operating expenses	 147,506	 18,711	 85,473	 129	 251,819
Depreciation and amortisation charged on general and administrative expenses	94,989	13,574	11,946	3,910	124,419
 Year ended 31 December 2024					
Revenue					
Total revenues from rendering of services	5,343,289	2,052,336	456,884	134,307	7,986,816
Inter-segment	(1,245,206)	(328,363)	(1,566)	(87,237)	(1,662,372)
Total revenues after elimination	4,098,083	1,723,973	455,318	47,070	6,324,444
 Gross profit	 1,179,219	 219,956	 70,362	 42,666	 1,512,203
Operating profit	211,427	56,505	8,401	20,342	296,675
 Depreciation and amortization charged on operating expenses	 130,910	 13,967	 80,846	 19	 225,742
Depreciation and amortization charged on general and administrative expenses	101,621	14,215	10,610	1,441	127,887

* Courier segment includes international express and domestic express.

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

Geographical segments

The business segments are managed on a worldwide basis, but operate in eight principal geographical areas, Gulf Cooperation Council (GCC), Middle East excluding GCC, 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.

32 SEGMENTAL INFORMATION (continued)

Geographical segments (continued)

Revenues, assets and liabilities by geographical segment are as follows:

	2025 AED'000	2024 AED'000
Revenues		
United Arab Emirates	1,155,170	1,091,585
Gulf Cooperation Council (GCC) excluding United Arab Emirates	1,554,214	1,424,406
Middle East excluding GCC, North Africa and Turkey	769,692	962,854
East and South Africa	312,181	298,067
Europe	673,389	663,690
North America	564,408	550,078
North Asia	107,014	141,956
South Asia	404,706	427,653
Oceania	819,172	764,155
	6,359,946	6,324,444
Assets		
United Arab Emirates	1,741,035	1,661,837
Gulf Cooperation Council (GCC) excluding United Arab Emirates	700,060	706,410
Middle East excluding GCC, North Africa and Turkey	546,002	548,479
East and South Africa	155,836	145,029
Europe	537,911	506,715
North America	1,118,198	1,123,755
North Asia	32,378	54,101
South Asia	228,020	245,575
Oceania	837,419	733,720
	5,896,859	5,725,621
Non - current assets*		
United Arab Emirates	662,141	638,825
Gulf Cooperation Council (GCC) excluding United Arab Emirates	273,391	311,023
Middle East excluding GCC, North Africa and Turkey	231,256	218,267
East and South Africa	62,903	63,116
Europe	142,751	134,738
North America	190,155	208,228
North Asia	9,562	15,287
South Asia	66,730	83,416
Oceania	470,661	367,438
	2,109,550	2,040,338
Liabilities		
United Arab Emirates	669,277	605,834
Gulf Cooperation Council (GCC) excluding United Arab Emirates	595,917	635,695
Middle East excluding GCC, North Africa and Turkey	228,797	207,791
East and South Africa	75,620	73,496
Europe	601,557	577,568
North America	519,570	534,823
North Asia	23,005	33,186
South Asia	99,515	107,742
Oceania	520,599	425,905
	3,333,857	3,202,040

* Non-current assets for this purpose consist of property and equipment, right of use assets, other intangible assets, financial assets at fair value through other comprehensive income and investments in joint ventures and associates. Goodwill is allocated to business segments (Note 6).

33 COMMITMENTS AND CONTINGENCIES**Guarantees**

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
Letters of guarantee	<u>191,435</u>	179,894

Capital commitments

As at 31 December 2025, the Group has capital commitments of AED 32,471 thousand (2024: AED 40,042 thousand) towards purchase/construction of property and equipment.

Legal claims contingency

The Group is a defendant in a number of lawsuits amounting to AED 99,035 thousand representing legal actions and claims related to its ordinary course of business (2024: AED 73,525 thousand). Management and its legal advisors believe that the provision recorded of AED 11,502 thousand as of 31 December 2025 is sufficient to meet the obligations that may arise from the lawsuits (2024: AED 14,231 thousand).

34 FINANCIAL RISK MANAGEMENT**34.1 FINANCIAL RISK FACTORS**

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance as well as policies covering specific areas.

The Group's risk management is predominantly controlled by a central treasury and credit department under policies approved by the management. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the group's operating units. The management provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments, and investment of excess liquidity.

(a) *Market risk*(i) *Foreign currency risk*

Foreign currency risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign currency exchange rates.

The Group is exposed to currency risk mainly on transactions that are denominated in a currency other than the respective functional currencies of the Group entities, primarily the United States Dollar (USD), Euro (EUR), Egyptian Pound (EGP), Sterling (GBP), South African Rand (ZAR), Turkish Lira (TRY) and the Indian Rupee (INR). The currencies in which these transactions are primarily denominated are Euro, USD, ZAR, TRY and GBP. The Parent Company and a number of other Group entities' functional currencies are either the USD or currencies that are pegged to the USD. As a significant portion of the Group's transactions are denominated in USD, this reduces currency risk. The Group also has currency exposures to currencies that are not pegged to the USD.

Significant portion of the Group's trade payables and all of its foreign currency receivables, denominated in a currency other than the functional currency of the respective Group entities, are subject to risks associated with currency exchange fluctuation. The Group reduces some of this currency exposure by maintaining some of its bank balances in foreign currencies in which some of its trade payables are denominated.

The following table demonstrates the sensitivity to a reasonably possible change in the AED exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities).

34 FINANCIAL RISK MANAGEMENT (continued)**34.1 FINANCIAL RISK FACTORS**

(i) Foreign currency risk (continued)

	<i>Changes in currency rate to AED %</i>	<i>Effect on profit before tax AED'000</i>
2025		
EUR	+10	(3,506)
INR	+10	1,308
GBP	+10	5,395
EGP	+10	(2,028)
TRY	+10	(359)
ZAR	+10	427
2024		
EUR	+10	(1,588)
INR	+10	893
GBP	+10	3,357
EGP	+10	(1,573)
TRY	+10	(2,012)
ZAR	+10	(41)

The effect of decreases in exchange rates are expected to be equal and opposite to the effects of the increases shown.

(ii) Price risk

The Group is not exposed to price risk as the Group has not invested in listed securities.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk on its interest bearing liabilities which carry variable interest rates (bank overdrafts and term loans).

Term deposits issued at fixed interest rates expose the Group to fair value interest rate risk. The Group's management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

The sensitivity analysis calculates the effect of a reasonably possible movement in the interest rate on the consolidated statement of profit or loss:

	<i>2025 AED'000</i>	<i>2024 AED'000</i>
Variable rate instruments		
+100 bps	(9,414)	(9,372)
- 100 bps	9,414	9,372

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Group is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation.

34 FINANCIAL RISK MANAGEMENT (continued)

34.1 FINANCIAL RISK FACTORS (continued)

(b) Credit risk (continued)

Credit risk arises from cash and bank balances, deposits with banks (including fixed and margin deposits) and financial institutions, as well as credit exposures to customers, including outstanding receivables. Individual risk limits are based on management's assessment on a case-by-case basis. The utilisation of credit limits is regularly monitored.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets as presented in the consolidated statement of financial position.

Financial instruments

Credit risk is managed on a Group basis. The Group's policy is to place cash and cash equivalents with reputable banks and financial institutions that have average credit ratings with respect to each economy in which the Group operates.

The Group's investments in debt instruments are considered to be low risk investments. The credit ratings of the investments are monitored for credit deterioration.

Trade receivables

The Group trades only with recognised, creditworthy third parties in addition to establishing credit limits for customers' balances. Receivable balances and credit limits are monitored on an ongoing basis with the result of discontinuing the service for customers exceeding certain limits for a certain period of time. The Group earns its revenues from a large number of customers spread across different geographical segments. However, geographically 64% of the Group's accounts receivable are based in the Middle East, Africa and Turkey (2024: 66%). Credit risks are limited to the carrying values of financial assets in the consolidated statement of financial position.

At 31 December 2025, the Group had 5 customers (2024: 5 customers) that accounted for approximately 22 % (2024: 26%) of all the receivables outstanding.

Climate related matters

Aramex is exposed to risk of loss from climate changes and is implementing processes aimed at monitoring and mitigating those risks, including commissioning solar projects across the Group and introducing electric vehicles as part of the "Green Mobility" initiative. Further, sustainability is integrated into its operations at all levels to respond to the dynamic changes occurring globally, regionally, and locally.

Impairment of financial assets

The Group has four types of financial assets that are subject to the expected credit loss model:

- accounts receivable,
- debt instruments carried at FVOCI,
- bank balances,
- restricted cash, margins and bank deposits, and
- other current assets.

While other receivables are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

34 FINANCIAL RISK MANAGEMENT (continued)

34.1 FINANCIAL RISK FACTORS (continued)

Impairment of financial assets (continued)

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 90 days past due in making a contractual payment.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either but not limited to the following main criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that potential default may occur when a financial asset is more than 545 days after invoice issuance date.

Accounts receivable

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all accounts receivable and contract assets.

To measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due. The impairment loss for accounts receivable is based on assumptions about risk of default and expected loss rates.

The expected loss rates are based on the roll rates of receivables over a period of 18 quarters before 31 December 2025 or 1 January 2025 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current factors affecting the ability of the customers to settle the receivables, and incorporate forward-looking macroeconomic information.

Information about the credit risk exposure on the Group's trade receivables using a provision matrix are disclosed in note 13.

Debt investments carried at FVOCI

All of the entity's debt investments at FVOCI are considered to have low credit risk, and the impairment loss recognised during the year was therefore limited to 12 months' expected losses. Management consider low credit risk where they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Restricted cash, margins and fixed deposits

During the year ended 31 December 2025 the net impairment reversal on restricted cash amounted to AED 19 thousand (2024: impairment loss of AED 23 thousand) due to the economic situation in Lebanon as detailed in Note 15.

34 FINANCIAL RISK MANAGEMENT (continued)**34.1 FINANCIAL RISK FACTORS (continued)****(c) Liquidity risk**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management aims to maintain flexibility in funding by keeping committed credit lines available.

The management is confident that the current assets are sufficient to cover the current liabilities of the Group. The Group has complied with the financial covenants of its borrowing facilities during the 2025 and 2024 reporting periods (Note 19).

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

31 December 2025	<i>Less than 3 months</i>	<i>Between 3 – 12 months</i>	<i>Between 1 and 2 years</i>	<i>Between 2 and 5 years</i>	<i>Over 5 years</i>	<i>Total</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	
Interest-bearing loans and borrowings	34,380	41,619	809,963	115,528	-	1,001,490
Lease liabilities	84,456	154,032	186,796	366,355	567,042	1,358,681
Bank overdrafts	2,864	-	-	-	-	2,864
Account payables and other current liabilities (excluding deferred revenue)	<u>1,044,448</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,044,448</u>
	<u>1,166,148</u>	<u>195,651</u>	<u>996,759</u>	<u>481,883</u>	<u>567,042</u>	<u>3,407,483</u>
31 December 2024	<i>Less than 3 months</i>	<i>Between 3 – 12 months</i>	<i>Between 1 and 2 years</i>	<i>Between 2 and 5 years</i>	<i>Over 5 years</i>	<i>Total</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	
Interest-bearing loans and borrowings	28,484	42,354	13,001	593,152	451,631	1,128,622
Lease liabilities	79,549	151,218	180,838	320,252	543,329	1,275,186
Bank overdrafts	4,278	-	-	-	-	4,278
Account payables and other current liabilities (excluding deferred revenue)	<u>1,005,977</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,005,977</u>
	<u>1,118,288</u>	<u>193,572</u>	<u>193,839</u>	<u>913,404</u>	<u>994,960</u>	<u>3,414,063</u>

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

34 FINANCIAL RISK MANAGEMENT (continued)**34.1 FINANCIAL RISK FACTORS (continued)****Changes in liabilities arising from financing activities**

	<i>1 January 2025 AED'000</i>	<i>Cash flows AED'000</i>	<i>Disposals AED'000</i>	<i>Foreign exchange movement AED'000</i>	<i>Finance cost and additions AED'000</i>	<i>31 December 2025 AED'000</i>
Interest- bearing loans and borrowings lease liabilities (Note 5)	933,175	(73,353)	-	24,131	54,643	938,596
	936,549	(271,226)	(9,785)	-	351,489	1,007,027
Total liabilities from financing activities	<u>1,869,724</u>	<u>(344,579)</u>	<u>(9,785)</u>	<u>24,131</u>	<u>406,132</u>	<u>1,945,623</u>
	<i>1 January 2024 AED'000</i>	<i>Cash flows AED'000</i>	<i>Disposals AED'000</i>	<i>Foreign exchange movement AED'000</i>	<i>Finance cost and additions AED'000</i>	<i>31 December 2024 AED'000</i>
Interest- bearing loans and borrowings lease liabilities (Note 5)	1,115,840	(231,582)	-	(19,738)	68,655	933,175
	948,586	(289,749)	(3,969)	-	281,681	936,549
Total liabilities from financing activities	<u>2,064,426</u>	<u>(521,331)</u>	<u>(3,969)</u>	<u>(19,738)</u>	<u>350,336</u>	<u>1,869,724</u>

34.2 CAPITAL RISK MANAGEMENT

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the parent. Capital comprises share capital, statutory reserve, reserve arising from acquisition of non-controlling interests and retained earnings, and is measured at AED 3,183,801 thousand as at 31 December 2025 (2024: AED 3,163,734 thousand).

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for its shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2025 and 2024.

35 BUSINESS COMBINATION AND ACQUISITION OF NON-CONTROLLING INTERESTS**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	<u>1,644</u>
	<u>21,294</u>
Liabilities	
Other current liabilities	<u>3,152</u>
Total identifiable net assets of fair value	18,142
Purchase consideration	<u>(23,127)</u>
Goodwill arising on acquisition *	<u>4,985</u>

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

From the date of acquisition, Aramex (Melbourne) has contributed AED 174,408 thousand of revenue and a profit of AED 1,913 thousand to the net profit before tax from the continuing operations of the Group for the year ended 31 December 2024. If the acquisition had taken place at the beginning of the year 2024, revenue from continuing operations would have been AED 184,517 thousand and the profit from continuing operations for the period would have been AED 1,778 thousand.

Transaction costs of AED 704 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.

**35 BUSINESS COMBINATION AND ACQUISITION OF NON-CONTROLLING INTERESTS
(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.

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 Geelong, as at the date of acquisition were:

	<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
	2,755
Liabilities	
Other current liabilities	108
	108
Total identifiable net assets of fair value	2,647
Purchase consideration	(3,988)
Goodwill arising on acquisition *	1,341

* 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.

From the date of acquisition, Geelong has contributed AED 7,941 thousand of revenue and a profit of AED 375 thousand to the net profit before tax from the continuing operations of the Group for the year ended 31 December 2024. If the acquisition had taken place at the beginning of the year 2024, revenue from continuing operations would have been AED 14,619 thousand and the profit from continuing operations for the period would have been AED 609 thousand.

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.

36 FINANCIAL INSTRUMENTS BY CATEGORY

	2025 AED'000	2024 AED'000
Financial assets at fair value through other comprehensive income		
Equity instruments	1,271	15,303
Debt instruments	3,564	2,672
	<u>4,835</u>	<u>17,975</u>
Financial assets at amortised cost		
Accounts receivable and other current assets (excluding prepayment, advances to suppliers and withholding tax)	1,260,656	1,249,104
Restricted cash, margins and fixed deposits	7,583	6,142
Bank balances and cash	<u>565,538</u>	<u>506,588</u>
	<u>1,833,777</u>	<u>1,761,834</u>
Financial liabilities at amortised cost		
Bank overdrafts	2,773	4,015
Lease liabilities	1,007,027	936,549
Interest-bearing loans and borrowings	938,596	933,175
Accounts payable, and other current liabilities (excluding deferred revenue)	<u>1,044,448</u>	<u>1,005,977</u>
	<u>2,992,844</u>	<u>2,879,716</u>

The fair values of the Group's financial assets and financial liabilities carried at amortised cost at the end of reporting period approximate their carrying values. The fair values of the Group's loans and borrowings approximate the carrying amount, as the interest on the borrowings are provided based on the market rates.

Financial instruments include financial assets and financial liabilities.

Financial assets include cash on hand and at banks, accounts receivables, financial assets at fair value through other comprehensive income and some other current assets. Financial liabilities include loans, due to banks, accounts payable, lease liabilities and other current liabilities.

Book values of financial instruments do not materially vary from their fair value.

The Group uses the following methods and alternatives of valuating and presenting the fair value of financial instruments:

- 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.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

36 FINANCIAL INSTRUMENTS BY CATEGORY (continued)

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

Assets measured at fair value

	<i>31 December</i>			
	<i>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	1,207	-	-	1,207
Flirtey Tech Pty Ltd.	64	-	-	64
Total	1,271	-	-	1,271
Unquoted debt financial assets				
Cell captive	2,462	-	-	2,462
Shippify Inc	1,102	-	-	1,102
Total	3,564	-	-	3,564

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	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

There were no transfers between Level 1 and Level 2 during 2025 and 2024.

37 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. The agreement was suspended effective 7 February 2025 and, as of 31 December 2025, management decided not to continue with the Liquidity Provider. As at 31 December 2025 no shares were held by the Liquidity Provider on behalf of the Group (2024: 2,767 thousand shares).

The premium or discount recognised on trading in Aramex's own shares is recorded as "Reserve on trading in own shares" within equity. During the year ended 31 December 2025, the Group realised a net trading gain of AED 4,770 thousand from the cumulative buying and selling of the Group's own shares (2024: loss AED 616 thousands). As at 31 December 2025 management recognised an amount of AED 701 thousand directly in retained earnings to release the reserve upon discontinuation of the arrangement.

At the inception of the agreement, the Group paid AED 10,000 thousand to the Liquidity Provider to facilitate the shares trading process, out of which AED 2,929 thousand were outstanding as of 31 December 2024 and recorded under other current assets. During 2025, the Group collected AED 10,412 thousand from the Liquidity Provider and there was no amount due from the Liquidity Provider as at 31 December 2025.

37 OWN SHARES HELD BY THE LIQUIDITY PROVIDER (continued)

The movement in the reserve on trading in own shares account during the year ended 31 December 2025 is as follows:

	<i>Reserve on trading in own shares AED '000</i>
Balance at 1 January 2024	-
Premium recognized	3,453
Net trading loss realized for the year	616
Balance at 31 December 2024	4,069
Net trading gain realized for the year*	(4,770)
Transfer to retained earnings	701
Balance at 31 December 2025	-

* The net impact of AED 4,770 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 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.

38 OTHER NON-OPERATING EXPENSES

	<i>2025 AED '000</i>
Transaction costs (note(a))	14,344
Employees' benefit plan expense (note(b))	5,553
	19,897

- a) During the year, the Group incurred AED 14,344 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.
- b) Following a change of control of the Group on 25 July 2025, contractual agreements with key management personnel were triggered. These agreements entitled the individuals to a payment in exchange for the settlement of phantom share rights, calculated based on the value of a defined number of shares using the share price on the change of control date.

The total obligation of AED 5,553 thousand was recognised as a provision in the consolidated statement of financial position on 25 July 2025. This amount is payable in instalments over three years. The first instalment of AED 1,389 thousand was paid during the year.