PROSPECTUS FOR THE LISTING OF SHARES IN A FREE ZONE COMPANY ON THE MAIN MARKET OF THE ABU DHABI SECURITIES EXCHANGE

Agility Global PLC

Agility Global

Prospectus for the listing of Shares in Agility Global PLC (the "**Company**" or "**Agility Global**")

(*a public company limited by shares incorporated in the Abu Dhabi Global Market ("**ADGM**") and subject to the ADGM Companies Regulations 2020 (as amended)*)

Listing Date: 2 May 2024

This is the prospectus (the "**Prospectus**") for the listing of 10,417,724,408 ordinary shares with a nominal value of US$ 0.06 each (AED 0.22 each) representing 100% of the total issued shares in the Company equivalent to US$ 625,063,464.48 (AED 2,295,545,573.30) (the "**Shares**") on the Abu Dhabi Securities Exchange ("**ADX**") in the United Arab Emirates (the "**UAE**"). The Shares will be duly and validly issued as at the date of listing (the "**Listing**") of the Shares on the ADX as described in this Prospectus.

No action has been taken or will be taken in any jurisdiction that would permit a public subscription of the Shares pursuant to this Prospectus or the possession, circulation or distribution of this Prospectus. Accordingly, the Shares may not be offered or sold, directly or indirectly, nor may this Prospectus or any other offering material or advertisement or other document or information in connection with the Shares be distributed or published, in or from any jurisdiction except in compliance with any applicable rules and regulations of any such jurisdiction.

Neither the SCA nor the ADX is responsible for the content of this Prospectus, or the information contained herein.

The Company is not subject to UAE Federal Decree by Law No. 32 of 2021 concerning commercial companies (as amended) (the "**UAE Commercial Companies Law**"). Given that the Company is a company established in the ADGM, it is subject to the ADGM Companies Regulations 2020 (as amended) (the "**Companies Regulations**") and other applicable laws and regulations in the ADGM. The ADGM Registration Authority (the "**ADGM Registration Authority**") is responsible for the supervision and regulation of all public companies incorporated in the ADGM, including the Company, in relation to compliance with the Companies Regulations.

Please visit the microsite available on www.agilityglobal.com for further information on the Listing.

IMPORTANT NOTICES

Under no circumstances shall the publication of this Prospectus imply that the Company's business affairs, any other facts set forth herein or other parties described herein have not changed since the date hereof, or that the information contained herein is correct as of any time subsequent to the date of this Prospectus.

Statements contained herein as to the contents of any agreements or other documents are summaries and, therefore, are necessarily selective and incomplete.

NO PROFESSIONAL, FINANCIAL OR LEGAL ADVISORS, ANY GOVERNMENT AUTHORITY OR ANY OTHER PARTY HAS INDEPENDENTLY VERIFIED OR ADVISED ON THE ACCURACY OR COMPLETENESS OF THIS PROSPECTUS, THE INFORMATION PRESENTED HEREIN, OR THE APPLICABLE LAWS OF ANY JURISDICTION. NEITHER DO ANY OF THE ABOVE ASSUME ANY RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS OR THE PERFORMANCE OF ANY OBLIGATIONS OF THE COMPANY.

Neither the SCA nor the ADX is responsible for the accuracy, validity or adequacy of the information provided, nor is either responsible for any damage or loss that may affect any person as a result of reliance on the information of this Prospectus or any part thereof. NO OFFERING IS BEING MADE TO ANY PERSON IN ANY JURISDICTION.

The distribution of this Prospectus and the Listing may, in certain jurisdictions, be restricted by law, and this Prospectus may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. This Prospectus does not constitute or form part of an offer by, or an invitation by or on behalf of, the Company or any representative of the Company, to purchase any Shares in any jurisdiction in which such offer or invitation would be unlawful. The Company requires persons into whose possession this Prospectus comes to inform themselves of and observe all such restrictions. None of the Company or any of their respective affiliates or representatives accept any legal responsibility for any violation by any person of any such restrictions.

Because of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Shares. This Prospectus may not be used for, or in connection with, and does not constitute, or form part of, an offer by, or invitation by or on behalf of, the Company or any representative of the Company, to purchase any securities or an offer to sell or issue, or the solicitation to buy securities by any person in any jurisdiction. The distribution of this Prospectus may be restricted by law in certain jurisdictions. Neither this Prospectus nor any advertisement or any other related material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations.

The Shares can only be held, traded or purchased by a person who is not resident or located in a jurisdiction wherein the Shares may not be distributed and with respect to which the Company, in its sole discretion, is satisfied that such person may lawfully participate in the Distribution (as defined below) (such persons an "**Eligible Shareholder**"). Each holder of Shares will be deemed to have represented, agreed and acknowledged as follows:

(1) It is, at the time of the Distribution, either: (i) outside the United States for the purposes of Rule 903 under the US Securities Act and not a US person (as defined in Regulation S); or (ii) acquiring these Shares for its own account as a qualified purchaser as defined in section 2(a)(51) of the S Investment Company Act, and the rules and regulations thereunder, or for the accounts of one or more investor accounts (each of which is such a qualified purchaser), not formed for the specific purpose of investing in the Company.

(2) It is aware that the Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state of the United States.

(3) It agrees (or, if it is acting for the account of another person, such person has confirmed to it that such person agrees) that it (or such person) will not offer, resell, pledge or otherwise transfer the Shares except in accordance with the following legend, which the Shares will bear if in certificated form:

THESE SHARES (THE "SHARES") OF AGILITY GLOBAL PLC (THE "COMPANY") HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "US SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN A TRANSACTION EXECUTED IN, ON OR THROUGH THE FACILITIES OF ABU DHABI SECURITIES EXCHANGE OR ANOTHER NON-US SECURITIES EXCHANGE ON WHICH THE SHARES ARE TRADED, AND IN ANY SUCH CASE NEITHER THE HOLDER HEREOF NOR ANY PERSON ACTING ON ITS BEHALF WILL PRE-ARRANGE SUCH A TRANSACTION WITH A BUYER LOCATED IN THE UNITED STATES OR KNOWN TO BE A US PERSON (AS DEFINED IN REGULATION S UNDER THE US SECURITIES ACT).

THE COMPANY AND ITS AGENTS WILL NOT BE REQUIRED TO ACCEPT FOR REGISTRATION OF TRANSFER ANY SHARES ACQUIRED BY AN INVESTOR MADE OTHER THAN IN COMPLIANCE WITH THE RESTRICTIONS SET FORTH HEREIN. IF AT ANY TIME THE COMPANY BECOMES AWARE THAT ANY BENEFICIAL OWNER OF THE SHARES IS REQUIRED TO BE A QUALIFIED PURCHASER AS DEFINED IN SECTION 2(A)(51) OF THE UNITED

STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "US INVESTMENT COMPANY ACT"), BUT IS NOT A QUALIFIED PURCHASER, THE COMPANY MAY PROVIDE NOTICE TO SUCH BENEFICIAL OWNER WHICH REQUIRES SUCH BENEFICIAL OWNER, WITHIN 14 DAYS OF RECEIPT OF SUCH NOTICE OR SUCH LONGER PERIOD AS THE COMPANY CONSIDERS REASONABLE, TO SELL ITS SHARES IN A TRANSACTION EXECUTED IN, ON OR THROUGH THE FACILITIES OF ABU DHABI SECURITIES EXCHANGE OR ANOTHER NON-US SECURITIES EXCHANGE ON WHICH THE SHARES ARE TRADED, AND IN ANY SUCH CASE NEITHER THE BENEFICIAL OWNER NOR ANY PERSON ACTING ON ITS BEHALF WILL PRE-ARRANGE SUCH A TRANSACTION WITH A BUYER LOCATED IN THE UNITED STATES OR KNOWN TO BE A US PERSON (AS DEFINED IN REGULATION S UNDER THE US SECURITIES ACT). IF THE OBLIGATION TO SELL HAS NOT BEEN SATISFIED WITHIN THE RELEVANT PERIOD OF TIME, THE COMPANY IS IRREVOCABLY AUTHORISED, WITHOUT ANY OBLIGATION, TO TRANSFER THE SHARES, AS APPLICABLE, IN A MANNER CONSISTENT WITH THE RESTRICTIONS SET FORTH HEREIN AND, IF SUCH SHARES ARE SOLD, THE COMPANY WILL DISTRIBUTE THE NET PROCEEDS TO THE ENTITLED PARTY. THE COMPANY HAS NOT BEEN AND WILL NOT BE REGISTERED, AS AN INVESTMENT COMPANY UNDER THE U.S. INVESTMENT COMPANY ACT PURSUANT TO SECTION 3(C)(7) THEREOF AND THE COMPANY HAS ELECTED TO IMPOSE THE TRANSFER AND SELLING RESTRICTIONS WITH RESPECT TO PERSONS IN THE UNITED STATES AND US PERSONS (AS DEFINED IN REGULATION S UNDER THE US SECURITIES ACT) DESCRIBED HEREIN SO THAT THE COMPANY WILL QUALIFY FOR THE EXEMPTION PROVIDED UNDER SECTION 3(C)(7) OF THE US INVESTMENT COMPANY ACT AND WILL HAVE NO OBLIGATION TO REGISTER AS AN INVESTMENT COMPANY EVEN IF IT WERE OTHERWISE DETERMINED TO BE AN INVESTMENT COMPANY.

(4) Upon a proposed transfer of the Shares, it will notify any purchaser of such shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the shares being sold.

(5) The Company, APWC and their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

If a holder of Shares is acquiring such Shares in the Distribution as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing representations and agreements on behalf of each account.

This Prospectus contains forward-looking statements that reflect the Company's or the Group's intentions, beliefs or current expectations and projections about the Group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Group operates. Forward-looking statements involve all matters that are not historical facts. The Company has tried to identify forward-looking statements by using words such as "may", "will", "would", "should", "expects", "intends", "estimates", "anticipates", "projects", "believes", "could", "hopes", "seeks", "plans", "aims", "aspires", "objective", "potential", "goal" "strategy", "target", "continue", "annualised" and similar expressions or negatives thereof or other variations thereof or comparable terminology, or by discussions of strategy that involve risks and uncertainties. The forward-looking statements are based on the Group's beliefs, assumptions and expectations regarding future events and trends that affect the Group's future performance, taking into account all information currently available to the Group, and are not guarantees of future performance. These beliefs, assumptions and expectations can change as a result of possible events or factors, not all of which are known to the Group or are within the Group's control. If a change occurs, the Group's business, financial condition, liquidity, results of operations, anticipated growth, strategies or opportunities may vary materially from those expressed in, or suggested by, these forward-looking statements. In addition, the forward-looking estimates and forecasts reproduced in this Prospectus from third-parties could prove to be inaccurate. A number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement as a result of risks and uncertainties facing the Company and the Group Companies. Such risks, uncertainties and other important factors include, but are not limited to those listed in the section entitled "*Risk Factors*". Other factors could also adversely affect the Group's results or accuracy of forward-looking statements in this Prospectus, and you should not consider the factors discussed under "*Risk Factors*" to be a complete set of all potential risks and uncertainties. Investors or potential investors should not place undue reliance on the forward-looking statements in this Prospectus. The Company urges investors to read this Prospectus for a more complete discussion of the factors that could affect the Group's future performance and the markets in which the Group operates. In light of the possible changes to the Group's beliefs, assumptions and expectations, the forward-looking events described in this Prospectus may not occur. Additional risks currently not known to the Company or that the Company has not considered material as of the date of this Prospectus could also cause the forward-looking events discussed in this Prospectus not to occur. Forward-looking statements involve inherent risks and uncertainties and speak only as of the date they are made. The Company undertakes no duty to and will not necessarily update any of the forward-looking statements in light of new information or future events, except to the extent required by applicable law.

Supervision and Regulation

The Company is a public company limited by shares incorporated in the ADGM. The ADGM is a financial free zone within the meaning of UAE Federal Law No. 8 of 2004 (the "**Financial Free Zones Law**") and was established pursuant to UAE Federal Decree No. 15 of 2013. As a company incorporated in the ADGM, and in accordance with the Financial Free Zones Law, the Company is not subject to UAE federal civil, and commercial laws. In particular, and without limitation, the Company is not subject to the provisions of the UAE Commercial Companies Law nor a variety of other legislation which applies to companies incorporated 'onshore' in the UAE. Instead, the Company is governed by applicable laws and regulations in the ADGM including the Companies Regulations.

In accordance with the ADGM legal framework applicable to public companies such as the Company, its primary constitutional document is its Articles of Association. Apart from various matters governed by the Companies Regulations and other ADGM rules and regulations, the principal corporate governance and disclosure and transparency rules applicable to the Company are set out in the Companies Regulations, the provisions of the Chairman of the UAE Authority's Board of Directors' Decision no. 3 of 2000 concerning the regulations as to disclosure and transparency and in the Articles of Association and related documents (such as charters, policies and procedures adopted by the Board from time to time). The ADGM Board of Directors and, in certain circumstances, the ADGM Registration Authority has the power and authority to investigate violations of the Companies Regulations, including if it appears to it that there are circumstances suggesting that an ADGM company's affairs are being or have been conducted in a manner which is unfairly prejudicial to some part of its members, and in certain cases to refer such violations to ADGM courts. Shareholders in ADGM companies may also directly seek injunctions from ADGM courts against acts in violation of the Companies Regulations or constitutional documents and can seek to recover damages for such violations from ADGM companies and their directors.

Pursuant to the ADX listing rules, ADX has the authority to approve and supervise the governance rules applicable to financial free zone companies such as the Company that list securities on ADX.

The corporate governance regime applicable to the Company is different from that applicable to entities incorporated under the UAE Commercial Companies Law and regulated by the SCA. Investors should familiarise themselves with applicable ADGM laws and regulations, and the Articles of Association of the Company.

Notice to Persons in the United States

The Shares have not been registered under the United States Securities Act of 1933, as amended (the "US Securities Act"), or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. The Company has not undertaken, and does not intend, to register the Shares under the US Securities Act. In addition, the Company has not been and will not be registered under the United States Investment Company Act of 1940, as amended (the "US Investment Company Act"), in reliance on the exemption provided by section 3(c)(7) thereof, and investors will not be entitled to the benefits of the US Investment Company Act.

Accordingly, the distribution is being conducted (i) within the United States, only to persons who are reasonably believed to be qualified purchasers, as defined in section 2(a)(51) of the US Investment Company Act ("**QPs**"); and (ii) outside the United States, to persons that are not "US Persons" ("**US Persons**") in "offshore transactions" as defined in, and in reliance on, Regulation S under the US Securities Act. In participating in the Distribution, you will be deemed to have made certain acknowledgments, representations and agreements (see "*Structure and Distribution—Transfer Restrictions*").

Prospective investors are hereby notified that the Company is relying on an exemption from the provisions of section 5 of the US Securities Act. Prospective investors may be required to bear the financial risk of an investment in the Shares for an indefinite period. Further, no acquisition, sale or transfer of Shares may be made unless such acquisition, sale or transfer will not result in the Company being required to register as an investment company under the US Investment Company Act or potentially being in violation of such US Investment Company Act or the rules and regulations promulgated thereunder.

The Shares have not been approved or disapproved by the US Securities and Exchange Commission ("**SEC**"), any state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed comment upon or endorsed the merit of the offer of the Shares or the accuracy or the adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

Notice to Persons in Kuwait

The Shares have not been offered or sold and will not be offered or sold, directly or indirectly, within the State of Kuwait, unless all necessary approvals from the Kuwait Capital Markets Authority (the "**CMA**") pursuant to Law No. 7 of 2010, and its executive bylaws (each as amended) (the "**CML Rules**") together with the various resolutions, regulations, directives and instructions issued pursuant thereto, or in connection therewith (regardless of nomenclature) or any other applicable law or regulation in Kuwait, have been given in respect of the marketing and sale. The Company has not undertaken, and does not intend, to offer or sell the Shares under the CML Rules.

This Prospectus is not for general circulation to the public in Kuwait nor will the Shares be sold by way of a public offering in Kuwait. In the event where the Shares are intended to be purchased onshore in Kuwait, the same may only be so purchased through a licensed person duly authorised to undertake such activity pursuant to the CML Rules. Investors from Kuwait acknowledge that the CMA and all other regulatory bodies in Kuwait assume no responsibility whatsoever for the contents of this Prospectus and do not approve the contents thereof or verify the validity and accuracy of its contents. The CMA, and all other regulatory bodies in Kuwait, assume no responsibility whatsoever for any damages that may result from relying (in whole or in part) on the contents of this Prospectus.

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DEFINITIONS

This Prospectus is published in Arabic and English only. Definitions used in this Prospectus are defined in "*Definitions*".

The following definitions are used in this Prospectus:

"**ADGM**"	Abu Dhabi Global Market.
"**ADX**"	The Abu Dhabi Securities Exchange.
"**ADX Main Market**"	The Main Market of the ADX.
"**AED**" or "**UAE dirham**"	The legal currency of the United Arab Emirates.
"**Agility Logistics Parks**"	Logistics Parks Development Holding Limited
"**Agility SpinCo**"	The entities forming part of the carve-out perimeter that are included in the combined and carve-out financial statements as described in Note 1 of the Historical Financial Information.
"**Al-Farwaniya**"	Al-Farwaniya Property Developments LLC.
"**APWC**"	Agility Public Warehousing K.S.C.P.
"**APWC Group**"	APWC together with its subsidiaries, and "**APWC Group Company**" shall be construed accordingly.
"**APWC Shareholder Register**"	The shareholder register of APWC.
"**APWC Shares**"	The shares of APWC.
"**Aquarius Energy**"	HG Storage International Limited (since rebranded as Aquarius Energy).
"**Articles of Association**"	The articles of association of the Company.
"**Audit Committee**"	The Company's audit committee, a subcommittee of the Board.
"**Board**"	The board of directors of the Company.
"**Company**" or "**Agility Global**"	Agility Global PLC, formerly Horizon Participation Holding VI Limited.
"**Companies Regulations**"	ADGM Companies Regulations 2020 (as amended).
"**Cut-off Date**"	The date that is three Business Days prior to the date of Listing.
"Director(s)"	A member (or members) of the Board.
"Distribution"	A dividend in specie by APWC of all Distribution Shares to all Eligible Shareholders on the APWC Shareholder Register at the Record Time, such dividend in specie to be carried out at the Implied Distribution Ratio.
"**Distribution Shares**"	49.0% of the Shares.

“**DSV**”	DSV A/S.
“**EBITDA**”	Earnings before interest, taxes, depreciation and amortisation.
“**EBIT**”	Earnings before interest and taxes.
“**Eligible Shareholder(s)**”	All shareholders of APWC on the APWC Shareholder Register at the Record Time.
“**Emirate**”	An Emirate of the UAE.
“**ESG**”	Environmental, social and governance.
“**EU**”	The European Union.
“**Executive Directors**”	One or more executive directors of the one-tier board of the Company.
“**Financial Free Zones Law**”	The UAE Federal Law No. 8 of 2004.
“**Foundation**”	The foundation named Horizon Foundation, established by Horizon Participation IV Limited, incorporated under the ADGM Foundations Regulations 2017 with registration number 000010764 to hold 49.0% of the share capital of the Company as assets of the foundation prior to the Listing.
“**GCC**”	Gulf Cooperation Council.
“**GDP**”	Gross domestic product.
“**General Meeting**”	The general meeting of the Company, being the corporate body, or where the context so requires, the physical meeting of Shareholders.
“**GIL**”	Global Integrated Logistics.
“**Glencore**”	Glencore Group Funding Limited.
“**Group**”	Upon the Reorganisation, the Company together with its subsidiaries, and “**Group Company**” and “**Group Companies**” shall be construed accordingly; prior to the Reorganisation, Agility SpinCo as defined above.
“**GWC**”	Gulf Warehousing Company Q.P.S.C.
“**Historical Financial Information**”	The combined and carve-out financial statements of Agility SpinCo as of and for the years ended 31 December 2022 and 2023.
“**HNAIF**”	HNA Innovation Finance Group Co., Limited.
“**HSE**”	Health, Safety, and Environment.
“**IATA**”	International Air Transport Association.
“**IFRS**”	International Financial Reporting Standards as issued by The International Accounting Standards Board.
“**Implied Distribution Ratio**”	Two Shares for every one APWC Share.

"**IRS**"	US Internal Revenue Service.
"**ISIN**"	International Securities Identification Number.
"**ISO**"	International Organization for Standardization.
"**IT**"	Information Technology
"**Listing**"	The listing of the Shares on ADX.
"**Listing Date**"	2 May 2024.
"**Menzies**"	Menzies Holding Limited and its subsidiaries and operations, as the context requires.
"**NAS**"	National Aviation Services.
"**NIN**"	A national investor number that an Eligible Investor must obtain to receive Distribution Shares and trade them on ADX.
"**Nomination and Remuneration Committee**"	The Company's nomination and remuneration committee, a subcommittee of the Board.
"**NREC**"	National Real Estate Company.
"**Pending Eligible Shareholders**"	The Eligible Shareholders who will not have obtained a NIN by the Cut-off Date.
"**PIFSS**"	Public Institution for Social Security.
"**Prospectus**"	Means this prospectus.
"**QPs**"	Qualified purchasers as defined in section 2(a)(51) of the US Investment Company Act.
"**Record Time**"	12:30 p.m. (Kuwait time) on 18 April 2024, being the time at which the Eligible Shareholders are required to be on the APWC Shareholder Register in order to be entitled to the Distribution.
"**Reorganisation**"	An internal reorganisation by APWC to transfer entities forming part of Agility SpinCo to the Company in order to effect the Distribution.
"**RTW**"	Road transporting and warehousing.
"SCA"	Securities and Commodities Authority – UAE.
"**SEC**"	The US Securities and Exchange Commission.
"**Senior Management Members**"	The senior management team of the Group which consists of the CEO and the CFO.
"**SGHA**"	IATA's Standard Ground Handling Agreement.
"**Shareholder(s)**"	A shareholder (or shareholders) of the Company.
"**Shareholders' Register**"	The shareholders' register of the Company.

“**Shares**”	The shares of the Company, which upon Listing shall be admitted to listing and trading on the ADX.
“**Transitional Services Agreements**”	The transitional services agreements entered into between APWC and the Group on or around the date of this Prospectus.
“**Tristar**”	Tristar Transport L.L.C. and its subsidiaries and operations, as the context requires
“**UAE**”	United Arab Emirates.
“**UN**”	United Nations.
“**UPAC**”	United Project for Aviation Services Company.
“**US**”	United States of America.
“**USD**”, “**US Dollars**” or “**$**”	The legal currency of the United States of America.
“**US Investment Company Act**”	The United States Investment Company Act of 1940, as amended.
“**US Securities Act**”	The United States Securities Act of 1933, as amended.

COMPANY PROFILE

Company name:	Agility Global PLC
Registration number:	000009397
Authorised and paid-up capital:	US$625,063,464.48
Number of Shares in issue:	10,417,724,408
Nominal value of each Share:	US$0.06

SUMMARY

Overview

Agility Global is a leading multi-business operator with an international footprint and operations in more than 70 countries and a key contributor to the economies in the countries in which it operates, providing essential services. The Group's operations include: Menzies Holding Limited and its subsidiaries ("**Menzies**"), the world's largest aviation services provider by number of countries; Tristar Transport L.L.C. ("**Tristar**"), a market-leading liquid fuel logistics business predominantly operating in emerging markets; and Agility Logistics Parks ("**Agility Logistics Parks**"), a logistics parks business that is a large private owner of logistics parks and warehousing in the Middle East, Asia, and Africa. The Group is also an investor in innovative and technology-enabled businesses with themes inclusive of sustainability, and owns both listed and non-listed minority shareholdings in companies across a range of sectors and industries, such as freight forwarding, e-commerce, sustainable transport, and alternative energy, including its 9% interest in DSV A/S ("**DSV**"), a leading global logistics provider listed in Denmark.

Agility Global has a decentralised structure, which both allows the Group Companies to be operated through their experienced management teams within the Group's structural governance framework and also drives consistency of strategic direction, culture and operational and financial performance, and allocates and manages capital through well-established and rigorous governance procedures and structures in order to bolster performance across the Group Companies and activities. The Group categorises its operations and other shareholdings into Aviation Services (Menzies), Fuel Logistics (Tristar), Industrial Real Estate (Agility Logistics Parks), Investments (materially including DSV and other minority shareholdings) and Others.

In 2023, the Group generated total revenue of US$3,935.9 million and EBITDA of US$605.6 million.

Other Operations, Investments and Minority Shareholdings

The Group has additional wholly-owned, or nearly wholly-owned, operating companies, including:

- GCC Services, headquartered in Dubai, UAE, is an integrated remote services company that provides services such as camp catering, integrated facilities management, utilities and environmental services and camp construction to customers in Europe, Africa, the Middle East and Oceania;
- Agility Defense and Government Services, headquartered in Washington D.C., United States, provides diversified logistics services to defence organisation, governments, relief groups and international organisations in Africa, the Middle East, Europe and the United States; and
- Shipa, headquartered in Dubai, UAE, is a digital logistics platform of businesses for international shipping that supports businesses and individuals worldwide with its ecommerce logistics, last-mile delivery, and online freight offerings.

The Group also holds ownership stakes in additional businesses, which it does not control, including, but not limited to:

- DSV, a global leader in air and ocean freight forwarding, contract logistics and road freight, listed on the Copenhagen stock exchange;

- Gulf Warehousing Company Q.P.S.C. ("**GWC**"), a Qatari-listed company, which is a leading provider of logistics and supply chain solutions headquartered in the State of Qatar;
- National Real Estate Company ("**NREC**"), which is a Kuwait-listed real estate company, whose activities include the purchase, sale, management and maintenance of real estate; and
- Al-Farwaniya Property Developments LLC, headquartered in Abu Dhabi, UAE, which has developed Reem Mall in Abu Dhabi, the region's largest indoor mall with a snow park and an integrated omni-channel ecosystem for leisure.

The corporate venture arm of the Group, Agility Ventures, invests in supply chain services and innovative and technology-enabled businesses with themes inclusive of sustainability. Agility's portfolio of ventures investments includes logistics and transportation, as well as technologies and partnerships that support e-commerce enablement, online freight, low GHG emissions mobility and health-tech.

To date, Agility has invested US$192.9 million in companies with a primary ESG impact, that is, a clear focus on environmental or social performance, and/or a quantified positive impact. These companies include those for which there is a relevant FTSE Russell Green Revenues Classification System (GRCS) description. In addition, Agility has invested US$75.4 million in investments with secondary ESG impact, that is, companies with a positive environmental or social impact, without a primary ESG focus. Agility's investments in these primary and secondary ESG impact companies include, among others, Hyliion, Loop Global, TVP Solar, Farmers Business Network and frete.com.

SUMMARY HISTORICAL FINANCIAL INFORMATION

The summary historical financial information set forth below is based upon the Historical Financial Information, which has been prepared in accordance with IFRS.

Combined and carve-out statement of income data

	For the year ended 31 December	
	2023	***2022***
	USD 000's	*USD 000's*
Revenue from contract with customers	3,935,869	2,352,181
Direct expenses	(1,672,517)	(1,225,235)
Other operating expenses	(1,740,130)	(811,058)
Change in fair value of investment properties	43,963	73,475
Transaction costs on acquisition of entities as part of business combination	-	(24,718)
Share of results of associates and joint ventures	20,140	(6,989)
Unrealised loss on financial assets at fair value through profit or loss	(8,410)	(20,634)
Expected credit loss on loans to related parties	(10,000)	-
Dividend income	18,055	15,910
Miscellaneous income	18,585	10,427
Profit before interest, taxation, depreciation and amortisation (EBITDA)	**605,555**	**363,359**
Depreciation	(239,302)	(124,904)
Amortisation	(33,543)	(21,019)
Profit before interest and taxation (EBIT)	**332,710**	**217,436**
Interest income	7,480	1,988
Finance costs	(216,567)	(114,231)
Profit before taxation	**123,623**	**105,193**
Taxation	(36,003)	(20,877)
PROFIT FOR THE YEAR	**87,620**	**84,316**
Attributable to:		
Equity holders of Agility SpinCo	50,432	62,454
Non-controlling interests	37,188	21,862
	87,620	**84,316**

Combined and carve-out statement of financial position data

	31 December 2023	*31 December 2022*
	USD 000's	*USD 000's (Restated*)*
ASSETS		
Non-current assets		
Property, plant and equipment	933,508	902,595
Projects in progress	59,340	61,080
Right-of-use assets	474,841	434,252
Investment properties	725,345	606,286
Intangible assets	271,423	303,202
Goodwill	851,834	835,191
Investment in associates and joint ventures	456,747	438,742
Financial assets at fair value through profit or loss	8,195	18,053
Financial assets at fair value through other comprehensive income	3,504,865	3,208,882
Other non-current assets	462,029	99,202
Loans to related parties	735,568	597,415
Amount due from related parties	25,514	25,640
Total non-current assets	**8,509,209**	**7,530,540**
Current assets		
Inventories	190,053	147,288
Trade receivables	586,012	585,899
Amount due from related parties	12,816	12,336
Other current assets	310,211	239,344
Bank balances, cash and deposits	564,642	383,762
Total current assets	**1,663,734**	**1,368,629**
TOTAL ASSETS	**10,172,943**	**8,899,169**
EQUITY AND LIABILITIES		
EQUITY		
Share capital	769,964	2,094,113
Other contributions	1,338,555	1,555,839
Invested equity attributable to Agility SpinCo	**2,108,519**	**3,649,952**
Non-controlling interests	392,397	375,583
Total invested equity	**2,500,916**	**4,025,535**
LIABILITIES		
Non-current liabilities		
Provision for employees' end of service benefits	71,129	53,587
Interest bearing loans	2,851,885	453,462
Lease liabilities	404,110	331,348
Amount due to related parties	2,802,764	2,747,087
Other non-current liabilities	160,595	185,773
Total non-current liabilities	**6,290,483**	**3,771,257**
Current liabilities		
Interest bearing loans	366,268	162,548
Lease liabilities	135,496	99,723
Trade and other payables	876,973	837,590
Amount due to related parties	2,807	2,516
Total current liabilities	**1,381,544**	**1,102,377**
Total liabilities	**7,672,027**	**4,873,634**
TOTAL EQUITY AND LIABILITIES	**10,172,943**	**8,899,169**

** Certain figures shown here do not correspond to the 2022 combined and carve-out financial statements and reflect adjustments made as detailed in Note 25 of the 2023 Historical Financial Information.*

Combined and carve-out statement of cash flows data

	For the year ended 31 December	
	2023	*2022*
	USD 000's	*USD 000's*
OPERATING ACTIVITIES		
Profit before taxation	123,623	105,193
Adjustments for:		
Expected credit losses on trade receivables	7,250	10,309
Expected credit losses on loans to related parties	10,000	-
Change in fair value of investment properties	(43,963)	(73,475)
Release of provision no longer required	-	(17,707)
Provision for employees' end of service benefits	41,763	19,562
Foreign currency exchange gain	(1,567)	(4,160)
Share of results of associates and joint ventures	(20,140)	6,989
Unrealised loss on financial assets at fair value through profit or loss	8,410	20,634
Dividend income	(18,055)	(15,910)
Depreciation	239,302	124,904
Amortisation	33,543	21,019
Interest income	(7,480)	(1,988)
Finance costs	216,567	114,231
Operating profit before changes in working capital	589,253	309,601
Inventories	(44,476)	(62,400)
Trade receivables	(55,630)	(50,092)
Other current assets	53,826	11,665
Trade and other payables	12,209	(7,629)
	555,182	201,145
Taxation paid	(31,064)	(21,196)
Employees' end of service benefits paid	(19,522)	(11,610)
Net cash flows from operating activities	504,596	168,339
INVESTING ACTIVITIES		
Net movement in financial assets at fair value through profit or loss	(551)	(18,005)
Net movement in financial assets at fair value through other comprehensive income	(23,050)	(219,608)
Additions to property, plant and equipment	(137,205)	(66,089)
Proceeds from disposal of property, plant and equipment	4,305	19,349
Loans to related parties	(127,175)	(84,032)
Additions to projects in progress	(9,234)	(56,271)
Net movement in investments in associates and joint ventures	(14,294)	—
Dividends received	35,708	29,609
Net cash outflow from acquisition of entities as part of business combination	(9,466)	(621,611)
Net cash flows used in investing activities	(280,962)	(1,016,658)
FINANCING ACTIVITIES		
Received from related parties	-	1,234,427
Payments to related parties	(17,104)	(4,982)
Parent Company investment received	69,302	59,237
Parent Company investment distributed	(209,507)	—
Proceeds from interest bearing loans	2,529,584	529,775
Repayment of interest bearing loans	(26,723)	(686,264)
Payment of lease obligations	(155,090)	(82,139)
Finance costs paid	(336,884)	(19,774)
Dividends paid to the Parent Company	(1,880,334)	—
Dividends paid to non-controlling interest	(13,636)	—
Net cash flows from financing activities	(40,392)	1,030,280
NET INCREASE IN CASH AND CASH EQUIVALENTS	183,242	181,961
Net foreign exchange translation differences	(2,362)	(5,248)
Cash and cash equivalents at 1 January	383,762	207,049
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	564,642	383,762

Description of operating performance and cash flows

Revenue from contracts with customers increased by US$1.6 billion, or 67.3%, from US$2.4 billion in the year ended 31 December 2022 to US$3.9 billion in the year ended 31 December 2023. This increase was primarily due to significant increases in the revenue from contracts from the Group's logistics services, rent and ground handling and airport services as a result of the acquisitions of John Menzies plc and Aquarius Energy in 2022.

The Group's EBITDA increased by US$242.2 million, or 66.7%, from US$363.4 million in the year ended 31 December 2022 to US$605.6 million in the year ended 31 December 2023, and profit for the year increased by US$3.3 million, or 3.9%, from US$84.3 million in the year ended 31 December 2022 to US$87.6 million in the year ended 31 December 2023.

Net cash flows from operating activities increased by US$336.3 million, from US$168.3 million in the year ended 31 December 2022 to US$504.6 million in the year ended 31 December 2023. This increase was primarily due to the acquisitions of John Menzies plc and Aquarius Energy in the second half of 2022, as well as improvement of working capital in Tristar.

Since 31 December 2023:

- The Company undertook the Reorganisation and applied for the Listing. As part of the Reorganisation and prior to the Listing, the Company undertook a share split and was recapitalised resulting in a total equity attributable to shareholders of US$ 5,328 million.
- The Foundation was established, as described in "*Material Agreements—Foundation arrangements*".
- The Company and APWC entered into the Transitional Services Agreements, as described in "*Material Agreements—Transitional services arrangements*".
- The Company and APWC entered into the IP assignment arrangements, as described in "*Material Agreements—IP assignment arrangements*".
- In April 2024, a subsidiary of the Company has entered into a term committed facility with APWC, as described in "*Related Party Transactions*".
- In April 2024, the Company has entered into an 18 month bridge facility with APWC, as described in "*Material Agreements— Financing Arrangements*".

MANAGEMENT

Board

Structure

The Company has a one-tier board structure which from Listing will comprise five members, including one Executive Director and four Non-Executive Directors. The Board is responsible for leading and controlling the Company and has overall authority for the management and conduct of the Company and the Company's strategy and development. The Board is also responsible for ensuring the maintenance of a sound system of internal control and risk management (including financial, operational and compliance controls, and for reviewing the overall effectiveness of systems in place) and for the approval of any changes to the capital, corporate and/or management structure of the Company.

Powers, responsibilities and functioning

The principal duties of the Board are to provide the Company's strategic leadership, to determine the fundamental management policies of the Company and to oversee the performance of the Company's business. The Board is the principal decision-making body for all matters that are material to the Company, whether in terms of their strategic, financial or reputational implications. The Board has final authority to decide on all issues save for those which are specifically reserved to the Shareholders by law or by the Company's Articles of Association.

Term of appointment

Members of the Board are appointed by the Shareholders for three-year terms.

Composition of the Board

At the date of this Prospectus, the Board is composed of the following five Directors:

Name	Date of Birth	Position	Member as of	Term
Tarek Sultan	07/04/1964	Chairman	26 March 2024	3 years
Faisal Al-Essa	17/11/1981	Board Member & Vice Chairman	26 March 2024	3 years
Essa Al-Saleh	17/09/1970	Board Member	26 March 2024	3 years
Christopher Michael Gordon	22/09/1963	Board Member	26 March 2024	3 years
Hanadi Al-Saleh	24/08/1973	Board Member & CEO	26 March 2024	3 years

Ashwin Gungabissoon is the Company Secretary.

The Company's registered address, Unit 6, 5th Floor, Al Khatem Tower, ADGM Square, Al Maryah Island, Abu Dhabi, the UAE, serves as the business address for all Directors.

Biographical Details of the Directors

Tarek Sultan – Chairman

Tarek Sultan is the Vice Chairman and Chief Executive Officer of APWC and Chairman of the Board of the Company. Tarek assumed leadership of APWC in 1997 and spearheaded its growth in a global enterprise spanning six continents with more than 45,000 employees. Tarek is a member of the board of directors of DSV, a global top-three freight forwarding company, following DSV's acquisition of APWC's global logistics business in 2021. Tarek is also a member of the Board of Directors of NREC. Tarek has also previously served as advisor to the Singapore Economic Development Board, sat on Wharton's International Advisory Council, and served as a member of the Board of Directors of Gulf Bank and Burgan Bank. Tarek has also been named by the head of the World Trade Organization to a new 10-member Business Advisory Group created to share the views of businesses on trade and regulation. Tarek is an active supporter of the World Economic Forum (WEF), and is a member of the WEF's International Business Council, which brings together 120 business leaders to represent global business from all industries. He is also a Steward of the WEF's Stewardship Board of the Platform on Shaping the Future of Mobility and a Governor of the World Economic Forum's Supply Chain & Transport Industry Community. Before taking on his leadership role at APWC, Tarek was the managing director of New York Associates, a regional investment banking services provider and an associate with Southport Partners, a U.S.-based corporate finance advisory firm specialising in the technology sector. Tarek holds an MBA from the Wharton School at the University of Pennsylvania and a Bachelor of Economics from Williams College.

Faisal Al-Essa – Board Member

Faisal Al-Essa is the Vice Chairman and CEO of Kuwait-based National Real Estate Company K.S.C.P, one of the leading publicly traded real-estate companies in the Middle East with around US$2 billion in assets under management and projects and offices in more than 10 countries. Before his appointment as Vice Chairman and CEO, Faisal led business development, and served as a Board member at NREC, as well as Chairman and Managing Director of various NREC subsidiary organisations. Faisal is also Chairman of Kuwait Agro Holding, one of the leading fruits and vegetable, poultry and dairy companies in the Middle East, as well as a Board member of APWC. Faisal is a graduate of US-based Barry University with a degree in Management.

Essa Al-Saleh – Board Member

Essa Al-Saleh is Chief Executive Officer of Volta Commercial Vehicles Ltd, a leading and innovative electric commercial vehicle company. Essa has over 25 years' experience in leading, developing and scaling businesses in various sectors including logistics, automotive and early stage start ups. Essa joined Volta Trucks from Agility Global Integrated Logistics where he spent 22 years of which the last 13 years as President and CEO. During that time, Agility grew from a one-country operation with 300 employees and US$150 million in revenue to a global freight and logistics business operating in over 100 countries with 18,000 employees and US$4 billion in revenue. Prior to joining Agility, Essa worked as an engineer with the Kuwait Oil Company. He was part of the team responsible for reconstructing oil fields that were damaged during the Iraqi invasion of Kuwait in 1990. Essa has an MBA from Boston College and a Bachelor of Science in Electrical Engineering from Tufts University. Both degrees were earned with honours.

Christopher Michael Gordon – Board Member

Christopher serves as President of Wynn Development for Wynn Resorts. He is also a Lecturer at the Massachusetts Institute of Technology Center for Real Estate, teaching a graduate level course on project delivery. Prior to Wynn, Chris served as an advisor and manager on complex development projects worldwide as President of the Dirigo Group. Prior to that, he served as the Chief Operating Officer for the Allston Development Group, the real estate development arm of Harvard University, and as director of Capital Programs and Logan Modernization for the Massachusetts Port Authority. Chris also serves on the Board of Directors of NREC and served on the Real Estate Committee for the Boston 2024 Olympic bid, and is the Chairman of the Board of Fryeburg Academy, one of the oldest private high schools in America. Chris has also served as a board member of the National Research Council's Board on Infrastructure and the Built Environment and a trustee of the Engineering Center Education Trust. Chris holds a bachelor's degree in civil engineering from the University of Maine and a Master's Degree in Civil Engineering from the Massachusetts Institute of Technology, and is a registered Professional Engineer in several states.

Hanadi Al-Saleh – CEO of Agility Global & Board Member

Hanadi Al-Saleh is the CEO of Agility Global, a muti-business owner and operator and investor in leading global logistics and transportation, industrial real estate, and emerging technology companies, with 50,000+ employees across 70 countries. Hanadi joined APWC the controlling shareholder of Agility Global in 2007 to lead Investor Relations and Financial Planning and Analysis. She was appointed the Chairperson of the Board of Directors of APWC in 2014. In that capacity, Hanadi oversaw the company's corporate governance program, safeguarding the interests of investors and stakeholders; led digital transformation, including overseeing the incubation and growth of its digital logistics arm, Shipa; and spearheaded its corporate ventures division.

Hanadi has been designated one the most powerful businesswoman in the Middle East by Forbes magazine. She serves on the Global Board of Advisors of the Council of Foreign Relations in the U.S.A., as a Board member of the Gulf Warehousing Company in Qatar, and as a Trustee of the Bayan Bilingual School in Kuwait. Hanadi is a former board member of the Kuwait Chamber of Commerce.

Before joining APWC, Al-Saleh was the head of the Financing Group at NBK Capital in Kuwait where they won Best Debt House in Kuwait for 2006 from Euromoney and The Banker Magazine's "Deals of the Year", as the Financial Advisors to the MTC US$4bn revolving credit facility as the "Deal of the Year" for Kuwait for 2007 for the Financing Group. She earned a Bachelor of Economics from Tufts University.

General Information about the Directors

The following table sets out the names of all UAE companies and partnerships of which a Director has been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years, as of the date of this Prospectus.

Name	Company	Active/Resigned
Tarek Sultan	Regal 1 SPV Limited	Active
Faisal Al-Essa	Al Farwaniya Property Development LLC	Active
	Naples Topco Limited – Holding (DIFC)	Active
	Naples Hold Co 1 Limited (DIFC)	Active
	Naples Hold Co 2 Limited SPC (DIFC)	Active
	Naple MIDCO Limited by Shares (DIFC)	Active
	Reem Nominee Company Limited by Shares (DIFC)	Active
	Carina Views Property Development LLC	Active
	Al Derwaza Property Development WLL	Active
	Kuwaiti National Investment Holding Ltd (ADGM)	Active
	Kuwaiti National Real Estate Holding Ltd (ADGM)	Active
	NREC Holding Limited (ADGM)	Active
	NREC International Investment Holding Ltd (ADGM)	Active
Essa Al-Saleh	Odiggo Ltd	Active
	Shipa Holding Limited	Resigned
	Tri Star Transport LLC	Resigned
Christopher Michael Gordon	ISLAND 3 AMI FZ-LLC	Active
Hanadi Al-Saleh	Modern Holdco Limited	Resigned
	Arfaj Limited	Resigned

Equity holdings Directors

The number of Shares owned by Directors as at the date of this Prospectus is set forth in the table below.

Name	Number of Shares(1)	Percentage of issued share capital
Tarek Sultan	1,490,364	0.014%
Faisal Al-Essa(2)	46	0.000%
Essa Al-Saleh	—	—
Christopher Michael Gordon	—	—
Hanadi Al-Saleh	383,450	0.0037%

(1) Number of Shares is calculated based on 49.0% of the number of APWC Shares multiplied by the Implied Distribution Ratio.
(2) Held in portfolio.

Senior Management

The Group is managed by the Senior Management Team. The current Senior Management Team consists of the CEO and the CFO (the "**Senior Management Members**"), each of whom oversees a specific aspect of the business. The persons set forth below are the current Senior Management Members.

Name	Date of Birth	Position
Hanadi Al-Saleh	24/08/1973	CEO
Ehab Aziz	22/02/1972	CFO

Biographical Details of the Senior Management Members

Hanadi Al-Saleh: For information in respect of Hanadi Al-Saleh, see "*—Board*" above.

Ehab Aziz, CFO, Agility Global

Ehab Aziz is the Chief Financial Officer for the Company, a muti-business owner/operator and investor in leading global logistics and transportation, industrial real estate, and emerging technology companies, with 50,000+ employees across 70 countries.

Ehab joined APWC, the controlling shareholder of Agility Global, in 1999, playing an instrumental role in transforming the company from a regional GCC player into one of the world's leading global logistics providers with a network in 100+ countries. At APWC, Ehab oversaw operational and financial strategy, assessment of organic and acquisition expansion opportunities, business performance reviews, capital allocation, financial planning & reporting, investor relations, treasury, and tax and accounting. Ehab played an instrumental role in the sale of APWC's Global Integrated Logistics business to DSV in 2021, in one of the largest transactions in the Middle East, and in the logistics sector, that year.

A certified internal auditor, Ehab worked at Arthur Andersen before joining APWC. During his tenure, Ehab was responsible for audits of large banks, investment companies, government organizations and pension funds.

Ehab is a Board Member of the National Real Estate Company (NREC), a publicly traded real estate company in Kuwait. He also serves as a member of the World Economic Forum's Community of CFOs and the Community of Industry Strategy Officers.

General Information about the Senior Management Team

The following table sets out the names of all UAE companies and partnerships of which a member of the Senior Management Team has been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years, as of the date of this Prospectus.

Name	Company	Active/Resigned
Ehab Aziz	Agility DistriParks FZE (JAFZA, UAE)	Active
	Agility Fanar General Trading FZE (JAFZA, UAE)	Active
	Agility Strategies Holding Limited (ADGM, UAE)	Active
	Agility Strategies Holding I Limited (ADGM, UAE)	Active
	Agility Strategies Holding II Limited (ADGM, UAE)	Active
	Agility Tristar SPV Limited (ADGM, UAE)	Active
	Agility Tristar Holdings Limited (DIFC, UAE)	Active

Agility Venture Capital Holdings Limited (ADGM, UAE)	Active
Agility Venture Capital Holdings I Limited (ADGM, UAE)	Active
Defense Logistics Holding Limited (ADGM, UAE)	Active
Horizon Fuel Logistics Holdings Limited (ADGM, UAE)	Active
Horizon International Holdings Limited (ADGM, UAE)	Active
Horizon IP Holding Limited (ADGM, UAE)	Active
Horizon Parent Holding Limited (ADGM, UAE)	Active
Horizon Participation Holding I Limited (ADGM, UAE)	Active
Horizon Participation Holding II Limited (ADGM, UAE)	Active
Horizon Participation Holding IV Limited (ADGM, UAE)	Active
Horizon Participation Holding V Limited (ADGM, UAE)	Active
Agility Global PLC (ADGM, UAE)	Resigned
Horizon Participation Holding VII Limited (ADGM, UAE)	Active
Horizon Participation Holding VIII Limited (ADGM, UAE)	Active
Logistics Parks Development Holding Limited (ADGM, UAE)	Active
Logistics Parks Saudi Holding Limited (ADGM, UAE)	Active
Menzies Holding Limited (ADGM, UAE)	Active
Menzies Investment Holding I Limited (ADGM, UAE)	Active
Menzies Investment Holding II Limited (ADGM, UAE)	Active
Naples Topco Limited (DIFC, UAE)	Active
NAS Group Holding Limited (ADGM, UAE)	Active
Reem Investment Holding Limited (ADGM, UAE)	Active
International Holdings Limited (DIFC, UAE)	Active
Iraq Telecom Limited (DIFC, UAE)	Active
Tristar Holdings Limited (DIFC, UAE)	Active
Tri Star Transport LLC (Dubai, UAE)	Active
Agility Logistics L.L.C. (Dubai, UAE)	Resigned
Agility GIL Holding Limited (DIFC, UAE)	Resigned

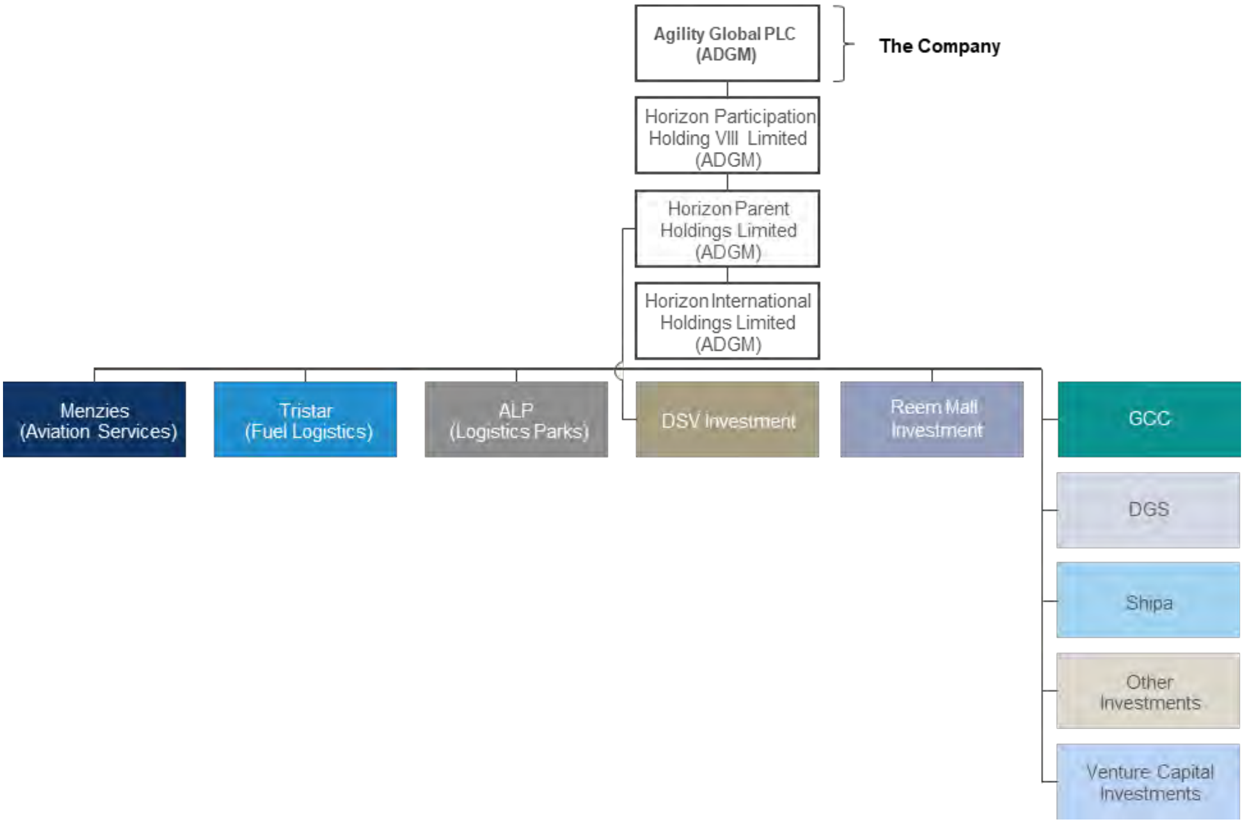
For information in respect of Hanadi Al-Saleh, see "—*Board*" above.

Equity holdings Senior Management Members

Ehab Aziz holds no Shares as at the date of this Prospectus. For information in respect of Hanadi Al-Saleh, see "—*Board*" above.

COMPANY ORGANISATIONAL STRUCTURE

The principal assets of the Company are the equity interests it directly or indirectly holds in the Group Companies. The diagram below depicts, in simplified form, the legal structure of the Company and the position in the Group as of the date of this document.



Subsidiaries

The following table provides an overview of the Group's material subsidiaries as of the date of this Prospectus:

Name of the entity	*Ownership % as at 31 December* 2023	2022	*Country of incorporation*	*Principal activities of underlying subsidiaries*
John Menzies Limited *	100	100	United Kingdom	Ground handling and aviation services
NAS Holding for Company Business Management (Holding Co) WLL *	100	100	Kuwait	Ground handling and aviation services
Agility Venture Capital Holdings Limited	100	100	U.A.E.	Holding investments
Catering Logistics for General Trading and Contracting Co WLL	100	100	Kuwait	Catering, camps and construction
Tristar Holding Limited **	65	65	U.A.E.	Fuel logistics services
Agility DGS Logistics Services Co KSCC	100	100	Kuwait	Logistics services to Government entities
Ostram Holdings Limited	100	100	Cayman Islands	Provides customs solutions to governments
Agility E-Services Private Ltd	100	100	India	IT services
Horizon International Holdings Limited	100	100	U.A.E.	Holding investments
Agility Logistics Parks SPC	100	100	Saudi Arabia	Development and leasing of logistics parks
Agility DistriParks FZE	100	100	U.A.E.	Development and leasing of logistics parks
Shipa Freight Solution LLC	100	100	U.A.E.	Online freight platform
Shipa E commerce LLC	100	100	U.A.E.	E-commerce solutions

Homoola Trucks for Communication and Information Technology SPC	100	100	Saudi Arabia	Last mile delivery
Shipa for Shipping Co. SPC	100	100	Saudi Arabia	Last mile delivery
Shipa Delivery Services LLC	100	100	U.A.E.	Last mile delivery
Shipa for Sending, receiving, distributing mailings, postal parcels and courier letter by air Co. WLL	100	100	Kuwait	Last mile delivery
Agility GIL BV	100	100	Netherlands	Holding investments
Agility Strategies Holding Limited	100	100	U.A.E.	Holding investments
Agility Investment BV ***	100	100	Netherlands	Holding investments
Elaf National for General Trading and Contracting Co WLL	100	100	Kuwait	Holding investments
Agility Alternative Energy Solutions Co KSCC	100	100	Kuwait	Holding investments
Modern International Real Estate Co. WLL	100	100	Kuwait	Holding investments
PWC Technology for Computers Co WLL	100	100	Kuwait	Customs solutions
PWC Aviation Services Co KSCC	100	100	Kuwait	Commercial Real Estate
Horizon Participation Holding I Limited	100	100	U.A.E.	Holding company including laboratory business
Alcazar Capital Partners L.P	100	100	Cayman Islands	Holding investments
Agility Strategies Holding Limited ****	100	100	U.A.E.	Holding investments

* These entities are held through a holding company, Menzies Holding Limited
** This entity is held through a holding company, Agility Tristar Holding Limited
*** The underlying assets held by this entity, and forming part of the combined and carve-out perimeter, was previously held under Agility GIL BV.
**** The underlying assets held by this entity, and forming part of the combined and carve-out perimeter, was previously held under Agility Strategies Holding Limited.

Corporate Governance

Board Committees

The Board has five committees: the Audit Committee, the Nomination and Remuneration Committee, the Sustainability Committee, the Risk Committee and the Investment Committee. The terms of reference of the committees are documented formally and updated as necessary.

Audit Committee

The Audit Committee shall have at least three members, with at least an independent chair. Its members are currently Christopher Michael Gordon (independent chair), Essa Al-Saleh and Faisal Al-Essa.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall have at least three members, out of whom at least one is non-executive, and one is independent. The chair of the committee will be either an independent or a non-executive. Its members are currently Faisal Al-Essa (non-executive chair), Christopher Michael Gordon and Tarek Sultan.

Sustainability Committee

The Sustainability Committee shall have at least three members. The members of the first Sustainability Committee are Tarek Sultan, Christopher Michael Gordon and Essa Al-Saleh.

Risk Committee

The Risk Committee shall have at least three members. The members of the first Risk Committee are Christopher Michael Gordon (chair), Tarek Sultan and Essa Al-Saleh.

Investment Committee

The Investment Committee shall have at least three members. The members of the first Investment Committee are Faisal Al-Essa, Christopher Michael Gordon, Hanadi Al-Saleh, along with CFO Ehab Aziz and Jonathan Kerherve, head of Mergers and Acquisitions and Strategic Projects.

SIGNIFICANT SHAREHOLDERS (5% OR GREATER)

Agility Public Warehousing Company K.S.C.P.[(1)]	51.00%
National Real Estate Company (Kuwait)	10.95%
Public Institution for Social Security (Kuwait)[(2)]	8.06%

(1) Indirect ownership

(2) Direct ownership

THE LISTING, PERFORMANCE AND ACHIEVEMENTS, STRATEGY

Reasons for the Listing

The principal purposes of the Listing are the following:

- Creating a more efficient and focused engine to execute Agility Global's strategy and unlock shareholder value;
- Natural listing venue for Agility Global and its international businesses (most of which are incorporated in the UAE) to appeal to relevant investor base;
- Increased liquidity for Agility Global in a highly attractive and vibrant ADX listing venue;
- Provide seamless and targeted access to equity and debt capital markets to support Agility Global's growth strategy and potential further standalone listing of some its entities; and
- Ability to attract and retain local and international talent.

Proceeds of the Listing and Distribution

No proceeds shall be raised pursuant to the Listing and the Distribution.

Listing and Trading

Prior to the Listing, there has been no public market for the Shares. Application has been made to list all of the Shares on ADX under the symbol "AGILITY" with ISIN AEE01376A248. Subject to acceleration or extension of the timetable for the Listing, trading in the Shares is expected to commence on or around 2 May 2024.

Performance and Achievements

The Group believes that it possesses the following competitive strengths:

- status as a long-term operator and influential shareholder in diversified global or regional companies with leading market positions in their sector;
- present in growing sectors driven by macrotrends; outsourcing, urbanisation, digitization, aging population, and sustainability.
- corporate structure focused on active management of its portfolio of businesses and allocating capital towards higher growth assets and markets aimed at creating significant shareholder value;
- experienced and entrepreneurial leadership team with a track record of growth;
- status as a responsible operator committed to promoting environmental, social and governance ("**ESG**") best practices;
- continued expansion into growing sectors driven by major long-term macro trends; and
- its strategic holding of high growth potential businesses.

The Group is a Long-Term Operator and Influential Shareholder in Leading Global or Regional Companies

The Group maintains a status as a long-term operator and influential shareholder in diversified global or regional companies with leading market positions in their sector. These businesses are supported by their own individual strong management and employee teams, which provide extensive experience and business critical resources to support growth and value creation. The Group's corporate structure actively architects the longer term strategy of the Group, through investments and exits, and allocates capital to higher return portfolio assets.

<u>Operator</u>

The Group has an entrepreneurial and decentralised operating philosophy that empowers and aligns incentives of the seasoned management teams of the Group Companies to grow their respective operations within a framework of Group-wide governance structures. This decentralised structure also enables the Group to benefit from having operations in the local markets in which the Group Companies operate, which allows the businesses to be nimble and agile, and to drive organic and inorganic value accretive growth.

The key Group Companies for which the Group currently serves as an operator are Menzies, Tristar and Agility Logistics Parks. Additional Group Companies operated by the Group are GCC Services, Shipa and Agility Defense and Government Services. The Group's overarching governance structures assists these Group Companies by providing capital and frameworks in formulating business strategies as well as providing corporate resources related to reviewing and/or providing guidance on potential mergers, acquisitions, investment and other corporate transactions. Through its network expertise, the Group has supported the Group Companies in procuring transactions increasing the consolidation within the markets in which such Group Companies operate. For example, the acquisition of John Menzies plc resulted in the creation of one of the leading global aviation logistics services providers.

Influential Shareholder

The Group believes that it has superior access to value-creation opportunities supported by long-term trends and in fragmented sectors. The key business for which the Group currently serves as a shareholder is DSV. The Group is one of the largest shareholder in DSV, with its current equity holdings amounting to a 9% equity stake.

The Group also holds stakes in GWC and NREC, and expects to be able to appoint directors to their boards of directors by virtue of its shareholdings.

The Group has a Scalable Value Creation Model Capable of Creating Significant Shareholder Value

The Group has an active management of its portfolio of businesses and allocates capital towards higher growth assets and markets aimed at creating significant shareholder value, which it has consistently deployed with success. The model amounts to acquisitions and strategic investments in businesses in fragmented industries with high growth potential and its deployment of capital to continue organic and inorganic growth and drive profitability through its influential shareholding. The Group has deployed the model successfully in the past and believes it will continue to do so going forward. Between 2011 and 15 February 2024, APWC has created approximately US$5 billion in shareholder value with a 17% internal rate of return, and APWC's share price increased from Kuwaiti Dinar ("**KD**") 375 fils (US$1.22) on 31 December 2011 to KD 607 fils (US$1.97) on 15 February 2024. This increase in shareholder value stems from a value growth amounting to US$4 billion and US$1 billion in dividends paid.

Being a successful operator and influential shareholder of businesses has resulted in APWC's track record of value creation for shareholders and is fundamental to the Group's success going forward. For example, this business model resulted in APWC acquiring majority ownership of businesses such as Tristar and Menzies and acquiring a portfolio of stakes in businesses, which the Group considers having high growth potential.

The Group's management has a track record of deploying capital to maximise the organic growth of the Group Companies as well as driving profitability. For example, the Group has funded major capital investments in its Agility Logistics Parks, which is currently a large private owner of logistics parks and warehousing in the Middle East, Asia, and Africa. Agility Logistics Parks also offers potential for further value creation as it could capitalise on the growing demand for warehousing space in existing and adjacent geographies (e.g. the expansion of logistics parks and warehousing in Riyadh, Jeddah, Dammam, Abidjan, Maputo and Accra) or develop further value-add services to maximise yields.

The Group also intends to continue pursuing mergers and acquisitions through which it can select, acquire and integrate targets in order to drive industry consolidation, growth and meaningful synergies. For example, in 2022 alone, the Group acquired John Menzies plc and through Tristar a 51% interest in Aquarius Energy to maximise the inorganic growth potential of NAS and Tristar, respectively, which following the acquisitions grew in scale exponentially. Menzies, having now finalised the integration of NAS, offers potential for further value creation as the combination of such entities is expected to deliver incremental synergies and accretive growth. Tristar, which has now been bolstered by the acquisition of Aquarius Energy, also offers potential for further value creation as it could continue to expand its geographic footprint outside of the Middle East and Africa and continue to consolidate the fragmented fuel logistics industry.

The Group's management seeks to crystallise value from the Group Companies and businesses when opportunistic or otherwise appropriate to do so. For example, the APWC Group disposed of 100% of its equity interest in GIL in exchange for an equity stake in DSV. Similarly, the Group may in the future dispose of businesses when it believes that the value of one of its businesses has been maximised and that the Group would be able to better deploy this capital to enable the growth of its other Group Companies and/or businesses.

The Group is Led by an Experienced and Entrepreneurial Team

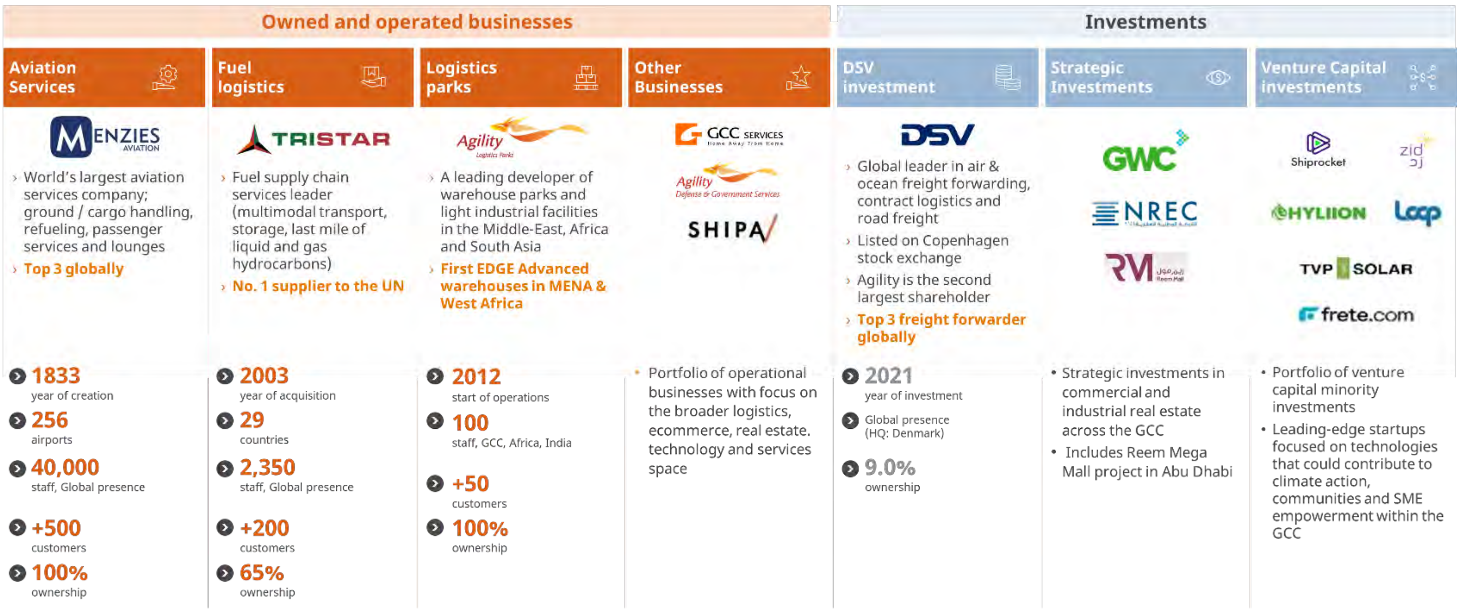
The Senior Management Team has been instrumental in setting the strategic direction for APWC and its blueprint for growth. The members of the Senior Management Team have an average of 20 years working within APWC and an average of 28 years of industry experience. In addition, the Group believes that the Senior Management Team in conjunction with the support from the experienced management teams of the Group Companies, many of whom are specialised in particular sectors or industries, leading the day-to-day operations of the businesses, positions the Group well to continue to successfully execute its key strategic initiatives.

The Group is a Responsible Operator and Owner Committed to Promoting HSE and ESG Best Practices

The Group emphasises the importance of playing a role in making the global economy more sustainable and is committed to promoting HSE and ESG best practices. The Group, as an operator and influential shareholder, is committed to improving and having a positive influence on the industries in which the Group Companies and businesses operate. The Group Companies and the Group's businesses are striving toward HSE and ESG best practices and sustainability in their operations. The Group Companies and non-controlled businesses illustrate their commitment to ESG best practices through the various policies established and awards and certifications garnered by its key Group Companies and DSV.

The Group is Positioned to Expand into Growing Sectors Driven by Major Long-Term Macro Trends

The Group is positioned to expand into growing sectors driven by major long-term macro trends by acquiring stakes and/or ownership of companies. The Group already has experience in these areas as its current Group Companies are based in sectors that are experiencing secular tailwinds.



As the graphic above illustrates, the Group owns businesses, or stakes in businesses, that are operating in sectors driven by the following trends: (i) outsourcing trend in aviation structure services, coupled with air passenger traffic growth, (ii) energy infrastructure and supply chain development, (iii) increasing demand for warehousing space, (iv) increasing complexity of global supply chains, along with trends of urbanisation and growing emerging market consumption and (v) digitisation and innovative and technology-enabled businesses with themes inclusive of sustainability. The breadth of these businesses also reflects the past expansion of the Group across multiple asset classes and illustrates the varied value creation strategies that the Group implements as an operator and influential shareholder.

The Group Maintains a Strategic Holding of Potential High-Growth Businesses

The Group maintains a strategic holding of potential high-growth businesses, combining controlled and non-controlled companies offering potential for superior value creation.

Through its strategic holdings, the Group offers a wide range of products and services across different sectors and also increasingly across different geographies. Due to the variety of its strategic holdings and the services that it offers, the Group has exposure to various global macro trends that are currently experiencing secular tailwinds, such as inflation and its impact on wages and energy, global trade, supply chain imbalances and its impact on freight rates, global mobility and its impact on passenger traffic and investment in infrastructure, while at the same time mitigating the risk that comes with sector concentration. For this reason, the Group aims to ensure that there is a strong sectoral diversification in terms of end markets within its portfolio of companies to achieve resilience against cyclical effects and sector-specific sensitivities. The Group's holdings also offer significant organic and inorganic growth potential.

Strategy and Objectives

The Group intends to build on the competitive strengths highlighted above in order to continue delivering what it considers to be superior shareholder value. Key elements of its longer-term vision for driving further value are as follows:

- Grow existing business (organically and through acquisitions) to create global and regional platforms;
- Develop the portfolio to and continue to add material controlled regional or global operating businesses;
- Crystalise value when businesses have reached full potential;
- Continue exposure to active VC investments with leading edge start-ups focused on technologies that could contribute to communities and small to medium enterprises; and
- Deliver healthy shareholder value.

The Group has set the following targets for 2024 and the medium term.

		FY2024	Medium Term
Agility Global consolidated	Revenue Growth	+17%	+10% p.a
	EBITDA margin (%)	13-14%	~ 15%
	Capex & Investments	$400 M	Maintenance capex: $80-100 M p.a. Growth capex: $700 M cum. for 2025-2028
	Working Capital intensity [1)]	7%	High single-digit
	Effective Tax Rate	34%	25-30%
Menzies Aviation	Revenue Growth	+14%	+9-10% p.a
	EBITDA margin (%)	13.5%	14-15%
Tristar	Revenue Growth	+35-40%	+14-15% p.a
	EBITDA margin (%)	18-19%	15-16%
Agility Logistics Parks	Revenue Growth	+20%	+25% p.a
	EBITDA margin (%)	70% excl. valuation gains	80-85%, excl. valuation gains

Note: EBITDA post-IFRS 16

1) Working capital (defined as: Inventories + Trade Receivables + Other Current Assets – Trade Payables – Other Current Liabilities) in percentage of Revenues

SHARE CAPITAL HISTORY AND SHAREHOLDER RESOLUTIONS

The Company was incorporated on 17 February 2023 with 10,000 Shares. On 14 February 2024, a subdivision occurred resulting in 500,000 Shares. Thereafter on the same date, the Company undertook a recapitalisation, which resulted in the current number of 10,417,724,408 Shares. Prior to the Listing, the Company has been indirectly wholly owned by APWC. Other than the Shares, the Company has not issued any securities.

The Company was reregistered as a public company on 23 February 2024. On 26 March 2024, a meeting was convened for the Shareholder to appoint the current members of the Board, and on 28 March 2024, a meeting was convened for the Shareholder to approve the Listing. Previously, the sole Shareholder of the Company had taken written resolutions relating to the Company's share capital and its reregistration as described above.

MATERIAL AGREEMENTS

Below is a summary of the key contracts of the Group (other than those entered into in the ordinary course of business):

Foundation arrangements

On 20 October 2023, Horizon Participation IV Limited ("**HPIV**"), the sole shareholder of the Company, incorporated a foundation named Horizon Foundation under the ADGM Foundations Regulations 2017 (the "**Foundation Regulations**") to hold 49.0% of the share capital of the Company as assets of the foundation (the "**Foundation**"). Under the incorporation documents, HPIV shall be the sole beneficiary of the Foundation up until the Listing date. On the Listing date, the Foundation shall transfer to each Eligible Shareholder (other than the Pending Eligible Shareholders) their respective proportion of the Distribution Shares in the Company, and transfer to a securities account held by the Foundation with the ADX the Distribution Shares of the Pending Eligible Shareholders, who shall become the sole beneficiaries of the Foundation. APWC will indirectly retain the remaining 51.0% of the issued share capital of the Company. If following Listing, any Pending Eligible Shareholder provides the Foundation with a valid NIN (and any other document or information that may be required) and makes a formal request to the Foundation, the Foundation shall transfer to such Pending Eligible Shareholder its proportion of the Distribution Shares and any corresponding amount of dividends, and shall exclude such Pending Eligible Shareholder from the list of beneficiaries of the Foundation.

A council, which shall have at least two members, acts as the governing body of the Foundation, subject to the power reserved to the guardian of the Foundation. The first council members of the Foundation as appointed in its by-laws are:

- Yann Mrazek; and
- Aws Barem.

The council shall be responsible for (i) carrying out the objects of the Foundation; and (ii) procuring that the management and administration of the assets is delegated to carefully selected professional managers and monitor the performance of such managers. The council shall also have the right, on behalf of the Foundation acting as a shareholder of the Company, to vote the Shares held by the Foundation.

In its capacity as guardian of the Foundation, the Company shall have the power to, *inter alia* (i) amend, revoke or vary the terms of the Foundation's charter or by-laws; (ii) change the objects of the Foundation; (iii) direct or approve the investment activities of the Foundation; (iv) appoint or remove any Councillor; and (v) add or exclude any beneficiary.

Financing arrangements

Debt facilities

APWC today maintains a number of multicurrency facility agreements (the "Existing Facilities") under both club and bilateral loan facilities. Several key subsidiaries of the Company are guarantors of the Existing Facilities. The Existing Facilities remain available to both APWC and the Company post Listing. The Company will launch a refinancing on a standalone basis and intends, subject to market conditions, to put in place its own facilities as soon as practicable, in order to meet future financing requirements (the "**New Facilities**").

In order to cover the period from Listing to completion of the refinancing and eventual anticipated execution of the New Facilities, the Company has entered into an 18 month bridge facility (The "**APWC Bridge Facility**") with APWC, whereby APWC has agreed that when the Company requests funds, APWC will initiate the required drawdown from the Existing Facilities to the Company via the APWC Bridge Facility, on back to back terms as those obtained under the Existing Facilities. Certain other members of the Group are carved out of these facilities, and have in place other credit facilities, which are expected to continue on the same basis as prior to the Listing.

Funded equity collar financing arrangements

In April 2023 and July 2023, certain subsidiaries of the Group entered into funded equity collar financing agreements in respect of a portion of their shares in DSV. The arrangements enabled the Group to realise net loan proceeds of approximately €1.9 billion, which has been used to refinance a portion of existing indebtedness, collateralised by a portion of its shares in DSV. The transactions are accounted for as fair value hedges and are reported at fair value through other comprehensive income. The arrangements mature across a spread of dates between April 2026 and August 2027.

Transitional services arrangements

In connection with the Reorganisation, on or around the date of this Prospectus, APWC and the Company entered into two transitional services agreements with each other as service providers and consumers under the respective agreements (the "**Transitional Services Agreements**"), pursuant to which APWC and the Company will provide limited services to the other on commercial terms and on an arms' length basis for a transitional period, effective from completion of the Reorganisation. Pursuant to the Transitional Services Agreements, APWC will provide services to the Group including: (i) the continued provision of various back-office services and support across facilities and office space in Kuwait; (ii) for reasons including immigration and sponsorship, HR support for the continued employment by APWC or a member of the APWC Group of certain employees of the Group; and (iii) IT support services. The Group will provide the APWC Group services including (i) IT support; (ii) HR – support with payroll, insurance and employee related processes; and (iii) Finance support including back-office support with financial reporting, consolidation, treasury and tax.

The term of the Transitional Services Agreements shall be 18 months from the date of the Distribution with an option to renew upon the parties' written agreement.

IP assignment arrangements

In December 2023, APWC assigned, transferred and conveyed to Horizon IP Holding Limited, a subsidiary of the Company, all of APWC's worldwide rights, title and interest in certain registered and unregistered intellectual property rights including trade marks and service marks containing the words "Agility", "Shipa", "Transfora" and their respective logos, together with all the goodwill relating to the goods or services in respect of which the above marks are registered or used and all statutory and legal rights attaching thereto (the "**IP Assignment Agreement**"). APWC agreed, in pursuance of the IP Assignment Agreement and at Horizon IP Holding Limited's cost and expense, to execute all such documents and do all things as may be necessary to give full effect to the provisions of the IP Assignment Agreement and to secure to Horizon IP Holding Limited the full benefit of the rights assigned to it under the IP Assignment Agreement.

On or around the Listing Date, APWC and Horizon IP Holding Limited entered into an IP license agreement (the "**IP License Agreement**") whereby Horizon IP Holding Limited granted APWC an exclusive, royalty-free, non-transferable and non-sublicensable (except in certain permitted circumstances) licence to use the Agility mark and logo and the Agility domain name for a period not exceeding twenty-four months from Listing. The IP License Agreement is subject to certain conditions including certain conditions relating to the use of the marks consistently with past practice and exclusively for APWC's business in the State of Kuwait.

Acquisition of Aquarius Energy

In March 2022, Tristar, as buyer, entered into a share sale and purchase agreement with the common security agent holding shares of Aquarius Energy on behalf of HNA Innovation Finance Group Co., Limited ("**HNAIF**"), for the purchase of 510 ordinary shares of Aquarius Energy, representing 51% of its ordinary share capital, for total consideration of US$215 million.

In connection with the closing of the sale pursuant to the share sale and purchase agreement in August 2022, Tristar entered into a deed of adherence to the shareholders agreement in place with Aquarius Energy and Glencore Group Funding Limited ("**Glencore**"), as the other shareholder of Aquarius Energy, along with an amendment to the shareholders agreement, originally entered into by Glencore, HNAIF and Aquarius Energy in 2017, to govern the relationship of the shareholders of Aquarius Energy going forward.

ASSETS, INVESTMENTS, PROJECTS AND BUSINESS

Properties

The Group owns and leases properties for the operation of the Group Companies and for its centralised operations. The Group operates its aviation services business at airports by means of its licences and commercial agreements, and as such they are considered commercial contracts rather than real property contracts.

The Group is not aware of any environmental issues affecting the use of its properties, with the exception of the potential need for compensation for remedial measures at London Gatwick Airport.

Acquisitions and disposals

The Group has undertaken certain strategic acquisitions and disposals, which have affected its business, financial condition and results of operations in the periods under review. In particular, the following transactions each had a material effect on the Group's business, financial condition and results of operations in the periods under review:

- *Acquisition of John Menzies plc*. In August 2022, APWC acquired through one of the Group Companies a 100% equity interest in John Menzies plc, for consideration of approximately US$683 million equity value on a fully diluted basis. The acquisition of John Menzies plc was initially accounted for based on provisional fair values of the identifiable assets and liabilities on the acquisition date, subject to purchase price allocation which was finalised in 2023. The purpose of the acquisition was to supplement the Group's existing aviation services business, which operated as National Aviation Services ("**NAS**"), in order to create a world leader in aviation services. The integration of John Menzies Limited and NAS is ongoing, and the combined business operates under the Menzies brand.
- *Acquisition of Aquarius Energy*. In August 2022, Tristar, one of the Group Companies in which the Group holds a 65.12% equity interest, acquired a 51% equity interest in Aquarius Energy, for consideration of US$196.6 million. The acquisition of Aquarius Energy was initially accounted for based on provisional fair values of the identifiable assets and liabilities on the acquisition date, subject to purchase price allocation which was finalised in 2023. The purpose of the acquisition was to augment Tristar's asset base and expand its global presence.

Operations

This section outlines the Group's key operating businesses and its key minority shareholdings.

Aviation Services

The Group is a leading provider of aviation services at airports through the brand Menzies Aviation, which management believes is the world's largest provider of ground handling and air cargo services by number of countries operated in, second largest by number of airports served, and third largest by revenues generated. APWC first began providing aviation services through NAS in 2003 when it was awarded a concession in Kuwait. Since that time, the Group's aviation services operations have grown from a local Kuwaiti company to a regional player with operations in more than 50 airports in 23 countries in 2019. In 2022, APWC acquired 100% of John Menzies PLC (formerly listed on the London Stock Exchange) to become a leading global service provider to airports and airlines. The Group expects the integration of NAS and Menzies, now completed, will deliver meaningful synergies and drive growth organically and inorganically to serve more airlines, in more airports with more services. This will be achieved as Menzies Aviation retains its leadership position in talent and technology, delivering world-class operating standards, sustainable and resilient operations.

Menzies provides ground handling services, cargo services, fuelling services, executive services and niche freight forwarding services. Following its merger with NAS, Menzies employs over 45,000 people, has operations in more than 265 airports in more than 55 countries, across six continents, which includes operations in more than 130 airports in the Americas, 50 in Europe, 55 in the Middle East, Africa and Asia and 25 in the Oceania and Southeast Asia region as of 31 December 2023.

The services offered by Menzies Aviation are:

- Ground handling services: passenger check-in, weight and balance, loading and off-loading of luggage from the aircraft, management of boarding gates, lost and found services, aircraft washing and cleaning, marshalling and supervision, aircraft pushback, and de-icing solutions.

- Cargo services: management of cargo warehouses at airports, loading and off-loading of cargo from the aircraft, mail handling.

- Fueling services: Fueling of commercial and private aircraft, fuel farm and hydrant systems management, equipment refuelling, and fuel logistics.

- Executive services: Construction and management of airport lounges, handling of private jets, cleaning and other services for private jets, general services for VIP passengers, and management of private jets terminals.

- Air Menzies International (AMI): Wholesale and niche freight forwarding services, management of cargo imports and exports, express cargo solutions, and cargo screening.

Moreover, in the provision of these services, Menzies completes on average more than 1.3 million aircraft turns and 3 million fuelling turns per year and handles more than 2 million tonnes of air cargo per year across its global cargo network and warehouses and depots. In relation to its fuel services, Menzies is one of the world's largest independent providers of into-plane fuelling services and fuel farm management for oil companies, airports, airlines and others.

Customer Experience

Many of the airports in which Menzies operates are regulated by 'open licensing regimes' and therefore the right to operate at those airports is not time-limited. At airports where concessions are awarded (largely Middle East, Africa, and South Asia), those concessions generally last between 5 and 20 years which enables Menzies to be the sole service provider, or one of a few service providers for that given airport.

On the other hand, Menzies has long-standing relationships with many of its airline customers. Although Menzies is not at significant risk to customer concentration as no single customer accounts for greater than 6% of the Group's aviation services revenue, it takes steps to mitigate the risk of dependence on key accounts and airline consolidation. For example, many of the contracts with Menzies' key customers are longer-term contracts, generally with three-to five-year terms. However, Menzies has both short-term and long-term contracts with its customers, which are reviewed periodically to evaluate profitability and efficiency. In its European, American and Australian operations, Menzies also has a number of multi-stational framework agreements in which it provide services at more than one airport or location for the same customer, many of which are with its larger customers. These agreements generally govern the global relationship between Menzies and its customers with the pricing terms generally covered on an airport-to-airport basis.

Most of Menzies' ground handling contracts follow IATA's Standard Ground Handling Agreement (the "**SGHA**"). The SGHA includes standard provisions related to cargo handling, passenger services, ramp services, load control, flight operations, cargo and mail services, support services, security and aircraft maintenance, and regulates standards of work, subcontracting, remuneration and liability and indemnity, among other things. This contract is an internationally recognised agreement that provides the basis for contracts between a commercially scheduled aviation operators and its ground handling agent. In addition, most of Menzies' fuelling contracts are based on International Air Transport Association ("**IATA**") Model Terms and Conditions for Aviation Fuel Supply. Menzies' ground handling contracts generally set fees per aircraft turnaround or per service performed, or in some cases, at a fixed monthly rate or cost-plus. Services provided under these contracts typically must meet certain specified service delivery standards, such as maximum delays for loading, cargo availability and documentation completion. While the duration of the contract can vary, most contracts are two or three years in duration and usually entail a "no-fault" termination clause with two to three months' notice by either party.

Fuel Logistics

The Group offers a market-leading fuel logistics business with a strong presence in the Middle East and Africa and an increasing presence in Latin America and Europe through Tristar, which is an integrated liquid logistics solutions provider to the energy industry globally and has grown to become one of the largest privately-owned liquid logistics companies in the Middle East. APWC first procured an ownership stake in Tristar in 2003 and the Group currently holds a 65.12% ownership stake in Tristar. Tristar also offers potential for further value creation as it could continue to expand its geographic footprint, continue to consolidate the fragmented fuel logistics industry as well as its potential to pay recurring and growing dividends.

In 2016, Tristar agreed to acquire 100% ownership of Abu Dhabi-based Emirates Ship Investment Company for US$90 million pursuant to which Tristar acquired a fleet of seven ocean going chemical tankers. In March 2022, to further increase its geographical presence, Tristar acquired a 51% ownership stake in Aquarius Energy for US$215 million, which owns a portfolio of storage assets that are spread across eight countries from Europe, the Americas, the Middle East and Africa. The acquisition of Aquarius Energy increased Tristar's operational presence to 29 countries globally, added in excess of three million cubic meters of fuel storage capacity to its portfolio and enabled Tristar to offer chemical storage services as well as downstream activities (e.g., retail services and retail storage). Following the acquisition of Aquarius Energy, Tristar's operations include nine terminals, over 80 operated fuel sites and over 2,000 transport assets.

Tristar employs over 2,400 people, including individuals from more than 30 nationalities, and designs and offers integrated logistics solutions for the energy industry through four key services: fuel supply (e.g., remote fuels, and commercial fuels), maritime logistics, road transport and warehousing ("**RTW**") and fuel farms. Within the remote fuel supply offering, Tristar is the largest fuel suppliers to the UN and also builds and operates fuel supply chains in remote regions to support peacekeeping missions, operating through remote sites through which it provides multi-modal logistics (e.g., air, sea, road and barge). Tristar's commercial fuel offering focuses on fuel and lubricants distribution in Africa, as well as retail fuels and commercial aviation refuelling and long-term concessions with airports. Tristar's maritime logistics business utilises its fleet of 35 ocean going and coastal vessels for the transport of clean petroleum products, liquefied natural gas, liquefied petroleum gas, chemicals and dry bulk commodities. Within the maritime logistics business, Tristar also charters vessels to oil and gas companies and provides coastal bunkering. Tristar's RTW business provides a range of liquid logistics solutions such as fuel and aviation bridging services and transportation and warehousing services, including the warehousing and distribution of dangerous goods and transportation of cryogenics and gases. Tristar's fuel farms business provides fuel storage services using over 80 operated fuel sites and its products include clean petroleum products and industrial chemicals,. Within its fuel farms business, Tristar also operates one of the largest fuel farms in the Pacific, a chemical storage terminal in the UAE, a fuel storage facility in Haiti, the operation of over 60 fuel farms for the UN and a fuel farm in Louisiana in the United States.

Customer Experience

Tristar enjoys continued recognition by its clients and authorities for consistently high-quality standards and a diversified and tailored service offering. Tristar is a trusted brand where safety is a key priority. Tristar is a partner of choice for its offering of integrated energy logistics solutions for a number of international blue-chip customers including Shell, BP, ExxonMobil, Chevron and Total and national oil companies such as Aramco, the Emirates National Oil Company ("**ENOC**") and the Abu Dhabi National Oil Company ("**ADNOC**"). Tristar applies a customer-centric business culture by delivering value-adding services and building a long-term relationship with each customer as well as onboarding new clients through its dedicated account managers. Tristar adopts international best practices in its safety management spearheaded by a dedicated health and safety committee to provide high quality and innovative solutions to its clients while maintaining stringent safety standards.

As a result of Tristar's operational excellence and strong reputation, it has achieved long-term customer loyalty with retention of all major customers for the past 20 years and repeat business from its "blue-chip" partners and with major multinational and national oil and gas companies and intergovernmental organisations, including Shell, BP, Total and ENOC, which have been customers of Tristar for over 15 years. Tristar also serves customers such as fast-moving consumer goods manufacturers and distributors, food and beverage companies, light industrial manufacturers, automobile manufacturers and distributors, oil and gas service providers and logistics companies. Tristar strives to be the partner of choice and places customer service and safety above all. It is Tristar's policy and commitment to provide services that meet and exceed customer expectations, thereby ensuring complete customer satisfaction. Sales tend to be concentrated to a select number of significant customers.

Intergovernmental Organisations and Governmental Entities

The Group’s intergovernmental organisations and government customers, including UN agencies, the US Defense Logistics Agency (as a subcontractor to APWC DGS Logistics Services Co. KSC(C), a subsidiary of the Group), the Guam Power Authority and the Uganda Civil Aviation Authority, account for a significant portion of the business and revenue for the Group’s fuel logistics business. Tristar’s customers also include companies that are wholly owned by governments such as ADNOC, ENOC, Oman Oil and Fly Dubai. In addition, Tristar supplies petroleum products (e.g., jet A1, diesel and, gasoline) and lubricants and provides associated support services to intergovernmental organisations in support of humanitarian operations in various countries.

Major Multinational Companies

Among Tristar’s customers are a number of major multinational companies including Shell, BP, Total, Chevron, Halliburton and Dow. Tristar provides these customers fully integrated services including fuel farm and terminal management, fuels, RTW services, and maritime logistics services.

Regional Oil Companies

Tristar also provides its RTW services to regional oil companies such as Aramco, ADNOC, ENOC and Oman Oil.

Supply

To enable increased efficiency with regards to its fuel network, Tristar has developed an efficient distribution network consisting of dispensing facilities and a fleet of company-owned and operated tank trucks, tailor-made marine and river barges, pushers (i.e., a boat that usually operates on rivers) and trailer utilised for landing craft. Tristar offers a fully integrated and unique logistics model. For example, Tristar’s fuels operations in South Sudan are supported by its RTW assets. Tristar ensures its safety and operational systems, procedures and practices meet the most stringent international standards and strives to exceed the expectations of its customers. In addition to in-house monitoring, Tristar also undergoes annual inspections of fuel sites, equipment and facilities by competent personnel from independent and renowned external agencies.

Logistics Parks

The Group maintains a real estate and logistics parks business that is a large private owner and developer of warehousing (including Class A warehousing) and light industrial parks, value-engineered with sustainable design features that lower costs and improve efficiency, in the Middle East, Africa and South Asia. The Group operates the logistics parks business under the name “Agility Logistics Parks”. Logistics Parks Development Holding Limited, which is headquartered in the UAE, is the holding company for the Agility Logistics Parks business and which, through its subsidiaries, operates in seven countries and funds, builds, leases and manages high quality, sustainably designed logistics services that include 24/7 security, power, connectivity and facilities management. The Group holds a 100% ownership stake in Logistics Parks Development Holding Limited and has 40 years of design, contracting, engineering, project management and facilities maintenance experience. Agility Logistics Parks has a strong growing presence across markets in Africa, the Middle East and Asia, including in Côte d'Ivoire, Ghana, Mozambique, Egypt, the UAE, Saudi Arabia and India.

Agility Logistics Parks owns approximately 680,000 square meters of warehousing and approximately 3.65 million square meters of industrial land. Its storage offering includes flexible solutions that are sized to meet a range of storage needs, including ready-built warehouses and light industrial units, built-to-suit facilities, open yards and ancillary facilities. APWC has deployed significant capital to fund major working capital investments to grow Agility Logistics Parks. As Agility Logistics Parks has generally been grown through capital expenditure, the Group is also considering expanding this business utilising methods that are more asset-light.

Customer Experience

Agility Logistics Parks has a diversified customer base consisting primarily of multi-national companies, local market leaders and small- and medium-sized businesses. Agility Logistics Parks has also served customers such as fast-moving consumer goods manufacturers and distributors, food and beverage companies, light industrial manufacturers, automobile manufacturers and distributors, oil and gas service providers and logistics companies.

Multi-national Companies

Agility Logistics Parks strives to lower the risk of emerging markets for its multi-national customers by lowering their capital costs and improving their efficiency and speed to market. Agility Logistics Parks offers its customers the option to select built-to-suit warehouses or utilise warehouses that are already built with both such types of warehouses expected to satisfy the high standards and expectations of its customers. It also seeks to provide efficient warehousing and distribution hubs that reduce the costs of its multi-national customers and provide them with an operational platform.

Local Market Leaders

Agility Logistics Parks provides export and growth platforms for successful companies looking to increase market share and enter new markets. This enables its local market leader customers to compete against multi-national entities as they may need access to international-standard warehousing facilities to expand their business without hidden costs.

Small and Medium-Sized Businesses

Agility Logistics Parks provides its small- and medium-sized business customers with stable, secure and efficient warehousing and industrial facilities needed to expand and grow. This allows these customers to save money and scale their operations in move-in-ready facilities where their space can grow and flex with them.

DSV

As a result of the sale of GIL in 2021, APWC acquired equity in DSV which currently amounts to a 9% stake and would represent the second largest shareholding in DSV. APWC established the DSV Investment Committee, a dedicated internal committee that is responsible for overseeing, managing and making decisions related to the Group's stake in DSV, and the Group intends to adopt a similar governance structure with respect to DSV.

Following its acquisition of GIL, DSV is a top three global third-party logistics provider. DSV, which is headquartered in Hedehusene, Denmark, operates in over 80 countries, employs more than 75,000 people and has the potential to increase its business organically. DSV is listed on Nasdaq Copenhagen and has received an A3 (stable) credit rating from Moody's Investors Service, Inc. and A- (stable) by S&P Global Ratings.

Other Operations

For information on the Group's other operations, investments and minority holdings and ventures, see "*Summary—Other Operations, Investments and Minority Shareholdings*"

Information Technology

Depending on their size, the Group Companies employ IT staff, who are mostly dedicated to its own endpoint support and/or maintenance of its own enterprise resource planning applications and/or supervision of its own remote branches/subsidiaries abroad.

In connection with the Reorganisation, APWC and the Group entered into the Transitional Services Agreements on or around the date of this Prospectus, pursuant to which APWC will provide limited services to the other on commercial terms and on an arms' length basis for a transitional period, effective from completion of the Reorganisation, including APWC sponsoring certain IT related employees until they are fully transitioned into the Group and the Group providing certain IT services to APWC. In parallel, the Group will provide the APWC Group with IT support services and certain IT infrastructure including access to certain technology applications and platforms.

Intellectual Property

The Group relies on tradename, trademark, copyright and trade secret laws, confidentiality procedures and contractual provisions where appropriate to protect its intellectual property rights. The Group has registered its own trademarks relating to its business in the countries in which it operates including the United States, the European Union, the United Kingdom, the Middle East and certain countries in Africa and the Asian Pacific. The Company believes that the enforcement and maintenance of its intellectual property rights (in particular its trademarks) is important for the successful development of its business. To date, these rights have mostly been in the name of APWC; however, as part of the IP assignment arrangements with APWC, APWC is now in the process of transferring these rights to a Group Company. See also "*Material Contracts—IP assignment arrangements*".

Because of the breadth and nature of the Group's intellectual property rights and its business, the Group does not believe that any single such licensed intellectual property right is material to its business. The Group is not aware of any threatened, proposed or actual proceedings that have or will be brought against the Group for infringement of third-party rights or any infringement of its rights by third parties that if successfully prosecuted would have a materially adverse effect on its business.

INDEBTEDNESS AND ENCUMBRANCES

The following table sets forth the Agility Global Group's total interest bearing loans as of the dates indicated.

	31 December	
	2023	**2022**
	USD 000's	
Total interest bearing loans	**3,218,153**	**616,010**

The increase in total interest bearing loans is mainly due to the new financing arrangements entered in 2023 (in particular the funded equity collar arrangements as described below).

Financing arrangements

Interest-bearing loans include financing facilities amounting to US$2,424 million as of 31 December 2023 drawn during the period in relation to the funded equity collar arrangements. The loans carry fixed interest in line with market rates and are secured against the quoted equity securities to the extent hedged. See also Note 20 of the 2023 Historical Financial Information and "*Material Agreements—Financing Agreements*".

Commitments and contingent liabilities

The table below presents a summary of the Agility Global Group's commitments as of the dates indicated.

	31 December	
	2023	**2022**
	USD 000's	
Letters of guarantee	355,749	335,255
Operating lease commitments	6,519	4,124
Capital commitments	33,336	85,626
Corporate guarantees	348,087	485,845
Total commitments	**743,691**	**910,850**

Corporate guarantees relate to the Reem Mall project. See also Notes 27 and 28 to the 2023 Historical Financial Information.

DIVIDEND POLICY

General

As set out in the Articles of Association, the Company may by ordinary resolution declare dividends but no dividend shall exceed the amount recommended by the Board. No dividend may be paid otherwise than in accordance with the Articles of Association.

The Board may pay interim dividends if it appears to the Board that they are justified by the profits of the Company available for distribution.

The tax legislation of the Shareholder’s tax jurisdiction or other relevant jurisdictions and of the UAE, being the tax jurisdiction of the Company, may have an impact on the income received from the Shares. For more information, see “*Taxation*”.

Dividend Policy

The Company’s ability to pay dividends is dependent on a number of factors, including the availability of distributable reserves, the Company’s capital expenditure plans, any future credit rating considerations and other cash requirements in future periods, and there is no assurance that the Company will pay dividends or, if a dividend is paid, what the amount of such dividend will be. See also “*Risk Factors—Risks Relating to the Shares and the Listing—There can be no assurance that dividends will be paid on the Shares*”.

Subject to the foregoing (and conditioned on Board and Shareholder approval), the Company is committed to paying dividends to its Shareholders going forward; such dividend payments will be part of its Shareholders' return realisation along with share price performance. Throughout 2024, the Company intends to pay to its Shareholders a dividend of US$130 million: the first semi-annual dividend of US$65 million will be paid out within one month after Listing; and the second semi-annual dividend of US$65 million will be paid out six months thereafter. For avoidance of doubt, the total amount of US$130 million dividend will cover both financial performances of full-year 2023 and first-half 2024. The payment of 2024 dividends will remain subject to Board recommendation and Shareholder approval.

Starting in 2025 and onwards, the Company intends to pay semi-annual dividends in April, for the six-month financial performance ending 31 December; and in October, for the six-month financial performance ending 30 June. The Company intends to pay a significant portion of its free cash flow in the form of semi-annual dividend subject to company outlook, financial performance, investments / M&A objectives and capital structure / leverage position, in addition to Board of Directors’ recommendation and Shareholders’ approval.

Uncollected Dividends

A claim for any declared dividend and other distributions lapses twelve years and one day after the date those dividends or distributions became payable. Any dividend or distribution that is not claimed within this period will be considered to have been forfeited to the Company.

RELATED PARTY TRANSACTIONS

Details of related party transactions entered into by members of the Group during the period covered by the financial information included in this Prospectus and up to the date of this Prospectus include those described in Note 28 to the Historical Financial Information, along with certain contracts set out in “*Material Agreements*” and the arrangements described below.

Several key subsidiaries of the Company are guarantors to APWC’s Existing Facilities. These facilities remain available to both APWC and the Company post Listing. In order to cover the period from listing to completion of the refinancing, the Company and APWC have entered the APWC Bridge Facility, whereby APWC has agreed that when the Company requests funds, APWC will initiate the required drawdown from the Existing Facilities to the Company via the APWC Bridge Facility, on back to back terms as those obtained under the Existing Facilities. The facilities under the Existing Facilities mature in 2026 and 2027, although those maturities can be extended at the borrower’s request, and subject to the lenders’ agreement.

A subsidiary of the Company has entered into counter-indemnities in favour of APWC and six banks that have historically provided bank guarantees for certain of the businesses now part of the Group. The relevant guarantees amount to approximately US$91 million. In addition, this subsidiary of the Company has also entered into a counter-indemnity in favour of APWC relating to two corporate guarantees issued by APWC for the benefit of lenders in respect of Reem Mall. These guarantees amount to approximately US$340 million (plus interest). These counter-indemnities will remain in force until the existing guarantees have been novated (or replaced) to Group Companies.

In April 2021, a subsidiary of the Company, as lender, entered into a revolving convertible secured loan facility with a subsidiary of APWC, as borrower, for purposes of new projects, working capital and other general corporate purposes, in a total amount up to KD 10,000,000. The facility has a maturity in April 2026, with the lender's option to convert principal amounts into common stock of the borrower, with interest on the amounts drawn at the discount rate of the Central Bank of Kuwait at the time of drawing, plus a margin of 4.0% per annum.

In April 2024, a subsidiary of the Company, as lender, has entered into a term committed facility with APWC, as borrower, in an amount equal to US$400,000,000, to be used by APWC for general corporate purposes. The facility has a maturity of 5 years with an option to extend (subject to the parties prior written approval) and with interest on the amounts drawn at term SOFR for the interest period, plus a variable margin at a 1% premium to the margin then paid by APWC for its similar tenor bank debt. The 1% premium is due to facility having some subordination characteristics.

LEGAL AND ARBITRATION PROCEEDINGS

Other than the proceedings described below, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), nor is the Company or any of the Group Companies aware of any such proceedings that may have, or have had, significant effects on the Company or the Group's financial position or profitability in the 12 months before the date of this Prospectus.

Dispute regarding development of Reem Mall

The contractor engaged for the development of Reem Mall have initiated claims against Al-Farwaniya Property Developments LLC ("**Al-Farwaniya**") on the basis that Al-Farwaniya unlawfully terminated the contractor for the project and fraudulently called the contractor's bonds, which resulted in significant losses, and that, prior to this termination, the contractor incurred costs that were not paid by Al-Farwaniya. Al-Farwaniya has raised a counterclaim for liquidated damages in respect of the contractor's delay to the project.

The claims are to be handled by means of arbitration. The arbitration tribunal has been constituted, and the case management conference was held on 20 September 2023 where the procedural timetable was agreed. In accordance with the timetable, the contractor submitted its statement of claim on 19 January 2024. Al-Farwaniya's statement of defence in response is due to be filed on 23 September 2024. Absent any extension, the final merits hearing will be held in the third quarter of 2025.

At this stage, it is too early to quantify the expected award, but Al-Farwaniya believes it will prevail in its counterclaim, such that the net result of the arbitration will be an award in its favour.

INSOLVENCY

No bankruptcy or insolvency lawsuits or inability to pay debts have arisen for the Company or the Group in the past two years.

ADGM NO OBJECTION

The ADGM Registration Authority has issued a certificate of no objection to the Listing in accordance with Article 33 of SCA Decision No. 11 of 2016 concerning the Regulation of Offering and Issuing Shares in Public Joint Stock Companies (as amended by the SCA Decision No. 25/RM/2020).

RISK FACTORS

Investing in and holding the Shares involves significant risk, including the following:

Risks Related to the Group's Business and Operations

- The Group may not be able to retain existing customers and tenants, renew or expand existing contracts or attract new customers and tenants which could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

- The Group is dependent on its reputation as a high-quality service provider and on positive recognition of its brands by existing and potential customers and tenants. As many of the Group's contracts involve the provision of services critical to the business operations of its customers and tenants, the failure or inability to meet a customer's expectations could have an adverse effect on such customer's operations, which, in turn, could ultimately damage the Group's reputation.

- The Company does not exercise control over the companies in which it has minority shareholdings, including DSV, and the market price, value and liquidity of its shareholdings could decrease, which could, in turn, have a material adverse impact on the Group's business, financial condition, results of operations and/or prospects.

- The Group may not be able to pass on to its customers and/or tenants its operating, maintenance and capital expenditure costs or to successfully recover such costs, which may have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

- Labour strikes, work stoppages and other labour disputes could have a material adverse effect on the Group's business operations.

- The Group is exposed to the risk of losses from damage caused to assets belonging to the Group or to third parties and from injury or death to individuals, and failure to maintain the Group's facilities adequately, which may have a material adverse effect on its business, financial condition, results of operations and/or prospects.

- Sales to intergovernmental organisations and government customers involve additional risks that could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

- The Group could experience a lower demand for its industrial and logistics property and a significant decline in occupancy rates may have an adverse impact on the Group's business, financial condition, results of operations and/or prospects.

- The Group is subject to the risk of tenants defaulting on their lease obligations or failing to renew their leases, which may have an adverse impact on the Group's business, financial condition, results of operations and/or prospects.

- The Group is subject to a wide variety of operational risks, and its insurance coverage may not be sufficient to cover all potential losses arising from operating hazards.

- Cyber security risks and the failure to maintain the confidentiality, integrity and availability of the Group's computer hardware, software and internet applications and related tools and functions, could result in damage to the Company's reputation and/or data integrity and/or subject it to costs, fines or lawsuits under data protection laws or other contractual requirements.

- Many of the Group's businesses depend on third parties for the provision of goods, logistics or other services, which they may fail to provide in a reliable or satisfactory manner and which could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.
- The Group's property portfolio is subject to third-party disputes and title challenges.
- The success of the Company and of the Group Companies has depended, and will continue to depend, partially upon their ability to attract and retain management personnel and employees, and the inability to attract and retain management personnel and employees could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.
- The Group's operations are subject to risks relating to criminal activity, fraud, bribery, theft and corruption.
- The Group's strategy includes pursuing merger and acquisition opportunities, whether of entire operating companies, acquiring strategic minority shareholdings, select assets or otherwise, which may result in significant transaction expenses and integration risks and which, in aggregate, could have a material adverse effect on the Company's business, financial condition, results of operations and/or prospects.
- If the Group does not deploy capital to, and manage, its subsidiaries, associates and minority shareholdings efficiently, its business, financial condition, results of operations and/or prospects may be adversely affected.
- The Group's operations could be adversely affected by risks related to climate change.

Risks Related to the Industry and Market of the Group

- The Group's international operations expose it to political, social and economic risks in foreign and developing countries.
- The Group operates in sectors that are highly competitive.
- Adverse economic and financial conditions, including as a result of commodity price fluctuations or events such as the COVID-19 pandemic, may have a significant impact on the industries in which the Group operates, which, in turn, could have a material adverse effect on the Group's business, financial condition, and results of operations and/or prospects.
- Material disruptions in the supply chain could adversely affect the Group's operations.

Risks Related to the Group's Structure and its Financial and Tax Position

- The Group has a decentralised organisational structure and depends on local management for reporting purposes, which could result in a failure of local management to report, a delay in reporting, or inaccurate reporting and could lead the Group to omit to take decisions or to take decisions on an uninformed basis.
- The Group may suffer material adverse effects on the business, results and financial condition if taxation rates or laws change.
- The Group's indebtedness and the terms of the finance documents may impair operational flexibility and limit the Group's ability to pay dividends in the absence of obtaining lender consent.

Legal and Regulatory Risks

- The Group is subject to various regulations in the countries in which it operates and is exposed to the risks resulting from changes to the regulatory environment, or a failure to comply with applicable laws, regulations, licensing requirements and codes of practice.

- The Group's international activities increase the compliance risk associated with economic and trade sanctions imposed by the United States, the European Union and other jurisdictions.

- The Group may not be able to obtain new licenses, certificates, leases and other authorisations or renew or retain its existing licenses, certificates, leases and authorisations which the Group requires to conduct its business.

- The Group may be involved in litigation or other proceedings that could adversely affect its business. Once the Distribution has completed, there can be no assurance that any of the parties in disputes against APWC or any shareholder or creditor of APWC or any relevant regulatory or governmental authority or third party would not seek to challenge the validity of the Distribution, either to seek to overturn it in full or to try to enforce any judgments rendered against APWC by attempting to seize assets of the Group.

- The Group is subject to certain risks relating to the management of the Foundation and its voting of the Shares of the Pending Eligible Shareholders.

Risks Related to the Distribution

- The Group may fail to realise any or all of the anticipated benefits of the Distribution.

- For a period following the Distribution, the Group will be reliant on the APWC Group for the provision of certain services and any disruption to such services could be costly and adversely affect the Group's business, financial condition, results of operations and/or prospects.

- Following the Distribution, the Company will need to operate as an independent publicly listed company and could require additional resources and/or incur unexpected costs as a result.

Risks Related to the Shares and the Listing

- There is currently no existing public trading market for the Shares, and an active and liquid trading market for the Shares may not develop or be sustained, and the trading price of the Shares may be volatile.

- There can be no assurance that dividends will be paid on the Shares.

- Future sales of Shares, or the perception such sales might occur, could depress the market price of the Shares.

- The Company may decide to issue and/or offer additional Shares in the future, diluting the interests of existing Shareholders and potentially materially and adversely affecting the market price of Shares.

- Following the Listing, APWC will continue to control the Company, and NREC and PIFSS will continue to be significant Shareholders in the Company, and their respective interests may differ from the interests of the Company's other shareholders.

The members of the Board, whose names are set out in this Prospectus, are jointly responsible for the integrity of data and information stated in the Prospectus, the listing application and other documents provided by the Company.

For and on behalf of Agility Global PLC
Name: Tarek Sultan, Chairman

Signature: ____________________

Date: ____________________

ARTICLES OF ASSOCIATION

Articles of Association

The Articles of Association and the ADGM Companies Regulations 2020, as amended (the "**Companies Regulations**") describe the rights and obligations associated with the ownership of the Shares in detail. The Articles of Association are attached to this Prospectus.

ARTICLES OF ASSOCIATION

PUBLIC COMPANY LIMITED BY SHARES

AGILITY GLOBAL PLC

Agility Global plc (the "Company") is a public company limited by shares incorporated in the Abu Dhabi Global Market ("ADGM"). It is not subject to United Arab Emirates ("UAE") Federal Law No. 32 of 2021 on commercial companies (as may be amended from time to time). The Securities and Commodities Authority in the UAE is not responsible for the content of these Articles of Association or the information contained herein. The Company is subject to the ADGM Companies Regulations 2020 (as may be amended from time to time) ("Companies Regulations") and other Applicable Law and regulation in the ADGM. The ADGM Registration Authority is responsible for the supervision and regulation of all public companies incorporated in the ADGM, including the Company, in relation to compliance with the Companies Regulations.

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PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

1. **Defined terms**

(1) In the Articles, unless the context requires otherwise:

"**Alternate**" or "**Alternate Director**" has the meaning given in article 27(1);

"**Appointor**" has the meaning given in article 27;

"**Articles**" means the Company's articles of association;

"**Authorised Share Capital**" means the authorised share capital of the Company with an amount of USD7,000,000,000, as may be amended from time to time in accordance with these Articles;

"**Board**" means the board of Directors of the Company;

"**Call**" has the meaning given in article 57;

"**Call Notice**" has the meaning given in article 57;

"**Certificate**" means a paper certificate evidencing a person's title to specified shares or other securities;

"**Certificated**" in relation to a Share, means that it is not an Uncertificated Share;

"**Chairman**" has the meaning given in article 12(1);

"**Chairman of the Meeting**" has the meaning given in article 33(4);

"**Companies Regulations**" means the Companies Regulations 2020;

"**Company's Lien**" has the meaning given in article 55(1);

"**Director**" means a director of the Company, and includes any person occupying the position of Director, by whatever name called;

"**Distribution Recipient**" has the meaning given in article 76(2);

"**Electronic Facility**" includes (without limitation) website addresses and conference call systems and any device, system, procedure, method or other facility providing an electronic means of attendance at and/or participation in a general meeting decided by the Board under these Articles and available in respect of that meeting;

"**Lien Enforcement Notice**" has the meaning given in article 56;

"**Major Shareholder**" has the meaning given in article 22(2);

"**Nomination and Remuneration Committee**" has the meaning given in article 6(3)

"**Shareholder**" means a person who is the holder of a Share;

"**Proxy Notice**" has the meaning given in article 40 (1);

"**Related Party**" means:

(a) a person or a close member of that person's family is related to a reporting entity if that person has control, joint control, or significant influence over the entity or is a member of its key management personnel; or

(a) an entity is related to a reporting entity if, among other circumstances, it is a parent, subsidiary, fellow subsidiary, associate, or joint venture of the reporting entity, or it is controlled, jointly controlled, or significantly influenced or managed by a person who is a related party;

"**Related Party Transactions**" means any contract, transaction or dealing (including (i) decisions relating to enforcement of rights, (ii) amendment, termination, renewal or extension (including automatic renewal or extension) of an agreement or arrangement, and (iii) a waiver of rights under an agreement or arrangement) between the Company and a Related Party;

"**Relevant System**" means a computer-based system and procedures, which enable title to a security to be evidenced and transferred without a certificate of title or any written instrument of transfer pursuant to the Uncertificated Securities Rule;

"**Shareholder Nominated Director**" has the meaning given in article 22(2);

"**Shares**" means shares in the Company;

"**Sunset Date**" means the date of listing of the Company on a reputable stock exchange (which for the avoidance of doubt shall include the Abu Dhabi Stock Exchange);

"**Transmittee**" means a person entitled to a share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law;

"**Uncertificated**" in relation to a share means that, by virtue of legislation (other than section 715 of the Companies Regulations) permitting title to Shares to be evidenced and transferred without a Certificate, title to that share is evidenced and may be transferred without a Certificate,;

"**Uncertificated Securities Rules**" means the Uncertificated Securities Rules 2021 (as may be amended from time to time); and

"**Vice Chairman**" has the meaning given to it in article 12(1).

(2) Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Regulations as in force on the date when these Articles become binding on the Company.

(3) In these Articles:

(a) the words "include" or "including" or similar expressions shall be deemed to be followed by "without limitation" or "but not limited to", whether or not they are followed by such phrases or words of like import;

(b) "bankruptcy" or "bankrupt" include individual insolvency proceedings in any jurisdiction;

(c) a "holder" of Shares means the person whose name is entered in the Company's register of members as the holder of such Shares;

(d) "ordinary resolution" and "special resolution" have the meanings given in sections 298 and 299, respectively, of the Companies Regulations;

(e) "paid" means paid or credited as paid;

(f) "fully paid" in relation to a Share, means that the issue price to be paid to the Company in respect of that Share has been paid to the Company;

(g) "partly paid" in relation to a Share means that part of that Share's issue price has not been paid to the Company;

(h) reference to a "person" means an individual, partnership, corporation (including a business trust), company, trust, unincorporated association, joint venture or other entity, whether a body corporate or an unincorporated association of persons, and "persons" shall be construed accordingly;

(i) the terms "holding company" and "subsidiary" shall each be construed in accordance with section 1015 of the Companies Regulations;

(j) “writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise (and references to “written” shall be construed accordingly);

(k) a reference to:

(i) a “document” includes, unless otherwise specified, any document sent or supplied in electronic form;

(ii) an “instrument” means a document in hard copy form; and

(iii) “electronic form” and “hard copy form” shall each be construed in accordance with section 1023 of the Companies Regulations.

2. **Liability of Shareholders**

The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares held by them.

3. **Exclusion of model articles**

(1) The relevant model articles (as defined in section 18 of the Companies Regulations) do not apply to the Company.

PART 2

BOARD

BOARD’S POWERS AND RESPONSIBILITIES

4. **Board’s general authority**

(1) Subject to the Articles, the Board is responsible for the management of the Company’s business, for which purpose it may exercise all the necessary powers and shall have extensive authority to manage the Company, including, subject to any limitations under the applicable laws, these Articles and the decisions of the general meeting, the authority to review and approve the Company’s budget and business plan, to dispose of and to mortgage and charge the Company’s moveable and immovable assets, to guarantee, to borrow money, to initiate or defend the Company in arbitrations, litigations or reconciliations and to make donations.

(2) The Chairman shall represent the Company before any third parties and the courts in addition to the Chairman’s other competencies pursuant to applicable laws and in these present Articles. In addition to the powers granted to the Chairman, each of the Vice-Chairman and chief executive officer shall be severally entitled to transact on behalf of the Company.

The Chairman shall implement the resolutions of the Board and shall abide by its recommendations.

5. **Board may delegate**

(1) Subject to the Articles, the Board may delegate any of the powers which are conferred on it under the Articles:

(a) to such person or committee;

(b) by such means (including by power of attorney);

(c) to such an extent;

(d) in relation to such matters or territories; and

(e) on such terms and conditions,

as it may decide.

(2) If the Board so specifies, any such delegation may authorise further delegation of the Board's powers by any person to whom they are delegated.

(3) The Board may revoke any delegation in whole or part, or alter its terms and conditions.

6. **Board Committees**

(1) Subject to the relevant Terms of Reference (as defined below), committees to which the Board delegates any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by the Board.

(2) The Board may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with the Articles (all such procedures, authorities, roles, responsibilities and other rules relating to a Board committee being that committee's terms of reference ("**Terms of Reference**").

(3) The Board shall at least have the following committees: (i) audit committee; and (ii) nomination and remuneration committee ("**Nomination and Remuneration Committee**"). The Board may establish any other committees as it deems necessary.

(4) In relation to each Board committee, the number of members and the manner of their appointment, removal, and replacement shall be specified in that committee's Terms of Reference.

7. **Management**

Subject to the Articles and based on the recommendation of the Nomination and Remuneration Committee, the Board shall appoint and may remove a chief executive officer and a chief financial officer. The Board shall have the power to determine the duties, responsibilities and the remuneration of the chief executive officer and the chief financial officer based on the recommendation of the Nomination and Remuneration Committee.

DECISION-MAKING BY THE BOARD

8. **Board Resolutions**

Decisions of the Directors may be taken:

(a) at a Board meeting; or

(b) in the form of a Directors' written resolution.

9. **Calling a Board meeting**

(1) The Chairman, or in the Chairman's absence, the Vice Chairman, may call, set the agenda for and chair a Board meeting.

(2) The Company secretary must call a Board meeting if a request in writing for a meeting is received in accordance with paragraph (1) above.

(3) A Board meeting is called by giving notice of the meeting to the Directors.

(4) Notice of any Board meeting must be given to each Director and his or her Alternate (if any) at least three (3) calendar days prior to the proposed date of such meeting. The notice of any Board meeting must indicate:

(a) its proposed date and time;

(b) where it is to take place; and

(c) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

(5) Notice of a Board meeting must be given to each Director in any written form including electronic form.

(6) Any Director may at any time waive the requirement that due notice of a Board meeting be given to him or her. The presence of a Director at a Board meeting will constitute automatic waiver by him or her of such requirement in respect of such Board meeting.

(7) Board meetings must be convened no less frequently than four (4) times per year (and at such other times following written request in accordance with this article 9).

(8) Breach of any of the provisions of this article 9 shall not affect the validity of any meeting of the Board at which all Directors are present nor shall it affect the validity of any written resolutions duly passed by the Directors without a meeting.

10. **Participation in Board meetings**

(1) Subject to the Articles, Directors participate in a Board meeting, or part of a Board meeting, when:

(a) The meeting has been called and takes place in accordance with the Articles; and

(b) it is held either:

(i) by telephone, video conferencing or other similar methods by means of which all persons participating in the meeting can at all times during such meeting hear and speak to each other; or

(ii) in person.

(2) If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

(3) The Directors may invite consultants or other persons to attend (as non-voting participants) a Board meeting at which input from any such consultants or other persons is required or desirable.

11. **Quorum for Board meetings**

(1) At a Board meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

(2) A quorum shall exist at a Board meeting if the majority of the total number of Directors are present or represented by an Alternate Director.

(3) If a quorum is not present at a Board meeting within one (1) hour following the commencement time specified in the notice, the meeting shall be adjourned and reconvened to discuss the same agenda. The Directors will be given at least forty-eight (48) hours’ notice of the reconvened meeting unless the majority of the Directors agree otherwise. At that reconvened meeting, the same quorum requirement shall apply.

12. **Chairing Board meetings**

(1) Subject to the Articles, the Board may have a:

(a) chairman of the Board (the "**Chairman**") who shall be one of the Directors and shall chair the Board meetings;

(b) vice-chairman of the Board ("**Vice Chairman**") who shall be one of the Directors (other than the Chairman) and shall chair Board meetings in the Chairman's absence,

and each of the Chairman and the Vice Chairman shall be elected by the Board through secret ballot.

(2) The Board may terminate the appointment of the Chairman or Vice Chairman at any time.

(3) If neither the Chairman nor the Vice Chairman is participating in a meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair the meeting.

13. **Voting at Board meetings: general rules**

(1) Subject to the Articles, a decision is taken at a Board meeting by a majority of the votes of the participating Directors at a quorate meeting.

(2) Subject to the Articles, each Director participating in a Board meeting has one vote.

(3) Subject to the Articles, if a Director has an interest in an actual or proposed transaction or arrangement with the Company:

(a) that Director and that Director's Alternate may not vote on any proposal relating to it; but

(b) this does not preclude the Alternate Director from voting in relation to that transaction or arrangement on behalf of another appointor who does not have such an interest.

14. **Chairman's casting vote at Board meetings**

(1) If the numbers of votes for and against a proposal are equal, the Chairman or the Vice Chairman (in the Chairman's absence or where the Chairman is conflicted) shall have a casting vote.

(2) But this does not apply if, in accordance with the Articles, the Chairman or Vice Chairman (as the case may be) is not to be counted as participating in the decision-making process for quorum or voting purposes.

15. **Alternate Director's voting at Board meetings**

A Director who is also an Alternate Director has an additional vote on behalf of each Appointor who is:

(a) not participating in a Board meeting; and

(b) would have been entitled to vote if they were participating in it.

16. **Conflicts of interest**

(1) Subject to applicable laws and the Articles, the Board may make rules of procedure for conflict of interest ("**Conflict of Interest Policy**") for participation and voting at Board meetings where a Director is interested in an actual or proposed transaction or arrangement with the Company or any of its subsidiaries.

(2) Subject to article 16(3) and the Conflict of Interest Policy, if a Board meeting, or part of a Board meeting, is concerned with an actual or proposed transaction or arrangement with the Company in which a Director is interested, that Director is not to be counted as participating in that meeting, or part of a meeting, for quorum or voting purposes.

(3) But if article 16(4) applies, a Director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in a decision at a Board meeting, or part of a Board meeting, relating to it for quorum and voting purposes.

(4) This paragraph applies when:

(a) The Company by ordinary resolution disapplies the provision of the Articles which would otherwise prevent a Director from being counted as participating in, or voting at, a Board meeting,

(b) the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest, or

(c) the Director's conflict of interest arises from a permitted cause

(5) For the purposes of this article, the following are permitted causes:

(a) guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries;

(b) subscription, or an agreement to subscribe, for Shares or other securities of the Company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such Shares or securities; and

(c) arrangements pursuant to which benefits are made available to employees and Directors or former employees and Directors of the Company or any of its subsidiaries which do not provide special benefits for Directors or former directors.

(6) Subject to article 16(7) and the Conflict of Interest Policy, if a question arises at a Board meeting as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chairman whose ruling in relation to any Director other than the Chairman is to be final and conclusive.

(7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairman, the question is to be decided by a decision of the Board at that meeting, for which purpose the Chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

17. **Proposing Directors' written resolutions**

(1) Only the Chairman or the Vice Chairman may propose a Directors' written resolution.

(2) The Company secretary must propose a written resolution if a Chairman or the Vice Chairman so requests pursuant to paragraph (1) above.

(3) A Directors' written resolution is proposed by giving notice of the proposed resolution to the Directors.

(4) Notice of a proposed Directors' written resolution must indicate:

(a) the proposed resolution; and

(b) the time by which it is proposed that the Directors should adopt it.

(5) Notice of a proposed Directors' written resolution must be given in writing to each Director.

(6) Any decision which a person giving notice of a proposed Directors' written resolution takes regarding the process of adopting that resolution must be taken reasonably in good faith.

18. **Adoption of Directors' written resolutions**

(1) A proposed Directors' written resolution is adopted when all the Directors who would have been entitled to vote on the resolution at a duly convened, held and constituted Board meeting have signed one or more

copies of it, provided that those Directors would have formed a quorum at such meeting.

(2) It is immaterial whether any Director signs the resolution before or after the time by which the notice proposed that it should be adopted.

(3) Once a Directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a Board meeting in accordance with the Articles.

(4) The Company secretary must ensure that the Company keeps a record, in writing, of all Directors' written resolutions for at least ten years from the date of their adoption.

19. **Board's discretion to make further rules**

Subject to the Articles, the Board may make any rule which it thinks fit about how it takes decisions, and about how such rules are to be recorded or communicated to Directors.

20. **Related Party Transactions**

Subject to applicable laws, Related Party Transactions are subject to the approval of the Board acting by simple majority unless such Related Party Transaction is reserved by applicable law or these Articles to the Shareholders.

APPOINTMENT OF DIRECTORS

21. **Methods of appointing Directors**

Subject to these Articles, any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director by:

(a) an ordinary resolution; or

(b) a decision of the Board.

22. **Appointment of Directors**

(1) The Board shall be comprised of five (5) Directors. The number of Directors comprising the Board may be increased or decreased pursuant to a vote of a simple majority of the Board.

(2) The Directors shall be elected by the general meeting from amongst proposed candidates nominated as follows:

(a) any person who is willing to act as a Director, and is permitted by law to do so, may nominate themselves as candidate for election as Directors;

(b) any Shareholder holding directly at least twenty per cent (20%) of the total number of issued Shares (or Shareholders together holding at least such number of Shares) ("**Major Shareholder**") may nominate one or more candidates for election as Directors ("**Shareholder Nominated Director**");

(c) the Nomination and Remuneration Committee may nominate one or more candidates for election as Directors;

provided that, any such nomination(s) made pursuant to (a), (b) or (c) above shall (i) be made by notice to the Company (by written notice addressed to the Board and containing a signed statement from the candidate in question confirming they are willing to stand for election) delivered to the Company at least twenty-five (25) calendar days prior to the date of the relevant annual general meeting to elect the Board at the end of the Director Appointment Period, (ii) any such notice shall include details of the experience and brief biographical details of the relevant candidate(s), provided that such details shall not be required in relation to existing Directors, and (iii) in case any such nomination(s) is made pursuant to (a) and (b), the Nomination and Remuneration Committee shall consider and evaluate the relevant candidate(s) pursuant to its Terms of Reference and the relevant candidate must be recommended by the Nomination and Remuneration Committee before being included in the election process referred to in these Articles;

Each candidate nominated in accordance with this article 22(2) shall be included in the Director election process referred to in these Articles other than to the extent that any such candidate is not entitled to serve as a Director by virtue of any express restriction contained in applicable law.

(3) In circumstances where the general meeting is to consider the appointment of any Directors, the following procedures shall apply:

(a) each candidate nominated or proposed for election shall be subject to a separate appointment resolution (each a "**Director Election Resolution**"). Director Election Resolutions shall only be approved in accordance with the procedures set out in this article 22 and not in any other manner.

(b) In relation to the Director Election Resolution(s) (taken together), every Shareholder shall be entitled to an aggregate number of votes equal to the number of Directors set out in article 22(1) multiplied by the number of votes to which the Shareholder's Shares are entitled ("**Shareholder Votes**"). The election process shall be made through secret voting.

(c) Every Shareholder shall be entitled to: (i) vote all of its Shareholder Votes in favour of only one Director Election Resolution; or (ii) distribute its Shareholder Votes among more than one Director Election Resolution in such manner as that Shareholder considers appropriate.

(d) The Board shall ensure that the procedures adopted at the general meeting in relation to the consideration of the Director Election Resolutions (i) enable Shareholders to allocate their Shareholder Votes among the Director Election Resolutions in any manner permitted by these Articles; and (ii) provide for the number of Shareholder Votes cast by each Shareholder to be verified to ensure that Shareholders do not cast more votes than their respective entitlements pursuant to these Articles. Such procedures may include separate polling cards issued to each Shareholder present at the meeting which list all candidates for election as separate Director Election Resolutions and enable the Shareholder to indicate the number of votes (if any) allocated to each separate Director Election Resolution.

(e) In the event that a Shareholder allocates more votes across the Director Election Resolutions than they are entitled to cast, the number of votes allocated to each Director Election Resolution by that Shareholder shall be reduced proportionately and any remaining fractions shall be rounded down to the nearest integer.

(f) The person(s) that shall be appointed Director(s) shall first be the person who, as compared to the rest of the Director Election Resolutions, receives the greatest number of "for" votes, and then shall second be the person who, as compared to the rest of the Director Election Resolutions, receives the second greatest number of "for" votes and so on until the number of Directors appointed equals (but in no circumstance exceeds) the number of Directors set out in article 22(1) (and any remaining candidates for appointment shall not be appointed). The relevant Director Election Resolutions shall be deemed to have been passed or rejected accordingly. Votes cast against a Director Election Resolution and votes withheld shall have no legal effect. No show of hands shall be taken on a Director Election Resolution.

23. Term

(1) Each Director shall serve for a three-year term starting on the date of the annual general meeting of the Company during which such Director is elected and ending on the third annual general meeting of the Company following the meeting during which such Director was elected (each period between an annual general meeting at which the Director is elected and the third annual general meeting thereafter being a "**Director Appointment Period**"). If for any reason, following the expiry of a

Director Appointment Period, a new Directors' election does not take place, the then incumbent Directors shall continue to manage and operate the Company until a new Board is elected.

(2) There shall not be a limit on the number of times any particular Director may be re-elected as a Director.

24. **Termination of Director's appointment**

(1) A person ceases to be a Director as soon as:

(a) such person fails to participate in four (4) consecutive meetings of the Board without a valid reason;

(b) that person ceases to be a Director by virtue of any provision of the Companies Regulations or is prohibited from being a Director by law;

(c) that person becomes bankrupt;

(d) a composition is made with that person's creditors generally in satisfaction of that person's debts;

(e) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months;

(f) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or

(g) notification is received by the Company from the Director that the Director is resigning from office as Director, and such resignation has taken effect in accordance with its terms.

(2) In the event that a vacancy arises on the Board during the Director Appointment Period:

(a) If the person that ceased to be a Director was a Shareholder Nominated Director, then the Shareholder or group of Shareholders, as the case may be, who nominated such Director will have the right (if still a Major Shareholder at the time the vacancy occurs) to nominate a replacement Director by written notice to the Company, and such nominated replacement Director shall be appointed by the Board; and

(b) In all other cases, the Board shall appoint a replacement Director pursuant to a vote of a simple majority of the Board, provided the replacement Director is recommended by the Nomination and Remuneration Committee.

(3) A replacement Director appointed pursuant to Article 24(2) shall hold office for the remainder of the Director Appointment Period. Accordingly, any such replacement Director shall hold office until the next annual general meeting at which the Board shall be elected pursuant to article 22.

25. **Directors' remuneration**

(1) Directors are entitled to such remuneration as the general meeting may determine for their services to the Company as Directors.

(2) The Board may determine the remuneration of the Directors for any other service which they undertake for the Company.

(3) Subject to the Articles, a Director's remuneration may:

(a) take any form; and

(b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.

(4) Unless the Board decides otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

26. **Directors' expenses**

The Company shall reimburse any reasonable expenses which the Directors properly incur in connection with their attendance at:

(a) meetings of the Board or Board committees;

(b) general meetings; or

(c) separate meetings of the holders of any class of shares or of debentures of the Company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

ALTERNATE DIRECTORS

27. **Appointment and removal of Alternates**

(1) Any Director (the "**Appointor**") may appoint as an alternate any other Director ("**Alternate**" or "**Alternate Director**"), or any other person approved by resolution of the Directors, to:

(a) exercise that Director's powers; and

(b) carry out that Director's responsibilities,

in relation to the taking of decisions by the Directors in the absence of the Alternate's Appointor.

(2) Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Board.

(3) The notice must:

(a) identify the proposed alternate; and

(b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.

28. Rights and responsibilities of Alternate Directors

(1) An alternate Director has the same rights, in relation to any Board meeting or Directors' written resolution, as the Alternate's Appointor.

(2) Except as the Articles specify otherwise, Alternate Directors—

(a) are deemed for all purposes to be Directors;

(b) are liable for their own acts and omissions;

(c) are subject to the same restrictions as their Appointors; and

(d) are not deemed to be agents of or for their Appointors.

(3) A person who is an alternate Director but not a Director:

(a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating); and

(b) may sign a written resolution (but only if it is not signed or to be signed by that person's Appointor).

No alternate may be counted as more than one Director for such purposes.

(4) An alternate Director is not entitled to receive any remuneration from the Company for serving as an alternate Director except such part of the Alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.

29. Termination of alternate directorship

An alternate Director's appointment as an alternate terminates:

(a) when the Alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

(b) on the occurrence in relation to the alternate of any event which, if it occurred in relation to the Alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;

(c) on the death of the Alternate's Appointor; or

(d) when the Alternate's Appointor's appointment as a Director terminates, except that an alternate's appointment as an alternate does not terminate when the Appointor retires by rotation at a general meeting and is then re-appointed as a Director at the same general meeting.

PART 3

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

30. Shareholders can call general meeting if not enough Directors

If:

(a) the Company has fewer than two Directors; and

(b) the Director (if any) is unable or unwilling to call a general meeting to do so,

then any Shareholder(s) holding at least twenty percent (20%) of the Company's share capital, may call a general meeting (or instruct the Company secretary to do so) for the purpose of appointing one or more Directors.

31. Attendance and speaking at general meetings

(1) Following resolution by the Board to call a general meeting, the Chairman or, in his or her absence, the Vice-Chairman, shall call, set the agenda for and chair each general meeting, which shall be convened:

(a) except as provided in article 32(3), by notifying the Shareholders no later than (i) twenty-one (21) calendar days prior to the proposed date of the annual general meeting; or (ii) fourteen (14) calendar days prior to the proposed date of the relevant general meeting; provided that, in each case, the meeting may be called on less than the relevant period of notice specified in (i) or (ii) if approved by the Shareholders in accordance with sections 324 or 356(2) of the Companies Regulations (as the case may be);

(b) on a Business Day; and

(c) at least once a year.

(2) The Company secretary, or in its absence, a proxy nominated by the Chairman from time to time, shall be responsible for, among other things, administering and documenting the business of a general meeting.

(3) General meetings shall be held:

(a) by telephone, video conferencing or other similar methods, by means of which all persons participating in the meeting can at all times during such meeting hear and speak to each other, and such participation shall constitute presence in person at such meeting; or

(b) in person.

(4) A person is able to exercise the right to participate and speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

(5) Without prejudice to article 22, a person is able to exercise the right to vote at a general meeting when:

(a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting;

(b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

(6) The Board may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to participate, attend, speak and vote at it including through any Electronic Facility.

(7) In determining attendance at a general meeting, it is immaterial whether any two or more shareholder attending it are in the same place as each other.

(8) The general meeting may not discuss matters that are not tabled on the agenda of the general meeting unless where an urgent matter arises

following the determination of the meeting agenda in accordance with these Articles, or was revealed during the general meeting or if the auditors or Shareholders holding Shares representing at least five percent (5%) or more of the Company's share capital so requested. If it appears during the general meeting that information about a specific matter is not sufficient, the general meeting can be adjourned for no more than 10 business days if Shareholders representing one quarter of the Company's share capital so request and the new meeting shall take place without the need to a new invitation.

32. **Quorum for general meetings**

(1) Subject to article 32(3) and due notice of a general meeting being given, a quorum shall exist at any general meeting of the Company if Shareholders holding at least a simple majority of the aggregate number of voting rights attaching to the entire issued share capital of the Company are present (in person or by proxy).

(2) No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

(3) If a quorum is not present at a general meeting of the Company within one (1) hour following the commencement time specified in the notice, the meeting shall be adjourned and reconvened to discuss the same agenda within at least seven (7) calendar days' and maximum thirty (30) calendar days from the date of the first meeting, unless otherwise indicated in the notice of the original meeting. At that reconvened meeting, a quorum shall exist if Shareholders holding:

(a) any number of Shares are present (in person or by proxy) in that meeting; or

(b) at least a one-third (1/3) of the aggregate number of voting rights attaching to the entire issued share capital of the Company are present (in person or by proxy), where one or more matters requiring a special resolution are tabled on the agenda of that meeting; provided that, at such reconvened meeting, a quorum shall be valid for attendance and voting purposes only in connection with any matters requiring an ordinary resolution.

33. **Chairing general meetings**

(1) The Chairman shall chair general meetings if present and willing to do so.

(2) If the Board has appointed a Vice-Chairman, and the Chairman is unwilling to chair the meeting or is not present within ten (10) minutes of the time at which a meeting was due to start, the Vice-Chairman shall chair the general meeting if present and willing to do so.

(3) If the Chairman or the Vice Chairman (as the case may be) is unwilling to chair the meeting or is not present within ten (10) minutes of the time at which a meeting was due to start:

(a) the Directors present; or

(b) if no Directors are present, the meeting

must appoint a Director or Shareholder to chair the meeting, and the appointment of the Chairman of the Meeting must be the first business of the meeting.

(4) The person chairing a meeting in accordance with this article is referred to as "**the Chairman of the Meeting**".

34. **Attendance and speaking by Directors and non-Shareholders**

(1) Directors may attend and speak at general meetings, whether or not they are Shareholders.

(2) The Chairman of the Meeting may permit other persons who are not:

(a) Shareholders of the Company; or

(b) otherwise entitled to exercise the rights of Shareholders in relation to general meetings, to attend and speak at a general meeting.

35. **Adjournment**

(1) The Chairman of the Meeting must adjourn a general meeting if:

(a) such adjournment is required pursuant to article 31(8) or article 32(3); or

(b) agreed by simple majority of the meeting.

(2) The Chairman of the Meeting may adjourn a general meeting at which a quorum is present if it appears to the Chairman of the Meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

(3) When adjourning a general meeting, the Chairman of the Meeting must:

(a) unless the original notice did not include the date and time of the adjourned meeting, either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Board; and

(b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

(4) Unless the notice of the original meeting states otherwise and subject to the Articles, if the continuation of an adjourned meeting is to take place more than 14 calendar days after it was adjourned, the Company must give at least 7 calendar days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):

(a) to the same persons to whom notice of the Company's general meetings is required to be given; and

(b) containing the same information which such notice is required to contain.

(5) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

36. Voting: general

(1) Subject to article 22, a resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles. A resolution put to the vote at a general meeting held by means of an Electronic Facility will be decided on a poll.

(2) If a matter is reserved by applicable law or these Articles to the Shareholders, any such matter shall, unless a higher majority is required by applicable law, require the approval of:

(a) an ordinary resolution at duly convened and quorate general meeting, and each Shareholder shall have such number of votes as is equal to the Shares held by such Shareholder, in respect of matters set out in SCHEDULE 1 of these Articles;

(b) a special resolution at duly convened and quorate general meeting, and each Shareholder shall have such number of votes as is equal to the Shares held by such Shareholder, in respect of matters set out in SCHEDULE 2 of these Articles; and

(c) in relation to the appointment of Directors, the Shareholders in accordance with article 22.

37. Errors and disputes

(1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at

which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

(2) Any such objection must be referred to the Chairman of the Meeting whose decision is final.

38. **Demanding a poll**

(1) Subject to article 36(1), a poll on a resolution may be demanded:

(a) in advance of the general meeting where it is to be put to the vote; or

(b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

(2) A poll may be demanded by:

(a) the Chairman of the Meeting;

(b) two or more Directors;

(c) two or more persons having the right to vote on the resolution; or

(d) a person or persons representing not less than one tenth of the total voting rights of all the Shareholders having the right to vote on the resolution.

(3) A demand for a poll may be withdrawn if:

(a) the poll has not yet been taken; and

(b) the Chairman of the Meeting consents to the withdrawal.

(4) This article 38 is without prejudice to the provisions of article 22.

39. **Procedure on a poll**

(1) Subject to the Articles, polls at general meetings must be taken when, where and in such manner as the Chairman of the Meeting directs.

(2) The Chairman of the Meeting may appoint scrutineers (who need not be Shareholders) and decide how and when the result of the poll is to be declared.

(3) The result of a poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded.

(4) A poll on:

(a) the election of the Chairman of the Meeting; or

(b) a question of adjournment, must be taken immediately.

(5) Other polls must be taken within 30 days of their being demanded.

(6) A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded.

(7) No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded.

(8) In any other case, at least seven (7) calendar days' notice must be given specifying the time and place at which the poll is to be taken.

40. **Content of Proxy Notices**

(1) Proxies may only validly be appointed by a notice in writing (a "**Proxy Notice**") which:

(a) states the name and address of the Shareholder appointing the proxy;

(b) identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;

(c) is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Board may determine; and

(d) is delivered to the Company in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.

(2) The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.

(3) Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

(4) Unless a proxy notice indicates otherwise, it must be treated as:

(a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and

(b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

41. Delivery of Proxy Notices

(1) Any notice of a general meeting must specify the address or addresses ("**Proxy Notification Address**") at which the Company or its agents will receive Proxy Notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.

(2) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.

(3) Subject to paragraphs (4) and (5), a proxy notice must be delivered to a proxy notification address not less than 48 hours before the general meeting or adjourned meeting to which it relates.

(4) In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a proxy notification address not less than 24 hours before the time appointed for the taking of the poll.

(5) In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the proxy notice must be delivered:

(a) in accordance with paragraph (3); or

(b) at the meeting at which the poll was demanded to the Chairman, secretary or any Director.

(6) An appointment under a proxy notice may be revoked by delivering a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given to a proxy notification address.

(7) A notice revoking a proxy appointment only takes effect if it is delivered before:

(a) the start of the meeting or adjourned meeting to which it relates; or

(b) (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll to which it relates.

(8) If a proxy notice is not signed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the Appointor's behalf.

42. **Amendments to resolutions**

(1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

(a) notice of the proposed amendment is given to the Company secretary in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and

(b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

(2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

(a) the Chairman of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and

(b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

(3) If the Chairman of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chairman of the Meeting's error does not invalidate the vote on that resolution.

43. **Corporate representatives**

(1) In accordance with section 341 of the ADGM Companies Regulations, a corporation which is a Shareholder may by resolution of its directors or other governing body authorise a person or persons to act as its representative or representatives at any general meeting of the Company.

(2) Section 349 of the Companies Regulations shall be deemed to also apply to a representative of a corporation (within the meaning of section 341 of those regulations) as if references in that section to a proxy were to both a proxy and such representative of a corporation.

RESTRICTIONS ON SHAREHOLDERS' RIGHTS

44. **No voting of shares on which money owed to Company**

No voting rights attached to a Share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, unless all amounts payable to the Company in respect of that Share have been paid.

APPLICATION OF RULES TO CLASS

MEETINGS

45. **Class meetings**

The provisions of the Articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of Shares.

PART 4

SHARES AND DISTRIBUTIONS

ISSUE OF SHARES

46. **Power of the Board to issue and allot Shares**

The Board will have the right to allot Shares in the Company, or to grant rights to subscribe for or to convert any security into Shares in the Company within the limits of the Authorised Share Capital.

47. **Powers to issue different classes of share**

(1) Subject to the Articles, but without prejudice to the rights attached to any existing share, the Company may issue Shares with such rights or restrictions as may be determined by ordinary resolution or, if no such resolution has been passed, or so far as the resolution does not make special provision, as the Board may decide subject to the Articles.

(2) The Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the Board may determine the terms, conditions and manner of redemption of any such Shares.

48. **Payment of commissions on subscription for Shares**

(1) The Company may pay any person a commission in consideration for that person:

(a) subscribing, or agreeing to subscribe, for Shares; or

(b) procuring, or agreeing to procure, subscriptions for Shares.

(2) Any such commission may be paid:

(a) in cash, or in fully paid or partly paid Shares or other securities, or partly in one way and partly in the other; and

(b) in respect of a conditional or an absolute subscription.

INTERESTS IN

SHARES

49. Company not bound by less than absolute interests

(1) Subject to paragraph (2) below, except as required by law, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or the Articles, the Company is not in any way to be bound by or recognise any interest in a Share other than the holder's absolute ownership of it and all the rights attaching to it.

(2) This article does not apply to a foundation established and registered in accordance with Foundations Regulations 2017.

SHARE CERTIFICATES

50. Certificates to be issued except in certain cases

(1) The Company must issue each Shareholder with one or more Certificates in respect of the shares which that Shareholder holds.

(2) This article does not apply to:

(a) Uncertificated Shares; or

(b) Shares in respect of which the Companies Regulations permit the Company not to issue a Certificate.

(3) Except as otherwise specified in the Articles, all Certificates must be issued free of charge.

(4) No Certificate may be issued in respect of Shares of more than one class.

(5) If more than one person holds a Share, only one Certificate may be issued in respect of it.

51. Contents and execution of Share Certificates

(1) Every Certificate must specify:

(a) in respect of how many Shares, of what class, it is issued;

(b) the issue price of those Shares;

(c) the amount paid up on them; and

(d) any distinguishing numbers assigned to them.

(2) Certificates must:

(a) have affixed to them the Company's common seal; or

(b) be otherwise executed in accordance with the Companies Regulations.

52. **Consolidated Share Certificates**

(1) When a Shareholders' holding of shares of a particular class increases, the Company may issue that Shareholder with:

(a) a single, consolidated Certificate in respect of all the Shares of a particular class which that Shareholder holds; or

(b) a separate Certificate in respect of only those Shares by which that Shareholders' holding has increased.

(2) When a Shareholders' holding of Shares of a particular class is reduced, the Company must ensure that the Shareholder is issued with one or more Certificates in respect of the number of Shares held by the Shareholder after that reduction. But the Company need not (in the absence of a request from the Shareholder) issue any new Certificate if:

(a) all the Shares which the Shareholder no longer holds as a result of the reduction; and

(b) none of the Shares which the Shareholder retains following the reduction, were, immediately before the reduction, represented by the same Certificate.

(3) A Shareholder may request the Company, in writing, to replace:

(a) the Shareholder's separate Certificates with a consolidated Certificate, or

(b) the Shareholder's consolidated Certificate with two or more separate Certificates representing such proportion of the Shares as the Shareholder may specify.

(4) When the Company complies with such a request it may charge such reasonable fee as the Board may decide for doing so.

(5) A consolidated Certificate must not be issued unless any Certificates which it is to replace have first been returned to the Company for cancellation.

53. **Replacement Share Certificates**

(1) If a Certificate issued in respect of a Shareholder's Shares is:

(a) damaged or defaced; or

(b) said to be lost, stolen or destroyed, that Shareholder is entitled to be issued with a replacement Certificate in respect of the same Shares.

(2) A Shareholder exercising the right to be issued with such a replacement Certificate:

(a) may at the same time exercise the right to be issued with a single Certificate or separate Certificates;

(b) must return the Certificate which is to be replaced to the Company if it is damaged or defaced; and

(c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Board decides.

SHARES NOT HELD IN CERTIFICATED FORM

54. Uncertificated Shares

(1) In this article, “**the Relevant Rules**” means:

(a) any applicable provision of the Companies Regulations and the Uncertificated Securities Rules about the holding, evidencing of title to, or transfer of Shares other than in Certificated form; and

(b) any applicable legislation, rules or other arrangements made under or by virtue of such provision.

(2) The provisions of this article have effect subject to the Relevant Rules.

(3) Any provision of the Articles which is inconsistent with the Relevant Rules must be disregarded, to the extent that it is inconsistent, whenever the Relevant Rules apply.

(4) Any Share or class of Shares of the Company may be issued or held on such terms, or in such a way, that:

(a) title to it or them is not, or must not be, evidenced by a Certificate; or

(b) it or they may or must be transferred wholly or partly without a Certificate.

(5) The Board has power to take such steps as it thinks fit in relation to:

(a) the evidencing of and transfer of title to Uncertificated Shares (including in connection with the issue of such Shares);

(b) any records relating to the holding of Uncertificated Shares;

(c) the conversion of Certificated Shares into Uncertificated Shares; or

(d) the conversion of Uncertificated Shares into Certificated Shares.

(6) The Company may by notice to the holder of a Share require that Share:

(a) if it is Uncertificated, to be converted into Certificated form; and

(b) if it is Certificated, to be converted into Uncertificated form, to enable it to be dealt with in accordance with the Articles.

(7) If:

(a) the Articles give the Board power to take action, or require other persons to take action, in order to sell, transfer or otherwise dispose of Shares; and

(b) Uncertificated shares are subject to that power, but the power is expressed in terms which assume the use of a Certificate or other written instrument,

the Board may take such action as is necessary or expedient to achieve the same results when exercising that power in relation to Uncertificated Shares.

(8) In particular, the Board may take such action as they consider appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an Uncertificated Share or otherwise to enforce a lien in respect of it.

(9) Unless the Board otherwise determine, Shares which a Shareholder holds in Uncertificated form must be treated as separate holdings from any Shares which that Shareholder holds in Certificated form.

(10) A class of Shares must not be treated as two classes simply because some Shares of that class are held in Certificated form and others are held in Uncertificated form.

PARTLY PAID SHARES

55. Company's Lien over partly paid Shares

(1) The Company has a lien (the "**Company's Lien**") over every share which is partly paid for any part of that Share's issue price which has not been paid to the Company, and which is payable immediately or at some time in the future, whether or not a Call Notice (as defined below) has been sent in respect of it.

(2) The Company's lien over a Share:

(a) takes priority over any third party's interest in that Share; and

(b) extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.

(3) The Board may at any time decide that a Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.

56. **Enforcement of the Company's Lien**

(1) Subject to the provisions of this article, if:

(a) a Lien Enforcement Notice (as defined below) has been given in respect of a Share; and

(b) the person to whom the notice was given has failed to comply with it, the Company may sell that Share in such manner as the Board decides.

(2) A Lien Enforcement Notice:

(a) may only be given in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;

(b) must specify the Share concerned;

(c) must require payment of the sum payable within 14 days of the notice;

(d) must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and

(e) must state the Company's intention to sell the Share if the notice is not complied with,

("**Lien Enforcement Notice**")

(3) Where Shares are sold under this article:

(a) the Board may authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser; and

(b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

(4) The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:

(a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice; and

(b) second, to the person entitled to the shares at the date of the sale, but only after the Certificate for the Shares sold has been surrendered to the Company for cancellation or a suitable indemnity has been given for any lost Certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the sale for any money payable in respect of the Shares after the date of the Lien Enforcement Notice.

(5) A statutory declaration by a Director or the Company secretary that the declarant is a Director or the Company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:

(a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and

(b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

57. **Call Notices**

(1) Subject to the Articles and the terms on which Shares are allotted, the Board may send a notice (a "**Call Notice**") to a Shareholder requiring the Shareholder to pay the Company a specified sum of money (a "**Call**") which is payable in respect of Shares which that Shareholder holds at the date when the Board decides to send the Call Notice.

(2) A Call Notice:

(a) may not require a Shareholder to pay a call which exceeds the total sum unpaid on that Shareholder's Shares;

(b) must state when and how any Call to which it relates it is to be paid; and

(c) may permit or require the Call to be paid by instalments.

(3) A Shareholder must comply with the requirements of a Call Notice, but no Shareholder is obliged to pay any call before fourteen (14) calendar days have passed since the notice was sent.

(4) Before the Company has received any Call due under a Call Notice the Board may:

(a) revoke it wholly or in part; or

(b) specify a later time for payment than is specified in the notice, by a further notice in writing to the Shareholder in respect of whose Shares the Call is made.

58. **Liability to pay Calls**

(1) Liability to pay a Call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid.

(2) Joint holders of a Share are jointly and severally liable to pay all Calls in respect of that Share.

(3) Subject to the terms on which Shares are allotted, the Board may, when issuing shares, provide that Call Notices sent to the holders of those Shares may require them:

(a) to pay Calls which are not the same; or

(b) to pay Calls at different times.

59. **When Call Notice need not be issued**

(1) A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share:

(a) on allotment;

(b) on the occurrence of a particular event; or

(c) on a date fixed by or in accordance with the terms of issue.

(2) But if the due date for payment of such a sum has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a Call Notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

60. **Failure to comply with Call Notice: automatic consequences**

(1) If a person is liable to pay a Call and fails to do so by the Call Payment Date:

(a) the Board may issue a notice of intended forfeiture to that person; and

(b) until the Call is paid, that person must pay the Company interest on the Call from the Call Payment Date at the Relevant Rate.

(2) For the purposes of this article:

(a) the "**Call Payment Date**" is the time when the Call Notice states that a Call is payable, unless the Board gives a notice specifying a later date, in which case the "Call Payment Date" is that later date;

(b) the "**Relevant Rate**" is:

(i) the rate fixed by the terms on which the Share in respect of which the Call is due was allotted;

(ii) such other rate as was fixed in the Call Notice which required payment of the Call, or has otherwise been determined by the Board; or

(iii) if no rate is fixed in either of these ways, five percent (5%) per annum.

(3) The Board may waive any obligation to pay interest on a Call wholly or in part.

61. **Notice of intended forfeiture**

A notice of intended forfeiture:

(a) may be sent in respect of any Share in respect of which a Call has not been paid on the Call Payment Date as required by a Call Notice;

(b) must be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;

(c) must require payment of the Call and any accrued interest by a date which is not less than fourteen (14) calendar days after the date of the notice;

(d) must state how the payment is to be made; and

(e) must state that if the notice is not complied with, the Shares in respect of which the Call is payable will be liable to be forfeited.

62. **Board's power to forfeit Shares**

If a notice of intended forfeiture is not complied with on or before the date by which payment of the Call is required in the notice of intended forfeiture, the Board may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.

63. **Effect of forfeiture**

(1) Subject to the Articles, the forfeiture of a share extinguishes:

(a) all interests in that Share, and all claims and demands against the Company in respect of it; and

(b) all other rights and liabilities incidental to the Share as between the person whose share it was prior to the forfeiture and the Company.

(2) Any Share which is forfeited in accordance with the Articles:

(a) is deemed to have been forfeited when the Board decides that it is forfeited;

(b) is deemed to be the property of the Company; and

(c) may be sold, re-allotted or otherwise disposed of as the Board thinks fit.

(3) If a person's Shares have been forfeited:

(a) the Company must send that person notice that forfeiture has occurred and record it in the register of members;

(b) that person ceases to be a Shareholder in respect of those Shares;

(c) that person must surrender the Certificate for the Shares forfeited to the Company for cancellation;

(d) that person remains liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and

(e) the Board may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.

(4) At any time before the Company disposes of a forfeited Share, the Board may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit.

64. **Procedure following forfeiture**

(1) If a forfeited Share is to be disposed of by being transferred, the Company

may receive the consideration for the transfer and the Board may authorise any person to execute the instrument of transfer.

(2) A statutory declaration by a Director or the Company secretary that the declarant is a Director or the Company secretary and that a Share has been forfeited on a specified date:

(a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and

(b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

(3) A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.

(4) If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which:

(a) was, or would have become, payable; and

(b) had not, when that Share was forfeited, been paid by that person in respect of that Share, but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.

65. **Surrender of shares**

(1) A Shareholder may surrender any Share:

(a) in respect of which the Board may issue a notice of intended forfeiture;

(b) which the Board may forfeit; or

(c) which has been forfeited.

(2) The Board may accept the surrender of any such Share.

(3) The effect of surrender on a Share is the same as the effect of forfeiture on that Share.

(4) A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited.

TRANSFER AND TRANSMISSION OF SHARES

66. Transfers of Certificated Shares

(1) Certificated Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Board, which is executed by or on behalf of:

(a) the transferor; and

(b) if any of the Shares is partly paid, the transferee.

(2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share.

(3) The Company may retain any instrument of transfer which is registered.

(4) The transferor remains the holder of a Certificated Share until the transferee's name is entered in the register of members as holder of it.

(5) The Board may refuse to register the transfer of a Certificated Share if:

(a) the Share is not fully paid;

(b) the transfer is not lodged at the Company's registered office or such other place as the Board has appointed;

(c) the transfer is not accompanied by the Certificate for the Shares to which it relates, or such other evidence as the Board may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf;

(d) the transfer is in respect of more than one class of Share; or

(e) the transfer is in favour of more than four transferees.

(6) If the Board refuses to register the transfer of a Share, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

67. Transfer of Uncertificated Shares

All transfers of Shares which are in Uncertificated form shall be effected by means of a Relevant System unless the Uncertificated Securities Rules provide otherwise.

68. Transmission of Shares

(1) If title to a Share passes to a Transmittee, the Company may only recognise the Transmittee as having any title to that Share.

(2) Nothing in these Articles releases the estate of a deceased Shareholder

from any liability in respect of a Share solely or jointly held by that Shareholder.

(3) Subject to applicable laws, the Board may make rules which provide for title of Shares to be evidenced and transferred without a written instrument where the entitlement of a Transmittee to a Share is proved to the satisfaction of the Board; provided that, the Board shall within two months after proof cause the entitlement of that Transmitee to be noted in the register of members.

69. **Transmittees' rights**

(1) A Transmittee who produces such evidence of entitlement to Shares as the Board may properly require:

(a) may, subject to the Articles, choose either to become the holder of those Shares or to have them transferred to another person; and

(b) subject to the Articles, and pending any transfer of the Shares to another person, has the same rights as the holder had.

(2) But Transmittees do not have the right to attend or vote at a general meeting in respect of Shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those Shares.

70. **Exercise of Transmittees' rights**

(1) Transmittees who wish to become the holders of Shares to which they have become entitled must notify the Company in writing of that wish.

(2) If the share is a Certificated Share and a Transmittee wishes to have it transferred to another person, the Transmittee must execute an instrument of transfer in respect of it.

(3) If the Share is an Uncertificated Share and the Transmittee wishes to have it transferred to another person, the Transmittee must:

(a) procure that all appropriate instructions are given to effect the transfer; or

(b) procure that the Uncertificated Share is changed into Certificated form and then execute an instrument of transfer in respect of it.

(4) Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the Transmittee has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.

71. **Transmittees bound by prior notices**

If a notice is given to a Shareholder in respect of Shares and a Transmittee is entitled to those Shares, the Transmittee is bound by the notice if it was given to the Shareholder before the Transmittee's name has been entered in the register of members.

72. **Untraced Shareholders**

(1) The Company may sell any Shares in the Company on behalf of the holder of, or person entitled by transmission to, the Shares at the best price reasonably obtainable at the time of sale if:

(a) the Shares have been in issue either in Certificated or Uncertificated form throughout the Qualifying Period and at least three cash dividends have become payable on the Shares during the Qualifying Period;

(b) no cash dividend payable on the Shares has either been claimed by presentation to the paying bank of the relevant cheque or warrant or been satisfied by the transfer of funds to a bank account designated by the holder of, or person entitled by transmission to, the Shares or by the transfer of funds by means of a relevant system at any time during the Relevant Period;

(c) the Company has sent a notice to the holder of, or person entitled by transmission to, the Shares at his or her registered address (or at his or her last known address) stating the Company's intention to sell the Shares in accordance with this article and a period of three months has elapsed from the date the intended sale notice is sent;

(d) before sending the intended sale notice referred to in article 72(1)(c), the Company made tracing enquiries (including but not limited to, advertisement in a newspaper having an appropriate circulation) for the purposes of contacting the holder of, or person entitled by transmission to, the Shares which the Board considers to be reasonable and appropriate in the circumstances; and

(e) so far as any Director of the Company at the end of the Relevant Period is then aware, the Company has not at any time during the Relevant Period received any communication from the holder of, or person entitled by transmission to, the Shares.

(2) The Company shall also be entitled to sell at the best price reasonably obtainable at the time of sale any additional Shares in the Company issued either in Certificated or Uncertificated form during the Qualifying Period

in right of any Share to which paragraph (1) of this article applies (or in right of any Share so issued), if the criteria in paragraph (1)(b) to (e) are satisfied in relation to the additional Shares.

(3) To give effect to any sale of Shares pursuant to this article the Board may authorise any Director or any individual appointed by the Board to transfer the Shares in question and an instrument of transfer signed by that person shall be as effective as if it had been signed by the holder of, or person entitled by transmission to, the Shares. The purchaser shall not be bound to see to the application of the purchase moneys nor shall the purchaser's title to the Shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of sale shall belong to the Company and, upon their receipt, the Company shall become indebted to the former holder of, or person entitled by transmission to, the Shares for an amount equal to the net proceeds unless and until forfeited under this article. No trust shall be created in respect of the debt and no interest shall be payable in respect of it and the Company shall not be required to account for any moneys earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. If no valid claim for the money has been received by the Company during a period of six years from the date on which the relevant shares were sold by the Company under this article, the money will be forfeited and will belong to the Company.

(4) No communication received by the Company:

(a) in relation to any untraced Shares more than three months following the sending of the intended sale notice referred to in paragraph (1)(c) of this article will prevent the Company from selling them under this article; or

(b) from any person other than the holder of, or person entitled by transmission to, the Shares will prevent the Company from selling the Shares of that holder or person entitled by transmission under this article.

(5) For the purpose of this article:

(a) "**Qualifying Period**" means the period of 12 years immediately preceding the sending of an intended sale notice referred to in paragraph (1)(c) of this article; and

(b) "**Relevant Period**" means the period beginning at the commencement of the Qualifying Period and ending on the date three months following the sending of an intended sale notice referred to in paragraph (1)(c) of this article.

CONSOLIDATION OF SHARES

73. Procedure for disposing of fractions of Shares

(1) This article applies where:

(a) there has been a consolidation or division of Shares; and

(b) as a result, Shareholders are entitled to fractions of Shares.

(2) The Board may:

(a) sell the Shares representing the fractions to any person including the Company for the best price reasonably obtainable;

(b) in the case of a Certificated Share, authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser; and

(c) distribute the net proceeds of sale in due proportion among the holders of the Shares.

(3) Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the Board, that Shareholder's portion may be distributed to an organisation which is a charity for the purposes of the laws of the Abu Dhabi.

(4) The person to whom the Shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.

(5) The transferee's title to the Shares is not affected by any irregularity in or invalidity of the process leading to their sale.

DISTRIBUTIONS

74. Procedure for declaring dividends

(1) The Company may by ordinary resolution declare dividends, and the Board may decide to pay interim dividends.

(2) A dividend must not be declared unless the Board has made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Board.

(3) No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights.

(4) Unless the Shareholders' resolution to declare or Board's decision to pay a dividend, or the terms on which Shares are issued, specify otherwise, it must be paid by reference to each Shareholder's holding of Shares on the date of the resolution or decision to declare or pay it.

(5) If the Company's share capital is divided into different classes, no interim dividend may be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

(6) The Board may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

(7) If the Directors act in good faith, they do not incur any liability to the holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on Shares with deferred or non-preferred rights.

75. **Calculation of dividends**

(1) Except as otherwise provided by the Articles or the rights attached to Shares, all dividends must be:

(a) declared and paid according to the amounts paid up on the Shares on which the dividend is paid; and

(b) apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid.

(2) If any Share is issued on terms providing that it ranks for dividend as from a particular date, that Share ranks for dividend accordingly.

(3) For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a Share in advance of the due date for payment of that amount.

76. **Payment of dividends and other distributions**

(1) Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be paid by one or more of the following means:

(a) transfer to a bank account specified by the Distribution Recipient either in writing or as the Board may otherwise decide;

(b) sending a cheque made payable to the Distribution Recipient by post to the Distribution Recipient at the Distribution Recipient's registered address (if the Distribution Recipient is a holder of the Share), or (in any other case) to an address specified by the Distribution Recipient either in writing or as the Board may otherwise decide;

(c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the Board may otherwise decide; or

(d) any other means of payment as the Board agree with the Distribution Recipient either in writing or by such other means as the Board decide.

(2) In the Articles, the "**Distribution Recipient**" means, in respect of a Share in respect of which a dividend or other sum is payable:

(a) the holder of the Share;

(b) if the Share has two or more joint holders, whichever of them is named first in the register of members; or

(c) if the holder is no longer entitled to the Share by reason of death or bankruptcy, or otherwise by operation of law, the Transmittee.

77. **Deductions from distributions in respect of sums owed to the Company**

(1) If:

(a) a Share is subject to the Company's Lien; and

(b) the Board is entitled to issue a Lien Enforcement Notice in respect of it,

they may, instead of issuing a Lien Enforcement Notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the Company in respect of that Share to the extent that they are entitled to require payment under a Lien Enforcement Notice.

(2) Money so deducted must be used to pay any of the sums payable in respect of that Share.

(3) The Company must notify the Distribution Recipient in writing of—

(a) the fact and amount of any such deduction;

(b) any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction; and

(c) how the money deducted has been applied.

78. **No interest on distributions**

The Company may not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by:

(a) the terms on which the Share was issued; or

(b) the provisions of another agreement between the holder of that Share and the Company.

79. **Unclaimed distributions**

(1) All dividends or other sums which are:

(a) payable in respect of Shares; and

(b) unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the Board for the benefit of the Company until claimed.

(2) The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

(3) If:

(a) twelve years have passed from the date on which a dividend or other sum became due for payment; and

(b) the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

80. **Non-cash distributions**

(1) Subject to the terms of issue of the Share in question, the Company may, by ordinary resolution on the recommendation of the Board, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, Shares or other securities in any company).

(2) If the Shares in respect of which such a non-cash distribution is paid are Uncertificated, any Shares in the Company which are issued as a non-cash distribution in respect of them must be Uncertificated.

(3) For the purposes of paying a non-cash distribution, the Board may make whatever arrangements it thinks fit, including, where any difficulty arises regarding the distribution:

(a) fixing the value of any assets;

(b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

(c) vesting any assets in trustees.

81. **Waiver of distributions**

Distribution Recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect, but if:

(a) the Share has more than one holder; or

(b) more than one person is entitled to the Share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the Share.

CAPITALISATION OF PROFITS

82. **Authority to capitalise and appropriation of Capitalised Sums**

(1) Subject to the Articles, the Board may, if they are so authorised by an ordinary resolution:

(a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of any of the Company's reserves or funds, including but not limited to, the capital redemption reserve; and

(b) appropriate any sum which they so decide to capitalise (a "**Capitalised Sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**Persons Entitled**") and in the same proportions.

(2) Capitalised Sums must be applied:

(a) on behalf of the persons entitled; and

(b) in the same proportions as a dividend would have been distributed to them.

(3) Any Capitalised Sum may be applied in paying up new Shares of an issue price equal to the Capitalised Sum which are then allotted credited as fully paid to the Persons Entitled or as they may direct.

(4) A Capitalised Sum which was appropriated from profits available for distribution may be applied:

(a) in or towards paying up any amounts unpaid on existing Shares held by the Persons Entitled; or

(b) in paying up new debentures of the Company which are then allotted credited as fully paid to the Persons Entitled or as they may direct.

(5) Subject to the Articles, the Board may:

(a) apply Capitalised Sums in accordance with paragraphs (3) and (4) partly in one way and partly in another;

(b) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this article (including the issuing of fractional Certificates or the making of cash payments); and

(c) authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of Shares and debentures to them under this article.

EMPLOYEES’ SHARE SCHEME

83. **Employees’ Share Scheme**

(1) In order to maintain the qualified employees working for the Company and promote their loyalty, the Board is entitled to create a system called the “employee share purchase plan”. The Board shall determine the rules governing any employee share purchase plan, provided that:

(a) the annual report of the Board submitted to the Shareholders shall include occupational posts that can benefit from the program and the number of Shares designated for each occupational post; and

(b) the employee share purchase plan and the program thereof shall be presented to the general meeting for approval.

(2) To meet the Company’s obligations by means of the “employee share purchase plan”, the Company’s capital may be increased for the implementation of said plan.

PART 5

MISCELLANEOUS PROVISIONS

COMMUNICATIONS

84. Means of communication to be used

(1) Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Companies Regulations provides for documents or information which are authorised or required by any provision of the Companies Regulations to be sent or supplied by or to the Company. In particular but without limitation, the Company may send or supply documents or information to Shareholders: (a) in electronic form; (b) advertisement in a newspaper having an appropriate circulation; or (c) by making them available on a website, in each case subject to compliance with the Companies Regulations.

(2) Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by the Board may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.

(3) A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than forty-eight (48) hours.

85. Failure to notify contact details

(1) If:

(a) the Company sends two consecutive documents to a Shareholder over a period of at least twelve (12) months; and

(b) each of those documents is returned undelivered, or the Company receives notification that it has not been delivered,

that Shareholder ceases to be entitled to receive notices from the Company.

(2) A Shareholder who has ceased to be entitled to receive notices from the Company becomes entitled to receive such notices again by sending the Company:

(a) a new address to be recorded in the register of members; or

(b) if the Shareholder has agreed that the Company should use a means of communication other than sending things to such an address, the information that the Company needs to use that means of communication effectively.

ADMINISTRATIVE ARRANGEMENTS

86. **Company seals**

(1) Any common seal may only be used by the authority of the Board.

(2) The Board may decide by what means and in what form any common seal is to be used.

(3) Unless otherwise decided by the Board, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

(4) For the purposes of this Article, an authorised person is—

(a) any Director of the Company;

(b) the Company secretary; or

(c) any person authorised by the Board for the purpose of signing documents to which the common seal is applied.

(5) If the Company has an official seal for use abroad, it may only be affixed to a document if its use on that document, or documents of a class to which it belongs, has been authorised by a decision of the Board.

87. **Destruction of documents**

(1) The Company is entitled to destroy:

(a) all instruments of transfer of Shares which have been registered, and all other documents on the basis of which any entries are made in the register of members, from six years after the date of registration;

(b) all dividend mandates, variations or cancellations of dividend mandates, and notifications of change of address, from two years after they have been recorded;

(c) all Share Certificates which have been cancelled from one year after the date of the cancellation;

(d) all paid dividend warrants and cheques from one year after the date of actual payment; and

(e) all Proxy Notices from one year after the end of the meeting to which the proxy notice relates.

(2) If the Company destroys a document in good faith, in accordance with the Articles, and without notice of any claim to which that document may be relevant, it is conclusively presumed in favour of the Company that—

(a) entries in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed were duly and properly made;

(b) any instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;

(c) any Share Certificate so destroyed was a valid and effective Certificate duly and properly cancelled; and

(d) any other document so destroyed was a valid and effective document in accordance with its recorded particulars in the books or records of the Company.

(3) This article does not impose on the Company any liability which it would not otherwise have if it destroys any document before the time at which this article permits it to do so.

(4) In this article, references to the destruction of any document include a reference to its being disposed of in any manner.

88. **No right to inspect accounts and other records**

Except as provided by law or authorised by the Board or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Shareholder.

89. **Provision for employees on cessation of business**

The Board may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a Director or former Director or shadow Director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

DIRECTORS' INDEMNITY AND INSURANCE

90. **Indemnity**

(1) Subject to paragraph 90(2), a Relevant Director or an Associated Company may be indemnified out of the Company's assets against:

(a) any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an Associated Company;

(b) any liability incurred by that Director in connection with the activities of the Company or an Associated Company in its capacity as a trustee of an occupational pension scheme (as defined in section 222(6) of the Companies Regulations); or

(c) any other liability incurred by that Director as an officer of the Company or an Associated Company.

(2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Regulations or by any other provision of law.

(3) In this article:

(a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate ("**Associated Company**"); and

(b) a "**Relevant Director**" means any Director or former Director of the Company or an Associated Company.

91. **Insurance**

(1) The Board may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Director in respect of any Relevant Loss.

(2) In this article:

(a) a "**Relevant Director**" means any Director or former Director of the Company or an Associated Company;

(b) a "**Relevant Loss**" means any loss or liability which has been or may be incurred by a Relevant Director in connection with that Director's duties or powers in relation to the Company, any Associated Company or any pension fund or employees' share scheme of the Company or Associated Company; and

(c) "**Associated Company**" has the meaning given to it in article 90 (3)(a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

SCHEDULE 1
MATTERS REQUIRING ORDINARY RESOLUTION

1. Approval of the Board's report about the Company's activity and its financial position for the ending financial year;

2. Approval of the auditor's report for the Company's financial statements;

3. Approval of the report of any violations monitored by any regulatory body and concerning which penalties were imposed on the Company;

4. Approval of the Company's annual financial statements;

5. Approving the proposal of the Board relating to distribution of dividends;

6. Discharge of the Board's liability;

7. Electing the Directors;

8. Appointment of the Company's auditors and determining their fees or delegating the Board to do so; and

9. Any other matter that is not within the Board authorities and does not require a special resolution pursuant to the Companies Regulations or these Articles.

SCHEDULE 2
MATTERS REQUIRING SPECIAL RESOLUTION

1. Amendments to the articles of association of the Company;

2. Sale of all or substantially all of the assets of the Company (on a consolidated basis) or otherwise disposing of them;

3. Liquidation or winding up of the Company, or its merger into (or consolidation or amalgamation with) any other person;

4. Reduction of, or increase in (subject to article 46), the share capital of the Company; and

5. Any other matter referred to in the Companies Regulations or in these Articles as requiring a special resolution.

HISTORICAL FINANCIAL INFORMATION

COMBINED AND CARVE-OUT FINANCIAL STATEMENTS OF AGILITY SPINCO

COMBINED AND CARVE-OUT FINANCIAL STATEMENTS

31 DECEMBER 2023

The combined and carve-out financial statements of Agility SpinCo are intended to convey the historical business activities of Agility SpinCo, which aligns to the perimeter of **Agility Global PLC** following the reorganization of the businesses/entities as listed in Note 1.

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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P.ON THE COMBINED AND CARVE-OUT FINANCIAL STATEMENTS

Opinion

We have audited the combined and carve-out financial statements of the entities forming part of the combined and carve-out perimeter as described in Note 1 (collectively referred to as "Agility SpinCo"), which comprise the combined and carve-out statement of financial position as at 31 December 2023, and the combined and carve-out statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the combined and carve-out financial statements, including material accounting policy information.

In our opinion, the accompanying combined and carve-out financial statements present fairly, in all material respects, the combined and carve-out financial position of Agility SpinCo as at 31 December 2023, and its combined and carve-out financial performance and combined and carve-out cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

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 Combined and Carve-out Financial Statements* section of our report. We are independent of Agility SpinCo in accordance with the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the combined and carve-out 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.

Emphasis of matters

(i) We draw attention to Note 2 to the combined and carve-out financial statements, which describes the Basis of Preparation of the combined and carve-out financial statements. Agility SpinCo has not operated as a separate entity, as of the year ended 31 December 2023 . The combined and carve-out financial statements of Agility SpinCo are, therefore, not necessarily indicative of the financial performance, financial position and cash flows, had Agility SpinCo functioned as an independent group or a separate entity during the year ended 31 December 2023, or of the future results or future performance of Agility SpinCo.

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P ON THE COMBINED AND CARVE-OUT FINANCIAL STATEMENTS (continued)

Emphasis of matters (continued)

(ii) The combined and carve-out financial statements are prepared by the management of Agility Public Warehousing Company K.S.C.P. to present the historical financial information of Agility SpinCo that are transferred or are in the process of being transferred to Agility Global PLC (erstwhile, Horizon Participation Holding VI Limited), and for inclusion of the combined and carve-out financial statements in a prospectus and regulatory filing in connection with the listing of shares of Agility Global PLC in the Abu Dhabi Securities Exchange in the United Arab Emirates. As a result, the combined and carve-out financial statements may not be suitable for any other purpose.

Our opinion is not qualified in respect of these matters.

Responsibilities of the Board of Directors for the Combined and Carve-out Financial Statements

The Board of Directors of Agility Public Warehousing Company K.S.C.P is responsible for the preparation and fair presentation of the combined and carve-out financial statements in accordance with IFRS, and for such internal control as the Board of Directors determines is necessary to enable the preparation of combined and carve-out financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined and carve-out financial statements, the Board of Directors is responsible for assessing Agility SpinCo'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 Board of Directors either intends to liquidate Agility SpinCo or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Combined and Carve-out Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined and carve-out 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 the combined and carve-out financial statements.

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

- Identify and assess the risks of material misstatement of the combined and carve-out 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;

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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P ON THE COMBINED AND CARVE-OUT FINANCIAL STATEMENTS (continued)

Auditor's Responsibilities for the Audit of the Combined and Carve-out Financial Statements (continued)

- 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 Agility SpinCo's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;

- Conclude on the appropriateness of the Board of Directors' 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 Agility SpinCo'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 combined and carve-out 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 Agility SpinCo to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the combined and carve-out financial statements, including the disclosures, and whether the combined and carve-out financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Agility SpinCo to express an opinion on the combined and carve-out financial statements. We are responsible for the direction, supervision and performance of the 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.

Signed by:
Ahmad Al Dali
Partner
Ernst & Young

21 March 2024
Abu Dhabi, United Arab Emirates

COMBINED AND CARVE-OUT STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	Notes	*31 December 2023 USD 000's*	*(Restated *) 31 December 2022 USD 000's*
ASSETS			
Non-current assets			
Property, plant and equipment	5	**933,508**	902,595
Projects in progress	6	**59,340**	61,080
Right-of-use assets	7	**474,841**	434,252
Investment properties	8	**725,345**	606,286
Intangible assets	9	**271,423**	303,202
Goodwill	10	**851,834**	835,191
Investment in associates and joint ventures	11	**456,747**	438,742
Financial assets at fair value through profit or loss	12	**8,195**	18,053
Financial assets at fair value through other comprehensive income	13	**3,504,865**	3,208,882
Other non-current assets		**462,029**	99,202
Loans to related parties	28	**735,568**	597,415
Amount due from related parties	28	**25,514**	25,640
Total non-current assets		**8,509,209**	7,530,540
Current assets			
Inventories	14	**190,053**	147,288
Trade receivables	15	**586,012**	585,899
Amount due from related parties	28	**12,816**	12,336
Other current assets	16	**310,211**	239,344
Bank balances, cash and deposits	17	**564,642**	383,762
Total current assets		**1,663,734**	1,368,629
TOTAL ASSETS		**10,172,943**	8,899,169
EQUITY AND LIABILITIES			
EQUITY			
Share capital	18	**769,964**	2,094,113
Other contributions	18	**1,338,555**	1,555,839
Invested equity attributable to Agility SpinCo		**2,108,519**	3,649,952
Non-controlling interests		**392,397**	375,583
Total invested equity		**2,500,916**	4,025,535
LIABILITIES			
Non-current liabilities			
Provision for employees' end of service benefits	19	**71,129**	53,587
Interest bearing loans	20	**2,851,885**	453,462
Lease liabilities	7	**404,110**	331,348
Amount due to related parties	28	**2,802,764**	2,747,087
Other non-current liabilities	21	**160,595**	185,773
Total non-current liabilities		**6,290,483**	3,771,257
Current liabilities			
Interest bearing loans	20	**366,268**	162,548
Lease liabilities	7	**135,496**	99,723
Trade and other payables	22	**876,973**	837,590
Amount due to related parties	28	**2,807**	2,516
Total current liabilities		**1,381,544**	1,102,377
Total liabilities		**7,672,027**	4,873,634
TOTAL EQUITY AND LIABILITIES		**10,172,943**	8,899,169

**Certain figures shown here do not correspond to the 2022 combined and carve-out financial statements and reflect adjustments made as detailed in Note 25.*

Tarek Abdulaziz Sultan AlEssa
Authorised Signatory

The attached notes 1 to 33 form part of these combined and carve-out financial statements.

COMBINED AND CARVE-OUT STATEMENT OF INCOME

For the year ended 31 December 2023

	Notes	*2023* *USD 000's*	*2022* *USD 000's*
Revenue from contract with customers	23	**3,935,869**	2,352,181
Direct expenses		**(1,672,517)**	(1,225,235)
Other operating expenses	24	**(1,740,130)**	(811,058)
Change in fair value of investment properties	8	**43,963**	73,475
Transaction costs on acquisition of entities as part of business combination		**-**	(24,718)
Share of results of associates and joint ventures	11	**20,140**	(6,989)
Unrealised loss on financial assets at fair value through profit or loss		**(8,410)**	(20,634)
Expected credit loss on loans to related parties	28	**(10,000)**	-
Dividend income		**18,055**	15,910
Miscellaneous income		**18,585**	10,427
Profit before interest, taxation, depreciation and amortisation (EBITDA)		**605,555**	363,359
Depreciation	5 & 7	**(239,302)**	(124,904)
Amortisation	9	**(33,543)**	(21,019)
Profit before interest and taxation (EBIT)		**332,710**	217,436
Interest income		**7,480**	1,988
Finance costs		**(216,567)**	(114,231)
Profit before taxation		**123,623**	105,193
Taxation		**(36,003)**	(20,877)
PROFIT FOR THE YEAR		**87,620**	84,316
Attributable to:			
Equity holders of Agility SpinCo		**50,432**	62,454
Non-controlling interests		**37,188**	21,862
		87,620	84,316

COMBINED AND CARVE-OUT STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2023

	2023 ***USD 000's***	*2022* *USD 000's*
Profit for the year	**87,620**	84,316
Other comprehensive income:		
Items that may be reclassified to the combined and carve-out statement of income in subsequent periods:		
Foreign currency translation adjustments	**(6,978)**	(4,688)
Share of other comprehensive (loss) income of associates and joint venture (Note 11)	**(1,044)**	5,072
(Loss) gain on cash flow hedges	**(1,577)**	3,111
Net other comprehensive (loss) income that may be reclassified to combined and carve-out statement of income in subsequent periods	**(9,599)**	3,495
Items that will not be reclassified to the combined and carve-out statement of income		
Changes in fair value of equity instruments at fair value through other comprehensive income	**270,032**	(1,558,415)
Re-measurement loss on defined benefit plans (Note 19)	**(690)**	(22,043)
Gain on fair value hedges	**179,677**	-
Net other comprehensive income (loss) that will not be reclassified to combined and carve-out statement of income	**449,019**	(1,580,458)
Total other comprehensive income (loss)	**439,420**	(1,576,963)
Total comprehensive income (loss) for the year	**527,040**	(1,492,647)
Attributable to:		
Equity holders of Agility SpinCo	**509,839**	(1,518,454)
Non-controlling interests	**17,201**	25,807
	527,040	(1,492,647)

COMBINED AND CARVE-OUT STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	Notes	2023 USD 000's	(Restated) 2022 USD 000's
OPERATING ACTIVITIES			
Profit before taxation		**123,623**	105,193
Adjustments for:			
Expected credit losses on trade receivables	15	**7,250**	10,309
Expected credit losses on loans to related parties	28	**10,000**	-
Change in fair value of investment properties	8	**(43,963)**	(73,475)
Release of provision no longer required	15	**-**	(17,707)
Provision for employees' end of service benefits	19	**41,763**	19,562
Foreign currency exchange gain		**(1,567)**	(4,160)
Share of results of associates and joint ventures	11	**(20,140)**	6,989
Unrealised loss on financial assets at fair value through profit or loss		**8,410**	20,634
Dividend income		**(18,055)**	(15,910)
Depreciation	5 & 7	**239,302**	124,904
Amortisation	9	**33,543**	21,019
Interest income		**(7,480)**	(1,988)
Finance costs		**216,567**	114,231
Operating profit before changes in working capital		**589,253**	309,601
Inventories		**(44,476)**	(62,400)
Trade receivables		**(55,630)**	(50,092)
Other current assets		**53,826**	11,665
Trade and other payables		**12,209**	(7,629)
		555,182	201,145
Taxation paid		**(31,064)**	(21,196)
Employees' end of service benefits paid	19	**(19,522)**	(11,610)
Net cash flows from operating activities		**504,596**	168,339
INVESTING ACTIVITIES			
Net movement in financial assets at fair value through profit or loss		**(551)**	(18,005)
Net movement in financial assets at fair value through other comprehensive income		**(23,050)**	(219,608)
Additions to property, plant and equipment	5	**(137,205)**	(66,089)
Proceeds from disposal of property, plant and equipment		**4,305**	19,349
Loans to related parties		**(127,175)**	(84,032)
Additions to projects in progress	6	**(9,234)**	(56,271)
Additions in investments in associates and joint ventures		**(14,294)**	-
Dividends received		**35,708**	29,609
Net cash outflow from acquisition of entities as part of business combination		**(9,466)**	(621,611)
Net cash flows used in investing activities		**(280,962)**	(1,016,658)
FINANCING ACTIVITIES			
Received from related parties		**-**	1,234,427
Payments to related parties		**(17,104)**	(4,982)
Parent Company investment received		**69,302**	59,237
Parent Company investment distributed		**(209,507)**	-
Proceeds from interest bearing loans		**2,529,584**	529,775
Repayment of interest bearing loans		**(26,723)**	(686,264)
Payment of lease obligations	7	**(155,090)**	(82,139)
Finance costs paid		**(336,884)**	(19,774)
Dividends paid to the Parent Company		**(1,880,334)**	-
Dividends paid to non-controlling interest		**(13,636)**	-
Net cash flows (used in) from financing activities		**(40,392)**	1,030,280
NET INCREASE IN CASH AND CASH EQUIVALENTS		**183,242**	181,961
Net foreign exchange translation differences		**(2,362)**	(5,248)
Cash and cash equivalents at 1 January		**383,762**	207,049
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	17	**564,642**	383,762

The attached notes 1 to 33 form part of these combined and carve-out financial statements.

COMBINED AND CARVE-OUT STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

	Share capital USD 000's	*Other contributions USD 000's*	*Invested equity attributable to the equity holders of Agility SpinCo USD 000's*	*Non- controlling interests USD 000's*	*Total Invested equity USD 000's*
As at 1 January 2023 *(Audited)*	**2,094,113**	**1,555,839**	**3,649,952**	**394,589**	**4,044,541**
Restatement (Note 25)	-	-	-	**(19,006)**	**(19,006)**
As at 1 January 2023 (restated)	**2,094,113**	**1,555,839**	**3,649,952**	**375,583**	**4,025,535**
Profit for the year	-	**50,432**	**50,432**	**37,188**	**87,620**
Other comprehensive income (loss)	-	**459,407**	**459,407**	**(19,987)**	**439,420**
Total comprehensive (loss) income for the year	-	**509,839**	**509,839**	**17,201**	**527,040**
Share capital reduction (Note 18)	**(1,324,149)**	-	**(1,324,149)**	-	**(1,324,149)**
Net movement in Parent Company investment	-	**1,203,701**	**1,203,701**	-	**1,203,701**
Dividends to Parent Company (Note 18)	-	**(1,919,672)**	**(1,919,672)**	-	**(1,919,672)**
Dividends to non-controlling interests	-	-	-	**(8,732)**	**(8,732)**
Acquisition of additional interest in subsidiaries	-	**(11,152)**	**(11,152)**	**8,345**	**(2,807)**
As at 31 December 2023	**769,964**	**1,338,555**	**2,108,519**	**392,397**	**2,500,916**
As at 1 January 2022	2,094,083	2,932,462	5,026,545	150,319	5,176,864
Profit for the year	-	62,454	62,454	21,862	84,316
Other comprehensive (loss) income	-	(1,580,908)	(1,580,908)	3,945	(1,576,963)
Total comprehensive (loss) income for the year	-	(1,518,454)	(1,518,454)	25,807	(1,492,647)
Net movement in Parent Company investment	30	177,747	177,777	-	177,777
Dividends to Parent Company	-	(35,916)	(35,916)	-	(35,916)
Acquisition of entities as part of business combination (Note 25)	-	-	-	218,463	218,463
As at 31 December 2022	2,094,113	1,555,839	3,649,952	394,589	4,044,541

The attached notes 1 to 33 form part of these combined and carve-out financial statements.

1 BACKGROUND AND CORPORATE INFORMATION

Agility Public Warehousing Company K.S.C.P. (the "Parent Company") and subsidiaries (collectively referred to as the "Agility Group" or the "Group") is a public shareholding company incorporated in 1979 and listed on Boursa Kuwait and Dubai Stock Exchange. The Parent Company's Head office is located at Sulaibia, beside the Land Customs Clearing Area, P.O. Box 25418, Safat 13115, Kuwait. The Group operates under the brand name of "Agility".

The Group is engaged in aviation services, fuel logistics, industrial real estate, investing surplus funds in emerging markets/sectors and other related services and is a global operator with presence in over 100 countries.

On May 30, 2023, the shareholders of the Parent Company acting through ordinary general assembly, and, on June 7, 2023, the shareholders of the Parent Company acting through extraordinary general assembly, approved the listing of the Parent Company's non-Kuwaiti subsidiaries on any non-Kuwaiti stock exchange (the "Shareholder Approvals"). In furtherance of such Shareholder Approvals, the Board of Directors of the Parent Company is contemplating the listing on the Abu Dhabi Securities Exchange ("ADX") of Agility Global PLC (previously Horizon Participation Holding VI Limited), a newly incorporated entity registered in Abu Dhabi Global Market ("ADGM") in the United Arab Emirates (UAE) subject to various approvals, including the approval of the ADX (the "Transaction").

In connection with the Transaction, on 21 September 2023, the Board has approved the transfer of certain businesses/entities listed below and their registration in the name of Agility Global PLC and any other subsidiaries of Agility Global PLC.

The Board of Directors of the Parent Company has also directed the management of Parent Company to prepare the combined and carve-out financial statements of Agility SpinCo for the purpose of inclusion of these combined and carve-out financial statements in a prospectus and regulatory filing in connection with the Transaction. The following entities (along with their underlying subsidiaries, where applicable) from the Group will be included in the combined and carve-out financial statements of Agility SpinCo forming part of the combined and carve-out perimeter (the below combined entities are collectively referred to as "Agility SpinCo").

	Ownership % as at 31 December			
Name of the entity	***2023***	*2022*	***Country of incorporation***	***Principal activities of underlying subsidiaries***
John Menzies Limited *	**100**	100	United Kingdom	Ground handling and aviation services
NAS Holding for Company Business Management (Holding Co) WLL *	**100**	100	Kuwait	Ground handling and aviation services
Agility Venture Capital Holdings Limited	**100**	100	U.A.E.	Holding investments
Catering Logistics for General Trading and Contracting Co WLL	**100**	100	Kuwait	Catering, camps and construction
Tristar Holding Limited **	**65**	65	U.A.E.	Fuel logistics services
Agility DGS Logistics Services Co KSCC	**100**	100	Kuwait	Logistics services to Government entities
Ostram Holdings Limited	**100**	100	Cayman Islands	Provides customs solutions to governments
Agility E-Services Private Ltd	**100**	100	India	IT services
Horizon International Holdings Limited	**100**	100	U.A.E.	Holding investments
Agility Logistics Parks SPC	**100**	100	Saudi Arabia	Development and leasing of logistics parks
Agility DistriParks FZE	**100**	100	U.A.E.	Development and leasing of logistics parks
Shipa Freight Solution LLC	**100**	100	U.A.E.	Online freight platform
Shipa E commerce LLC	**100**	100	U.A.E.	E-commerce solutions
Homoola Trucks for Communication and Information Technology SPC	**100**	100	Saudi Arabia	Last mile delivery
Shipa for Shipping Co. SPC	**100**	100	Saudi Arabia	Last mile delivery
Shipa Delivery Services LLC	**100**	100	U.A.E.	Last mile delivery

1 BACKGROUND AND CORPORATE INFORMATION (continued)

	Ownership % as at 31 December			
Name of the entity	***2023***	*2022*	*Country of incorporation*	*Principal activities of underlying subsidiaries*
Shipa for Sending, receiving, distributing mailings, postal parcels and courier letter by air Co. WLL	**100**	100	Kuwait	Last mile delivery
Agility GIL BV	**100**	100	Netherlands	Holding investments
Agility Strategies Holding Limited	**100**	100	U.A.E.	Holding investments
Agility Investment BV ***	**100**	100	Netherlands	Holding investments
Elaf National for General Trading and Contracting Co WLL	**100**	100	Kuwait	Holding investments
Agility Alternative Energy Solutions Co KSCC	**100**	100	Kuwait	Holding investments
Modern International Real Estate Co. WLL	**100**	100	Kuwait	Holding investments
PWC Technology for Computers Co WLL	**100**	100	Kuwait	Customs solutions
PWC Aviation Services Co KSCC	**100**	100	Kuwait	Commercial Real Estate
Horizon Participation Holding I Limited	**100**	100	U.A.E.	Holding company including laboratory business
Alcazar Capital Partners L.P	**100**	100	Cayman Islands	Holding investments
Agility Strategies Holding I Limited ****	**100**	100	U.A.E.	Holding investments

* These entities are held through a holding company, Menzies Holding Limited
** This entity is held through a holding company, Agility Tristar Holding Limited
*** The underlying assets held by this entity, and forming part of the combined and carve-out perimeter, was previously held under Agility GIL BV.
**** The underlying assets held by this entity, and forming part of the combined and carve-out perimeter, was previously held under Agility Strategies Holding Limited.

These combined and carve-out financial statements of Agility SpinCo for the year ended 31 December 2023, were authorised for issue in accordance with a resolution of the Board of Directors on 18 March 2024.

2 BASIS OF PREPARATION OF COMBINED AND CARVE-OUT FINANCIAL STATEMENTS

2.1 COMBINED AND CARVE-OUT PERIMETER

The combined and carve-out financial statements are prepared by carving-out businesses, which are in the form of legal entities, from the Group's consolidated financial statements and extracting the financial information relating to the business/entities (mentioned in Note 1), which will eventually be transferred to Agility Global PLC.

Horizon Fuel Logistics Holding Limited ("HFLHL"), an entity forming part of Agility SpinCo has entered into a share purchase agreement with the Parent Company in respect of the shares of Agility Tristar Holding Limited ("ATHL"). The Parent Company currently holds the legal and beneficial interest in ATHL. The transfer of shares in ATHL remains subject to certain amendments to Tristar's existing facilities or waiver by the relevant counterparties of certain restrictions thereunder (the "Tristar Condition"). The Tristar Condition is waivable entirely at the election of HFLHL and HFLHL will have the obligation to waive the Tristar Condition and complete the acquisition if it has not yet been satisfied as of 31 March 2024 or before the listing, whichever is earlier.

The combined and carve-out financial statements for the year ended 31 December 2023 represents the assets, associated liabilities and the operations of the business components/entities of the Group as mentioned above. The combination exercise is carried out by combining all these legal entities, as it meets the business definition.

2 BASIS OF PREPARATION OF COMBINED AND CARVE-OUT FINANCIAL STATEMENTS (continued)

2.1 COMBINED AND CARVE-OUT PERIMETER (continued)

The following business units are in the form of legal entities (mentioned in Note 1), which are subsidiaries of the Group. A brief description of the businesses, that will form part of the Agility SpinCo perimeter is set out below:

- *National Aviation Services (NAS) and Menzies*

NAS is an aviation services provider headquartered in Kuwait City, Kuwait. NAS operates through emerging markets countries across Africa, Asia and the Middle East. The services offered are primarily ground handling, air cargo management services, operation of airport lounges etc.

Menzies was acquired (100%) by Agility in August 2022 as an addition to its existing NAS business of providing aviation services. The combined and integrated business (Menzies and NAS) operate as one of the world's largest aviation services company by number of countries and second largest by number of airports served.

- *United Projects for Aviation Services Company K.S.C.P. (UPAC)*

UPAC is a full-service commercial real estate and facilities management company that is listed on the Boursa Kuwait and has operated in Kuwait since 2000. UPAC manages over 24,000 sqm of commercial space and parking facilities at the Kuwait International Airport Terminals. UPAC is also a lead investor in the development of Abu Dhabi's $1.2 billion Reem Mall mega-project. UPAC's services include real estate management, project management and consultancy, as well as maintenance and facilities management services.

- *Tristar*

Tristar is headquartered in Dubai and offers end to end fuel logistics solutions to clients including international and national oil companies and intergovernmental organizations. Tristar's integrated energy logistics platform spans road and maritime transportation, specialized warehousing, fuel farms, commercial aviation refuelling and remote fuel supply operations. It was founded in 1998 and has grown to become Middle East's largest privately-owned liquid logistics company with operations in 29 countries and territories spread across the Middle East, Asia, Africa, the Pacific, the Americas and Europe.

- *Gulf Catering Company for General Trade and Contracting W.L.L (GCC)*

GCC was registered as a limited liability company and incorporated on 25 May 2005 in Kuwait. The principal activities of GCC are to provide camp catering services, integrated facility management and camp construction.

- *Agility Defence & Government Services (DGS)*

DGS is a business unit that offers specialised logistics services to defence and government bodies. This includes supply chain solutions including specialised procurement, warehousing, inventory and distribution, contingency logistics and military logistics (moving miliary grade equipment, disposing of surplus military equipment etc).

- *Shipa*

Shipa group comprises digital logistics companies that provide self-service freight and logistics management (Shipa Freight); e-commerce fulfilment, IT integration and related services (Shipa Ecommerce); and last-mile and local delivery for businesses and consumers (Shipa Delivery).

- *Inspection Control Services (ICS)*

ICS provides customs solutions and IT support for customs clearance and processing.

- *Agility Logistic Parks (ALP)*

Construction, development and leasing of Grade A warehousing and logistics complexes in the Middle East, Africa and South Asia. ALP businesses have a country logic with standalone businesses, assets, financials and local management. ALP businesses are managed by countries (i.e. each country management reports to Agility Corporate directly) and there is no dedicated management team for the whole ALP. All the geographies, except ALP Kuwait, will be transferred to Agility Global PLC.

2 BASIS OF PREPARATION OF COMBINED AND CARVE-OUT FINANCIAL STATEMENTS (continued)

2.1 COMBINED AND CARVE-OUT PERIMETER (continued)

- *Investments*

Investments represent investments classified as 'Fair value Through Profit or Loss (FVTPL), Fair Value through Other Comprehensive Income (FVOCI), Investments in Associates and Joint Ventures and Loan to related parties measured at FVTPL.

- *Others*

The 'Others' category represents multiple business lines that are not included above and are individually not material. All these other business lines will be transferred to Agility Global PLC.

The combined and carve-out financial statements for the above-mentioned historical periods relate to Agility SpinCo (the entities forming part of perimeter) as a "reporting entity", as these businesses did not constitute a group in any of the periods presented. These combined entities have historically operated as part of Agility Group and not collectively operated as a separate group. The combined and carve-out financial statements represent the historical results of Agility SpinCo that have been derived from the Group's historical accounting records (prepared under IFRS framework) and are presented on a combined and carve-out basis.

The Group believes that Agility SpinCo meets the definition of a reporting entity under the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB), considering the revised Conceptual Framework for Financial Reporting (Conceptual Framework) issued in March 2018. Management has considered the requirements of 'The Reporting Entity' under the Conceptual Framework.

Agility SpinCo represents a circumscribed area of economic activities whose financial information has the potential to be useful to existing and prospective investors, regulators, lenders and other creditors. In determining whether a reporting entity exists as a basis for preparing the combined and carve-out financial statements of Agility SpinCo, management has considered and evaluated the following factors:

- Specific economic activities are being conducted. The economic activities can be objectively distinguished from those of other business or operations of the Group;

- The objective of combined and carve-out financial statements is to provide financial information about Agility SpinCo's assets, liabilities, equity, income and expenses that is useful to users of financial statements in assessing the prospects for future net cash inflows of Agility SpinCo and in assessing management's stewardship of Agility SpinCo's economic resources;

- Financial information about the economic activities of Agility SpinCo has the potential to be useful in making decisions about providing resources to Agility SpinCo and is relevant to the primary users of Agility SpinCo's financial statements;

- Assets, liabilities, operations, income and expenses of Agility SpinCo are under common control and common management of the Group for all the periods presented in the combined and carve-out financial statements;

- The boundary of Agility SpinCo does not contain an arbitrary or incomplete set of economic activities; the set of economic activities within the boundary of Agility SpinCo results in neutral and complete information for the users of the combined and carve-out financial statements; and

- The economic activity of Agility SpinCo is legally bound together through a legal reorganisation that is expected to occur subsequent to the reporting date. However, there will be no change in Agility SpinCo perimeter in the combined and carve-out financial statements and the legal reorganisation.

As a result, the basis of preparation results in a fair presentation of these combined and carve-out financial statements of Agility SpinCo in accordance with IFRS.

2 BASIS OF PREPARATION OF COMBINED AND CARVE-OUT FINANCIAL STATEMENTS (continued)

2.1 COMBINED AND CARVE-OUT PERIMETER (continued)

Common control
The existence of a common control of all the combined entities for all the periods presents is imperative for a combined and carve-out financial statement to be regarded as a general-purpose IFRS financial statements. The IFRS Interpretations Committee noted that the ability to include entities within a set of IFRS financial statements depends on the interpretation of 'reporting entity' in the context of common control. The general-purpose combined and carve-out financial statements are only prepared under IFRS when common control exists. The entities forming part of Agility SpinCo are described coherently and are under common control for all the periods presented. Therefore, common control is established for the all the entities forming part of Agility SpinCo perimeter, which is a pre-requisite for a general-purpose combined and carve-out financial statements under IFRS.

Based on the above, Management has determined that the combined and carve-out financial statements of Agility SpinCo will be the most informative basis of preparation for the users of financial statements. The combined and carve-out financial statements of Agility SpinCo will provide users with the historical information on the financial position and financial performance of these spun off entities.

2.2 Purpose of combined and carve-out financial statements

The combined and carve-out financial statements of Agility SpinCo have been prepared for the purposes of inclusion in the Prospectus in connection with the proposed listing of Agility Global PLC on the Abu Dhabi Stock Exchange (ADX). The combined and carve-out financial statements represent the historical operations of Agility SpinCo that are derived from the Agility Group’s historical accounting records and are presented on a combined and carve-out basis.

Further, management has considered the following in order to determine basis and appropriateness of the combined and carve-out financial statements:

- the information intended to be conveyed is the historical business activities of Agility SpinCo which would align to the perimeter of Agility Global PLC following its listing.

- The markets in which the combined and carve-out financial statements will be released, and related legal and regulatory requirements seek compliance with IFRS and are prepared based on historical data only.

- The historical financial information of Agility SpinCo for the years ended 31 December 2023 and 31 December 2022 have been extracted from the books and records of the Agility Group’s consolidated IFRS financial statements.

The expected users of these combined and carve-out financial statements would be the UAE Securities and Commodities Authority (“SCA” or sometimes referred to as “ESCA”) and the shareholders of the Parent Company. Based on the facts and circumstances it is appropriate to prepare general-purpose combined and carve-out financial statements as they are required by regulators and shareholders.

The regulators purport to represent the needs of a wide range of users for a general purpose, for which the users cannot otherwise command the financial information. The combined and carve-out financial statements of Agility SpinCo will be distributed to a wide range of users for the purpose of inclusion in the information memorandum in connection with the proposed listing of Agility Global PLC on the ADX.

2 BASIS OF PREPARATION OF COMBINED AND CARVE-OUT FINANCIAL STATEMENTS (continued)

2.3 Business reorganisation and proposed new structure

Management has decided to reorganise the structure of its businesses by spinning-off certain entities/business (as mentioned in Note 1) to Agility Global PLC (a separate legal entity). Pursuant to the above strategy, management has proposed/effected the following:

- formation of a wholly owned subsidiary of the Parent Company, Agility Global PLC. Assets, liabilities, and operations of Agility SpinCo (combined and carve-out perimeter) will be legally transferred to Agility Global PLC. It is a demerger/spin-off transaction. As at the reporting date, Agility Investments BV and Agility Strategies Holding I Limited were transferred to Agility Global PLC. Subsequent to the reporting date, all the remaining entities in the approved combined and carve-out perimeter (included in Note 1), except for Agility Tristar Holding Limited, Agility Strategies Holding Limited and Agility GIL BV, were transferred to Agility Global PLC.

- direct listing of Agility Global PLC in the ADX, with no additional new capital being raised. As this is a direct listing there will no prospective/new investors involved in this transaction.

- The existing shareholders of the Parent Company will receive shares in Agility Global PLC, post listing of Agility Global PLC in the ADX, in the form of in-kind dividends proportionate to their holdings in the Parent Company and in accordance to the exchange ratio declared by the Board, and in line with the rules and regulations governing distribution of dividends.

Agility Global PLC will be adopting continuation accounting (predecessor accounting), with Agility SpinCo perimeter, in its first financial statements following listing. However, the combined and carve-out financial statements of Agility SpinCo may not be indicative of Agility Global PLC's financial statements, and does not necessarily reflect the results of operations, financial position, and cash flows had Agility SpinCo functioned as an independent group or separate entity. In particular, the following primary differences are expected to arise between the combined and carve-out financial statements of Agility SpinCo and Agility Global PLC financial statements:

- Certain other operating expenses associated with Agility SpinCo but incurred by the Group have been allocated in the combined and carve-out financial statements. It is possible that these allocated expenses may not be representative of the amounts that would have been incurred had Agility SpinCo operated independently of the Group. In the new construct, expenses are expected to be incurred directly by Agility Global PLC. Also, Agility Global PLC and the Parent Company will enter into a transitional service agreement, on commercial terms for various corporate and administrative support services.

- Since Agility Global PLC is a legal entity, it is expected to have share capital, retained earnings and other reserves, as opposed to the combined share capital and other equity contributions in Agility SpinCo.

- Certain intercompany loans, payable to the Parent Company, forming part of the combined and carve-out financial statements will be converted into equity upon listing of Agility Global PLC. The remaining intercompany loans are expected to be novated or replaced with external borrowings.

2.4 Basis of allocation of certain combined and carve-out financial statements elements

Assets, liabilities, revenues, or expenses that are directly attributable to Agility SpinCo and/or included in the financial statements of the entities listed in Note 1 are reflected in these combined and carve-out financial statements. Expenses that are indirectly attributable to Agility SpinCo have been allocated as considered appropriate and reasonable by the management.

Management believes that the allocation methodologies are reasonable; however, expenses allocated to Agility SpinCo are not necessarily indicative of the expenses that would have been incurred on a stand-alone basis nor are they indicative of costs that may be incurred in the future. Actual results could differ from these estimates. It is not practical to estimate the costs that would have been incurred by Agility SpinCo if it had operated on a stand-alone basis or a separate group. The combined and carve-out financial statements may not be indicative of Agility SpinCo's future performance, and does not necessarily reflect the results of operations, financial position, and cash flows had Agility SpinCo functioned as an independent group or separate entity.

The following allocation policies have been used in the preparation of these combined and carve-out financial statements. Unless otherwise noted, these policies have been consistently applied in the combined and carve-out financial statements.

2 BASIS OF PREPARATION OF COMBINED AND CARVE-OUT FINANCIAL STATEMENTS (continued)

2.4 Basis of allocation of certain combined and carve-out financial statements elements (continued)

Financial statement items related specifically to the entities forming part of the perimeter (as mentioned in Note 1) have been identified and included in the combined and carve-out financial statements. These include statement of financial position items, revenue from contracts with customers, cost of revenue, changes in fair value of investments and investments properties, and other operating expenses.

For purposes of presenting the combined and carve-out financial statements, allocations were required to determine the cost of certain administrative activities performed by the Parent Company, attributable to Agility SpinCo. These shared services included, but are not limited to, executive management, finance, information technology, marketing, legal, and human resources. Where specific identification could not be utilised, allocations were made based upon revenue or headcount or earnings or other relevant measures. Allocations of these expenses which have not historically been specifically identified to Agility SpinCo's functions are made based on a methodology which provides the best allocation to the amounts attributable to these functions. This approach to the preparation of the combined and carve-out financial statements of Agility SpinCo is the most effective approach in enabling users of combined and carve-out financial statements to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of Agility SpinCo in an easily analyzable and comprehensible form. The basis set out above has been consistently applied for the periods presented in these combined and carve-out financial statements.

2.5 Basis of combination

Entities (mentioned in Note 1), which comprise Agility SpinCo have been under common control throughout the periods presented in these combined and carve-out financial statements, but they did not form a legal group during any period presented. These entities have subsidiaries, which are firstly consolidated as per the requirements of IFRS 10 ("intermediate consolidation"). After intermediate consolidation, the entities remaining (including consolidated sub-group and standalone entities), that are all under common control in the periods presented, have been combined by aggregating the assets, liabilities, results of the operations, share capital and other contributions/reserves of all the relevant common control entities (mentioned in Note 1), after eliminating intercompany balances and unrealised profits. This combination is performed according to the rules identical to consolidation. Transactions involving the Parent Company and other entities under common control that are not part of the perimeter (and hence are not transferred to Agility Global PLC), are disclosed as transactions with related parties. The financial statements used for combination purposes have been prepared applying the Group's accounting policies.

2.6 Statement of compliance

The combined and carve-out financial statements have been prepared in accordance with IFRS as issued by the IASB. IFRS does not provide guidance for the preparation of combined and carve-out financial statements, and accordingly in preparing the combined and carve-out financial statements certain accounting conventions commonly used for the preparation of historical financial statements have been applied. The application of these conventions has been described in these combined and carve-out financial statements.

The combined and carve-out financial statements are prepared on a historical cost basis, except for investment properties, financial assets carried at fair value through profit or loss, financial assets at fair value through other comprehensive income, loan to a related party and derivative financial instruments that are measured at fair value.

These combined and carve-out financial statements do not constitute statutory financial statements of Agility SpinCo, or the entities combined. The accounting policies of the Group have been consistently applied in preparing these combined and carve-out financial statements for the years presented.

2.7 Basis of consolidation

The combined and carve-out financial statements comprise the consolidated financial statements of entities forming part of the perimeter (mentioned in Note 1) and its subsidiaries, including special purpose entities as at 31 December 2023 and 31 December 2022. Control is achieved when an entity 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, an entity controls an investee if and only if the entity has:

2 BASIS OF PREPARATION OF COMBINED AND CARVE-OUT FINANCIAL STATEMENTS (continued)

2.7 Basis of consolidation (continued)

- 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, and
- The ability to use its power over the investee to affect its returns.

When an entity has less than a majority of the voting or similar rights of an investee, an entity considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee,
- Rights arising from other contractual arrangements, and
- An entity's voting rights and potential voting rights.

An entity 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 an entity obtains control over the subsidiary and ceases when an entity 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 an entity gains control until the date an entity ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the entity 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 into 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 Agility SpinCo 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 an entity loses control over a subsidiary, it derecognises, the related assets (including goodwill), liabilities, non-controlling interest and other component of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value. The results of the subsidiaries acquired or disposed during the year are included in the combined and carve-out statement of comprehensive income from the date of acquisition or up to the date of disposal, as appropriate.

2.8 Functional and presentation currency

The combined and carve-out financial statements are presented in United States Dollar (USD) which is the presentation currency of Agility SpinCo. However, entities forming part of Agility SpinCo have different functional currencies and the USD is the presentation currency. All values are rounded to the nearest thousand (USD '000) except where otherwise stated.

3 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Changes in accounting policies

The accounting policies used in the preparation of these combined and carve-out financial statements are consistent with those used in the previous financial year, except as mentioned below:

New and amended standards and interpretations
The nature and the impact of each amendment is described below:

Several other amendments and interpretations apply for the first time in the year 2023, but do not have an impact on the combined and carve-out financial statements of Agility SpinCo. Agility SpinCo has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

Definition of Accounting Estimates - *Amendments to* IAS 8
The amendments to IAS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no material impact on the combined and carve-out financial statements of Agility SpinCo.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.1 Changes in accounting policies (continued)

New and amended standards and interpretations (continued)

Disclosure of Accounting Policies - *Amendments to* IAS 1 and IFRS Practice Statement 2
The amendments to IAS 1 and IFRS Practice Statement 2 *Making Materiality Judgements* provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on Agility SpinCo's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in Agility SpinCo's combined and carve-out financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – *Amendments to* IAS 12
The amendments to IAS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities.

The amendments had no material impact on the combined and carve-out financial statements of Agility SpinCo.

International Tax Reform—Pillar Two Model Rules – *Amendments to* IAS 12
The amendments to IAS 12 have been introduced in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 January 2023, but not for any interim periods ending on or before 31 December 2023.

The amendments had no impact on the combined and carve-out financial statements of Agility SpinCo.

IFRS 17 Insurance Contracts
IFRS 17 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 replaces IFRS 4 Insurance Contracts. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. The overall objective of IFRS 17 is to provide a comprehensive accounting model for insurance contracts that is more useful and consistent for insurers, covering all relevant accounting aspects. IFRS 17 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The new standard had no impact on the combined and carve-out financial statements of Agility SpinCo.

3.2 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 Agility SpinCo's combined and carve-out financial statements are disclosed below. Agility SpinCo intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback
In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Standards issued but not yet effective (continued)

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback (continued)
The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16. Earlier application is permitted and that fact must be disclosed. The amendments are not expected to have a material impact on the combined and carve-out financial statements of Agility SpinCo.

Amendments to IAS 1: *Classification of Liabilities as Current or Non-current*
In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right;
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. Agility SpinCo is currently assessing the impact the amendments will have on current practices and whether existing loan agreements may require renegotiation.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7
In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted, but will need to be disclosed.

The amendments are not expected to have a material impact on the combined and carve-out financial statements of Agility SpinCo.

General requirements for disclosure of sustainability-related financial information (IFRS S1) and Climate-related disclosures (IFRS S2) – 1 January 2024
In June 2023 the International Sustainability Standards Board (ISSB) issued its first two IFRS Sustainability Disclosure Standards, IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures. IFRS S1 includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across Agility SpinCo's value chain. IFRS S2 is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities. The standard requires an entity to disclose information about climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term.

Agility SpinCo is currently evaluating the impact of these amendments. Agility SpinCo will adopt these requirements when the amendments become effective.

3.3 Material accounting policies

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, measured at acquisition date fair value, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in other operating expenses.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Material accounting policies (continued)

Business combinations and goodwill (continued)
When any of the entities forming part of Agility SpinCo 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 (“IFRS 9”), is measured at fair value with the changes in fair value recognised in the combined and carve-out statement of income 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 combined and carve-out statement of income.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest 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, Agility SpinCo 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 re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in combined and carve-out statement of income.

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 Agility SpinCo’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 forms part of a cash-generating unit and part of the operation within that unit is disposed, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed in this circumstance is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Current versus non-current classification
Agility SpinCo presents assets and liabilities in combined and carve-out statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle; or
- Held primarily for the purpose of trading; or
- Expected to be realised within twelve months after the reporting period, or
- Bank balances, cash and deposits 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; or
- It is held primarily for the purpose of trading; or
- 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.

Agility SpinCo classifies all other liabilities as non-current.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Material accounting policies (continued)

Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. The initial cost of property, plant and equipment comprises their cost and any directly attributable costs of bringing an item of property, plant and equipment to its working condition and location. Expenditure incurred after the property, plant and equipment has been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to the combined and carve-out statement of income in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of property, plant and equipment. Land is not depreciated.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings and improvements	5 to 30 years
Tools, machinery and equipment	2 to 10 years
Vehicles and ships	2 to 25 years
Furniture and office equipment	2 to 8 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair values less costs to sell and their value in use.

An item of property, plant and equipment 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 the carrying amount of the asset) is included in the combined and carve-out statement of income in the period the asset is derecognised. The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively if appropriate.

Leases
Agility SpinCo 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.

Agility SpinCo as a lessee
Agility SpinCo applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. Agility SpinCo 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
Agility SpinCo 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 the 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, as follows:

Land, buildings and improvements	2 to 44 years
Tools, machinery and equipment	2 to 8 years
Vehicles and ships	2 to 25 years
Furniture and office equipment	2 to 7 years

If the ownership of the leased asset is transferred to Agility SpinCo 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 in accordance with Agility SpinCo's impairment of non-financial assets policy.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Material accounting policies (continued)

Leases (continued)

ii. Lease liabilities
At the commencement date of the lease, Agility SpinCo 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 incentive 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 Agility SpinCo and payments of penalties for terminating the lease, if the lease term reflects Agility SpinCo 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, Agility SpinCo uses the incremental interest rate at the lease commencement date if 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 in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

iii. Short-term leases and leases of low-value assets
Agility SpinCo applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less 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 assets 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.

A property interest that is held by Agility SpinCo under an operating lease may be classified and accounted for as an investment property when the property otherwise meets the definition of an investment property, evaluated property by property, and based on management's intention. The initial cost of a property interest held under a lease and classified as an investment property is determined at the lower of the fair value of the property and the present value of the minimum lease payments. An equivalent amount is recognised as a liability.

Agility SpinCo as a lessor
Leases in which Agility SpinCo does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental revenues arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the combined and carve-out statement of income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental revenues. Contingent rents are recognised as revenue in the period in which they are earned.

Projects in progress
Projects in progress are carried at cost less impairment, if any. Costs are those expenses incurred by Agility SpinCo that are directly attributable to the construction of assets. Once completed, the assets are transferred to either investment properties or to property, plant and equipment, depending on the management's intended use of the asset.

Investment properties
Investment properties comprise completed properties held to earn rentals or for capital appreciation or both. Property held under a lease is classified as investment property when the definition of an investment property is met. Investment properties are initially recorded at cost being the fair value of the consideration given and including acquisition charges associated with the investment property.

After initial recognition, the properties are re-measured to fair value annually on an individual basis with any gain or loss arising from a change in fair value being included in the combined and carve-out statement of income in the period in which it arises.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Material accounting policies (continued)

Investment properties (continued)
Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the combined and carve-out statement of income in the period of retirement or disposal. The amount of consideration to be included in the gain or loss arising from the derecognition of the investment property is determined in accordance with the requirements for the determining the transaction price in IFRS 15.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, Agility SpinCo accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Agility SpinCo has classified certain assets held under long term operating leases as investment properties.

Intangible assets
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised software development costs, are not capitalised and expenditure is reflected in the combined and carve-out statement of income in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be 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 each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the combined and carve-out statement of income.

Intangible assets with indefinite useful lives are not amortised but are tested for impairment annually or more frequently if events or change in circumstances indicate the carrying value may be impaired, either individually or at the cash generating unit level. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the combined statement of income when the asset is derecognised.

Build-own-transfer (“BOT”) projects and concessions
BOT projects and concessions are amortised over the duration of the individual contracts in the range of 4 to 20 years.

Customer lists
Customer lists are amortised over a period of 15 years, which is determined to be the expected period of benefit from holding these lists.

Brand
The brand is amortised over a period of 15 years, which is determined to be the expected period of benefit from holding it.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Material accounting policies (continued)

Intangible assets (continued)
Goodwill
Accounting policy relating to goodwill is documented in the accounting policy "Business combinations and goodwill".

Investment in associates and joint ventures
An associate is an entity over which Agility SpinCo 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 the 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. Agility SpinCo's investments in its associate and joint venture are accounted for using the equity method.

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 Agility SpinCo'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 neither amortised nor individually tested for impairment.

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

The aggregate of Agility SpinCo's share of profit or loss of an associate and a joint venture is shown on the face of the combined and carve-out statement of income 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 Agility SpinCo. When necessary, adjustments are made to bring the accounting policies in line with those followed by Agility SpinCo. After application of the equity method, Agility SpinCo determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, Agility SpinCo determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, Agility SpinCo calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, then recognises the loss in the combined and carve-out statement of income.

Upon loss of significant influence over the associate or joint control over the joint venture, Agility SpinCo 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 combined and carve-out statement of income.

Financial instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Date of recognition
Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the entities forming part of Agility SpinCo becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Material accounting policies (continued)

Financial instruments (continued)
Initial measurement of financial instruments
The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value and, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from this amount. Trade receivables are measured at the transaction price.

Measurement categories of financial assets and liabilities
Agility SpinCo classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:
- Amortised cost
- Fair value through other comprehensive income (FVOCI)
- Fair value through profit or loss (FVTPL)

Financial liabilities, other than commitments and guarantees, are measured at amortised cost or at FVTPL when they are held for trading and derivative instruments, or when the fair value designation is applied.

i) Financial assets
Agility SpinCo determines the classification of financial assets based on the business model it uses to manage the financial assets and the contractual cash flow characteristics of the financial assets.

Business model assessment
Agility SpinCo determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. That is, whether Agility SpinCo's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'Sell' business model and measured at FVTPL. Agility SpinCo's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of Agility SpinCo's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from Agility SpinCo's original expectations, Agility SpinCo does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI test)
Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, Agility SpinCo assesses whether the financial instruments' cash flows represent Solely Payments of Principal and Interest (the 'SPPI test').

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition that may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, Agility SpinCo applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Material accounting policies (continued)

Financial instruments (continued)

i) Financial assets (continued)

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI test) (continued)

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Agility SpinCo reclassifies when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the year.

Agility SpinCo classifies its financial assets upon initial recognition into the following categories:

Debt instruments at amortised cost

A financial asset which is a debt instrument, is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Bank balances and short-term deposits and trade receivables and certain other assets are classified as debt instruments at amortised cost.

Debt instruments at amortised cost are subsequently measured at amortised cost using the effective interest method adjusted for impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in the combined and carve-out statement of income. Any gain or loss on derecognition is recognised in the combined and carve-out statement of income.

Debt instruments at FVTPL

Debt instruments at FVTPL includes debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell.

Loan to related parties is classified as debt instrument at FVTPL.

FVTPL debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value along with interest income and foreign exchange gains and losses recognised in combined and carve-out statement of income.

Equity instruments at FVOCI

Upon initial recognition, Agility SpinCo may elect to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of Equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Equity investments at FVOCI are subsequently measured at fair value. Changes in fair values including foreign exchange component are recognised in other comprehensive income and presented in the cumulative changes in fair values as part of equity. Cumulative gains and losses previously recognised in other comprehensive income are transferred to retained earnings on derecognition and are not recognised in the combined and carve-out statement of income. Dividends are recognised in statement of income when the right of the payment has been established, except when Agility SpinCo benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity investments at FVOCI are not subject to impairment assessment.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Material accounting policies (continued)

Financial instruments (continued)

i) Financial assets (continued)

Equity instruments at FVTPL

Agility SpinCo classifies equity instruments at fair value through profit and loss when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking. Held-for-trading assets are recorded and measured in the statement of financial position at fair value. In addition, on initial recognition, Agility SpinCo may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Changes in fair values and dividends are recorded in combined and carve-out statement of income when the right to payment has been established.

Included in this classification are certain equity securities and funds.

Agility SpinCo has determined the classification and measurement of its financial assets as follows:

a. Financial assets at fair value through profit or loss

Agility SpinCo's financial assets at fair value through profit or loss consists of certain investment in funds, convertible loans, quoted and unquoted equity securities.

b. Loan to related parties

Loan to related parties is a non-derivative financial assets with fixed or determinable payments which is not quoted in an active market. After initial measurement, such financial assets are subsequently measured at FVTPL.

c. Trade receivables

Trade receivables are measured at transaction price, as disclosed in Agility SpinCo's accounting policy regarding revenue from contracts with customers, less expected credit losses and are stated at amortised cost.

Trade receivables that do not contain a significant financing component or for which Agility SpinCo has applied the practical expedient are initially measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, at the transaction price.

d. Bank balances, cash and deposits

Bank balances, cash and deposits in the combined and carve-out statement of financial position comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less. These are stated at amortised cost using effective interest rate.

For the purpose of the combined and carve-out statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above.

e. Other current assets

Other current assets are carried at their carrying value, less impairment, if any.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Material accounting policies (continued)

Financial instruments (continued)

i) Financial assets (continued)

Reclassification of financial assets

Agility SpinCo does not reclassify its financial assets subsequent to their initial recognition except under circumstances in which Agility SpinCo changes the business model for managing financial assets.

Derivative financial instruments and hedge accounting

Agility SpinCo uses derivative financial instruments such as forward currency contracts, interest rate swaps and forward rate agreements to hedge its foreign currency risks and interest rate risks respectively. Derivatives are recorded at fair value. Derivatives with positive fair values (unrealised gains) are included in other assets and derivatives with negative fair values (unrealised losses) are included in other liabilities in the combined and carve-out statement of financial position. For hedges, which do not qualify for hedge accounting and for held for trading derivatives, any gains or losses arising from changes in the fair value of the derivative are taken directly to the combined and carve-out statement of income.

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract. A derivative that is attached to a financial instrument, but is contractually transferable independently of that instrument, or has a different counterparty from that instrument, is not an embedded derivative, but a separate financial instrument. A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in combined and carve-out statement of income. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

At inception of the hedge relationship, Agility SpinCo formally documents the relationship between the hedged item and the hedging instrument, including the nature of the risk, the objective and strategy for undertaking the hedge and the method that will be used to assess the effectiveness of the hedging relationship. Also, at the inception of the hedge relationship, a formal assessment is undertaken to ensure the hedging instrument is expected to be highly effective in offsetting the designated risk in the hedged item. Hedges are formally assessed each quarter. A hedge is regarded as highly effective if the changes in fair value or cash flows attributable to the hedged risk during the period for which the hedge is designated are expected to be offset in a range of 80% to 125%. For situations where that hedged item is a forecast transaction, Agility SpinCo assesses whether the transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect the combined and carve-out statement of income.

For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment (except for foreign currency risk); or
- cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment; or
- hedges of a net investment in a foreign operation.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

a) Fair value hedges

The change in the fair value of a hedging derivative is recognised in the combined and carve-out statement of income. The change in the fair value of the hedged item attributable to the risk hedged is recorded as a part of the carrying value of the hedged item and is also recognised in the combined and carve-out statement of income.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Material accounting policies (continued)

Financial instruments (continued)

i) Financial assets (continued)
Derivative financial instruments and hedge accounting (continued)
a) Fair value hedges (continued)
For fair value hedges relating to items carried at amortised cost, the adjustment to carrying value is amortised through the combined and carve-out statement of income over the remaining term to maturity. Amortisation may begin as soon as an adjustment exists and shall end no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in the combined and carve-out statement of income.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in the combined and carve-out statement of income.

For a hedging instrument that hedges an equity instrument for which Agility SpinCo has elected to present changes in fair value in other comprehensive income, the changes in the fair value of the hedging instrument are recognised in other comprehensive income.

b) Cash flow hedges
The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income, while any ineffective portion is recognised immediately in the combined and carve-out statement of income. Amounts taken to other comprehensive income are transferred to combined and carve-out statement of income when the hedged transaction affects the combined and carve-out statement of income, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts taken to other comprehensive income are transferred to the initial carrying amount of the non-financial asset or liability. If the forecast transaction or firm commitment is no longer expected to occur, amounts previously recognised in other comprehensive income are transferred to the combined and carve-out statement of income. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in other comprehensive income remain in other comprehensive income until the forecast transaction or firm commitment occurs.

c) Hedges of a net investment
Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised in other comprehensive income while any gains or losses relating to the ineffective portion are recognised in the combined and carve-out statement of income. On disposal of the foreign operation, the cumulative value of any such gains or losses recognised in other comprehensive income is transferred to combined and carve-out statement of income.

Derecognition of financial assets
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:
- The rights to receive cash flows from the asset have expired; or
- Agility SpinCo 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) Agility SpinCo has transferred substantially all the risks and rewards of the asset, or (b) Agility SpinCo has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Material accounting policies (continued)

Financial instruments (continued)

i) Financial assets (continued)

Derecognition of financial assets (continued)

When Agility SpinCo 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, Agility SpinCo continues to recognise the transferred asset to the extent of its continuing involvement. In that case, Agility SpinCo also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that Agility SpinCo 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 Agility SpinCo could be required to repay.

ii) Financial liabilities

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.

Agility SpinCo's financial liabilities include trade and other payables, interest bearing loans, lease liabilities and derivative financial instruments.

Agility SpinCo has determined the classification and measurement of its financial liabilities as follows:

a. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by Agility SpinCo that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the combined and carve-out statement of income.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, only if the criteria in IFRS 9 are satisfied.

b. Interest bearing loans

After initial recognition, interest bearing loans are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the 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 as finance costs in the combined and carve-out statement of income.

Installments due within one year are shown as current liabilities. Interest is charged as an expense as it accrues in the combined and carve-out statement of income, with unpaid amounts included in accrued expenses under 'trade and other payables'.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Material accounting policies (continued)

Financial instruments (continued)

ii) Financial liabilities (continued)
c. Trade and other payables
Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

Derecognition of financial liabilities
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 combined and carve-out statement of income.

iii) Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount reported in the combined and carve-out 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.

Impairment of financial assets
Agility SpinCo recognises an allowance for expected credit losses (ECL) 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 Agility SpinCo expects to receive. The shortfall is then discounted at an approximation to the asset's 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.

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, Agility SpinCo applies a simplified approach in calculating ECLs. Therefore, Agility SpinCo does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. Entities forming part of Agility SpinCo have 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.

Debt instruments and financial assets at FVTPL are not subject to ECL.

Agility SpinCo considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, Agility SpinCo may also consider a financial asset to be in default when internal or external information indicates that Agility SpinCo is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by Agility SpinCo. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Fair values
Agility SpinCo measures certain financial instruments (including derivatives) and non-financial assets such as investment properties, at fair value at each reporting date. 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 to Agility SpinCo.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Material accounting policies (continued)

Fair values (continued)
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.

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.

Agility SpinCo 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 combined and carve-out 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 combined and carve-out financial statements on a recurring basis, Agility SpinCo 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.

Agility SpinCo's management determines the policies and procedures for both recurring fair value measurement, such as investment properties and unquoted financial assets, and for non-recurring measurement, such as assets held for distribution in discontinued operation.

External valuers are involved for the valuation of Agility SpinCo's investment properties. Involvement of external valuers is decided upon annually by the management. Selection criteria include regulatory requirements, market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with Agility SpinCo's external valuers, which valuation techniques and inputs to use for each case.

For unquoted financial instruments fair value is determined by reference to the market value of a similar investment, discounted cash flows, other appropriate valuation models or brokers' quotes.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per Agility SpinCo's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with Agility SpinCo's external valuers, also compares changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, Agility SpinCo 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.

Inventories
Inventories are stated at the lower of cost and net realisable value. Costs are those expenses incurred in bringing each product to its present location and condition and are determined on the weighted average basis. Net realisable value is based on estimated selling price in the ordinary course of the business, less any further costs expected to be incurred on completion and disposal.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Material accounting policies (continued)

Impairment of non-financial assets
The carrying amounts of Agility SpinCo's non-financial assets, other than, investment property and inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of Agility SpinCo's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of Agility SpinCo are assigned to those units or groups of units.

Each unit or group of units to which the goodwill is so allocated:
- represents the lowest level within Agility SpinCo at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on Agility SpinCo's segment information reporting format determined in accordance with *IFRS 8: Operating Segment*.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in the combined and carve-out statement of income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro-rata basis.

Provisions
A provision is recognised when, and only when Agility SpinCo has a present legal or constructive obligation as a result of a past event and 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. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be incurred to settle the obligation.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Material accounting policies (continued)

Employees' end of service benefits
Agility SpinCo has a number of defined benefit pension and contribution plans that cover a substantial number of employees across multiple countries. Retirement benefits are provided based on compensation as defined by local labour laws or employee contracts.

In respect of defined contribution plans, the contributions made are charged to the combined and carve-out statement of income.

For the defined benefit plans, Agility SpinCo's policy is to fund some of these plans in accordance with local practice and contributions are made in accordance with independent actuarial valuations. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling excluding net interest and the return on plan assets (excluding net interest), are recognised immediately in the combined and carve-out statement of financial position with a corresponding debit or credit to 'other reserve' through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to combined and carve-out statement of profit or loss in subsequent periods.

Past service costs are recognised in combined and carve-out statement of profit or loss on the earlier of:
- The date of the plan amendment or curtailment, and
- The date that Agility SpinCo recognises restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Agility SpinCo recognises the following changes in the net defined benefit obligation under 'salaries and employee benefits' in combined and carve-out statement of profit or loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income

Revenue from contracts with customers
Agility SpinCo is primarily engaged in providing the following services:

Logistics revenue
Logistics revenue primarily comprises inventory management, order fulfilment, transportation and warehousing services. Logistics revenues are recognised at the point in time when the services are rendered to the customer except for transportation (including chartering of vessels) and warehousing services that are recognised over time, using an input method to measure progress towards complete satisfaction of the service.

Ground handling and airport services
Revenue from ground handling and airport services which includes revenue from ramp, passengers, into-plane fuelling, and other aviation related services is recognized at the time the service is provided, in accordance with the terms of the related contract.

Rental services
Rental income arising on investment properties is recognised over time, using an input method to measure progress towards complete satisfaction of the service.

Interest income
Interest income is recognised as interest accrues using the effective interest method ("EIR") that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Dividend income
Dividend income is recognised when the right to receive payment is established.

The significant accounting judgements related to the revenue from contracts with customers is detailed in Note 3.4.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Material accounting policies (continued)

Government grants
Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When entities forming part of Agility SpinCo receive grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

Taxation
Current tax
Certain of the entities forming part of Agility SpinCo are subject to taxes on income in various foreign jurisdictions. Taxes payable are provided on taxable profits at the current rate in accordance with the fiscal regulations in the country where the subsidiary is located.

Deferred tax
Deferred tax assets are recognised for deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent it is probable that future taxable profits will be available to utilise this. Deferred tax liabilities are recognised for taxable temporary differences. Deferred tax assets and liabilities are measured using tax rates and applicable legislation at the reporting date.

Subsequent events
IAS 10 — '*Events After the Reporting Period*', requires management to evaluate subsequent events to determine whether it needs to recognize or disclose them. While subsequent events affecting the combined and carve-out financial statements are a subset of the events the Group previously identified, the Group's conclusions regarding these events are not re-evaluated. Management has considered the diversity in practice among carve-out entities about whether to recognize or disclose subsequent events that occur after the Group issues its consolidated financial statements.

Management has analogized to the reissuance guidance and has only disclosed such events that are part of the Group's consolidated financial statement, since the combined and carve-out financial statements are derived from previously issued consolidated financial statements of the Group. Management has adopted extraction approach in evaluating the subsequent events. Under this approach, the combined and carved-out reporting entity is considered a reflection of the larger reporting entity (the Group). The financial information of the carved-out reporting entity has been included in the consolidated financial statements of the larger reporting entity and, therefore, approved and issued. As a consequence, the combined and carve-out financial statements prepared under this approach do not include any information about events after the date of issue of the consolidated financial statements of the Group.

3.4 Significant Accounting Judgements, Estimates and Assumptions

The preparation of Agility SpinCo's combined and carve-out financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. Management is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The judgments, estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, including expectations of future events that are believed to be reasonable under the circumstances. However, the resulting accounting estimates will, by definition, seldom equal the related actual results. Uncertainty about these assumptions and estimates have a significant risk of causing a material adjustment to the carrying amount of assets and/or liabilities in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.4 Significant Accounting Judgements, Estimates and Assumptions (continued)

Judgements
In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the combined and carve-out financial statements:

Revenue from contracts with customers
Agility SpinCo applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

a. Determination of transaction price
The transaction price is the amount of consideration that is enforceable and to which Agility SpinCo expects to be entitled in exchange for services promised to the customer. Agility SpinCo determines the transaction price by considering the terms of the contract and business practices that are customary.

b. Determining the timing of satisfaction of services

i. Logistics revenue
Agility SpinCo concluded that revenue from logistics services (excluding transportation (including chartering of vessels) and warehousing services) to its customers is to be recognised at the point in time when the services are rendered to the customer.

ii. Rental and warehousing services
Agility SpinCo concluded that revenue from warehousing services and rental services to its customers is to be recognised over time because the customer simultaneously receives and consumes the benefits provided by Agility SpinCo. The fact that another entity would not need to re-perform such services that Agility SpinCo has provided to date demonstrates that the customer simultaneously receives and consumes the benefits of Agility SpinCo's performance as it performs. Agility SpinCo has a right to payment for the performance completed to date as, under each contractual agreement with a customer, Agility SpinCo is entitled to an amount that at least compensates Agility SpinCo for its performance completed to date in the event that the customer terminates the contract for reasons other than Agility SpinCo's failure to perform as promised. Furthermore, Agility SpinCo's performance does not create an asset with an alternative use to the entity.

Agility SpinCo has determined to utilize the input method for measuring progress of such services because there is a direct relationship between Agility SpinCo's effort and the transfer of service to the customer. In respect to warehousing services and rental services, Agility SpinCo recognises revenue on a straight-line basis as Agility SpinCo's efforts being evenly expended throughout the performance period.

iii. Ground handling and airport services
Agility SpinCo concluded that revenue from Ground handling and airport services to its customers is to be recognised at the point in time when the services are rendered to the customer.

c. Consideration of significant financing component in a contract
Agility SpinCo does not expect to have any contracts where the period between the transfer of promised services to the customer and payment by the customer exceeds one year. As a consequence, Agility SpinCo does not adjust any of the transaction prices for the time value of money.

Principal versus agent considerations
Agility SpinCo enters into contracts with its customers for supply of good and services. Agility SpinCo determined that it controls the goods or services before they are transferred to customers, and it has the ability to direct the use of goods or obtain benefits from the goods. The following factors indicate that Agility SpinCo controls the goods or services before they are being transferred to customers. Therefore, Agility SpinCo determined that it is a principal in all its revenue arrangements.

- Agility SpinCo is primarily responsible for fulfilling the promise to provide the specified goods or services.
- Agility SpinCo has inventory risk before the specified goods has been transferred to the customers.
- Agility SpinCo has discretion in establishing the price for the specified goods or services.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.4 Significant Accounting Judgements, Estimates and Assumptions (continued)

Judgements (continued)
Classification of financial assets
Agility SpinCo determines the classification of financial assets based on the assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Determining the lease term of contracts with renewal and termination options – Agility SpinCo as lessee
Agility SpinCo determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Agility SpinCo has several lease contracts that include extension and termination options. Agility SpinCo applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination option. After the commencement date, Agility SpinCo reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Identification of non-lease components
In addition to containing a lease, Agility SpinCo's services arrangement that involves additional services, including personnel cost, maintenance, production related activities and other items. These are considered to be non-lease components and Agility SpinCo has decided to separate these from the lease components. Judgement is required to identify these. The consideration in the contract is then allocated between the lease and non-lease components on a relative stand-alone price basis. This requires Agility SpinCo to estimate stand-alone prices for each lease and non-lease component.

Operating lease commitments – Agility SpinCo as lessor
Agility SpinCo has entered into commercial property leases on its investment property portfolio. Agility SpinCo has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

Fair values of assets and liabilities acquired
The determination of the fair value of the assets, liabilities and contingent liabilities as a result of business combination requires significant judgement.

Allocation of expenses
For purposes of presenting the combined and carve-out financial statements, allocations were required to determine certain costs and administrative activities performed by the Parent Company, attributable to Agility SpinCo. Management has identified shared services which includes, executive management, finance, information technology, marketing, legal, and human resources. Assessing and identifying the relevant function of expenses that required to be attributed to Agility SpinCo requires reasonable degree of judgement.

Going concern
Management has made an assessment of Agility SpinCo's ability to continue as a going concern and is satisfied that Agility SpinCo has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon Agility SpinCo's ability to continue as a going concern. Therefore, the combined and carve-out financial statements have been prepared on the going concern basis.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.4 Significant Accounting Judgements, Estimates and Assumptions (continued)

Judgements (continued)
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.

Assessment of contingencies and claims
Agility SpinCo is subject to claims and actions for which in some cases, no provisions have been recognized, based on the facts and circumstances relating to the particular cases, which are evaluated regularly in determining whether a provision relating to a specific litigation should be recognized or revised. Contingent assets and liabilities are not recognised in the combined and carve-out financial statements, but are disclosed unless the possibility of inflow or outflow respectively of resources embodying economic benefits is remote, which requires significant judgement. Accordingly, significant management judgement relating to provisions and contingent liabilities is required, since the outcome of litigation is difficult to predict.

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 discussed below:

Impairment of property, plant and equipment, right of use assets and intangible assets (including goodwill)
Agility SpinCo determines whether property, plant and equipment, right of use assets and intangible assets are impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the respective asset is allocated. Estimating the value in use requires Agility SpinCo to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Valuation of investment properties
Agility SpinCo carries its investment properties at fair value, with change in fair values being recognised in the combined and carve-out statement of income. Fair value is determined based on comparative analysis based on the assessment made by an independent real estate appraiser using values of actual deals transacted recently by other parties for properties in a similar location and condition, discounted cash flow and based on the knowledge and experience of the real estate appraiser.

Fair value measurements of financial instruments
When the fair values of financial assets and financial liabilities recorded in the combined and carve-out statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (“DCF”) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 31 for further disclosures.

Provision for expected credit losses of trade receivables
Agility SpinCo 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, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on Agility SpinCo’s historical observed default rates. Agility SpinCo 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.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.4 Significant Accounting Judgements, Estimates and Assumptions (continued)

Estimates and assumptions (continued)
Provision for expected credit losses of trade receivables (continued)
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. Agility SpinCo'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 Agility SpinCo's trade receivables is disclosed in Note 3.3 and Note 30.

Valuation of inventories
Inventories are held at the lower of cost and net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision is applied according to the inventory type and the degree of ageing or obsolescence, based on anticipated selling prices.

Leases - Estimating the incremental borrowing rate
Agility SpinCo 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 Agility SpinCo 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 Agility SpinCo 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. Agility SpinCo estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Pension and other post-employment benefits
The cost of the defined benefit pension plan and other post-employment medical benefits and the present value of the pension obligation 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, mortality rates and future pension increases. 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 currencies consistent with the currencies of the post-employment benefit obligation with at least an 'AA' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

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

Further details about defined benefit obligations are given in Note 19.

Impairment of inventories
Inventories are held at the lower of cost and net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on anticipated selling prices.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.4 Significant Accounting Judgements, Estimates and Assumptions (continued)

Estimates and assumptions (continued)

Impairment of financial assets at amortised cost

Agility SpinCo assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost. For trade receivables and contract assets, Agility SpinCo applies a simplified approach in calculating ECL. Therefore, Agility SpinCo does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. Agility SpinCo 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. Actual results may differ from these estimates.

Basis of allocation of expenses

The allocation methodologies have been described within the notes to the combined and carve-out financial statements where appropriate, and management believes that the assumptions and estimates used in preparation of the combined and carve-out financial statements are reasonable. Management believes that the allocation methodologies are reasonable; however, expenses allocated to Agility SpinCo are not necessarily indicative of the expenses that would have been incurred on a stand-alone basis nor are they indicative of costs that may be incurred in the future. Actual results could differ from these estimates. It is not practical to estimate the costs that would have been incurred by Agility SpinCo if it had operated on a stand-alone basis.

4 GROUP INFORMATION

The principal entities forming part of Agility SpinCo are listed in Note 1 of these combined and carve-out financial statements.

Material partly-owned entity in Agility SpinCo

Tristar is the only entity with non-controlling interests that is material to Agility SpinCo. Summarised financial information of Tristar is provided below. This information is based on amounts before inter-company eliminations.

	2023	*2022*
	USD 000's	*USD 000's*
Summarised statement of income:		
Revenues	**1,096,295**	833,928
Profit for the year	**71,132**	68,741
Allocated to non-controlling interests	**(32,779)**	(27,362)
Summarised statement of financial position:		
Total assets	**1,609,917**	1,604,990
Total liabilities	**(846,005)**	(909,433)
Total equity	**763,912**	695,557
Accumulated balances of non-controlling interests	**424,046**	367,138
Summarised cash flow information:		
Operating	**197,141**	119,647
Investing	**(37,536)**	(184,922)
Financing	**(160,600)**	95,753
Net (decrease) increase in cash and cash equivalents	**(995)**	30,478

5 PROPERTY, PLANT AND EQUIPMENT

	Land, buildings and improvements USD 000's	*Tools, machinery and equipment USD 000's*	*Vehicles and ships USD 000's*	*Furniture and office equipment USD 000's*	*Total USD 000's*
Cost:					
As at 1 January 2023	**253,054**	**249,907**	**784,273**	**106,211**	**1,393,445**
Additions	**22,691**	**74,009**	**28,656**	**11,849**	**137,205**
Disposals	**(25,385)**	**-**	**(29,207)**	**(6,220)**	**(60,812)**
Exchange differences	**3,139**	**4,415**	**21,342**	**1,715**	**30,611**
As at 31 December 2023	**253,499**	**328,331**	**805,064**	**113,555**	**1,500,449**
Depreciation:					
As at 1 January 2023	**(73,126)**	**(96,640)**	**(253,885)**	**(67,199)**	**(490,850)**
Charge for the year	**(36,010)**	**(28,325)**	**(32,627)**	**(11,195)**	**(108,157)**
Disposals	**25,385**	**-**	**29,207**	**6,220**	**60,812**
Exchange differences	**(4,054)**	**(5,676)**	**(16,821)**	**(2,195)**	**(28,746)**
As at 31 December 2023	**(87,805)**	**(130,641)**	**(274,126)**	**(74,369)**	**(566,941)**
Net book value:					
As at 31 December 2023	**165,694**	**197,690**	**530,938**	**39,186**	**933,508**

	Land, buildings and improvements USD 000's	*Tools, machinery and equipment USD 000's*	*Vehicles and ships USD 000's*	*Furniture and office equipment USD 000's*	*Total USD 000's*
Cost:					
As at 1 January 2022	130,113	136,003	595,323	85,216	946,655
Additions	-	21,744	37,787	6,558	66,089
Transfer from projects in progress (Note 6)	2,187	7,170	7,170	277	16,804
Arising on business combination (Note 25)	126,271	122,116	123,072	14,214	385,673
Disposals	-	(16,421)	-	-	(16,421)
Exchange differences	(5,517)	(20,705)	20,921	(54)	(5,355)
As at 31 December 2022	253,054	249,907	784,273	106,211	1,393,445
Depreciation:					
As at 1 January 2022	(65,544)	(96,776)	(211,737)	(63,266)	(437,323)
Charge for the year	(12,756)	(20,279)	(37,567)	(3,974)	(74,576)
Disposals	-	3,527	-	-	3,527
Exchange differences	5,174	16,888	(4,581)	41	17,522
As at 31 December 2022	(73,126)	(96,640)	(253,885)	(67,199)	(490,850)
Net book value:					
As at 31 December 2022	179,928	153,267	530,388	39,012	902,595

6 PROJECTS IN PROGRESS

Projects in progress comprise the cost of assets acquired and under construction that are not available for use at the reporting date. These assets, once completed, will be used for Agility SpinCo's operations.

	2023 ***USD 000's***	*2022* *USD 000's*
As at 1 January	**61,080**	58,672
Additions	**9,234**	56,271
Transfer to property, plant and equipment (Note 5)	**-**	(16,804)
Transfer to investment properties (Note 8)	**(12,644)**	(38,000)
Exchange differences	**1,670**	941
As at 31 December	**59,340**	61,080

7 LEASES

Set out below, are the carrying amounts of Agility SpinCo's right-of-use assets, lease liabilities and the movements during the year:

	Right-of-use assets					
	Land, buildings and improvements USD 000's	***Tools, machinery and equipment USD 000's***	***Vehicles and ships USD 000's***	***Furniture and office equipment USD 000's***	***Total USD 000's***	***Lease liabilities USD 000's***
At 1 January 2023	**177,641**	**61,650**	**194,961**	**-**	**434,252**	**418,940**
Additions	**67,115**	**66,288**	**42,873**	**186**	**176,462**	**235,599**
Depreciation	**(61,942)**	**(31,212)**	**(37,929)**	**(62)**	**(131,145)**	**-**
Finance cost	**-**	**-**	**-**	**-**	**-**	**27,118**
Lease payments	**-**	**-**	**-**	**-**	**-**	**(155,090)**
Others (including exchange differences)	**(7,347)**	**2,498**	**141**	**(20)**	**(4,728)**	**6,032**
At 31 December 2023	**175,467**	**99,224**	**200,046**	**104**	**474,841**	**532,599**
Current portion						**135,496**
Non-current portion						**397,103**
						532,599

7 LEASES (continued)

	Right-of-use assets					
	Land, buildings and improvements USD 000's	*Tools, machinery and equipment USD 000's*	*Vehicles and ships USD 000's*	*Furniture and office equipment USD 000's*	*Total USD 000's*	*Lease liabilities USD 000's*
At 1 January 2022	49,291	-	173,178	-	222,469	202,321
Additions	11,489	849	36,065	9	48,412	48,412
Arising on business combination (Note 25)	115,163	71,443	12,546	-	199,152	240,052
Depreciation	(12,850)	(10,642)	(26,827)	(9)	(50,328)	-
Finance cost	-	-	-	-	-	13,745
Lease payments	-	-	-	-	-	(82,139)
Others (including exchange differences)	14,548	-	(1)	-	14,547	(3,451)
At 31 December 2022	177,641	61,650	194,961	-	434,252	418,940
Current portion						99,723
Non-current portion						319,217
						418,940

The lease liabilities reported in the combined and carve-out statement of financial position includes liabilities amounting to USD 7,007 thousand (2022: USD 12,131 thousand) related to service concession arrangements recognised as intangible assets.

Set out below, are the amounts recognised in the combined and carve-out statement of income related to leases:

	2023 USD 000's	*2022 USD 000's*
Depreciation expense of right-of-use assets	**(131,145)**	(50,328)
Finance cost on lease liabilities	**(27,118)**	(13,745)
Expense relating to short-term leases and low-value assets (included in other operating expenses)	**(25,641)**	(30,531)
Expense relating to short-term leases (included in cost of revenues)	**(3,197)**	(1,180)
	(187,101)	(95,784)

For the year ended 31 December 2023, Agility SpinCo has reported total cash outflows for leases of USD 155,090 thousand (2022: USD 82,139 thousand). Additionally, during the year, Agility SpinCo has reported non-cash additions to right-of-use assets and lease liabilities of USD 176,462 and USD 235,599 thousand respectively (2022: USD 48,412 thousand and USD 48,412 thousand respectively).

8 INVESTMENT PROPERTIES

	2023	*2022*
	USD 000's	*USD 000's*
As at 1 January	**606,286**	493,770
Transfer from projects in progress (Note 6)	**12,644**	38,000
Additions	**58,188**	-
Change in fair value	**43,963**	73,475
Exchange differences	**4,264**	1,041
As at 31 December	**725,345**	606,286

The fair values of investment properties as at 31 December 2023 and 31 December 2022 were determined by independent valuers who have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The fair values were determined based on a combination of market and income approaches as appropriate. In estimating the fair values of the properties, the highest and the best use of the properties is their current use. There has been no change to the valuation techniques during the year. The fair value of investment properties is measured under the Level 3 fair value hierarchy.

The significant assumptions used in the determination of fair value are market price (per sqm), exit rate and the discount rate.

Under market approach, fair value is estimated based on comparable transactions. The market approach is based upon the principle of substitution under which a potential buyer will not pay more for the property than it will cost to buy a comparable substitute property. The unit of comparison applied by Agility SpinCo is the price per square metre ('sqm').

Under the income approach, fair value is estimated by discounting the projected cash flows for the following five years and capitalizing the cash flow for the fifth year using an exit rate.

Significant increases (decreases) in estimated rental value and rent growth per annum in isolation would result in a significantly higher (lower) fair value of the properties. Significant increases (decreases) in the exit rate and discount rate in isolation would result in a significantly lower (higher) fair value.

9 INTANGIBLE ASSETS

	BOT Projects, license and concessions USD 000's	***Customer lists and contracts USD 000's***	***Brand USD 000's***	***Total USD 000's***
Cost:				
As at 1 January 2023	**136,362**	**217,497**	**70,672**	**424,531**
Arising on business combination	**2,000**	**-**	**-**	**2,000**
Exchange differences	**(2,981)**	**(2,032)**	**(89)**	**(5,102)**
As at 31 December 2023	**135,381**	**215,465**	**70,583**	**421,429**
Amortisation:				
As at 1 January 2023	**(114,775)**	**(5,341)**	**(1,213)**	**(121,329)**
Charge for the year	**(10,359)**	**(16,943)**	**(6,241)**	**(33,543)**
Exchange differences	**1,580**	**2,812**	**474**	**4,866**
As at 31 December 2023	**(123,554)**	**(19,472)**	**(6,980)**	**(150,006)**
Net book value:				
As at 31 December 2023	**11,827**	**195,993**	**63,603**	**271,423**

	BOT Projects, license and concessions USD 000's	*Customer lists and contracts USD 000's*	*Brand USD 000's*	*Total USD 000's*
Cost:				
As at 1 January 2022	137,573	-	-	137,573
Arising on business combination (Note 25)	-	217,482	70,672	288,154
Exchange differences	(1,211)	15	-	(1,196)
As at 31 December 2022	136,362	217,497	70,672	424,531
Amortisation:				
As at 1 January 2022	(100,621)	-	-	(100,621)
Charge for the year	(15,063)	(4,743)	(1,213)	(21,019)
Exchange differences	909	(598)	-	311
As at 31 December 2022	(114,775)	(5,341)	(1,213)	(121,329)
Net book value:				
As at 31 December 2022	21,587	212,156	69,459	303,202

Brand, customer lists, contracts and licenses were acquired through business combinations in previous years. BOT projects represent costs incurred on the construction of the car park and commercial complex of Kuwait International Airport and Sheikh Saa'd Terminal. Concessions represents fee incurred for providing Ground handling services in Cote d' Ivoire and Uganda.

10 GOODWILL

	2023	*2022*
	USD 000's	*USD 000's*
Cost:		
As at 1 January	**835,191**	110,706
Arising on business combination (Note 25)	**18,315**	720,166
Exchange differences	**(1,672)**	4,319
As at 31 December	**851,834**	835,191

The goodwill acquired through business combinations has been allocated to the cash generating units as follows:

	Carrying amount of goodwill	
	2023	*2022*
	USD 000's	*USD 000's*
Cash generating units:		
Aviation services	**743,616**	744,170
Fuel logistics	**39,409**	24,170
Others	**68,809**	66,851
Total	**851,834**	835,191

Management has performed an impairment exercise for the goodwill that is allocated to the primary activity of the cash generating units. The recoverable amounts of the cash generating units have been determined based on a value in use calculation using cash flow projections based on financial budgets approved by the management for 2024 and forecasts for the 4 year period thereafter based on growth rates for the sectors in which the cash generating units operate. As a result of the exercise, the management has concluded that no impairment provision is considered necessary in the combined and carve-out statement of income.

Aviation services
The goodwill in respect of aviation operations is allocated to three CGUs namely John Menzies Limited, National Aviation Services Kenya & National Aviation Services Uganda which consists of identifiable net assets including intangible assets of aviation operations. The recoverable amount as at 31 December 2023, has been determined based on a value in use calculation using cash flow projections based on financial budgets approved by the management for 2024 and assuming an average annual growth rate of 5% - 10% (2022: 5% - 10%) for the four year period thereafter, which is in the range of the current short term growth rates for sectors in which the cash generating units operate. The average pre-tax discount rate applied to cash flow projections is 10% - 18% (2022: 15% - 19%) and cash flows beyond the 5 year period are extrapolated using a growth rate of 3% - 4% (2022: 3%-4%). As a result of the exercise, the management has concluded that no impairment provision is considered necessary in the combined and carve-out statement of income.

Fuel logistics
The goodwill in respect of fuel logistics operations is allocated to two CGUs namely Tristar Holding Limited and HG Storage International Limited which consists of identifiable net assets including intangible assets of fuel logistics operations. The recoverable amount as at 31 December 2023, has been determined based on a value in use calculation using cash flow projections based on financial budgets approved by the management for 2024 and assuming an average annual growth rate of 11.07% (2022: Nil) for the four year period thereafter, which is in the range of the current short term growth rates for sectors in which the cash generating units operate. The pre-tax discount rate applied to cash flow projections is 12.55% (2022: Nil) and cash flows beyond the 5 year period are extrapolated using a growth rate of 3% (2022: Nil). As a result of the exercise, the management has concluded that no impairment provision is considered necessary in the combined and carve-out statement of income.

10 GOODWILL (continued)

Key assumptions used in value in use calculations
The calculation of value in use is sensitive to the following assumptions:

- Revenue;
- Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA");
- Discount rates; and
- Growth rate used to extrapolate cash flows beyond the 5 year period.

Revenue – Revenue is projected based on the budgets and internal forecasts prepared by the management based on business plans. Internal factors include things like your sales history, product mix and marketing strategy. Management used existing data and metrics to predict your business's future revenue. In the revenue estimation processes, management also uses historical performance data, predictive modeling, and qualitative insights. Customer behavior, seasonality, conversion rates, churn rates, and other factors may affect revenue projections

Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA) – EBITDA is projected based on the budgets and internal forecasts prepared by the management based on business plans.

Discount rates - Discount rates represent the current market assessment of the risks specific to each CGU, 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 Agility SpinCo and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the investors. The cost of debt is based on the interest-bearing borrowings Agility SpinCo 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.

Growth rate – Growth rates are estimated based on industry sectors in which the cash generating units operate, growth rates specific to the country and sales and marketing data available. Management recognises that the speed of technological change and the possibility of new entrants can have a significant impact on growth rate assumptions.

Climate-related matters - Agility SpinCo constantly monitors climate-related risks, including physical risks and transition risks, when measuring the recoverable amount. While Agility SpinCo does not believe its operations are currently significantly exposed to physical risk, the value-in-use may be impacted in several different ways by transition risk, such as climate-related legislation, climate-related regulations and changes in demand for the Agility SpinCo's products.

Sensitivity to changes in assumptions
With regard to the assessment of value in use of the cash generating units, the management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the CGUs to materially exceed its recoverable amount.

11 INVESTMENT IN ASSOCIATES AND JOINT VENTURES

The movement in carrying value of investment in associates and joint ventures during the year is as follows:

	2023 ***USD 000's***	*2022* *USD 000's*
As at 1 January	**438,742**	335,453
Additions to investment in associates	**14,961**	-
Share of results	**20,140**	(6,989)
Share of other comprehensive income	**(1,044)**	5,072
Disposal	**(2,429)**	(7,103)
Arising on business combination (Note 25)	-	127,363
Dividends	**(15,175)**	(3,978)
Foreign currency translation adjustments	**1,552**	(11,076)
As at 31 December	**456,747**	438,742

11 INVESTMENT IN ASSOCIATES AND JOINT VENTURES (continued)

Agility SpinCo determined that Gulf Warehousing Company Q.P.S.C. ("GWC"), National Real Estate Company K.P.S.C. ("NREC"), Trychem FZCO and Sea-Tank 510 NV are the material associates of Agility SpinCo and the following table provides summarised financial information of these entities:

	GWC		*NREC*		*Joint ventures*		*Trychem FZCO*		*Sea-Tank 510 NV*	
	2023	*2022*	***2023***	*2022*	***2023***	*2022*	***2023***	*2022*	***2023***	*2022*
	USD '000s	*USD '000s*	***USD '000s***	*USD 000's*	***USD '000s***	*USD 000's*	***USD '000s***	*USD 000's*	***USD '000s***	*USD 000's*
Summarised statement of financial position:										
Current assets	**260,778**	267,976	**72,381**	101,515	**115,156**	147,924	**61,677**	52,862	**28,558**	17,235
Non-current assets	**1,166,098**	1,022,988	**1,787,643**	1,537,446	**1,381,858**	1,326,953	**27,649**	6,961	**157,420**	160,941
Current liabilities	**(289,227)**	(270,110)	**(164,502)**	(168,711)	**(85,322)**	(82,825)	**(43,148)**	(34,711)	**(3,469)**	(10,548)
Non-current liabilities	**(488,339)**	(419,512)	**(433,829)**	(426,289)	**(1,371,043)**	(1,212,426)	**(5,467)**	(467)	**(43,358)**	(41,053)
Equity	**649,310**	601,342	**1,261,693**	1,043,961	**40,649**	179,626	**40,711**	24,645	**139,151**	126,575
Proportion of Agility SpinCo's ownership	**20.57%**	20.84%	**20%**	20%			**25 %**	25 %	**49%**	49%
Group's share in the equity	**133,534**	125,320	**58,518**	69,903	**16,941**	29,128	**10,178**	6,161	**68,184**	62,022
Goodwill	**67,227**	67,227	**-**	-	**-**	-	**-**	-	**-**	-
Carrying value of investments	**200,761**	192,547	**58,518**	69,903	**16,941**	29,128	**10,178**	6,161	**68,184**	62,022
Summarised statement of income:										
Revenue	**414,065**	421,988	**31,822**	39,781	**15,192**	6,017	**172,552**	162,563	**48,565**	45,215
Profit (loss)	**60,434**	69,246	**(4,228)**	38,771	**(58,051)**	(9,732)	**4,720**	7,460	**15,917**	7,494
Contingent liabilities	**15,420**	11,836	**1,386,401**	37,156	**-**	-	**2,300**	2,300	**-**	-

Other associates of Agility SpinCo amounts to USD 102,165 thousand (31 December 2022: USD 78,981 thousand).

As at 31 December 2023, the fair market value of Agility SpinCo's interest in GWC, which is listed on the Qatar Stock Exchange, is USD 103,638 thousand (2022: USD 135,593 thousand) and NREC, which is listed on Boursa Kuwait is USD 85,266 thousand (2022: USD 128,599 thousand).

12 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2023 ***USD 000's***	*2022* *USD 000's*
Quoted equity securities	**4,472**	12,687
Investment in funds	**3,723**	5,366
	8,195	18,053

13 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2023 ***USD 000's***	*2022* *USD 000's*
Quoted equity securities	**3,396,199**	3,031,427
Treasury bills	**19,361**	20,839
Unquoted equity securities	**89,305**	156,616
	3,504,865	3,208,882

Quoted equity securities include investment in a listed entity in Europe having a carrying value of USD 3,395,658 thousand (2022: USD 3,030,320 thousand), of which, to the extent of securities having a carrying value of USD 2,462,616 thousand (31 December 2022: USD Nil), the Group has entered into a funded equity collar arrangement ("collars") during the year, in order to hedge the fair value movements in these securities. The collars have been designated as a fair value hedge and accordingly the fair value gain on the collars during the year, amounting to USD 179,677 thousand (31 December 2022: USD Nil) has been recognized in the combined and carve-out statement of other comprehensive income. The proceeds received from the collars amounting to USD 2,424,061 thousand has been classified as interest bearing loans (Note 20).

14 INVENTORIES

	2023 ***USD 000's***	*2022* *USD 000's*
Goods for resale	**191,177**	147,765
Provision for obsolete and slow-moving inventories	**(1,124)**	(477)
	190,053	147,288

Inventories mainly include items held in stock for delivery to logistics clients as part of logistics supply contracts.

15 TRADE RECEIVABLES

	2023 ***USD 000's***	*2022* *USD 000's*
Gross trade receivables	**670,909**	658,025
Allowance for expected credit losses	**(84,897)**	(72,126)
	586,012	585,899

Movement in the allowance for expected credit losses of trade receivables is as follows:

	2023 ***USD 000's***	*2022* *USD 000's*
As at 1 January	**72,126**	75,034
Expected credit losses for the year	**7,250**	10,309
Release of provision no longer required	-	(17,707)
Others (including exchange differences)	**5,521**	4,490
As at 31 December	**84,897**	72,126

16 OTHER CURRENT ASSETS

	2023	2022
	USD 000's	*USD 000's*
Prepaid expenses	**85,825**	89,424
Prepaid interest (Note 20)	**79,045**	-
Advances to suppliers	**52,854**	47,885
Deposits	**28,451**	20,682
Jobs in progress	**10,174**	19,701
Other claims receivable	**10,771**	12,147
Staff receivables	**2,493**	1,985
Others	**40,598**	47,520
	310,211	239,344

17 BANK BALANCES, CASH AND DEPOSITS

	2023	2022
	USD 000's	*USD 000's*
Cash at banks and on hand	**549,391**	363,195
Short term deposits	**15,251**	20,567
	564,642	383,762

Short term deposits are placed for varying periods, depending on the immediate cash requirements of the entities included in Agility SpinCo and earn interest at the respective short term deposit rates.

18 EQUITY

Share capital

	2023	2022
	USD 000's	*USD 000's*
Share capital	**769,964**	2,094,113

18 EQUITY (continued)

Share capital (continued)
In accordance with the principles of combination (Note 2) the share capital reported in the combined and carve-out financial statements represents the sum of share capital of the combined entities as detailed below:

	2023 USD 000's	*2022 USD 000's*
Agility GIL BV *	**376,749**	1,700,898
Agility Tristar Holding Limited	**332,050**	332,050
Ostram Holdings Limited	**24,969**	24,969
Agility DGS Logistics Services Co KSCC	**16,522**	16,522
Agility DistriParks FZE	**9,774**	9,774
Agility Alternative Energy Solutions Co KSCC	**3,304**	3,304
PWC Aviation Services Co KSCC	**3,296**	3,296
PWC Technology for Computers Co WLL	**1,652**	1,652
Catering Logistics for General Trading and Contracting Co WLL	**915**	915
Elaf National for General Trading and Contracting Co WLL	**331**	331
Modern Limited	**198**	198
Shipa Delivery Services LLC	**82**	82
Shipa Freight Solution LLC	**22**	22
Shipa E commerce LLC	**22**	22
Agility E-Services Private Ltd	**14**	14
Agility Strategies Holding Limited	**10**	10
Menzies Holding Limited	**10**	10
Agility Venture Capital Holdings Limited	**10**	10
Horizon International Holdings Limited	**10**	10
Horizon Participation Holding I Limited	**10**	10
Shipa for Shipping Co. SPC	**5**	5
Agility Logistics Park SPC	**3**	3
Homoola Trucks for Communication and Information Technology SPC	**3**	3
Shipa for Sending, receiving, distributing mailings, postal parcels and courier letter by air Co. WLL	**3**	3
	769,964	2,094,113

* During the year, Agility GIL BV effected a capital redemption and distributed the reduction amount of EUR 1,193,520 thousand (USD 1,324,149 thousand) to the Parent company.

Other contributions
The movement of other contributions is as follows:

	Parent investment USD 000's	*Hedging reserve USD 000's*	*Investment revaluation reserve USD 000's*	*Other reserves USD 000's*	*Total contributions USD 000's*
As at 1 January 2023	**3,440,067**	**7,327**	**(1,959,271)**	**67,716**	**1,555,839**
Profit for the year	**50,432**	-	-	-	**50,432**
Other comprehensive income	**10,125**	**177,338**	**269,855**	**2,089**	**459,407**
Total comprehensive income (loss) for the year	**60,557**	**177,338**	**269,855**	**2,089**	**509,839**
Net movement in Parent Company investment *	**1,203,701**	-	-	-	**1,203,701**
Dividends to Parent Company **	**(1,919,672)**	-	-	-	**(1,919,672)**
Acquisition of additional interest in subsidiaries	**(11,152)**	-	-	-	**(11,152)**
As at 31 December 2023	**2,773,501**	**184,665**	**(1,689,416)**	**69,805**	**1,338,555**

18 EQUITY (continued)

Other contributions (continued)

* The net movement in the Parent Company investment for the year ended 31 December 2023 primarily includes conversion of loans to equity contribution to the extent of USD 933,674 thousand and USD 583,478 thousand on 1 January 2023 and 1 July 2023 respectively. Further 'Parent Company investment' amounting to USD 492,417 thousand has been settled against an amount due from the Parent Company during the year.

** Includes distribution of dividend by one of the entities forming part of the carve-out perimeter, Agility GIL BV, to its shareholder i.e. the Parent Company, amounting to USD 1,903,404 thousand.

	Parent investment USD 000's	*Hedging reserve USD 000's*	*Investment revaluation reserve USD 000's*	*Other reserves USD 000's*	*Total contributions USD 000's*
As at 1 January 2022	3,257,787	(856)	(414,228)	89,759	2,932,462
Profit for the year	62,454	-	-	-	62,454
Other comprehensive (loss) income	(8,633)	8,183	(1,558,415)	(22,043)	(1,580,908)
Total comprehensive income (loss) for the year	53,821	8,183	(1,558,415)	(22,043)	(1,518,454)
Net movement in Parent Company investment	164,375	-	13,372	-	177,747
Dividends to Parent Company	(35,916)	-	-	-	(35,916)
As at 31 December 2022	3,440,067	7,327	(1,959,271)	67,716	1,555,839

19 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS

	2023* *USD 000's	*2022* *USD 000's*
Defined benefit plans	**262**	14,212
Others	**70,867**	39,375
As at 31 December	**71,129**	53,587

The following table summarises the movement in the provision for employees' end of service benefits recognised in the combined and carve-out statement of financial position:

	2023* *USD 000's	*2022* *USD 000's*
As at 1 January	**53,587**	34,776
Provided during the year	**41,763**	19,562
Paid during the year	**(19,522)**	(11,610)
Actuarial loss in respect of defined benefit plans	**690**	22,043
Arising on business combination	-	(1,069)
Others (including exchange differences)	**(5,389)**	(10,115)
As at 31 December	**71,129**	53,587

19 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS (continued)

Agility SpinCo assumed responsibility for defined benefit plans for the employees of the entities acquired during the year. The plans are governed by the employment laws of the respective countries. The principal defined benefit pension scheme is the Menzies pension fund in the UK. The fund was closed to future accrual in March 2017. The fund valuation were assessed in accordance with independent actuarial advice.

Changes in defined benefit obligation and fair value of plan assets relating to the Menzies pension fund are as follows:

		Pension cost charged to combined and carve-out statement of income					***Re-measurement gain (loss) recognised in other comprehensive income***							
	1 January 2023 USD 000's	***Service cost USD 000's***	***Net interest USD 000's***	***Past service (cost)/benefit USD 000's***	***Sub-total USD 000's***	***Benefits paid USD 000's***	***Return on plan assets* USD 000's***	***Actuarial changes on demographic assumptions USD 000's***	***Actuarial changes on financial assumptions USD 000's***	***Experience adjustments USD 000's***	***Sub-total USD 000's***	***Contributions by employer USD 000's***	***Others (including exchange differences) USD 000's***	***31 December 2023 USD 000's***
Defined benefit obligation	**(293,313)**	**-**	**(14,523)**	**(892)**	**(15,415)**	**16,052**	**-**	**14,141**	**(10,701)**	**(2,548)**	**892**	**-**	**(16,890)**	**(308,674)**
Fair value of plan assets	**279,101**	**-**	**14,141**	**-**	**14,141**	**(16,052)**	**(1,582)**	**-**	**-**	**-**	**(1,582)**	**16,816**	**15,988**	**308,412**
Net benefit obligation	**(14,212)**	**-**	**(382)**	**(892)**	**(1,274)**	**-**	**(1,582)**	**14,141**	**(10,701)**	**(2,548)**	**(690)**	**16,816**	**(902)**	**(262)**

		Pension cost charged to combined and carve-out statement of income					*Re-measurement gain (loss) recognised in other comprehensive income*							
	Acquisition of entities USD 000's	*Service cost USD 000's*	*Net interest USD 000's*	*Past service (cost)/benefit USD 000's*	*Sub-total USD 000's*	*Benefits paid USD 000's*	*Return on plan assets* USD 000's*	*Actuarial changes on demographic assumptions USD 000's*	*Actuarial changes on financial assumptions USD 000's*	*Experience adjustments USD 000's*	*Sub-total USD 000's*	*Contributions by employer USD 000's*	*Others (including exchange differences) USD 000's*	*31 December 2022 USD 000's*
Defined benefit obligation	(353,662)	-	(3,252)	(482)	(3,734)	7,468	-	2,530	56,856	(2,771)	56,615	-	-	(293,313)
Fair value of plan assets	354,867	-	3,373	-	3,373	(7,468)	(78,658)	-	-	-	(78,658)	6,987	-	279,101
Net benefit obligation	1,205	-	121	(482)	(361)	-	(78,658)	2,530	56,856	(2,771)	(22,043)	6,987	-	(14,212)

** excluding amount included in net interest*

19 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS (continued)

The major categories of the total plan assets relating to the Menzies pension fund at fair value are, as follows:

	2023	*2022*
	USD 000's	*USD 000's*
Quoted investments		
- Equity	-	21,803
- Bonds	**187,396**	69,142
- LDI Funds	**40,002**	79,743
- Others	**25,224**	27,705
Unquoted investments	-	-
- Investments Funds	-	39,269
- Others	**55,790**	41,439
	308,412	279,101

The principal actuarial assumptions used for the plan referred to above, which forms the most significant component of the provision for employees' end of service benefits, are as follows:

	2023	*2022*
Discount rate at 31 December	**4.45%**	4.80%
Future pension increase	**3.55%**	3.60%
Life expectation for pensioners at the age of 65 (years)	**22.48**	22.93
Duration of defined benefit obligation (in years)	**12.5**	13.5

A quantitative sensitivity analysis for significant assumption as at 31 December 2023 is as shown below. The sensitivity analysis below have been determined based on a method that extrapolates the impact on net defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

	2023	*2022*
	USD 000's	*USD 000's*
0.5% decrease in discount rate	**19,968**	21,120
0.5% decrease in future pension	**(9,216)**	(9,984)
One year increase in life expectancies	**9,984**	10,240

The expected employer contributions to be made in the future years for the defined benefit plan obligations are as follows:

	2023	*2022*
	USD 000's	*USD 000's*
Within the next 12 months	**18,090**	15,539
Between 2 and 5 years	**72,359**	36,378
Beyond 5 years	**135,674**	-
	226,123	51,917

The average duration of the defined benefit plan obligation at the end of the reporting period is 12.5 years (2022: 13.5 years).

20 INTEREST BEARING LOANS

	2023	*2022*
	USD 000's	*USD 000's*
Secured term loans repayable between 2024 and 2029	**156,194**	313,199
Secured revolving facilities	**172,781**	74,037
Murabaha facility repayable in 2029	**145,237**	115,707
Multi year funded equity collar	**2,424,061**	-
Bank overdraft	**166,737**	58,357
Other loans	**153,143**	54,710
	3,218,153	616,010

Interest bearing loans include financing facilities amounting to USD 2,424,061 thousand (31 December 2022: USD Nil) availed during the year in relation to the funded equity collar arrangement ("collars"). These loans carry fixed interest in line with market rates and are secured against the quoted equity securities to the extent hedged. Current and non-current portions of the interest prepaid for this facility, amounts to USD 79,045 thousand and USD 163,302 thousand respectively, and is reported under other current assets (Note 16) and other non-current assets respectively.

Other interest bearing loans carry margins ranging from 0.97% to 3.6% per annum (2022: 0.8 % to 3.6% per annum) over the benchmark rates.

The following table shows the current and non-current portions (analysed by currency) of Agility SpinCo's loan obligations:

	Current portion USD 000's	***Non-current portion USD 000's***	***Total USD 000's***
EUR	-	**2,424,169**	**2,424,169**
USD	**224,572**	**149,217**	**373,789**
AED	**111,814**	**157,281**	**269,095**
SAR	**26,476**	**118,761**	**145,237**
Others	**3,406**	**2,457**	**5,863**
At 31 December 2023	**366,268**	**2,851,885**	**3,218,153**
At 31 December 2022	162,548	453,462	616,010

Interest bearing loans amounting to USD 597,574 thousand (2022: USD 569,977 thousand) are secured by trade receivables and certain other assets that are pledged as collateral against these loans.

21 OTHER NON-CURRENT LIABILITIES

	2023	*2022*
	USD 000's	*USD 000's*
Amounts due to related parties (Note 28)	**66,846**	33,103
Government grants	**8,336**	27,450
Provision for insurance claims	**44,669**	47,739
Deferred tax liability	**9,451**	19,209
Other liabilities	**31,293**	58,272
	160,595	185,773

22 TRADE AND OTHER PAYABLES

	2023 USD 000's	*2022 USD 000's*
Trade payables	**329,159**	301,922
Accrued expenses	**187,691**	156,310
Accrued employee related expenses	**150,609**	150,061
Taxation	**34,565**	44,411
Amounts due to related parties (Note 28)	**38,975**	28,604
Other liabilities	**135,974**	156,282
	876,973	837,590

The entire trade payables are of short-term nature, non-interest bearing and normally settled on 30 to 60 days terms. The fair values of these liabilities are not materially different from their carrying values largely due to the short-term maturities of these liabilities.

23 REVENUE FROM CONTRACTS WITH CUSTOMERS

The following presents the disaggregation of the revenue from contracts with customers:

	2023 USD 000's	*2022 USD 000's*
Ground handling and airport services	**2,171,318**	960,025
Logistics services	**1,117,540**	785,272
Rent	**72,131**	61,981
Others	**574,880**	544,903
	3,935,869	2,352,181
Timing of revenue recognition		
Goods and services transferred at a point in time	**3,620,347**	2,090,207
Goods and services transferred over time	**315,522**	261,974
	3,935,869	2,352,181
Geographical markets		
Middle East	**947,544**	834,089
Africa	**1,016,025**	650,320
Europe	**838,344**	367,512
America	**795,626**	360,680
Asia	**338,330**	139,580
	3,935,869	2,352,181

24 OTHER OPERATING EXPENSES

	2023 USD 000's	*2022 USD 000's*
Salaries and employee benefits	**1,346,799**	578,932
Professional fees	**52,804**	55,174
Rent (Note 7)	**25,641**	30,531
Repairs and maintenance	**61,621**	28,801
Office, equipment and supplies	**48,895**	30,988
Expected credit losses on trade receivables (Note 15)	**7,250**	10,309
Facilities management	**64,181**	27,205
Communication	**20,171**	10,276
Expenses allocated by the Parent Company (Note 28)	**35,274**	33,633
Other expenses	**77,494**	5,209
	1,740,130	811,058

25 BUSINESS COMBINATION

Acquisitions during prior year

(a) Acquisition of John Menzies limited

On 4 August 2022, one of the entities forming part of Agility SpinCo acquired 100% equity interest in John Menzies Limited (Menzies). Menzies is a limited liability company registered and incorporated in Scotland (United Kingdom) and is engaged in providing ground and air cargo services, into-plane fuelling, fuel farm management and cargo forwarding services in several countries.

The acquisition of Menzies has been accounted based on fair values of the identifiable assets and liabilities on the acquisition date. Agility SpinCo has made certain reclassification adjustments, as well as fair value adjustments based on the purchase price allocation (PPA) exercise during the year ended 31 December 2023, to the provisional values that were earlier reported, and has accordingly restated the comparative information relating to the year ended 31 December 2022 to reflect these adjustments. The consideration paid, fair values of the assets and liabilities recognised at the date of acquisition, are summarised as follows:

	USD'000 Provisional values previously reported	*USD'000 Reclassification adjustments*	*USD'000 PPA fair value adjustments*	*USD'000 Fair value recognized on acquisition date*
Assets				
Property, plant and equipment	172,880	-	-	172,880
Right-of-use assets	190,775	-	-	190,775
Intangible assets	214,391	-	25,836	240,227
Investment in associates and joint ventures	20,474	-	-	20,474
Other non-current assets	34,819	-	-	34,819
Inventories	6,995	-	-	6,995
Trade receivables	266,197	-	-	266,197
Other current assets	87,365	-	-	87,365
Bank balances, cash and deposits	91,189	40,283	-	131,472
	1,085,085	40,283	25,836	1,151,204
Liabilities				
Interest bearing loans	402,280	40,283	-	442,563
Lease liabilities	200,686	-	-	200,686
Other non-current liabilities	127,855	-	-	127,855
Trade and other payables	380,300	-	-	380,300
	1,111,121	40,283	-	1,151,404
Total identifiable net assets at fair values	**(26,036)**	**-**	**25,836**	**(200)**
Purchase consideration *	683,366			683,366
Add: carrying value on non-controlling interest	18,865			18,865
Less: net assets acquired	26,036			200
Goodwill on acquisition	**728,267**			**702,431**
Consideration settled in cash	554,213			554,213
Cash and cash equivalents in subsidiary acquired	(91,189)			(131,472)
Net cash outflow on acquisition	**463,024**			**422,741**

Additionally, bank overdraft facilities availed subsequent to the acquisition, amounting to USD 18,074 was reclassified from 'Bank balances, cash and deposits' to 'Interest bearing loans' in the comparative information relating to the year ended 31 December 2022.

*Includes the fair value of the interest in John Menzies Limited of USD 129,153 thousand at the time of acquisition previously included in "Financial assets at fair value through other comprehensive income"

Goodwill includes the fair value of expected synergies arising from acquisition.

25 BUSINESS COMBINATION (continued)

Acquisitions during prior year (continued)

(b) Acquisition of HG Storage International Limited

On 28 August 2022, one of the entities forming part of Agility SpinCo, acquired 51% equity interest in HG Storage International Limited (HG Storage). HG Storage is a limited liability company registered and incorporated in Jersey and is engaged in providing oil pipeline and storage services in the several countries.

The acquisition of HG Storage has been accounted based on fair values of the identifiable assets and liabilities on the acquisition date. Agility SpinCo has made certain reclassification adjustments, as well as fair value adjustments based on the purchase price allocation (PPA) exercise during the year ended 31 December 2023, to the provisional values that were earlier reported, and has accordingly restated the comparative information relating to the year ended 31 December 2022 to reflect these adjustments. The consideration paid, fair values of the assets and liabilities recognised at the date of acquisition, are summarised as follows:

	USD'000 Provisional values previously reported	*USD'000 Reclassification and other adjustments*	*USD'000 PPA fair value adjustments*	*USD'000 Fair value recognized on acquisition date*
Assets				
Property, plant and equipment	204,061	(53,005)	61,737	212,793
Right of use assets	-	8,377	-	8,377
Intangible assets	-	23,025	24,902	47,927
Investment in associates and joint ventures	120,097	(13,208)	-	106,889
Financial assets at fair value through other comprehensive income	-	20,839	-	20,839
Other non-current assets	18,801	(12,971)	-	5,830
Inventories	19,296	-	-	19,296
Trade receivables	46,789	51	-	46,840
Other current assets	8,213	(7,363)	-	850
Bank balances, cash and deposits	41,293	-	-	41,293
	458,550	(34,255)	86,639	510,934
Liabilities				
Interest bearing loans	68,042	(44,042)	-	24,000
Other non-current liabilities	62,492	25,866	-	88,358
Trade and other payables	42,126	5,555	-	47,681
	172,660	(12,621)	-	160,039
Total identifiable net assets at fair values	**285,890**	**(21,634)**	**86,639**	**350,895**
Purchase consideration	196,691			196,691
Add: carrying value on non-controlling interest	190,945			171,939
Less: net assets acquired	(285,890)			(350,895)
Goodwill on acquisition	**101,746**			**17,735**
Consideration settled in cash	196,691			196,691
Cash and cash equivalents in subsidiary acquired	(41,293)			(41,293)
Net cash outflow on acquisition	**155,398**			**155,398**

Goodwill includes the fair value of expected synergies arising from acquisition.

26 DERIVATIVE FINANCIAL INSTRUMENTS

Derivatives are financial instruments that derive their value with reference to the underlying interest rate, foreign exchange rate or other indices. Notional principal amounts merely represent amounts to which a rate or price is applied to determine the amounts of cash flows to be exchanged and do not represent the potential gain or loss associated with the market or credit risk of such instruments. The entities forming part of Agility SpinCo deal in the following derivative instruments to manage the interest rate risk and foreign exchange positions.

Derivatives held for trading
Derivatives used for hedging purpose but which do not meet the qualifying criteria for hedge accounting are classified as 'derivatives held for trading'.

Equity Collars:
Equity collars consist of call and put options to hedge the fair value movements of quoted equity securities carried at fair value.

Interest rate swaps
Interest rate swaps are contractual agreements between two counterparties to exchange interest payments on a defined principal amount for a fixed period of time in order to manage the interest rate risk on the interest bearing assets and liabilities.

The table below shows the fair values of derivative financial instruments, recorded as assets or liabilities, together with their notional amounts analysed by the terms of maturity. The notional amount, recorded gross, is the amount of a derivative's underlying amount and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at the year end and are indicative of neither the market risk nor the credit risk.

				Notional amounts by term to maturity		
	Positive fair value* USD 000's	***Negative fair value USD 000's***	***Notional amount USD 000's***	***Within one year USD 000's***	***1 – 5 years USD 000's***	***> 5 years USD 000's***
2023						
Derivatives held as fair flow hedge:						
Equity collars	**211,866**	-	**2,693,401**	-	**2,693,401**	-
Derivatives held as cash flow hedge:						
Interest rate swap	**141**	-	**16,685**	**16,685**	-	-
	212,007	-	**2,710,086**	**16,685**	**2,693,401**	-

				Notional amounts by term to maturity		
	Positive fair value USD 000's*	*Negative fair value USD 000's*	*Notional amount USD 000's*	*Within one year USD 000's*	*1 – 5 years USD 000's*	*> 5 years USD 000's*
2022						
Derivatives held as cash flow hedge:						
Interest rate swap	1,975	-	51,787	-	51,787	-
	1,975	-	51,787	-	51,787	-

**Included in other non-current assets in the combined and carve-out statement of financial position.*

27 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

	2023	*2022*
	USD 000's	*USD 000's*
Letters of guarantee	**355,749**	335,255
Operating lease commitments	**6,519**	4,124
Capital commitments	**33,336**	85,626
Corporate guarantees*	**348,087**	485,845
	743,691	910,850

* An entity forming part of Agility SpinCo and a related party are part of an arrangement to construct and develop a commercial mall in UAE ("project"). Currently it has an equity interest of 19.87 % (31 December 2022: 19.87%) and has also extended interest bearing loan facilities to the project (Note 28). Further, the Parent Company has provided corporate guarantees amounting to USD 347,000 thousand (31 December 2022: USD 450,909 thousand) (Note 28) to external financial institutions that have provided finance facilities to the project which is expected to be transferred to Agility SpinCo upon listing.

Legal claims

Dispute with Iraqi Airways Company (IAC):
Aviation Service (Iraq) Limited (ASIL), an indirect partially owned subsidiary of John Menzies (as an entity forming part of Agility SpinCo), is a party to a concession agreement with IAC to provide Ground Handling and Aviation Fuel Concession Agreement with IAC (the "Concession Agreement"). Pursuant to the Concession Agreement, the parties established a separate entity in Iraq, Menzies Aviation Services Iraq LLC (but registered as United Iraqi Company for Airports and Ground Handling Services Limited) ("MASIL") to perform the services under the Concession Agreement.

On 20 October 2022, ASIL commenced an arbitration in the Dubai International Arbitration Centre ("DIAC") with assigned case number 239/2022 against IAC. The claim seeks, inter alia, damages against IAC for breaches of the Concession Agreement, including costs associated with services provided under the Concession Agreement in the amount of USD 15 million and loss of profits incurred by ASIL in the amount of USD 81 million. IAC has not filed any response to the request for arbitration. On 28 October 2023, DIAC confirmed the appointment of the chairperson of the Tribunal. The parties had their first meeting and were, as at 31 December 2023, in the process of agreeing the procedural timetable.

IAC subsequently commenced proceedings before the commercial court in Iraq seeking, inter alia, the annulment of the registration of MASIL, the annulment of the shareholders agreement entered into between ASIL and IAC (as shareholders in MASIL) and MASIL (as the company) and sought a grossly inflated financial compensation with no substantive evidence whatsoever. On 17 October 2023, the court decided to close the hearings in Commercial Case 1/2023 filed by IAC and later on dismissed the case. IAC appealed the decision of the Court of First Instance to the Supreme Court. The Supreme Court upheld the decision of the Court of First Instance and dismissed IAC's claim. The decision of the Supreme Court is final and binding.

On ASIL's request, the court has suspended Commercial Case 2/2023 until the arbitration has been determined pursuant to Article 253(3) of the Iraqi Civil Procedure Law.

In early January 2024, ASIL, MASIL and IAC reached a settlement whereby the parties have agreed to amicably resolve the issues subject of the ongoing disputes between them. By virtue of the settlement, IAC has agreed to pay to ASIL an amount equal to $9,608,802. The settlement agreement was endorsed by the Iraqi Prime Minister and the Iraqi Counsel of Ministers. IAC made its first payment of $4,800,000 with the balance being due as follows:

- $1,600,000 by the end of February 2024;
- $1,600,000 by the end of March 2024; and
- $1,608,002 by the end of April 2024.

As part of the settlement, ASIL has agreed to cancel the DIAC arbitration and IAC has agreed to withdraw the claims it filed before the commercial courts in Iraq.

In addition to the above, there are various incidental claims and legal proceedings. The management believes that these matters will not have a material adverse effect on the combined and carve-out financial statements.

28 RELATED PARTY TRANSACTIONS

Related parties include Parent Company, entities under common control outside the entities forming part of Agility SpinCo, directors and key management personnel of the Parent Company.

Transactions and balances with related parties are as follows:

2023	***Parent Company USD 000's***	***Entities under common control USD 000's***	***Other related parties USD 000's***	***Total USD 000's***
Combined and carve-out statement of income				
Revenues	**4,820**	**20,810**	**44,092**	**69,722**
Direct expenses	**(1,536)**	-	**(165,912)**	**(167,448)**
Other operating expenses *	**(35,274)**	-	**(211)**	**(35,485)**
Share of results of associates and joint ventures	-	-	**20,140**	**20,140**
Interest income	-	**2,155**	**317**	**2,472**
Finance Costs	**(74,260)**	**(25,760)**	**(20)**	**(100,040)**
Combined and carve-out statement of financial position				
Investment in associates and joint ventures (Note 11)	-	-	**456,747**	**456,747**
Financial assets at fair value through other comprehensive income	-	-	**35,135**	**35,135**
Financial assets at fair value through profit or loss	-	-	**3,772**	**3,772**
Trade receivables	-	-	**35,765**	**35,765**
Amounts due from related parties	**3,769**	**34,561**	-	**38,330**
Loans to related parties	-	-	**735,568**	**735,568**
Amounts due to related parties	**2,650,123**	**155,448**	-	**2,805,571**
Other non-current liabilities (Note 21)	-	-	**66,846**	**66,846**
Trade and other payables (Note 22)	-	-	**38,975**	**38,975**

2022	*Parent Company USD 000's*	*Entities under common control USD 000's*	*Other related parties USD 000's*	*Total USD 000's*
Combined and carve-out statement of income				
Revenues	2,434	14,638	22,181	39,253
Direct expenses	(1,569)	-	(76,808)	(78,377)
Other operating expenses *	(33,633)	-	(152)	(33,785)
Share of results of associates and joint ventures	-	-	(6,989)	(6,989)
Interest income	-	862	228	1,090
Finance Costs	(60,515)	(17,753)	(323)	(78,591)
Combined and carve-out statement of financial position				
Investment in associates and joint ventures (Note 11)	-	-	438,742	438,742
Financial assets at fair value through other comprehensive income	-	-	32,298	32,298
Trade receivables	-	-	44,518	44,518
Amounts due from related parties	6,484	31,492	-	37,976
Loans to related parties	-	-	597,415	597,415
Amounts due to related parties	2,021,112	728,491	-	2,749,603
Other non-current liabilities (Note 21)	-	-	33,103	33,103
Trade and other payables (Note 22)	-	-	28,604	28,604

Loans to related parties include USD 700,391 thousand (2022: USD 592,568 thousand) provided to a joint venture and represents amounts advanced by an entity forming part of Agility SpinCo towards the construction and development of a Commercial Mall in UAE ("Project"). This amount bears compounded annual interest rates and can be converted to equity in the project on completion of construction subject to the project achieving certain operational targets and upon the discretion of the entity. During the year, Agility SpinCo has recognized expected credit loss of USD 10,000 thousand (2022: Nil) on the above loan.

28 RELATED PARTY TRANSACTIONS (continued)

Further, the Parent Company has provided corporate guarantees amounting to USD 347,000 thousand (31 December 2022: USD 450,909 thousand) to external financial institutions that have provided finance facilities to the Project, which is expected to be transferred to Agility SpinCo upon listing (Note 27).

Amounts due to related parties amounting to USD 2,802,764 thousand represents loans payable to the Parent Company and entities under common control which carry interest at market rates.

During the year, loans payable to the Parent Company to the extent of USD 933,674 thousand and USD 583,478 thousand were converted as equity contribution in Agility SpinCo on 1 January 2023 and 1 July 2023 respectively.

* Includes allocation of general corporate expenses from the Parent Company (Note 2.5)

Compensation of key management personnel
The remuneration of board of directors and other members of key management (executives) of the Parent Company allocated to Agility SpinCo during the year were as follows. These allocations may not, however, reflect the expenses Agility SpinCo would have incurred as a standalone Group for the periods presented. Actual costs that may have been incurred if Agility SpinCo had been a standalone company would depend on a number of factors, including the finalised organizational structure and other strategic decisions.

	2023	*2022*
	USD 000's	*USD 000's*
Short-term benefits (Key management)	**8,365**	7,010
Committee services to board of directors of Parent Company	**969**	892
Remuneration to board of directors of Parent Company	**969**	892
	10,303	8,794

Short term benefits include discretionary bonus amounting to USD 6,222 thousand (2022: USD 5,470 thousand) awarded to key management personnel of the Parent Company and allocated to Agility SpinCo.

29 OPERATING SEGMENT INFORMATION

The following entities are considered as its major operating segments in Agility SpinCo:-

Aviation Services: This represents services provided in the airports including ground handling, air cargo services, into-plane fuelling, fuel farm management and cargo forwarding.

Fuel Logistics: This includes logistics services relating to fuel comprising turnkey fuel contracts, fuel trading, distribution, tanker owning, chartering, coastal operations, Road transport, warehousing, fuel farm management and bulk fuel storage.

Industrial real estate: consists of developing warehousing and light industrial facilities to business looking to manager their own warehousing operations.

Investments: comprises of business units that hold non-controlling interest in various sectors. These investments comprise both quoted and unquoted equity securities and convertible loans.

Others: Consists of all business units other than the above.

29 OPERATING SEGMENT INFORMATION (continued)

2023	*Aviation Services USD 000's*	*Fuel Logistics USD 000's*	*Industrial Real Estate USD 000's*	*Investments USD 000's*	*Others USD 000's*	*Total USD 000's*
Revenues	**2,165,913**	**1,096,295**	**45,988**	**-**	**627,673**	**3,935,869**
Results						
Profit before interest, taxation, depreciation and amortisation (EBITDA)	**318,102**	**217,931**	**74,045**	**(11,401)**	**6,878**	**605,555**
Depreciation						**(239,302)**
Amortisation						**(33,543)**
Profit before interest and taxation (EBIT)						**332,710**
Interest income						**7,480**
Finance costs						**(216,567)**
Profit before taxation						**123,623**
Taxation						**(36,003)**
Profit for the year						**87,620**
Total Assets	**2,311,747**	**1,645,653**	**861,876**	**4,944,028**	**472,449**	**10,235,753**
Total Liabilities	**2,119,874**	**881,743**	**503,317**	**4,345,430**	**(178,337)**	**7,672,027**
Other disclosures:						
Goodwill (Note 10)	**743,616**	**102,219**	-	-	**68,809**	**914,644**
Intangible assets (Note 9)	**227,371**	**41,863**	-	-	**2,189**	**271,423**
Capital expenditure	**(73,669)**	**(45,800)**	**(24,453)**	-	**(2,517)**	**(146,439)**
Change in fair value of investment properties (Note 8)	-	-	**43,963**	-	-	**43,963**

29 OPERATING SEGMENT INFORMATION (continued)

2022	*Aviation Services USD 000's*	*Fuel Logistics USD 000's*	*Industrial Real Estate USD 000's*	*Investments USD 000's*	*Others USD 000's*	*Total USD 000's*
Revenues	955,033	833,928	34,759	-	528,461	2,352,181
Results						
Profit before interest, taxation, depreciation and amortisation (EBITDA)	135,082	173,156	96,998	(25,558)	(16,319)	363,359
Depreciation						(124,904)
Amortisation						(21,019)
Profit before interest and taxation (EBIT)						217,436
Interest income						1,988
Finance costs						(114,231)
Profit before taxation						105,193
Taxation						(20,877)
Profit for the year						84,316
Total Assets	2,103,022	1,636,173	654,871	4,110,272	457,641	8,961,979
Total Liabilities	1,917,260	896,812	342,081	704,592	1,012,889	4,873,634
Other disclosures:						
Goodwill (Note 10)	744,170	86,980	-	-	66,851	898,001
Intangible assets (Note 9)	246,230	47,927	-	-	9,045	303,202
Capital expenditure	(43,488)	(38,929)	(32,174)	-	(7,769)	(122,360)
Change in fair value of investment properties (Note 8)	-	-	73,475	-	-	73,475

Inter-segment transactions and balances are eliminated upon consolidation and included in the "others" column. Agility SpinCo's financing (including finance costs and finance income) and income taxes are managed on an overall combined basis and are not allocated to operating segments.

Capital expenditure consists of cash additions to property, plant and equipment, projects in progress and investment properties.

Other geographic information
The following presents information regarding Agility SpinCo's non-current assets based on its geographical segments:

Non-current assets	***2023 USD 000's***	*2022 USD 000's*
Middle east	**3,490,242**	2,076,963
Asia	**248,299**	265,140
Europe	**188,365**	379,333
America	**358,438**	681,604
Africa	**291,354**	498,993
	4,576,698	3,902,033

Non-current assets for this purpose consists of property, plant and equipment, projects in progress, right-of-use assets, investment properties, intangible assets, goodwill, other non-current assets and loan to related parties.

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The exposure to risks from its use of financial instruments and these risks are managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the continuing profitability. The principal financial liabilities, other than derivatives, comprise interest bearing loans, due to related parties, trade and other payables. The main purpose of these financial liabilities is to raise finance for the operations. The financial assets comprise trade and other receivables, cash and short-term deposits, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and loan to related parties.

The Parent Company's senior management reviews and agrees policies for managing risks and provides assurance to the Board of Directors of the Parent Company that the financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with policies and risk appetite. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the parent company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The major risks to which Agility SpinCo is exposed in conducting its business and operations, and the means and organisational structure it employs in seeking to manage them strategically are outlined below.

Risk mitigation
As part of its overall risk management, and as considered appropriate, derivatives and other instruments are used to manage exposures resulting from changes in interest rates, foreign currencies, equity risks, credit risks, and exposures arising from forecast transactions.

Excessive risk concentration
Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar 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 earnings to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations and the risk arising there from, management monitors them on an ongoing basis. Identified concentrations of credit risks are controlled and managed accordingly. There are no significant concentrations of credit risk identified.

The main risks arising from the financial instruments are credit risk, liquidity risk and market risk with the latter subdivided into interest rate risk, foreign currency risk and equity price risk.

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

Gross maximum exposure to credit risk
The table below shows the gross maximum exposure to credit risk across financial assets before credit risk mitigation:

	2023 ***USD 000's***	*2022* *USD 000's*
Bank balances	**564,642**	383,762
Trade receivables	**586,012**	585,899
Loans to related parties	**735,568**	597,415
Other assets *(excluding advances to suppliers and prepaid expenses)*	**171,532**	102,035
	2,057,754	1,669,111

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)
Trade receivables
The exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer base, including the default risk of the industry and country, in which customers operate, has less of an influence on credit risk.

Customer credit risk is managed by each business unit subject to the established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and any services/shipments to major customers are generally covered by security deposits, letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions.

The management performs an impairment analysis at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 15.

The table below provides information about the credit risk exposure on the trade receivables using a provision matrix:

31 December 2023	***Trade receivables***						
		Days past due					
	Current USD 000's	***1 to 30 days USD 000's***	***31 to 60 days USD 000's***	***61 to 90 days USD 000's***	***91 to 120 days USD 000's***	***> 120 days USD 000's***	***Total USD 000's***
Estimated total gross carrying amount at default	**136,310**	**261,290**	**104,975**	**40,389**	**37,522**	**90,423**	**670,909**
Provision for estimated credit loss							**84,897**
Expected credit loss rate							**13%**

31 December 2022	*Trade receivables*						
		Days past due					
	Current USD 000's	*1 to 30 days USD 000's*	*31 to 60 days USD 000's*	*61 to 90 days USD 000's*	*91 to 120 days USD 000's*	*> 120 days USD 000's*	*Total USD 000's*
Estimated total gross carrying amount at default	85,796	291,829	94,824	37,857	44,116	103,603	658,025
Provision for estimated credit loss							72,126
Expected credit loss rate							11%

Cash and cash equivalents
Credit risk from balances with banks and financial institutions is managed by the Parent Company's treasury in accordance with the policy. Investments of surplus funds are made only with approved counterparties to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty failure. The maximum exposure to credit risk for the components of the combined and carve-out statement of financial position at 31 December 2023 and 31 December 2022 is the carrying amounts at the reporting date.

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Cash and cash equivalents (continued)

Exposure to credit risk is managed by placing funds only with counterparties with appropriate credit ratings. Given these credit ratings, management does not expect any counterparty to fail to meet its obligations.

Liquidity risk

Liquidity risk is the risk that entities forming part of Agility SpinCo will be unable to meet its liabilities when they fall due. To limit this risk, management has arranged diversified funding sources, manages assets with liquidity in mind, and monitors liquidity on a periodic basis.

The table below summarises the maturity profile of the financial liabilities based on contractual undiscounted repayment obligations:

2023	***Less than 1 month USD 000's***	***1 to 3 months USD 000's***	***3 to 12 months USD 000's***	***More than 1 year USD 000's***	***Total USD 000's***
Interest bearing loans	**4,565**	**100,689**	**315,760**	**701,691**	**1,122,705**
Lease liabilities	**13,806**	**27,612**	**124,254**	**706,949**	**872,621**
Trade and other payables	**75,275**	**150,550**	**651,148**	**-**	**876,973**
Due to related parties	-	**2,807**	-	**2,802,764**	**2,805,571**
Other non-current liabilities	-	-	-	**124,857**	**124,857**
Total financial liabilities	**93,646**	**281,658**	**1,091,162**	**4,336,261**	**5,802,727**

2022	*Less than 1 month USD 000's*	*1 to 3 months USD 000's*	*3 to 12 months USD 000's*	*More than 1 year USD 000's*	*Total USD 000's*
Interest bearing loans	1,999	41,056	121,168	543,430	707,653
Lease liabilities	9,455	18,911	85,101	468,802	582,269
Trade and other payables	69,336	138,672	629,582	-	837,590
Due to related parties	-	2,516	-	2,747,087	2,749,603
Other non-current liabilities	-	-	-	159,907	159,907
Total financial liabilities	80,790	201,155	835,851	3,919,226	5,037,022

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risk: interest rate risk, currency risk, and other price risks, such as equity risk. Financial instruments affected by market risk include bank balances and trade receivables in foreign currencies, deposits, financial assets at fair value and related party, interest bearing loans, trade payables in foreign currencies and derivative financial instruments. The sensitivity analyses in the following sections relate to the position as at 31 December 2023 and 31 December 2022.

Market risk is managed on the basis of pre-determined asset allocations across various asset categories, diversification of assets in terms of geographical distribution and industry concentration, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

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 exposure to the risk of changes in market interest rates relates primarily to the debt obligations with floating interest rates.

Interest rate risk is managed by having a balanced portfolio of fixed and variable rate loans and borrowings and by entering into interest rate swaps, in which the management agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)

Interest rate risk (continued)

Interest rate sensitivity

Based on the financial assets and liabilities held at the year end, an assumed 50 basis points movement in interest rate, with all other variables held constant, would equally impact the profit before taxation as follows.

	50 basis points movement Effect on combined and carve-out statement of income	
	2023 USD 000's	*2022 USD 000's*
	±3,490	±2,416

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The exposure to the risk of changes in foreign exchange rates relates primarily to the operating and financing activities (when revenues, expenses and borrowings are denominated in a currency other than US Dollars) and financial assets at fair value denominated in foreign currency.

Foreign currency risk is managed by use of derivative financial instruments where appropriate and the net exposure is kept to an acceptable level.

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the EURO / US Dollars exchange rate, with all other variables held constant, of the profit before taxation (due to changes in the fair value of monetary assets and liabilities) and equity (due to changes in the fair value of financial assets at fair value through other comprehensive income). The exposure to foreign currency for all other currencies is not material.

	Change in currency rate by 1 %			
	Effect on other comprehensive income		***Effect on combined and carve-out statement of income***	
	2023 USD 000's	*2022 USD 000's*	***2023 USD 000's***	*2022 USD 000's*
EURO	**±14,375**	±21,872	-	±309

Equity price risk

Equity price risk is the risk that fair values of equities change as the result of changes in level of equity indices and the value of individual stocks.

Quoted Securities:

The effect (as a result of a change in the fair value of financial assets at fair value through profit or loss and other comprehensive income) due to a reasonably possible change in market indices, with all other variables held constant on the results is as follows:

2023			*2022*		
Change in *equity price % (+/-)*	***Effect on equity (+/-) USD 000's***	***Effect on profit (+/-) USD 000's***	Change in *equity price % (+/-)*	*Effect on equity (+/-) USD 000's*	*Effect on profit (+/-) USD 000's*
5	**169,810**	**224**	5	151,571	634

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)
Equity price risk (continued)
Unquoted securities:
Sensitivity analysis relating to unquoted securities (financial assets measured at fair value through other comprehensive income and financial assets at fair value through profit or loss) is included in Note 31.

31 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in orderly transactions between market participants at the measurement date.

Determination of fair value and fair value hierarchy:
Agility SpinCo uses the following hierarchy for determining and disclosing the fair values of financial instruments:

Level 1: quoted (unadjusted) prices in an active market for identical assets and liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
Level 3: other techniques which use inputs which have a significant effect on the recorded fair value are not based on observable market data.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

2023	*Level 1 USD'000*	*Level 2 USD'000*	*Level 3 USD'000*	*Total fair value USD'000*
Financial assets measured at fair value through profit or loss				
Quoted equity securities	**4,472**	-	-	**4,472**
Investment in funds	-	**3,723**	-	**3,723**
Loan to a related party	-	-	**700,391**	**700,391**
	4,472	**3,723**	**700,391**	**708,586**
Financial assets measured at fair value through other comprehensive income				
Quoted equity securities	**3,396,199**	-	-	**3,396,199**
Treasury bills	-	-	**19,361**	**19,361**
Unquoted equity securities	-	-	**89,305**	**89,305**
	3,396,199	-	**108,666**	**3,504,865**
Derivative financial assets:				
Equity collars	-	**211,866**	-	**211,866**
Interest rate swaps	-	**141**	-	**141**
	-	**212,007**	-	**212,007**
	3,400,671	**215,730**	**809,057**	**4,425,458**

31 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

Determination of fair value and fair value hierarchy (continued)

2022	*Level 1 USD'000*	*Level 2 USD'000*	*Level 3 USD'000*	*Total fair value USD'000*
Financial assets measured at fair value through profit or loss				
Quoted equity securities	12,687	-	-	12,687
Investment in funds	-	5,366	-	5,366
Loan to a related party	-	-	592,568	592,568
	12,687	5,366	592,568	610,621
Financial assets measured at fair value through other comprehensive income				
Quoted equity securities	3,031,427	-	-	3,031,427
Treasury bills	-	-	20,839	20,839
Unquoted equity securities	-	-	156,616	156,616
	3,031,427	-	177,455	3,208,882
Derivative financial assets:				
Interest rate swaps	-	1,975	-	1,975
	-	1,975	-	1,975
	3,044,114	7,341	770,023	3,821,478

There were no transfers between the hierarchies during 2023 and 2022.

The following table below shows a reconciliation of the opening and the closing amount of level 3 financial assets measured at fair value:

	2023 USD'000	*2022 USD'000*
As at 1 January	**770,023**	608,198
Re-measurement recognised in other comprehensive income	**(91,614)**	(3,654)
Others including net additions (sales) and transfer	**130,648**	165,479
As at 31 December	**809,057**	770,023

Fair value of Agility SpinCo's financial assets that are measured at fair value on a recurring basis:

Financial assets at fair value through other comprehensive income:
Fair values of certain unquoted equity securities classified as financial assets classified as fair value through other comprehensive income are determined using valuation techniques that are not based on observable market prices or rates. The impact on the combined and carve-out statement of comprehensive income would be immaterial if the relevant risk variables used to fair value the unquoted securities were altered by 5%.

Derivatives
The fair value of the collars has been determined based on the Black Scholes model for which key inputs include risk free rate, strike price for the put and call options, spot price of the equity security and volatility of the put and call options.

Loan to a related party
The debt instrument has been valued based on the residual land value of the investee's major asset, using the discounted cash flow method. The most significant unobservable inputs used in the fair value measurements include the exit rate and discount rate.

32 CAPITAL MANGAGEMENT

The primary objective of Agility SpinCo's management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder value.

Agility SpinCo includes within net debt, interest bearing loans less bank balances, cash and deposits. Capital includes Invested equity attributable to the equity holders of Agility SpinCo and non- controlling interests.

	2023 ***USD 000's***	*2022* *USD 000's*
Interest bearing loans	**3,218,153**	616,010
Bank balances, cash and deposits	**(564,642)**	(383,762)
Net Debt	**2,653,511**	232,248
Invested equity attributable to the equity holders of Agility SpinCo	**2,108,519**	3,649,952
Non-controlling interests	**392,397**	375,583
Capital	**2,500,916**	4,025,535
Capital and debt	**5,154,427**	4,257,783
Gearing	**51.48%**	5.45%

33 EVENTS AFTER REPORTING YEAR

On 14 February 2024, the Parent Company has converted a major portion of its intercompany loans in Agility SpinCo to equity. The loans so converted, along with the 'share capital' and 'other contribution' balance was registered as share capital and share premium in Agility Global PLC amounting to USD 208,344 thousand and USD 4,385,283 thousand respectively.

COMBINED AND CARVE-OUT FINANCIAL STATEMENTS OF AGILITY SPINCO

COMBINED AND CARVE-OUT FINANCIAL STATEMENTS

31 DECEMBER 2022

EY
Building a better working world

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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P.ON THE COMBINED AND CARVE-OUT FINANCIAL STATEMENTS

Opinion

We have audited the combined and carve-out financial statements of the entities forming part of the combined and carve-out perimeter as described in Note 1 (collectively referred to as "Agility SpinCo"), which comprise the combined and carve-out statement of financial position as at 31 December 2022 and 31 December 2021, and the combined and carve-out statements of income, comprehensive income, changes in equity and cash flows for the years then ended, and notes to the combined and carve-out financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying combined and carve-out financial statements present fairly, in all material respects, the combined and carve-out financial position of Agility SpinCo as at 31 December 2022 and 31 December 2021 and its combined and carve-out financial performance and combined and carve-out cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

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 Combined and Carve-out Financial Statements* section of our report. We are independent of Agility SpinCo in accordance with the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the combined and carve-out 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.

Emphasis of matters

(i) We draw attention to Note 2 to the combined and carve-out financial statements, which describes the Basis of Preparation of the combined and carve-out financial statements. Agility SpinCo has not operated as a separate entity, as of the years ended 31 December 2022 and 31 December 2021. The combined and carve-out financial statements of Agility SpinCo are, therefore, not necessarily indicative of the financial performances, financial positions and cash flows, had Agility SpinCo functioned as an independent group or a separate entity during the years ended 31 December 2022 and 31 December 2021, nor of the future results or future performance of Agility SpinCo.

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P ON THE COMBINED AND CARVE-OUT FINANCIAL STATEMENTS (continued)

Emphasis of matters (continued)

(ii) The combined and carve-out financial statements are prepared by the management of Agility Public Warehousing Company K.S.C.P. to present the historical financial information of Agility SpinCo that are in the process of being transferred to Horizon Participation Holding VI Limited ('Horizon'), and for inclusion of the combined and carve-out financial statements in a prospectus and regulatory filing in connection with the listing of shares of Horizon in the Abu Dhabi Securities Exchange in the United Arab Emirates. As a result, the combined and carve-out financial statements may not be suitable for any other purpose.

Our opinion is not qualified in respect of these matters.

Responsibilities of the Board of Directors for the Combined and Carve-out Financial Statements

The Board of Directors of Agility Public Warehousing Company K.S.C.P is responsible for the preparation and fair presentation of the combined and carve-out financial statements in accordance with IFRS, and for such internal control as the Board of Directors determines is necessary to enable the preparation of combined and carve-out financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined and carve-out financial statements, the Board of Directors is responsible for assessing Agility SpinCo'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 Board of Directors either intends to liquidate Agility SpinCo or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Combined and Carve-out Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined and carve-out 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 the combined and carve-out financial statements.

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

- Identify and assess the risks of material misstatement of the combined and carve-out 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;

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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P ON THE COMBINED AND CARVE-OUT FINANCIAL STATEMENTS (continued)

Auditor's Responsibilities for the Audit of the Combined and Carve-out Financial Statements (continued)

- 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 Agility SpinCo's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;

- Conclude on the appropriateness of the Board of Directors' 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 Agility SpinCo'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 combined and carve-out 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 Agility SpinCo to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the combined and carve-out financial statements, including the disclosures, and whether the combined and carve-out financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Agility SpinCo to express an opinion on the combined and carve-out financial statements. We are responsible for the direction, supervision and performance of the 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.

Signed by:
Ahmad Al Dali
Partner
Ernst & Young

23 September 2023
Abu Dhabi, United Arab Emirates

COMBINED AND CARVE-OUT STATEMENT OF FINANCIAL POSITION
As at 31 December 2022 and 31 December 2021

	Notes	31 December 2022 USD 000's	31 December 2021 USD 000's
ASSETS			
Non-current assets			
Property, plant and equipment	5	893,863	509,332
Projects in progress	6	61,080	58,672
Right-of-use assets	7	425,875	222,469
Investment properties	8	606,286	493,770
Intangible assets	9	229,439	36,952
Goodwill	10	945,038	110,706
Investment in associates and joint ventures	11	451,950	335,453
Financial assets at fair value through profit or loss	12	18,053	52,673
Financial assets at fair value through other comprehensive income	13	3,188,043	4,618,935
Other non-current assets		112,173	84,386
Loans to related parties	28	597,415	514,459
Amount due from related parties	28	25,640	9,585
Total non-current assets		7,554,855	7,047,392
Current assets			
Inventories	14	147,288	59,516
Trade receivables	15	585,848	184,647
Amount due from related parties	28	12,336	15,564
Other current assets	16	246,707	137,663
Bank balances, cash and deposits	17	325,405	207,049
Total current assets		1,317,584	604,439
TOTAL ASSETS		8,872,439	7,651,831
EQUITY AND LIABILITIES			
EQUITY			
Share capital	18	2,094,113	2,094,083
Other contributions	18	1,555,839	2,932,462
Invested equity attributable to Agility SpinCo		3,649,952	5,026,545
Non-controlling interests		394,589	150,319
Total invested equity		4,044,541	5,176,864
LIABILITIES			
Non-current liabilities			
Provision for employees' end of service benefits	19	53,587	34,776
Interest bearing loans	20	453,462	321,543
Lease liabilities	7	331,348	180,338
Amount due to related parties	28	2,747,087	1,472,316
Other non-current liabilities	21	159,907	28,314
Total non-current liabilities		3,745,391	2,037,287
Current liabilities			
Interest bearing loans	20	148,233	43,531
Lease liabilities	7	99,723	34,633
Trade and other payables	22	832,035	357,331
Amount due to related parties	28	2,516	2,185
Total current liabilities		1,082,507	437,680
Total liabilities		4,827,898	2,474,967
TOTAL EQUITY AND LIABILITIES		8,872,439	7,651,831

Tarek Abdulaziz Sultan AlEssa
Authorised Signatory

The attached notes 1 to 32 form part of these combined and carve-out financial statements.

COMBINED AND CARVE-OUT STATEMENT OF INCOME

For the years ended 31 December 2022 and 31 December 2021

	Notes	*2022 USD 000's*	*2021 USD 000's*
Revenue from contract with customers	23	**2,352,181**	**1,182,805**
Direct expenses		**(1,225,235)**	**(737,411)**
Other operating expenses	24	**(811,058)**	**(273,424)**
Change in fair value of investment properties	8	**73,475**	**64,204**
Transaction costs on acquisition of entities as part of business combination		**(24,718)**	**-**
Share of results of associates and joint ventures	11	**(6,989)**	**14,675**
Unrealised loss on financial assets at fair value through profit or loss		**(20,634)**	**(45,749)**
Dividend income		**15,910**	**-**
Miscellaneous income		**10,427**	**5,652**
Profit before interest, taxation, depreciation and amortisation (EBITDA)		**363,359**	**210,752**
Depreciation	5 & 7	**(124,904)**	**(88,231)**
Amortisation	9	**(21,019)**	**(15,911)**
Profit before interest and taxation (EBIT)		**217,436**	**106,610**
Interest income		**1,988**	**1,226**
Finance costs		**(114,231)**	**(75,354)**
Profit before taxation		**105,193**	**32,482**
Taxation		**(20,877)**	**(13,134)**
PROFIT FOR THE YEAR		**84,316**	**19,348**
Attributable to:			
Equity holders of Agility SpinCo		**62,454**	**6,995**
Non-controlling interests		**21,862**	**12,353**
		84,316	**19,348**

The attached notes 1 to 32 form part of these combined and carve-out financial statements.

COMBINED AND CARVE-OUT STATEMENT OF COMPREHENSIVE INCOME

For the years ended 31 December 2022 and 31 December 2021

	2022 *USD 000's*	*2021* *USD 000's*
Profit for the year	**84,316**	**19,348**
Other comprehensive loss:		
Items that are or may be reclassified to the combined and carve-out statement of income in subsequent periods:		
Foreign currency translation adjustments	**(4,688)**	**(12,112)**
Share of other comprehensive income of associates and joint venture (Note 11)	**5,072**	**3,155**
Gain on cash flow hedges	**3,111**	**1,015**
Net other comprehensive income (loss) that are or may be reclassified to combined and carve-out statement of income in subsequent periods	**3,495**	**(7,942)**
Items that will not be reclassified to the combined and carve-out statement of income		
Changes in fair value of equity instruments at fair value through other comprehensive income	**(1,558,415)**	**(405,427)**
Re-measurement loss on defined benefit plans (Note 19)	**(22,043)**	**-**
Net other comprehensive loss that will not be reclassified to combined and carve-out statement of income	**(1,580,458)**	**(405,427)**
Total other comprehensive loss	**(1,576,963)**	**(413,369)**
Total comprehensive loss for the year	**(1,492,647)**	**(394,021)**
Attributable to:		
Equity holders of Agility SpinCo	**(1,518,454)**	**(410,870)**
Non-controlling interests	**25,807**	**16,849**
	(1,492,647)	**(394,021)**

The attached notes 1 to 32 form part of these combined and carve-out financial statements.

COMBINED AND CARVE-OUT STATEMENT OF CASH FLOWS

For the years ended 31 December 2022 and 31 December 2021

	Notes	*2022 USD 000's*	*2021 USD 000's*
OPERATING ACTIVITIES			
Profit before taxation		**105,193**	**32,482**
Adjustments for:			
Change in fair value of investment properties	8	**(73,475)**	**(64,204)**
Expected credit losses of trade receivables	15	**10,309**	**12,172**
Release of provision no longer required	15	**(17,707)**	**-**
Provision for employees' end of service benefits	19	**19,562**	**8,347**
Foreign currency exchange gain		**(4,160)**	**(3,868)**
Share of results of associates and joint ventures	11	**6,989**	**(14,675)**
Unrealised loss on financial assets at fair value through profit or loss		**20,634**	**45,749**
Dividend income		**(15,910)**	**-**
Miscellaneous income		**(10,427)**	**(5,652)**
Depreciation	5 & 7	**124,904**	**88,231**
Amortisation	9	**21,019**	**15,911**
Interest income		**(1,988)**	**(1,226)**
Finance costs		**114,231**	**75,354**
Operating profit before changes in working capital		**299,174**	**188,621**
Inventories		**(62,400)**	**5,832**
Trade receivables		**(50,092)**	**26,069**
Other current assets		**11,665**	**(35,181)**
Trade and other payables		**2,798**	**(864)**
		201,145	**184,477**
Taxation paid		**(21,196)**	**(10,343)**
Employees' end of service benefits paid	19	**(11,610)**	**(5,748)**
Net cash flows from operating activities		**168,339**	**168,386**
INVESTING ACTIVITIES			
Net movement in financial assets at fair value through profit or loss		**(18,005)**	**25,359**
Net movement in financial assets at fair value through other comprehensive income		**(219,608)**	**(62,497)**
Additions to property, plant and equipment	5	**(66,089)**	**(89,238)**
Proceeds from disposal of property, plant and equipment		**19,349**	**1,896**
Loans to related parties		**(84,032)**	**(54,678)**
Additions to projects in progress	6	**(56,271)**	**(32,235)**
Dividends received		**29,609**	**7,328**
Net cash outflow from acquisition of entities as part of business combination		**(621,611)**	**(14,206)**
Net cash flows used in investing activities		**(1,016,658)**	**(218,271)**
FINANCING ACTIVITIES			
Received from related parties		**1,234,427**	**184,717**
Payments to related parties		**(4,982)**	**(52,280)**
Parent Company investment received		**59,237**	**34,008**
Proceeds from interest bearing loans		**471,418**	**26,679**
Repayment of interest bearing loans		**(686,264)**	**(43,018)**
Payment of lease obligations	7	**(82,139)**	**(43,750)**
Finance costs paid		**(19,774)**	**(17,935)**
Dividends paid to the Parent Company		**-**	**(6,505)**
Dividends paid to non-controlling interest		**-**	**(3,493)**
Net cash flows from financing activities		**971,923**	**78,423**
NET INCREASE IN CASH AND CASH EQUIVALENTS		**123,604**	**28,538**
Net foreign exchange translation differences		**(5,248)**	**(1,907)**
Cash and cash equivalents at 1 January		**207,049**	**180,418**
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	17	**325,405**	**207,049**

The attached notes 1 to 32 form part of these combined and carve-out financial statements.

COMBINED AND CARVE-OUT STATEMENT OF CHANGES IN EQUITY

For the years ended 31 December 2022 and 31 December 2021

	Share capital USD 000's	*Other contributions USD 000's*	*Invested equity attributable to the equity holders of Agility SpinCo USD 000's*	*Non- controlling interests USD 000's*	*Total Invested equity USD 000's*
As at 1 January 2022	**2,094,083**	**2,932,462**	**5,026,545**	**150,319**	**5,176,864**
Profit for the year	**-**	**62,454**	**62,454**	**21,862**	**84,316**
Other comprehensive (loss) income	**-**	**(1,580,908)**	**(1,580,908)**	**3,945**	**(1,576,963)**
Total comprehensive (loss) income for the year	**-**	**(1,518,454)**	**(1,518,454)**	**25,807**	**(1,492,647)**
Net movement in Parent Company investment	**30**	**177,747**	**177,777**	**-**	**177,777**
Dividends to Parent Company	**-**	**(35,916)**	**(35,916)**	**-**	**(35,916)**
Acquisition of entities as part of business combination (Note 25)	**-**	**-**	**-**	**218,463**	**218,463**
As at 31 December 2022	**2,094,113**	**1,555,839**	**3,649,952**	**394,589**	**4,044,541**
As at 1 January 2021	**393,176**	**138,637**	**531,813**	**136,963**	**668,776**
Profit for the year	**-**	**6,995**	**6,995**	**12,353**	**19,348**
Other comprehensive (loss) income	**-**	**(417,865)**	**(417,865)**	**4,496**	**(413,369)**
Total comprehensive (loss) income for the year	**-**	**(410,870)**	**(410,870)**	**16,849**	**(394,021)**
Net movement in Parent Company investment	**1,700,907**	**3,244,259**	**4,945,166**	**-**	**4,945,166**
Dividends to Parent Company	**-**	**(39,564)**	**(39,564)**	**-**	**(39,564)**
Dividends to non-controlling interests	**-**	**-**	**-**	**(3,493)**	**(3,493)**
As at 31 December 2021	**2,094,083**	**2,932,462**	**5,026,545**	**150,319**	**5,176,864**

The attached notes 1 to 32 form part of these combined and carve-out financial statements.

1 BACKGROUND AND CORPORATE INFORMATION

Agility Public Warehousing Company K.S.C.P. (the "Parent Company") and subsidiaries (collectively referred to as the "Agility Group" or the "Group") is a public shareholding company incorporated in 1979 and listed on Boursa Kuwait and Dubai Stock Exchange. The Parent Company's Head office is located at Sulaibia, beside the Land Customs Clearing Area, P.O. Box 25418, Safat 13115, Kuwait. The Group operates under the brand name of "Agility".

The Group is engaged in aviation services, fuel logistics, industrial real estate, investing surplus funds in emerging markets/sectors and other related services and is a global operator with presence in over 100 countries.

On May 30, 2023, the shareholders of the Parent Company acting through ordinary general assembly, and, on June 7, 2023, the shareholders of the Parent Company acting through extraordinary general assembly, approved the listing of the Parent Company's non-Kuwaiti subsidiaries on any non-Kuwaiti stock exchange (the "Shareholder Approvals"). In furtherance of such shareholder approvals, the Board of Directors of the Parent Company is contemplating the listing on the Abu Dhabi Securities Exchange ("ADX") of Horizon Participation Holding VI Limited, a newly incorporated entity registered in Abu Dhabi Global Market ("ADGM") in the United Arab Emirates (UAE) ("Horizon") subject to various approvals, including the approval of the ADX (the "Transaction").

In connection with the Transaction, the Board has approved the transfer of certain businesses/entities listed below and their registration in the name of Horizon and any other subsidiaries of Horizon on 21 September 2023.

The Board of Directors of the Parent Company has also directed the management of Parent Company to prepare the combined and carve-out financial statements of Agility SpinCo for the purpose of inclusion of these combined and carve-out financial statements in a prospectus and regulatory filing in connection with the Transaction. The following entities (along with their underlying subsidiaries, where applicable) from the Group will be included in the combined and carve-out financial statements of Agility SpinCo forming part of the combined and carve-out perimeter (the below combined entities are collectively referred to as "Agility SpinCo").

	Ownership % as at 31 December			
Name of the entity	*2022*	*2021*	*Country of incorporation*	*Principal activities of underlying subsidiaries*
John Menzies Limited *	**100**	**-**	United Kingdom	Ground handling and aviation services
NAS Holding for Company Business Management (Holding Co) WLL *	**100**	**100**	Kuwait	Ground handling and aviation services
Agility Venture Capital Holdings Limited	**100**	**100**	U.A.E.	Holding investments
Catering Logistics for General Trading and Contracting Co WLL	**100**	**100**	Kuwait	Catering, camps and construction
Tristar Holding Limited **	**65**	**65**	U.A.E.	Fuel logistics services
Agility DGS Logistics Services Co KSCC	**100**	**100**	Kuwait	Logistics services to Government entities
Ostram Holdings Limited	**100**	**100**	Cayman Islands	Provides customs solutions to governments
Agility E-Services Private Ltd	**100**	**100**	India	IT services
Horizon International Holdings Limited	**100**	**-**	U.A.E.	Holding investments
Agility Logistics Parks SPC	**100**	**100**	Saudi Arabia	Development and leasing of logistics parks
Agility DistriParks FZE	**100**	**100**	U.A.E.	Development and leasing of logistics parks
Shipa Freight Solution LLC	**100**	**100**	U.A.E.	Online freight platform
Shipa E commerce LLC	**100**	**100**	U.A.E.	E-commerce solutions
Homoola Trucks for Communication and Information Technology SPC	**100**	**100**	Saudi Arabia	Last mile delivery
Shipa for Shipping Co. SPC	**100**	**100**	Saudi Arabia	Last mile delivery
Shipa Delivery Services LLC	**100**	**100**	U.A.E.	Last mile delivery

1 BACKGROUND AND CORPORATE INFORMATION (continued)

	Ownership % as at 31 December			
Name of the entity	***2022***	***2021***	***Country of incorporation***	***Principal activities of underlying subsidiaries***
Shipa for Sending, receiving, distributing mailings, postal parcels and courier letter by air Co. WLL	**100**	**100**	Kuwait	Last mile delivery
Agility GIL BV	**100**	**100**	Netherlands	Holding investments
Elaf National for General Trading and Contracting Co WLL	**100**	**100**	Kuwait	Holding investments
Agility Alternative Energy Solutions Co KSCC	**100**	**100**	Kuwait	Holding investments
Modern International Real Estate Co. WLL	**100**	**100**	Kuwait	Holding investments
PWC Technology for Computers Co WLL	**100**	**100**	Kuwait	Customs solutions
PWC Aviation Services Co KSCC	**100**	**100**	Kuwait	Commercial Real Estate
Horizon Participation Holding I Limited	**100**	**-**	U.A.E.	Holding company including laboratory business
Alcazar Capital Partners L.P	**100**	**100**	Cayman Islands	Holding investments
Agility Strategies Holding Limited	**100**	**100**	U.A.E.	Holding investments

* These entities are held through a holding company, Menzies Holding Limited
** This entity is held through a holding company, Agility Tristar Holding Limited

These combined and carve-out financial statements of Agility SpinCo for the years ended 31 December 2022 and 31 December 2021, were authorised for issue in accordance with a resolution of the Board of Directors on 21 September 2023

2 BASIS OF PREPARATION OF COMBINED AND CARVE-OUT FINANCIAL STATEMENTS

2.1 COMBINED AND CARVE-OUT PERIMETER

The combined and carve-out financial statements are prepared by carving-out businesses, which are in the form of legal entities, from the Group's consolidated financial statements and extracting the financial information relating to the business/entities (mentioned in Note 1), which will eventually be transferred to Horizon.

Horizon Fuel Logistics Holding Limited ("HFLHL"), an entity forming part of Agility SpinCo will enter into a share purchase agreement with the Parent Company in respect of the shares of Agility Tristar Holding Limited ("ATHL"). The Parent Company currently holds the legal and beneficial interest in ATHL. The transfer of shares in ATHL remains subject to the closing of the acquisition not triggering any change of control related event of default or mandatory prepayment consequences under Tristar's financing arrangements and related transaction documents (which may be achieved through relevant confirmations from the relevant counterparties to the existing facilities) (the "Tristar Condition"). The Tristar Condition is waivable entirely at the election of HFLHL and HFLHL will have the obligation to waive the Tristar Condition and complete the acquisition if it has not yet been satisfied as of 20 December 2023.

The combined and carve-out financial statements for the years ended 31 December 2022 and 31 December 2021 represents the assets, associated liabilities and the operations of the business components/entities of the Group as mentioned above. The combination exercise is carried out by combining all these legal entities, as it meets the business definition.

2 BASIS OF PREPARATION OF COMBINED AND CARVE-OUT FINANCIAL STATEMENTS (continued)

2.1 COMBINED AND CARVE-OUT PERIMETER (continued)

The following business units are in the form of legal entities (mentioned in Note 1), which are subsidiaries of the Group. A brief description of the businesses, that will form part of the Agility SpinCo perimeter is set out below:

- *National Aviation Services (NAS) and Menzies*

NAS is an aviation services provider headquartered in Kuwait City, Kuwait. NAS operates through emerging markets countries across Africa, Asia and the Middle East. The services offered are primarily ground handling, air cargo management services, operation of airport lounges etc.

Menzies was acquired (100%) by Agility in August 2022 as an addition to its existing NAS business of providing aviation services. The combined and integrated business (Menzies and NAS) operate as one of the world's largest aviation services company by number of countries and second largest by number of airports served.

- *United Projects for Aviation Services Company K.S.C.P. (UPAC)*

UPAC is a full-service commercial real estate and facilities management company that is listed on the Boursa Kuwait and has operated in Kuwait since 2000. UPAC manages over 24,000 sqm of commercial space and parking facilities at the Kuwait International Airport Terminals. UPAC is also a lead investor in the development of Abu Dhabi's $1.2 billion Reem Mall mega-project. UPAC's services include real estate management, project management and consultancy, as well as maintenance and facilities management services.

- *Tristar*

Tristar is headquartered in Dubai and offers end to end fuel logistics solutions to clients including international and national oil companies and intergovernmental organizations. Tristar's integrated energy logistics platform spans road and maritime transportation, specialized warehousing, fuel farms, commercial aviation refuelling and remote fuel supply operations. It was founded in 1998 and has grown to become Middle East's largest privately-owned liquid logistics company with operations in 29 countries and territories spread across the Middle East, Asia, Africa, the Pacific, the Americas and Europe.

- *Gulf Catering Company for General Trade and Contracting W.L.L (GCC)*

GCC was registered as a limited liability company and incorporated on 25 May 2005 in Kuwait. The principal activities of GCC are to provide camp catering services, integrated facility management and camp construction.

- *Agility Defence & Government Services (DGS)*

DGS is a business unit that offers specialised logistics services to defence and government bodies. This includes supply chain solutions including specialised procurement, warehousing, inventory and distribution, contingency logistics and military logistics (moving miliary grade equipment, disposing of surplus military equipment etc).

- *Shipa*

Shipa group comprises digital logistics companies that provide self-service freight and logistics management (Shipa Freight); e-commerce fulfilment, IT integration and related services (Shipa Ecommerce); and last-mile and local delivery for businesses and consumers (Shipa Delivery).

- *Inspection Control Services (ICS)*

ICS provides customs solutions and IT support for customs clearance and processing.

- *Agility Logistic Parks (ALP)*

Construction, development and leasing of Grade A warehousing and logistics complexes in the Middle East, Africa and South Asia. ALP businesses have a country logic with standalone businesses, assets, financials and local management. ALP businesses are managed by countries (i.e. each country management reports to Agility Corporate directly) and there is no dedicated management team for the whole ALP. All the geographies, except ALP Kuwait, will be transferred to Horizon.

2 BASIS OF PREPARATION OF COMBINED AND CARVE-OUT FINANCIAL STATEMENTS (continued)

2.1 COMBINED AND CARVE-OUT PERIMETER (continued)

- *Investments*

Investments represent investments classified as 'Fair value Through Profit or Loss (FVTPL), Fair Value through Other Comprehensive Income (FVOCI), Investments in Associates and Joint Ventures and Loan to related parties measured at FVTPL.

- *Others*

The 'Others' category represents multiple business lines that are not included above and are individually not material. All these other business lines will be transferred to Horizon.

The combined and carve-out financial statements for the above-mentioned historical periods relate to Agility SpinCo (the entities forming part of perimeter) as a "reporting entity", as these businesses did not constitute a group in any of the periods presented. These combined entities have historically operated as part of Agility Group and not collectively operated as a separate group. The combined and carve-out financial statements represent the historical results of Agility SpinCo that have been derived from the Group's historical accounting records (prepared under IFRS framework) and are presented on a combined and carve-out basis.

The Group believes that Agility SpinCo meets the definition of a reporting entity under the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB), considering the revised Conceptual Framework for Financial Reporting (Conceptual Framework) issued in March 2018. Management has considered the requirements of 'The Reporting Entity' under the Conceptual Framework.

Agility SpinCo represents a circumscribed area of economic activities whose financial information has the potential to be useful to existing and prospective investors, regulators, lenders and other creditors. In determining whether a reporting entity exists as a basis for preparing the combined and carve-out financial statements of Agility SpinCo, management has considered and evaluated the following factors:

- Specific economic activities are being conducted. The economic activities can be objectively distinguished from those of other business or operations of the Group;

- The objective of combined and carve-out financial statements is to provide financial information about Agility SpinCo's assets, liabilities, equity, income and expenses that is useful to users of financial statements in assessing the prospects for future net cash inflows of Agility SpinCo and in assessing management's stewardship of Agility SpinCo's economic resources;

- Financial information about the economic activities of Agility SpinCo has the potential to be useful in making decisions about providing resources to Agility SpinCo and is relevant to the primary users of Agility SpinCo's financial statements;

- Assets, liabilities, operations, income and expenses of Agility SpinCo are under common control and common management of the Group for all the periods presented in the combined and carve-out financial statements;

- The boundary of Agility SpinCo does not contain an arbitrary or incomplete set of economic activities; the set of economic activities within the boundary of Agility SpinCo results in neutral and complete information for the users of the combined and carve-out financial statements; and

- The economic activity of Agility SpinCo is legally bound together through a legal reorganisation that is expected to occur subsequent to the reporting date. However, there will be no change in Agility SpinCo perimeter in the combined and carve-out financial statements and the legal reorganisation.

As a result, the basis of preparation results in a fair presentation of these combined and carve-out financial statements of Agility SpinCo in accordance with IFRS.

2 BASIS OF PREPARATION OF COMBINED AND CARVE-OUT FINANCIAL STATEMENTS (continued)

2.1 COMBINED AND CARVE-OUT PERIMETER (continued)

Common control
The existence of a common control of all the combined entities for all the periods presents is imperative for a combined and carve-out financial statement to be regarded as a general-purpose IFRS financial statements. The IFRS Interpretations Committee noted that the ability to include entities within a set of IFRS financial statements depends on the interpretation of 'reporting entity' in the context of common control. The general-purpose combined and carve-out financial statements are only prepared under IFRS when common control exists. The entities forming part of Agility SpinCo are described coherently and are under common control for all the periods presented. Therefore, common control is established for the all the entities forming part of Agility SpinCo perimeter, which is a pre-requisite for a general-purpose combined and carve-out financial statements under IFRS.

Based on the above, Management has determined that the combined and carve-out financial statements of Agility SpinCo will be the most informative basis of preparation for the users of financial statements. The combined and carve-out financial statements of Agility SpinCo will provide users with the historical information on the financial position and financial performance of these spun off entities.

2.2 Purpose of combined and carve-out financial statements

The combined and carve-out financial statements of Agility SpinCo have been prepared for the purposes of inclusion in the Prospectus in connection with the proposed listing of Horizon on the Abu Dhabi Stock Exchange (ADX). The combined and carve-out financial statements represent the historical operations of Agility SpinCo that are derived from the Agility Group's historical accounting records and are presented on a combined and carve-out basis.

Further, management has considered the following in order to determine basis and appropriateness of the combined and carve-out financial statements:

- the information intended to be conveyed is the historical business activities of Agility SpinCo which would align to the perimeter of Horizon following its listing.

- The markets in which the combined and carve-out financial statements will be released, and related legal and regulatory requirements seek compliance with IFRS and are prepared based on historical data only.

- The historical financial information of Agility SpinCo for the years ended 31 December 2022 and 31 December 2021 have been extracted from the books and records of the Agility Group's consolidated IFRS financial statements.

The expected users of these combined and carve-out financial statements would be the UAE Securities and Commodities Authority ("SCA" or sometimes referred to as "ESCA") and the shareholders of the Parent Company. Based on the facts and circumstances it is appropriate to prepare general-purpose combined and carve-out financial statements as they are required by regulators and shareholders.

The regulators purport to represent the needs of a wide range of users for a general purpose, for which the users cannot otherwise command the financial information. The combined and carve-out financial statements of Agility SpinCo will be distributed to a wide range of users for the purpose of inclusion in the information memorandum in connection with the proposed listing of Horizon on the ADX.

2 BASIS OF PREPARATION OF COMBINED AND CARVE-OUT FINANCIAL STATEMENTS (continued)

2.3 Impact of IFRS 1 – 'First-time Adoption of IFRS'

There are divergent views and practice depending on the jurisdiction in assessing whether the combined and carve-out financial statement of a reporting entity would be a first-time adopter of IFRS. However, management has considered that a combined/carved-out reporting entity is treated as a part of the larger reporting entity, which has already issued IFRS financial statements. Therefore, after considering the jurisdictional requirements and the fact that the combined and carve-out financial statement of the reporting entity is prepared using a top-down approach (whereby the combined and carve-out financial statements are extracted from the consolidated financial statements of the larger group, which has always issued IFRS financial statements), management concluded that the first-time adoption of IFRS is not mandatory.

Agility SpinCo has been extracted from books of accounts or the consolidated financial statements of the Group as at and for the years ended 31 December 2022 and 31 December 2021, which are historically prepared under International Financial Reporting Standards (IFRS). Accordingly, Agility SpinCo is not a first-time adopter of IFRS and therefore, 'IFRS 1 - First-time Adoption of IFRS' does not apply to these combined and carve-out financial statements of Agility SpinCo.

Also, Agility SpinCo has used predecessor accounting concept for measuring financial statements elements in the combined and carve-out financial statements, hence the measurement principles of IFRS 1 are not applicable.

2.4 Business reorganisation and proposed new structure

Management has decided to reorganise the structure of its businesses by spinning-off certain entities/business (as mentioned in Note 1) to Horizon (a separate legal entity). Pursuant to the above strategy, management has proposed the following:

- formation of a wholly owned subsidiary of the Parent Company, Horizon Participation Holding VI Limited. Assets, liabilities, and operations of Agility SpinCo (combined and carve-out perimeter) will be legally transferred to Horizon. It is a demerger/spin-off transaction.

- direct listing of Horizon in the ADX, with no additional new capital being raised. As this is a direct listing there will no prospective/new investors involved in this transaction.

- The existing shareholders of the Parent Company will receive the shares in Horizon, post listing of Horizon in the ADX, in the form of in-kind dividends proportionate to their holdings in the Parent Company and in accordance to the exchange ratio declared by the Board, and in line with the rules and regulations governing distribution of dividends.

2 BASIS OF PREPARATION OF COMBINED AND CARVE-OUT FINANCIAL STATEMENTS (continued)

2.4 Business reorganisation and proposed new structure (continued)

Horizon will be adopting continuation accounting (predecessor accounting), with Agility SpinCo perimeter, in its first financial statements following listing. However, the combined and carve-out financial statements of Agility SpinCo may not be indicative of Horizon's financial statements, and does not necessarily reflect the results of operations, financial position, and cash flows had Agility SpinCo functioned as an independent group or separate entity. In particular, the following primary differences are expected to arise between the combined and carve-out financial statements of Agility SpinCo and Horizon financial statements:

- Certain other operating expenses associated with Agility SpinCo but incurred by the Group have been allocated in the combined and carve-out financial statements. It is possible that these allocated expenses may not be representative of the amounts that would have been incurred had Agility SpinCo operated independently of the Group. In the new construct, expenses are expected to be incurred directly by Horizon. Also, Horizon and the Parent Company will enter into a transitional service agreement, on commercial terms for various corporate and administrative support services.

- Since Horizon is a legal entity, it is expected to have share capital, retained earnings and other reserves, as opposed to the combined share capital and other equity contributions in Agility SpinCo.

- Certain intercompany loans, payable to the Parent Company, forming part of the combined and carve-out financial statements will be converted into equity upon listing of Horizon. The remaining intercompany loans are expected to be novated or replaced with external borrowings.

2.5 Basis of allocation of certain combined and carve-out financial statements elements

Assets, liabilities, revenues, or expenses that are directly attributable to Agility SpinCo and/or included in the financial statements of the entities listed in Note 1 are reflected in these combined and carve-out financial statements. Expenses that are indirectly attributable to Agility SpinCo have been allocated as considered appropriate and reasonable by the management.

Management believes that the allocation methodologies are reasonable; however, expenses allocated to Agility SpinCo are not necessarily indicative of the expenses that would have been incurred on a stand-alone basis nor are they indicative of costs that may be incurred in the future. Actual results could differ from these estimates. It is not practical to estimate the costs that would have been incurred by Agility SpinCo if it had operated on a stand-alone basis or a separate group. The combined and carve-out financial statements may not be indicative of Agility SpinCo's future performance, and does not necessarily reflect the results of operations, financial position, and cash flows had Agility SpinCo functioned as an independent group or separate entity.

The following allocation policies have been used in the preparation of these combined and carve-out financial statements. Unless otherwise noted, these policies have been consistently applied in the combined and carve-out financial statements.

Financial statement items related specifically to the entities forming part of the perimeter (as mentioned in Note 1) have been identified and included in the combined and carve-out financial statements. These include statement of financial position items, revenue from contracts with customers, cost of revenue, changes in fair value of investments and investments properties, and other operating expenses.

For purposes of presenting the combined and carve-out financial statements, allocations were required to determine the cost of certain administrative activities performed by the Parent Company, attributable to Agility SpinCo. These shared services included, but are not limited to, executive management, finance, information technology, marketing, legal, and human resources. Where specific identification could not be utilised, allocations were made based upon revenue or headcount or earnings or other relevant measures. Allocations of these expenses which have not historically been specifically identified to Agility SpinCo's functions are made based on a methodology which provides the best allocation to the amounts attributable to these functions. This approach to the preparation of the combined and carve-out financial statements of Agility SpinCo is the most effective approach in enabling users of combined and carve-out financial statements to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of Agility SpinCo in an easily analyzable and comprehensible form. The basis set out above has been consistently applied for the periods presented in these combined and carve-out financial statements.

2 BASIS OF PREPARATION OF COMBINED AND CARVE-OUT FINANCIAL STATEMENTS (continued)

2.6 Basis of combination

Entities (mentioned in Note 1), which comprise Agility SpinCo have been under common control throughout the periods presented in these combined and carve-out financial statements, but they did not form a legal group during any period presented. These entities have subsidiaries, which are firstly consolidated as per the requirements of IFRS 10 ("intermediate consolidation"). After intermediate consolidation, the entities remaining (including consolidated sub-group and standalone entities), that are all under common control in the periods presented, have been combined by aggregating the assets, liabilities, results of the operations, share capital and other contributions/reserves of all the relevant common control entities (mentioned in Note 1), after eliminating intercompany balances and unrealised profits. This combination is performed according to the rules identical to consolidation. Transactions involving the Parent Company and other entities under common control that are not part of the perimeter (and hence are not transferred to Horizon), are disclosed as transactions with related parties. The financial statements used for combination purposes have been prepared applying the Group's accounting policies.

2.7 Statement of compliance

The combined and carve-out financial statements have been prepared in accordance with IFRS as issued by the IASB. IFRS does not provide guidance for the preparation of combined and carve-out financial statements, and accordingly in preparing the combined and carve-out financial statements certain accounting conventions commonly used for the preparation of historical financial statements have been applied. The application of these conventions has been described in these combined and carve-out financial statements.

The combined and carve-out financial statements are prepared on a historical cost basis, except for investment properties, financial assets carried at fair value through profit or loss, financial assets at fair value through other comprehensive income, loan to a related party and derivative financial instruments that are measured at fair value.

These combined and carve-out financial statements do not constitute statutory financial statements of Agility SpinCo, or the entities combined. The accounting policies of the Group have been consistently applied in preparing these combined and carve-out financial statements for the years presented.

2.8 Basis of consolidation

The combined and carve-out financial statements comprise the consolidated financial statements of entities forming part of the perimeter (mentioned in Note 1) and its subsidiaries, including special purpose entities as at 31 December 2022 and 31 December 2021. Control is achieved when an entity 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, an entity controls an investee if and only if the entity 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, and
- The ability to use its power over the investee to affect its returns.

When an entity has less than a majority of the voting or similar rights of an investee, an entity considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee,
- Rights arising from other contractual arrangements, and
- An entity's voting rights and potential voting rights.

2 BASIS OF PREPARATION OF COMBINED AND CARVE-OUT FINANCIAL STATEMENTS (continued)

2.8 Basis of consolidation (continued)

An entity 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 an entity obtains control over the subsidiary and ceases when an entity 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 an entity gains control until the date an entity ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the entity 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 into 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 Agility SpinCo 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 an entity loses control over a subsidiary, it derecognises, the related assets (including goodwill), liabilities, non-controlling interest and other component of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value. The results of the subsidiaries acquired or disposed during the year are included in the combined and carve-out statement of comprehensive income from the date of acquisition or up to the date of disposal, as appropriate.

2.9 Functional and presentation currency

The combined and carve-out financial statements are presented in United States Dollar (USD) which is the presentation currency of Agility SpinCo. However, entities forming part of Agility SpinCo have different functional currencies and the USD is the presentation currency. All values are rounded to the nearest thousand (USD '000) except where otherwise stated.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Changes in accounting policies

The accounting policies used in the preparation of these combined and carve-out financial statements are consistent with those used in the previous financial year, except as mentioned below:

New and amended standards and interpretations
The nature and the impact of each amendment is described below:

Several other amendments and interpretations apply for the first time in the year 2022, but do not have an impact on the combined and carve-out financial statements of Agility SpinCo. Agility SpinCo has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

Property, Plant and Equipment: Proceeds before Intended Use – *Amendments to IAS 16*
In May 2020, the IASB issued Property, Plant and Equipment — Proceeds before Intended Use, which prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment. The amendments did not have a material impact on Agility SpinCo.

3.2 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 Agility SpinCo's combined and carve-out financial statements are disclosed below. Agility SpinCo intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Standards issued but not yet effective (continued)

Amendments to IAS 1: ***Classification of Liabilities as Current or Non-current***
In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right;
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. Agility SpinCo is currently assessing the impact the amendments will have on current practices and whether existing loan agreements may require renegotiation.

Definition of Accounting Estimates - Amendments to IAS 8
In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of ‘accounting estimates’. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed. The amendments are not expected to have a material impact on the combined and carve-out financial statements of Agility SpinCo.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12
In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Agility SpinCo is currently assessing the impact of the amendments.

Other new or amended standards which are issued but not yet effective, are not relevant to Agility SpinCo and have no impact on the accounting policies, financials position or performance of Agility SpinCo.

3.3 Summary of significant accounting policies

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, measured at acquisition date fair value, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree’s identifiable net assets. Acquisition costs incurred are expensed and included in other operating expenses.

When any of the entities forming part of Agility SpinCo 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 (“IFRS 9”), is measured at fair value with the changes in fair value recognised in the combined and carve-out statement of income 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 combined and carve-out statement of income.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Summary of significant accounting policies (continued)

Business combinations and goodwill (continued)
Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest 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, Agility SpinCo 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 re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in combined and carve-out statement of income.

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 Agility SpinCo'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 forms part of a cash-generating unit and part of the operation within that unit is disposed, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed in this circumstance is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Current versus non-current classification
Agility SpinCo presents assets and liabilities in combined and carve-out statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle; or
- Held primarily for the purpose of trading; or
- Expected to be realised within twelve months after the reporting period, or
- Bank balances, cash and deposits 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; or
- It is held primarily for the purpose of trading; or
- 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.

Agility SpinCo classifies all other liabilities as non-current.

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

Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. The initial cost of property, plant and equipment comprises their cost and any directly attributable costs of bringing an item of property, plant and equipment to its working condition and location. Expenditure incurred after the property, plant and equipment has been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to the combined and carve-out statement of income in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of property, plant and equipment. Land is not depreciated.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings and improvements	5 to 30 years
Tools, machinery and equipment	2 to 10 years
Vehicles and ships	2 to 25 years
Furniture and office equipment	2 to 8 years

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Summary of significant accounting policies (continued)

Property, plant and equipment (continued)

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair values less costs to sell and their value in use.

An item of property, plant and equipment 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 the carrying amount of the asset) is included in the combined and carve-out statement of income in the period the asset is derecognised. The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively if appropriate.

Leases

Agility SpinCo 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.

Agility SpinCo as a lessee

Agility SpinCo applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. Agility SpinCo 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

Agility SpinCo 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 the 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, as follows:

Land, buildings and improvements	2 to 44 years
Tools, machinery and equipment	2 to 8 years
Vehicles and ships	2 to 25 years
Furniture and office equipment	2 to 7 years

If the ownership of the leased asset is transferred to Agility SpinCo 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 in accordance with Agility SpinCo's impairment of non-financial assets policy.

ii. Lease liabilities

At the commencement date of the lease, Agility SpinCo 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 incentive 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 Agility SpinCo and payments of penalties for terminating the lease, if the lease term reflects Agility SpinCo 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, Agility SpinCo uses the incremental interest rate at the lease commencement date if 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 in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Summary of significant accounting policies (continued)

Leases (continued)
iii. Short-term leases and leases of low-value assets
Agility SpinCo applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less 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 assets 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.

A property interest that is held by Agility SpinCo under an operating lease may be classified and accounted for as an investment property when the property otherwise meets the definition of an investment property, evaluated property by property, and based on management's intention. The initial cost of a property interest held under a lease and classified as an investment property is determined at the lower of the fair value of the property and the present value of the minimum lease payments. An equivalent amount is recognised as a liability.

Agility SpinCo as a lessor
Leases in which Agility SpinCo does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental revenues arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the combined and carve-out statement of income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental revenues. Contingent rents are recognised as revenue in the period in which they are earned.

Projects in progress
Projects in progress are carried at cost less impairment, if any. Costs are those expenses incurred by Agility SpinCo that are directly attributable to the construction of assets. Once completed, the assets are transferred to either investment properties or to property, plant and equipment, depending on the management's intended use of the asset.

Investment properties
Investment properties comprise completed properties held to earn rentals or for capital appreciation or both. Property held under a lease is classified as investment property when the definition of an investment property is met. Investment properties are initially recorded at cost being the fair value of the consideration given and including acquisition charges associated with the investment property.

After initial recognition, the properties are re-measured to fair value annually on an individual basis with any gain or loss arising from a change in fair value being included in the combined and carve-out statement of income in the period in which it arises.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the combined and carve-out statement of income in the period of retirement or disposal. The amount of consideration to be included in the gain or loss arising from the derecognition of the investment property is determined in accordance with the requirements for the determining the transaction price in IFRS 15.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, Agility SpinCo accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Agility SpinCo has classified certain assets held under long term operating leases as investment properties.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Summary of significant accounting policies (continued)

Intangible assets
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised software development costs, are not capitalised and expenditure is reflected in the combined and carve-out statement of income in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be 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 each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the combined and carve-out statement of income.

Intangible assets with indefinite useful lives are not amortised but are tested for impairment annually or more frequently if events or change in circumstances indicate the carrying value may be impaired, either individually or at the cash generating unit level. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the combined statement of income when the asset is derecognised.

Build-own-transfer (“BOT”) projects and concessions
BOT projects and concessions are amortised over the duration of the individual contracts in the range of 4 to 20 years.

Customer lists
Customer lists are amortised over a period of 15 years, which is determined to be the expected period of benefit from holding these lists.

Brand
The brand is amortised over a period of 15 years, which is determined to be the expected period of benefit from holding it.

Goodwill
Accounting policy relating to goodwill is documented in the accounting policy “Business combinations and goodwill”.

Investment in associates and joint ventures
An associate is an entity over which Agility SpinCo 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 the 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. Agility SpinCo’s investments in its associate and joint venture are accounted for using the equity method.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Summary of significant accounting policies (continued)

Investment in associates and joint ventures (continued)

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 Agility SpinCo'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 neither amortised nor individually tested for impairment.

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

The aggregate of Agility SpinCo's share of profit or loss of an associate and a joint venture is shown on the face of the combined and carve-out statement of income 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 Agility SpinCo. When necessary, adjustments are made to bring the accounting policies in line with those followed by Agility SpinCo. After application of the equity method, Agility SpinCo determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, Agility SpinCo determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, Agility SpinCo calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, then recognises the loss in the combined and carve-out statement of income.

Upon loss of significant influence over the associate or joint control over the joint venture, Agility SpinCo 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 combined and carve-out statement of income.

Financial instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Date of recognition
Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the entities forming part of Agility SpinCo becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Initial measurement of financial instruments
The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value and, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from this amount. Trade receivables are measured at the transaction price.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Summary of significant accounting policies (continued)

Financial instruments (continued)

Measurement categories of financial assets and liabilities
Agility SpinCo classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:
- Amortised cost
- Fair value through other comprehensive income (FVOCI)
- Fair value through profit or loss (FVTPL)

Financial liabilities, other than commitments and guarantees, are measured at amortised cost or at FVTPL when they are held for trading and derivative instruments, or when the fair value designation is applied.

i) Financial assets
Agility SpinCo determines the classification of financial assets based on the business model it uses to manage the financial assets and the contractual cash flow characteristics of the financial assets.

Business model assessment
Agility SpinCo determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. That is, whether Agility SpinCo's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'Sell' business model and measured at FVTPL. Agility SpinCo's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of Agility SpinCo's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from Agility SpinCo's original expectations, Agility SpinCo does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI test)
Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, Agility SpinCo assesses whether the financial instruments' cash flows represent Solely Payments of Principal and Interest (the 'SPPI test').

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition that may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, Agility SpinCo applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Summary of significant accounting policies (continued)

Financial instruments (continued)

i) Financial assets (continued)
Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI test) (continued)
Agility SpinCo reclassifies when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the year.

Agility SpinCo classifies its financial assets upon initial recognition into the following categories:

Debt instruments at amortised cost
A financial asset which is a debt instrument, is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Bank balances and short-term deposits and trade receivables and certain other assets are classified as debt instruments at amortised cost.

Debt instruments at amortised cost are subsequently measured at amortised cost using the effective interest method adjusted for impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in the combined and carve-out statement of income. Any gain or loss on derecognition is recognised in the combined and carve-out statement of income.

Debt instruments at FVTPL
Debt instruments at FVTPL includes debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell.

Loan to related parties is classified as debt instrument at FVTPL.

FVTPL debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value along with interest income and foreign exchange gains and losses recognised in combined and carve-out statement of income.

Equity instruments at FVOCI
Upon initial recognition, Agility SpinCo may elect to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of Equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Equity investments at FVOCI are subsequently measured at fair value. Changes in fair values including foreign exchange component are recognised in other comprehensive income and presented in the cumulative changes in fair values as part of equity. Cumulative gains and losses previously recognised in other comprehensive income are transferred to retained earnings on derecognition and are not recognised in the combined and carve-out statement of income. Dividends are recognised in statement of income when the right of the payment has been established, except when Agility SpinCo benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity investments at FVOCI are not subject to impairment assessment.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Summary of significant accounting policies (continued)

Financial instruments (continued)

i) Financial assets (continued)

Equity instruments at FVTPL

Agility SpinCo classifies equity instruments at fair value through profit and loss when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking. Held-for-trading assets are recorded and measured in the statement of financial position at fair value. In addition, on initial recognition, Agility SpinCo may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Changes in fair values and dividends are recorded in combined and carve-out statement of income when the right to payment has been established.

Included in this classification are certain equity securities and funds.

Agility SpinCo has determined the classification and measurement of its financial assets as follows:

a. Financial assets at fair value through profit or loss

Agility SpinCo's financial assets at fair value through profit or loss consists of certain investment in funds, convertible loans, quoted and unquoted equity securities.

b. Loan to related parties

Loan to related parties is a non-derivative financial assets with fixed or determinable payments which is not quoted in an active market. After initial measurement, such financial assets are subsequently measured at FVTPL.

c. Trade receivables

Trade receivables are measured at transaction price, as disclosed in Agility SpinCo's accounting policy regarding revenue from contracts with customers, less expected credit losses and are stated at amortised cost.

Trade receivables that do not contain a significant financing component or for which Agility SpinCo has applied the practical expedient are initially measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, at the transaction price.

d. Bank balances, cash and deposits

Bank balances, cash and deposits in the combined and carve-out statement of financial position comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less. These are stated at amortised cost using effective interest rate.

For the purpose of the combined and carve-out statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above.

e. Other current assets

Other current assets are carried at their carrying value, less impairment, if any.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Summary of significant accounting policies (continued)

Financial instruments (continued)

i) Financial assets (continued)

Reclassification of financial assets

Agility SpinCo does not reclassify its financial assets subsequent to their initial recognition except under circumstances in which Agility SpinCo changes the business model for managing financial assets.

Derivative financial instruments and hedge accounting

Agility SpinCo uses derivative financial instruments such as forward currency contracts, interest rate swaps and forward rate agreements to hedge its foreign currency risks and interest rate risks respectively. Derivatives are recorded at fair value. Derivatives with positive fair values (unrealised gains) are included in other assets and derivatives with negative fair values (unrealised losses) are included in other liabilities in the combined and carve-out statement of financial position. For hedges, which do not qualify for hedge accounting and for held for trading derivatives, any gains or losses arising from changes in the fair value of the derivative are taken directly to the combined and carve-out statement of income.

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract. A derivative that is attached to a financial instrument, but is contractually transferable independently of that instrument, or has a different counterparty from that instrument, is not an embedded derivative, but a separate financial instrument. A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in combined and carve-out statement of income. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

At inception of the hedge relationship, Agility SpinCo formally documents the relationship between the hedged item and the hedging instrument, including the nature of the risk, the objective and strategy for undertaking the hedge and the method that will be used to assess the effectiveness of the hedging relationship. Also, at the inception of the hedge relationship, a formal assessment is undertaken to ensure the hedging instrument is expected to be highly effective in offsetting the designated risk in the hedged item. Hedges are formally assessed each quarter. A hedge is regarded as highly effective if the changes in fair value or cash flows attributable to the hedged risk during the period for which the hedge is designated are expected to be offset in a range of 80% to 125%. For situations where that hedged item is a forecast transaction, Agility SpinCo assesses whether the transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect the combined and carve-out statement of income.

For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment (except for foreign currency risk); or
- cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment; or
- hedges of a net investment in a foreign operation.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

a) Fair value hedges

The change in the fair value of a hedging derivative is recognised in the combined and carve-out statement of income. The change in the fair value of the hedged item attributable to the risk hedged is recorded as a part of the carrying value of the hedged item and is also recognised in the combined and carve-out statement of income.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Summary of significant accounting policies (continued)

Financial instruments (continued)

i) Financial assets (continued)
Derivative financial instruments and hedge accounting (continued)
a) Fair value hedges (continued)
For fair value hedges relating to items carried at amortised cost, the adjustment to carrying value is amortised through the combined and carve-out statement of income over the remaining term to maturity. Amortisation may begin as soon as an adjustment exists and shall end no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in the combined and carve-out statement of income.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in the combined and carve-out statement of income.

For a hedging instrument that hedges an equity instrument for which Agility SpinCo has elected to present changes in fair value in other comprehensive income, the changes in the fair value of the hedging instrument are recognised in other comprehensive income.

b) Cash flow hedges
The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income, while any ineffective portion is recognised immediately in the combined and carve-out statement of income. Amounts taken to other comprehensive income are transferred to combined and carve-out statement of income when the hedged transaction affects the combined and carve-out statement of income, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts taken to other comprehensive income are transferred to the initial carrying amount of the non-financial asset or liability. If the forecast transaction or firm commitment is no longer expected to occur, amounts previously recognised in other comprehensive income are transferred to the combined and carve-out statement of income. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in other comprehensive income remain in other comprehensive income until the forecast transaction or firm commitment occurs.

c) Hedges of a net investment
Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised in other comprehensive income while any gains or losses relating to the ineffective portion are recognised in the combined and carve-out statement of income. On disposal of the foreign operation, the cumulative value of any such gains or losses recognised in other comprehensive income is transferred to combined and carve-out statement of income.

Derecognition of financial assets
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:
- The rights to receive cash flows from the asset have expired; or
- Agility SpinCo 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) Agility SpinCo has transferred substantially all the risks and rewards of the asset, or (b) Agility SpinCo has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Summary of significant accounting policies (continued)

Financial instruments (continued)

i) Financial assets (continued)

Derecognition of financial assets (continued)

When Agility SpinCo 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, Agility SpinCo continues to recognise the transferred asset to the extent of its continuing involvement. In that case, Agility SpinCo also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that Agility SpinCo 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 Agility SpinCo could be required to repay.

ii) Financial liabilities

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.

Agility SpinCo's financial liabilities include trade and other payables, interest bearing loans, lease liabilities and derivative financial instruments.

Agility SpinCo has determined the classification and measurement of its financial liabilities as follows:

a. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by Agility SpinCo that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the combined and carve-out statement of income.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, only if the criteria in IFRS 9 are satisfied.

b. Interest bearing loans

After initial recognition, interest bearing loans are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the 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 as finance costs in the combined and carve-out statement of income.

Installments due within one year are shown as current liabilities. Interest is charged as an expense as it accrues in the combined and carve-out statement of income, with unpaid amounts included in accrued expenses under 'trade and other payables'.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Summary of significant accounting policies (continued)

Financial instruments (continued)

ii) Financial liabilities (continued)

c. Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

Derecognition of financial liabilities

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 combined and carve-out statement of income.

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the combined and carve-out 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.

Impairment of financial assets

Agility SpinCo recognises an allowance for expected credit losses (ECL) 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 Agility SpinCo expects to receive. The shortfall is then discounted at an approximation to the asset's 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.

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, Agility SpinCo applies a simplified approach in calculating ECLs. Therefore, Agility SpinCo does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. Entities forming part of Agility SpinCo have 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.

Debt instruments and financial assets at FVTPL are not subject to ECL.

Agility SpinCo considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, Agility SpinCo may also consider a financial asset to be in default when internal or external information indicates that Agility SpinCo is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by Agility SpinCo. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Fair values

Agility SpinCo measures certain financial instruments (including derivatives) and non-financial assets such as investment properties, at fair value at each reporting date. 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 to Agility SpinCo.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Summary of significant accounting policies (continued)

Fair values (continued)
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.

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.

Agility SpinCo 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 combined and carve-out 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 combined and carve-out financial statements on a recurring basis, Agility SpinCo 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.

Agility SpinCo’s management determines the policies and procedures for both recurring fair value measurement, such as investment properties and unquoted financial assets, and for non-recurring measurement, such as assets held for distribution in discontinued operation.

External valuers are involved for the valuation of Agility SpinCo’s investment properties. Involvement of external valuers is decided upon annually by the management. Selection criteria include regulatory requirements, market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with Agility SpinCo’s external valuers, which valuation techniques and inputs to use for each case.

For unquoted financial instruments fair value is determined by reference to the market value of a similar investment, discounted cash flows, other appropriate valuation models or brokers’ quotes.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per Agility SpinCo’s accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with Agility SpinCo’s external valuers, also compares changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, Agility SpinCo 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.

Inventories
Inventories are stated at the lower of cost and net realisable value. Costs are those expenses incurred in bringing each product to its present location and condition and are determined on the weighted average basis. Net realisable value is based on estimated selling price in the ordinary course of the business, less any further costs expected to be incurred on completion and disposal.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Summary of significant accounting policies (continued)

Impairment of non-financial assets
The carrying amounts of Agility SpinCo's non-financial assets, other than, investment property and inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of Agility SpinCo's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of Agility SpinCo are assigned to those units or groups of units.

Each unit or group of units to which the goodwill is so allocated:
- represents the lowest level within Agility SpinCo at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on Agility SpinCo's segment information reporting format determined in accordance with *IFRS 8: Operating Segment*.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in the combined and carve-out statement of income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro-rata basis.

Provisions
A provision is recognised when, and only when Agility SpinCo has a present legal or constructive obligation as a result of a past event and 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. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be incurred to settle the obligation.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Summary of significant accounting policies (continued)

Employees' end of service benefits
Agility SpinCo has a number of defined benefit pension and contribution plans that cover a substantial number of employees across multiple countries. Retirement benefits are provided based on compensation as defined by local labour laws or employee contracts.

In respect of defined contribution plans, the contributions made are charged to the combined and carve-out statement of income.

For the defined benefit plans, Agility SpinCo's policy is to fund some of these plans in accordance with local practice and contributions are made in accordance with independent actuarial valuations. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling excluding net interest and the return on plan assets (excluding net interest), are recognised immediately in the combined and carve-out statement of financial position with a corresponding debit or credit to 'other reserve' through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to combined and carve-out statement of profit or loss in subsequent periods.

Past service costs are recognised in combined and carve-out statement of profit or loss on the earlier of:
- The date of the plan amendment or curtailment, and
- The date that Agility SpinCo recognises restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Agility SpinCo recognises the following changes in the net defined benefit obligation under 'salaries and employee benefits' in combined and carve-out statement of profit or loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income

Revenue from contracts with customers
Agility SpinCo is primarily engaged in providing the following services:

Logistics revenue
Logistics revenue primarily comprises inventory management, order fulfilment, transportation and warehousing services. Logistics revenues are recognised at the point in time when the services are rendered to the customer except for transportation (including chartering of vessels) and warehousing services that are recognised over time, using an input method to measure progress towards complete satisfaction of the service.

Ground handling and airport services
Revenue from ground handling and airport services which includes revenue from ramp, passengers, into-plane fuelling, and other aviation related services is recognized at the time the service is provided, in accordance with the terms of the related contract.

Rental services
Rental income arising on investment properties is recognised over time, using an input method to measure progress towards complete satisfaction of the service.

Interest income
Interest income is recognised as interest accrues using the effective interest method ("EIR") that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Dividend income
Dividend income is recognised when the right to receive payment is established.

The significant accounting judgements related to the revenue from contracts with customers is detailed in Note 3.4.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Summary of significant accounting policies (continued)

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When entities forming part of Agility SpinCo receive grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

Taxation

Current tax

Certain of the entities forming part of Agility SpinCo are subject to taxes on income in various foreign jurisdictions. Taxes payable are provided on taxable profits at the current rate in accordance with the fiscal regulations in the country where the subsidiary is located.

Deferred tax

Deferred tax assets are recognised for deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent it is probable that future taxable profits will be available to utilise this. Deferred tax liabilities are recognised for taxable temporary differences. Deferred tax assets and liabilities are measured using tax rates and applicable legislation at the reporting date.

Subsequent events

IAS 10 — '*Events After the Reporting Period*', requires management to evaluate subsequent events to determine whether it needs to recognize or disclose them. While subsequent events affecting the combined and carve-out financial statements are a subset of the events the Group previously identified, the Group's conclusions regarding these events are not re-evaluated. Management has considered the diversity in practice among carve-out entities about whether to recognize or disclose subsequent events that occur after the Group issues its consolidated financial statements.

Management has analogized to the reissuance guidance and has only disclosed such events that are part of the Group's consolidated financial statement, since the combined and carve-out financial statements are derived from previously issued consolidated financial statements of the Group. Management has adopted extraction approach in evaluating the subsequent events. Under this approach, the combined and carved-out reporting entity is considered a reflection of the larger reporting entity (the Group). The financial information of the carved-out reporting entity has been included in the consolidated financial statements of the larger reporting entity and, therefore, approved and issued. As a consequence, the combined and carve-out financial statements prepared under this approach do not include any information about events after the date of issue of the consolidated financial statements of the Group.

3.4 Significant Accounting Judgements, Estimates and Assumptions

The preparation of Agility SpinCo's combined and carve-out financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. Management is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The judgments, estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, including expectations of future events that are believed to be reasonable under the circumstances. However, the resulting accounting estimates will, by definition, seldom equal the related actual results. Uncertainty about these assumptions and estimates have a significant risk of causing a material adjustment to the carrying amount of assets and/or liabilities in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Significant Accounting Judgements, Estimates and Assumptions (continued)

Judgements
In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the combined and carve-out financial statements:

Revenue from contracts with customers
Agility SpinCo applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

a. Determination of transaction price
The transaction price is the amount of consideration that is enforceable and to which Agility SpinCo expects to be entitled in exchange for services promised to the customer. Agility SpinCo determines the transaction price by considering the terms of the contract and business practices that are customary.

b. Determining the timing of satisfaction of services

i. Logistics revenue
Agility SpinCo concluded that revenue from logistics services (excluding transportation (including chartering of vessels) and warehousing services) to its customers is to be recognised at the point in time when the services are rendered to the customer.

ii. Rental and warehousing services
Agility SpinCo concluded that revenue from warehousing services and rental services to its customers is to be recognised over time because the customer simultaneously receives and consumes the benefits provided by Agility SpinCo. The fact that another entity would not need to re-perform such services that Agility SpinCo has provided to date demonstrates that the customer simultaneously receives and consumes the benefits of Agility SpinCo’s performance as it performs. Agility SpinCo has a right to payment for the performance completed to date as, under each contractual agreement with a customer, Agility SpinCo is entitled to an amount that at least compensates Agility SpinCo for its performance completed to date in the event that the customer terminates the contract for reasons other than Agility SpinCo's failure to perform as promised. Furthermore, Agility SpinCo’s performance does not create an asset with an alternative use to the entity.

Agility SpinCo has determined to utilize the input method for measuring progress of such services because there is a direct relationship between Agility SpinCo’s effort and the transfer of service to the customer. In respect to warehousing services and rental services, Agility SpinCo recognises revenue on a straight-line basis as Agility SpinCo’s efforts being evenly expended throughout the performance period.

iii. Ground handling and airport services
Agility SpinCo concluded that revenue from Ground handling and airport services to its customers is to be recognised at the point in time when the services are rendered to the customer.

c. Consideration of significant financing component in a contract
Agility SpinCo does not expect to have any contracts where the period between the transfer of promised services to the customer and payment by the customer exceeds one year. As a consequence, Agility SpinCo does not adjust any of the transaction prices for the time value of money.

Principal versus agent considerations
Agility SpinCo enters into contracts with its customers for supply of good and services. Agility SpinCo determined that it controls the goods or services before they are transferred to customers, and it has the ability to direct the use of goods or obtain benefits from the goods. The following factors indicate that Agility SpinCo controls the goods or services before they are being transferred to customers. Therefore, Agility SpinCo determined that it is a principal in all its revenue arrangements.

- Agility SpinCo is primarily responsible for fulfilling the promise to provide the specified goods or services.
- Agility SpinCo has inventory risk before the specified goods has been transferred to the customers.
- Agility SpinCo has discretion in establishing the price for the specified goods or services.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Significant Accounting Judgements, Estimates and Assumptions (continued)

Judgements (continued)

Classification of financial assets

Agility SpinCo determines the classification of financial assets based on the assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

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

Agility SpinCo determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Agility SpinCo has several lease contracts that include extension and termination options. Agility SpinCo applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination option. After the commencement date, Agility SpinCo reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Identification of non-lease components

In addition to containing a lease, Agility SpinCo's services arrangement that involves additional services, including personnel cost, maintenance, production related activities and other items. These are considered to be non-lease components and Agility SpinCo has decided to separate these from the lease components. Judgement is required to identify these. The consideration in the contract is then allocated between the lease and non-lease components on a relative stand-alone price basis. This requires Agility SpinCo to estimate stand-alone prices for each lease and non-lease component.

Operating lease commitments – Agility SpinCo as lessor

Agility SpinCo has entered into commercial property leases on its investment property portfolio. Agility SpinCo has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

Fair values of assets and liabilities acquired

The determination of the fair value of the assets, liabilities and contingent liabilities as a result of business combination requires significant judgement.

Allocation of expenses

For purposes of presenting the combined and carve-out financial statements, allocations were required to determine certain costs and administrative activities performed by the Parent Company, attributable to Agility SpinCo. Management has identified shared services which includes, executive management, finance, information technology, marketing, legal, and human resources. Assessing and identifying the relevant function of expenses that required to be attributed to Agility SpinCo requires reasonable degree of judgement.

Going concern

Management has made an assessment of Agility SpinCo's ability to continue as a going concern and is satisfied that Agility SpinCo has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon Agility SpinCo's ability to continue as a going concern. Therefore, the combined and carve-out financial statements have been prepared on the going concern basis.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Significant Accounting Judgements, Estimates and Assumptions (continued)

Judgements (continued)
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.

Assessment of contingencies and claims
Agility SpinCo is subject to claims and actions for which in some cases, no provisions have been recognized, based on the facts and circumstances relating to the particular cases, which are evaluated regularly in determining whether a provision relating to a specific litigation should be recognized or revised. Contingent assets and liabilities are not recognised in the combined and carve-out financial statements, but are disclosed unless the possibility of inflow or outflow respectively of resources embodying economic benefits is remote, which requires significant judgement. Accordingly, significant management judgement relating to provisions and contingent liabilities is required, since the outcome of litigation is difficult to predict.

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 discussed below:

Impairment of property, plant and equipment, right of use assets and intangible assets (including goodwill)
Agility SpinCo determines whether property, plant and equipment, right of use assets and intangible assets are impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the respective asset is allocated. Estimating the value in use requires Agility SpinCo to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Valuation of investment properties
Agility SpinCo carries its investment properties at fair value, with change in fair values being recognised in the combined and carve-out statement of income. Fair value is determined based on comparative analysis based on the assessment made by an independent real estate appraiser using values of actual deals transacted recently by other parties for properties in a similar location and condition, discounted cash flow and based on the knowledge and experience of the real estate appraiser.

Fair value measurements of financial instruments
When the fair values of financial assets and financial liabilities recorded in the combined and carve-out statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow ("DCF") model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 31 for further disclosures.

Provision for expected credit losses of trade receivables
Agility SpinCo 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, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on Agility SpinCo's historical observed default rates. Agility SpinCo 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.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Significant Accounting Judgements, Estimates and Assumptions (continued)

Estimates and assumptions (continued)

Provision for expected credit losses of trade receivables (continued)

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. Agility SpinCo'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 Agility SpinCo's trade receivables is disclosed in Note 3.3.

Valuation of inventories

Inventories are held at the lower of cost and net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision is applied according to the inventory type and the degree of ageing or obsolescence, based on anticipated selling prices.

Leases - Estimating the incremental borrowing rate

Agility SpinCo 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 Agility SpinCo 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 Agility SpinCo 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. Agility SpinCo estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Pension and other post-employment benefits

The cost of the defined benefit pension plan and other post-employment medical benefits and the present value of the pension obligation 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, mortality rates and future pension increases. 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 currencies consistent with the currencies of the post-employment benefit obligation with at least an 'AA' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

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

Further details about defined benefit obligations are given in Note 19.

Impairment of inventories

Inventories are held at the lower of cost and net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on anticipated selling prices.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Significant Accounting Judgements, Estimates and Assumptions (continued)

Estimates and assumptions (continued)

Impairment of financial assets at amortised cost

Agility SpinCo assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost. For trade receivables and contract assets, Agility SpinCo applies a simplified approach in calculating ECL. Therefore, Agility SpinCo does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. Agility SpinCo 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. Actual results may differ from these estimates.

Basis of allocation of expenses

The allocation methodologies have been described within the notes to the combined and carve-out financial statements where appropriate, and management believes that the assumptions and estimates used in preparation of the combined and carve-out financial statements are reasonable. Management believes that the allocation methodologies are reasonable; however, expenses allocated to Agility SpinCo are not necessarily indicative of the expenses that would have been incurred on a stand-alone basis nor are they indicative of costs that may be incurred in the future. Actual results could differ from these estimates. It is not practical to estimate the costs that would have been incurred by Agility SpinCo if it had operated on a stand-alone basis.

4 GROUP INFORMATION

The principal entities forming part of Agility SpinCo are listed in Note 1 of these combined and carve-out financial statements.

Material partly-owned entity in Agility SpinCo

Tristar is the only entity with non-controlling interests that is material to Agility SpinCo. Summarised financial information of Tristar is provided below. This information is based on amounts before inter-company eliminations.

	2022 USD 000's	*2021 USD 000's*
Summarised statement of income:		
Revenues	**833,928**	**532,851**
Profit for the year	**68,741**	**41,188**
Allocated to non-controlling interests	**(27,362)**	**(16,394)**
Summarised statement of financial position:		
Total assets	**1,604,990**	**969,155**
Total liabilities	**(909,433)**	**(549,881)**
Total equity	**695,557**	**419,274**
Accumulated balances of non-controlling interests	**367,138**	**137,669**
Summarised cash flow information:		
Operating	**119,647**	**104,529**
Investing	**(184,922)**	**(72,683)**
Financing	**95,753**	**37,385**
Net increase in cash and cash equivalents	**30,478**	**69,231**

5 PROPERTY, PLANT AND EQUIPMENT

	Land, buildings and improvements USD 000's	*Tools, machinery and equipment USD 000's*	*Vehicles and ships USD 000's*	*Furniture and office equipment USD 000's*	*Total USD 000's*
Cost:					
As at 1 January 2022	**130,113**	**136,003**	**595,323**	**85,216**	**946,655**
Additions	**-**	**21,744**	**37,787**	**6,558**	**66,089**
Transfer from projects in progress (Note 6)	**2,187**	**7,170**	**7,170**	**277**	**16,804**
Arising on business combination (Note 25)	**117,674**	**122,116**	**123,072**	**14,214**	**377,076**
Disposals	**-**	**(16,421)**	**-**	**-**	**(16,421)**
Exchange differences	**(5,652)**	**(20,705)**	**20,921**	**(54)**	**(5,490)**
As at 31 December 2022	**244,322**	**249,907**	**784,273**	**106,211**	**1,384,713**
Depreciation:					
As at 1 January 2022	**(65,544)**	**(96,776)**	**(211,737)**	**(63,266)**	**(437,323)**
Charge for the year	**(12,756)**	**(20,279)**	**(37,567)**	**(3,974)**	**(74,576)**
Disposals	**-**	**3,527**	**-**	**-**	**3,527**
Exchange differences	**5,174**	**16,888**	**(4,581)**	**41**	**17,522**
As at 31 December 2022	**(73,126)**	**(96,640)**	**(253,885)**	**(67,199)**	**(490,850)**
Net book value:					
As at 31 December 2022	**171,196**	**153,267**	**530,388**	**39,012**	**893,863**

	Land, buildings and improvements USD 000's	*Tools, machinery and equipment USD 000's*	*Vehicles and ships USD 000's*	*Furniture and office equipment USD 000's*	*Total USD 000's*
Cost:					
As at 1 January 2021	**128,995**	**134,219**	**601,562**	**78,874**	**943,650**
Additions	**851**	**18,921**	**64,342**	**5,124**	**89,238**
Transfer from projects in progress (Note 6)	**3,503**	**200**	**6,203**	**793**	**10,699**
Arising on business combination	**3,591**	**1,009**	**167**	**1,926**	**6,693**
Disposals	**-**	**(17,894)**	**(74,986)**	**-**	**(92,880)**
Exchange differences	**(6,827)**	**(452)**	**(1,965)**	**(1,501)**	**(10,745)**
As at 31 December 2021	**130,113**	**136,003**	**595,323**	**85,216**	**946,655**
Depreciation:					
As at 1 January 2021	**(65,040)**	**(91,602)**	**(251,160)**	**(56,860)**	**(464,662)**
Charge for the year	**(7,016)**	**(8,391)**	**(32,137)**	**(7,834)**	**(55,378)**
Disposals	**-**	**2,895**	**70,860**	**-**	**73,755**
Exchange differences	**6,512**	**322**	**700**	**1,428**	**8,962**
As at 31 December 2021	**(65,544)**	**(96,776)**	**(211,737)**	**(63,266)**	**(437,323)**
Net book value:					
As at 31 December 2021	**64,569**	**39,227**	**383,586**	**21,950**	**509,332**

6 PROJECTS IN PROGRESS

Projects in progress comprise the cost of assets acquired and under construction that are not available for use at the reporting date. These assets, once completed, will be used for Agility SpinCo's operations.

	2022 *USD 000's*	*2021* *USD 000's*
As at 1 January	**58,672**	**94,471**
Additions	**56,271**	**32,235**
Transfer to property, plant and equipment (Note 5)	**(16,804)**	**(10,699)**
Transfer to investment properties (Note 8)	**(38,000)**	**(56,435)**
Exchange differences	**941**	**(900)**
As at 31 December	**61,080**	**58,672**

7 LEASES

Set out below, are the carrying amounts of Agility SpinCo's right-of-use assets, lease liabilities and the movements during the year:

	Right-of-use assets					
	Land, buildings and improvements *USD 000's*	*Tools, machinery and equipment* *USD 000's*	*Vehicles and ships* *USD 000's*	*Furniture and office equipment* *USD 000's*	*Total* *USD 000's*	*Lease liabilities* *USD 000's*
At 1 January 2022	**49,291**	**-**	**173,178**	**-**	**222,469**	**202,321**
Additions	**11,489**	**849**	**36,065**	**9**	**48,412**	**48,412**
Arising on business combination (Note 25)	**122,796**	**71,443**	**12,546**	**-**	**206,785**	**240,052**
Depreciation	**(12,850)**	**(10,642)**	**(26,827)**	**(9)**	**(50,328)**	**-**
Finance cost	**-**	**-**	**-**	**-**	**-**	**13,745**
Lease payments	**-**	**-**	**-**	**-**	**-**	**(82,139)**
Others (including exchange differences)	**(1,462)**	**-**	**(1)**	**-**	**(1,463)**	**(3,451)**
At 31 December 2022	**169,264**	**61,650**	**194,961**	**-**	**425,875**	**418,940**
Current portion						**99,723**
Non-current portion						**319,217**
						418,940

7 LEASES (continued)

	Right-of-use assets					
	Land, buildings and improvements USD 000's	***Tools, machinery and equipment USD 000's***	***Vehicles and ships USD 000's***	***Furniture and office equipment USD 000's***	***Total USD 000's***	***Lease liabilities USD 000's***
At 1 January 2021	**52,697**	**-**	**179,166**	**23**	**231,886**	**210,400**
Additions	**10,526**	**-**	**13,309**	**10**	**23,845**	**23,845**
Depreciation	**(13,523)**	**-**	**(19,297)**	**(33)**	**(32,853)**	**-**
Finance cost	**-**	**-**	**-**	**-**	**-**	**14,190**
Lease payments	**-**	**-**	**-**	**-**	**-**	**(43,750)**
Others (including exchange differences)	**(409)**	**-**	**-**	**-**	**(409)**	**(2,364)**
At 31 December 2021	**49,291**	**-**	**173,178**	**-**	**222,469**	**202,321**
Current portion						**34,633**
Non-current portion						**167,688**
						202,321

The lease liabilities reported in the combined and carve-out statement of financial position includes liabilities amounting to USD 12,131 thousand (2021: USD 12,650 thousand) related to service concession arrangements recognised as intangible assets.

Set out below, are the amounts recognised in the combined and carve-out statement of income related to leases:

	2022 USD 000's	***2021 USD 000's***
Depreciation expense of right-of-use assets	**(50,328)**	**(32,853)**
Finance cost on lease liabilities	**(13,745)**	**(14,190)**
Expense relating to short-term leases and low-value assets (included in other operating expenses)	**(30,531)**	**(1,484)**
Expense relating to short-term leases (included in cost of revenues)	**(1,180)**	**(2,790)**
	(95,784)	**(51,317)**

For the year ended 31 December 2022, Agility SpinCo has reported total cash outflows for leases of USD 82,139 thousand (2021: USD 43,750 thousand). Additionally, Agility SpinCo has reported non-cash additions to right-of-use assets and lease liabilities of USD 48,412 thousand (2021: USD 23,845 thousand) during the year.

8 INVESTMENT PROPERTIES

	2022 *USD 000's*	*2021* *USD 000's*
As at 1 January	**493,770**	375,231
Transfer from projects in progress (Note 6)	**38,000**	56,435
Change in fair value	**73,475**	64,204
Exchange differences	**1,041**	(2,100)
As at 31 December	**606,286**	493,770

The fair values of investment properties as at 31 December 2022 and 31 December 2021 were determined by independent valuers who have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The fair values were determined based on a combination of market and income approaches as appropriate. In estimating the fair values of the properties, the highest and the best use of the properties is their current use. There has been no change to the valuation techniques during the year. The fair value of investment properties is measured under the Level 3 fair value hierarchy.

The significant assumptions used in the determination of fair value are market price (per sqm), exit rate and the discount rate.

Under market approach, fair value is estimated based on comparable transactions. The market approach is based upon the principle of substitution under which a potential buyer will not pay more for the property than it will cost to buy a comparable substitute property. The unit of comparison applied by Agility SpinCo is the price per square metre ('sqm').

Under the income approach, fair value is estimated by discounting the projected cash flows for the following five years and capitalizing the cash flow for the fifth year using an exit rate.

The following table demonstrates the sensitivity to a change in the above assumptions on the value of the investment properties.

	Effect on fair value of investment properties	
	2022 *USD 000's*	*2021* *USD 000's*
5% change in the market price per Sqm	**±7,735**	**±7,700**
0.5% change in the discount rate	**± 9,378**	**± 6,513**
0.5% change in the exit rate	**± 18,405**	**± 12,858**

9 INTANGIBLE ASSETS

	BOT projects and concessions USD 000's	*Customer lists USD 000's*	*Brand USD 000's*	*Total USD 000's*
Cost:				
As at 1 January 2022	**137,573**	**-**	**-**	**137,573**
Arising on business combination (Note 25)	**-**	**170,744**	**43,647**	**214,391**
Exchange differences	**(1,211)**	**15**	**-**	**(1,196)**
As at 31 December 2022	**136,362**	**170,759**	**43,647**	**350,768**
Amortisation:				
As at 1 January 2022	**(100,621)**	**-**	**-**	**(100,621)**
Charge for the year	**(15,063)**	**(4,743)**	**(1,213)**	**(21,019)**
Exchange differences	**909**	**(598)**	**-**	**311**
As at 31 December 2022	**(114,775)**	**(5,341)**	**(1,213)**	**(121,329)**
Net book value:				
As at 31 December 2022	**21,587**	**165,418**	**42,434**	**229,439**

	BOT projects and concessions USD 000's	*Customer lists USD 000's*	*Brand USD 000's*	*Total USD 000's*
Cost:				
As at 1 January 2021	**136,810**	**-**	**-**	**136,810**
Additions	**763**	**-**	**-**	**763**
As at 31 December 2021	**137,573**	**-**	**-**	**137,573**
Amortisation:				
As at 1 January 2021	**(84,710)**	**-**	**-**	**(84,710)**
Charge for the year	**(15,911)**	**-**	**-**	**(15,911)**
As at 31 December 2021	**(100,621)**	**-**	**-**	**(100,621)**
Net book value:				
As at 31 December 2021	**36,952**	**-**	**-**	**36,952**

Certain intangible assets were acquired through business combinations in previous years. BOT projects represent costs incurred on the construction of the car park and commercial complex of Kuwait International Airport and Sheikh Saa'd Terminal. Concessions represents fee incurred for providing Ground handling services in Cote d' Ivoire and Uganda.

10 GOODWILL

	2022 *USD 000's*	*2021* *USD 000's*
Cost:		
As at 1 January	**110,706**	**90,735**
Arising on business combination (Note 25)	**831,363**	**20,440**
Exchange differences	**2,969**	**(469)**
As at 31 December	**945,038**	**110,706**

The goodwill acquired through business combinations has been allocated to the cash generating units as follows:

	Carrying amount of goodwill	
	2022 *USD 000's*	*2021* *USD 000's*
Cash generating units:		
Aviation services	**770,006**	**37,945**
Fuel logistics	**108,181**	**5,407**
Others	**66,851**	**67,354**
Total	**945,038**	**110,706**

The goodwill arising on business combination for the year ended 31 December 2022 is provisional as at the reporting date (Note 25). Management has performed an impairment exercise for the remaining goodwill (non-provisional) that is allocated to the primary activity of the cash generating units. The recoverable amounts of the cash generating units have been determined based on a value in use calculation using cash flow projections based on financial budgets approved by the management for 2023 and assuming an average annual growth rate of 5 % (2021: 6.70% to 7.70%) for the four year period thereafter, which is in the range of the current short term growth rates for sectors in which the cash generating units operate. The pre-tax discount rate applied to cash flow projections is in the range of 12.8% to 17.7% % (2021: 11.80% to 12.40%) and cash flows beyond the 5 year period are extrapolated using a growth rate of 3% (2021: 3%). As a result of the exercise, the management has concluded that no impairment provision is considered necessary in the combined and carve-out statement of income.

Key assumptions used in value in use calculations
The calculation of value in use is sensitive to the following assumptions:

- Revenue;
- Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA");
- Discount rates; and
- Growth rate used to extrapolate cash flows beyond the 5 year period.

Sensitivity to changes in assumptions
With regard to the assessment of value in use of the cash generating units, the 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.

11 INVESTMENT IN ASSOCIATES AND JOINT VENTURES

The movement in carrying value of investment in associates and joint ventures during the year is as follows:

	2022 *USD 000's*	*2021* *USD 000's*
As at 1 January	**335,453**	**321,206**
Additions to investment in associates	**-**	**1,316**
Share of results	**(6,989)**	**14,675**
Share of other comprehensive income	**5,072**	**3,155**
Disposal	**(7,103)**	**-**
Arising on business combination (Note 25)	**140,571**	**-**
Dividends	**(3,978)**	**(7,328)**
Foreign currency translation adjustments	**(11,076)**	**2,429**
As at 31 December	**451,950**	**335,453**

11 INVESTMENT IN ASSOCIATES AND JOINT VENTURES (continued)

Agility SpinCo determines that Gulf Warehousing Company Q.P.S.C. ("GWC") and National Real Estate Company K.P.S.C. ("NREC") are the material associates of Agility SpinCo and the following table provides summarised financial information of these entities:

	GWC		*NREC*		*Joint ventures*	
	2022 USD '000s	*2021 USD '000s*	*2022 USD '000s*	*2021 USD 000's*	*2022 USD '000s*	*2021 USD 000's*
Summarised statement of financial position:						
Current assets	**267,976**	**238,468**	**101,515**	**150,172**	**147,924**	**23,882**
Non-current assets	**1,022,988**	**996,675**	**1,537,446**	**2,162,968**	**1,326,953**	**1,276,183**
Current liabilities	**(270,110)**	**(212,739)**	**(168,711)**	**(234,608)**	**(82,825)**	**(10,052)**
Non-current liabilities	**(419,512)**	**(429,738)**	**(426,289)**	**(428,808)**	**(1,212,426)**	**(1,065,549)**
Equity	**601,342**	**592,666**	**1,043,961**	**1,649,724**	**179,626**	**224,464**
Proportion of Agility SpinCo's ownership	**20.84%**	**21.59%**	**20%**	**20%**		
Group's share in the equity	**125,320**	**127,957**	**69,903**	**89,218**	**29,128**	**37,785**
Goodwill	**67,227**	**67,227**	**-**	**-**	**-**	**-**
Carrying value of investments	**192,547**	**195,184**	**69,903**	**89,218**	**29,128**	**37,785**
Summarised statement of income:						
Revenue	**421,988**	**356,777**	**39,781**	**58,695**	**6,017**	**49,840**
Profit (loss)	**69,246**	**63,317**	**38,771**	**743,770**	**(9,732)**	**9,307**
Contingent liabilities	**11,836**	**11,185**	**37,156**	**2,295**	**-**	**-**

Other associates of Agility SpinCo amounts to USD 160,372 thousand (31 December 2021: USD 13,266 thousand).

As at 31 December 2022, the fair market value of Agility SpinCo's interest in GWC, which is listed on the Qatar Stock Exchange, is USD 135,593 thousand (2021: USD 155,706 thousand) and NREC, which is listed on Boursa Kuwait is USD 128,599 thousand (2021: USD 227,362 thousand).

12 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2022 USD 000's	*2021 USD 000's*
Quoted equity securities	**12,687**	**33,413**
Convertible loan	**-**	**15,001**
Investment in funds	**5,366**	**4,259**
	18,053	**52,673**

13 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2022 USD 000's	*2021 USD 000's*
Quoted equity securities	**3,031,427**	**4,529,576**
Unquoted equity securities	**156,616**	**89,359**
	3,188,043	**4,618,935**

Quoted equity securities include investment in a listed entity in Europe having a carrying value of USD 3,030,320 thousand (2021: USD 4,488,828 thousand).

14 INVENTORIES

	2022 USD 000's	*2021 USD 000's*
Goods for resale	**147,765**	**60,365**
Provision for obsolete and slow-moving inventories	**(477)**	**(849)**
	147,288	**59,516**

Inventories mainly include items held in stock for delivery to logistics clients as part of logistics supply contracts.

15 TRADE RECEIVABLES

	2022 USD 000's	*2021 USD 000's*
Gross trade receivables	**657,974**	**259,681**
Allowance for expected credit losses	**(72,126)**	**(75,034)**
	585,848	**184,647**

Movement in the allowance for expected credit losses of trade receivables is as follows:

	2022 USD 000's	*2021 USD 000's*
As at 1 January	**75,034**	**72,126**
Expected credit losses for the year	**10,309**	**12,172**
Release of provision no longer required	**(17,707)**	**-**
Others (including exchange differences)	**4,490**	**(9,264)**
As at 31 December	**72,126**	**75,034**

16 OTHER CURRENT ASSETS

	2022 *USD 000's*	*2021* *USD 000's*
Prepaid expenses	**89,424**	**59,720**
Advances to suppliers	**47,885**	**35,753**
Deposits	**20,682**	**7,829**
Jobs in progress	**19,701**	**4,250**
Other claims receivable	**12,147**	**1,474**
Staff receivables	**1,985**	**2,577**
Others	**54,883**	**26,060**
	246,707	**137,663**

17 BANK BALANCES, CASH AND DEPOSITS

	2022 *USD 000's*	*2021* *USD 000's*
Cash at banks and on hand	**304,838**	**191,605**
Short term deposits	**20,567**	**15,444**
	325,405	**207,049**

Short term deposits are placed for varying periods, depending on the immediate cash requirements of the entities included in Agility SpinCo and earn interest at the respective short term deposit rates.

18 EQUITY

Share capital

	2022 *USD 000's*	*2021* *USD 000's*
Share capital	**2,094,113**	**2,094,083**

18 EQUITY (continued)

Share capital (continued)
In accordance with the principles of combination (Note 2) the share capital reported in the combined and carve-out financial statements represents the sum of share capital of the combined entities as detailed below:

	2022 USD 000's	*2021 USD 000's*
Agility GIL BV	**1,700,898**	**1,700,898**
Agility Tristar Holding Limited	**332,050**	**332,050**
Ostram Holdings Limited	**24,969**	**24,969**
Agility DGS Logistics Services Co KSCC	**16,522**	**16,522**
Agility DistriParks FZE	**9,774**	**9,774**
Agility Alternative Energy Solutions Co KSCC	**3,304**	**3,304**
PWC Aviation Services Co KSCC	**3,296**	**3,296**
PWC Technology for Computers Co WLL	**1,652**	**1,652**
Catering Logistics for General Trading and Contracting Co WLL	**915**	**915**
Elaf National for General Trading and Contracting Co WLL	**331**	**331**
Modern Limited	**198**	**198**
Shipa Delivery Services LLC	**82**	**82**
Shipa Freight Solution LLC	**22**	**22**
Shipa E commerce LLC	**22**	**22**
Agility E-Services Private Ltd	**14**	**14**
Agility Strategies Holding Limited	**10**	**10**
Menzies Holding Limited	**10**	**10**
Agility Venture Capital Holdings Limited	**10**	**-**
Horizon International Holdings Limited	**10**	**-**
Horizon Participation Holding I Limited	**10**	**-**
Shipa for Shipping Co. SPC	**5**	**5**
Agility Logistics Park SPC	**3**	**3**
Homoola Trucks for Communication and Information Technology SPC	**3**	**3**
Shipa for Sending, receiving, distributing mailings, postal parcels and courier letter by air Co. WLL	**3**	**3**
	2,094,113	**2,094,083**

Other contributions
The movement of other contributions is as follows:

	Parent investment USD 000's	*Hedging reserve USD 000's*	*Investment revaluation reserve USD 000's*	*Other reserves USD 000's*	*Total contributions USD 000's*
As at 1 January 2022	**3,257,787**	**(856)**	**(414,228)**	**89,759**	**2,932,462**
Profit for the year	**62,454**	**-**	**-**	**-**	**62,454**
Other comprehensive (loss) income	**(8,633)**	**8,183**	**(1,558,415)**	**(22,043)**	**(1,580,908)**
Total comprehensive income (loss) for the year	**53,821**	**8,183**	**(1,558,415)**	**(22,043)**	**(1,518,454)**
Net movement in Parent Company investment	**164,375**	**-**	**13,372**	**-**	**177,747**
Dividends to Parent Company	**(35,916)**	**-**	**-**	**-**	**(35,916)**
As at 31 December 2022	**3,440,067**	**7,327**	**(1,959,271)**	**67,716**	**1,555,839**

18 EQUITY (continued)

Other contributions (continued)

	Parent investment USD 000's	*Hedging reserve USD 000's*	*Investment revaluation reserve USD 000's*	*Other reserves USD 000's*	*Total contributions USD 000's*
As at 1 January 2021	**62,705**	**(5,026)**	**(8,801)**	**89,759**	**138,637**
Profit for the year	**6,995**	**-**	**-**	**-**	**6,995**
Other comprehensive (loss) income	**(16,608)**	**4,170**	**(405,427)**	**-**	**(417,865)**
Total comprehensive (loss) income for the year	**(9,613)**	**4,170**	**(405,427)**	**-**	**(410,870)**
Net movement in Parent Company investment	**3,244,259**	**-**	**-**	**-**	**3,244,259**
Dividends to Parent Company	**(39,564)**	**-**	**-**	**-**	**(39,564)**
As at 31 December 2021	**3,257,787**	**(856)**	**(414,228)**	**89,759**	**2,932,462**

19 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS

	2022 USD 000's	*2021 USD 000's*
Defined benefit plans	**14,212**	**-**
Others	**39,375**	**34,776**
As at 31 December	**53,587**	**34,776**

The following table summarises the movement in the provision for employees' end of service benefits recognised in the combined and carve-out statement of financial position:

	2022 USD 000's	*2021 USD 000's*
As at 1 January	**34,776**	**31,326**
Provided during the year	**19,562**	**8,347**
Paid during the year	**(11,610)**	**(5,748)**
Actuarial loss in respect of defined benefit plans	**22,043**	**-**
Arising on business combination	**(1,069)**	**-**
Others (including exchange differences)	**(10,115)**	**851**
As at 31 December	**53,587**	**34,776**

19 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS (continued)

Agility SpinCo assumed responsibility for defined benefit plans for the employees of the entities acquired during the year. The plans are governed by the employment laws of the respective countries. The principal defined benefit pension scheme is the Menzies pension fund in the UK. The fund was closed to future accrual in March 2017. The fund valuation were assessed in accordance with independent actuarial advice.

Changes in defined benefit obligation and fair value of plan assets relating to the Menzies pension fund are as follows:

		Pension cost charged to combined and carve-out statement of income					*Re-measurement gain (losses) recognised in other comprehensive income*							
	Acquisition of entities USD 000's	*Service cost USD 000's*	*Net interest USD 000's*	*Past service (cost)/benefit USD 000's*	*Sub-total USD 000's*	*Benefits paid USD 000's*	*Return on plan assets* USD 000's*	*Actuarial changes on demographic assumptions USD 000's*	*Actuarial changes on financial assumptions USD 000's*	*Experience adjustments USD 000's*	*Sub-total USD 000's*	*Contributions by employer USD 000's*	*Others (including exchange differences) USD 000's*	*31 December 2022 USD 000's*
Defined benefit obligation	**(353,662)**	**-**	**(3,252)**	**(482)**	**(3,734)**	**7,468**	**-**	**2,530**	**56,856**	**(2,771)**	**56,615**	**-**	**-**	**(293,313)**
Fair value of plan assets	**354,867**	**-**	**3,373**	**-**	**3,373**	**(7,468)**	**(78,658)**	**-**	**-**	**-**	**(78,658)**	**6,987**	**-**	**279,101**
Net benefit obligation	**1,205**	**-**	**121**	**(482)**	**(361)**	**-**	**(78,658)**	**2,530**	**56,856**	**(2,771)**	**(22,043)**	**6,987**	**-**	**(14,212)**

** excluding amount included in net interest*

19 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS (continued)

The major categories of the total plan assets relating to the Menzies pension fund at fair value are, as follows:

	2022 *USD 000's*
Quoted investments	
- Equity	**21,803**
- Bonds	**69,142**
- LDI Funds	**79,743**
- Others	**27,705**
Unquoted investments	
- Investments Funds	**39,269**
- Others	**41,439**
	279,101

The principal actuarial assumptions used for the plan referred to above, which forms the most significant component of the provision for employees' end of service benefits, are as follows:

	2022
Discount rate at 31 December	**4.80%**
Future pension increase	**3.60%**
Life expectation for pensioners at the age of 65 (years)	**21**
Duration of defined benefit obligation (in years)	**13.5**

A quantitative sensitivity analysis for significant assumption as at 31 December 2022 is as shown below. The sensitivity analysis above have been determined based on a method that extrapolates the impact on net defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

	2022 *USD 000's*
Discount rate	
- 1% increase	**(34,210)**
- 1% decrease	**41,799**
Future pension cost increase	
- 1% increase	**15,178**
- 1% decrease	**(10,962)**
Life expectancy	
- increase by 1 year	**9,516**
- decrease by 1 year	**(9,637)**

The expected employer contributions to be made in the future years for the defined benefit plan obligations are as follows:

	2022 *USD 000's*
Within the next 12 months	**15,539**
Between 2 and 5 years	**36,378**
Between 5 and 10 years	**-**
Beyond 10 years	**-**
	51,917

The average duration of the defined benefit plan obligation at the end of the reporting period is 13.5 years.

20 INTEREST BEARING LOANS

	2022 USD 000's	*2021 USD 000's*
Secured term loans repayable between 2024 and 2029	**313,199**	**217,235**
Secured revolving facilities	**118,079**	**-**
Term loan repaid during 2022	**-**	**111,143**
Murabaha facility repayable in 2029	**115,707**	**-**
Other loans	**54,710**	**36,696**
	601,695	**365,074**

Floating interest rate loans amounting to USD 550,858 thousand (2021: USD 328,378 thousand) carry margins ranging from 0.8 % to 3.6% per annum (2021: 2.25 % to 3.6% per annum) over the benchmark rates.

The following table shows the current and non-current portions (analysed by currency) of Agility SpinCo's loan obligations:

	Current portion USD 000's	*Non-current portion USD 000's*	*Total USD 000's*
AED	**80,908**	**172,632**	**253,540**
USD	**46,190**	**178,783**	**224,973**
SAR	**17,343**	**99,185**	**116,528**
Others	**3,792**	**2,862**	**6,654**
At 31 December 2022	**148,233**	**453,462**	**601,695**
At 31 December 2021	**43,531**	**321,543**	**365,074**

Interest bearing loans amounting to USD 569,977 thousand (2021: USD 229,414 thousand) are secured by trade receivables and certain other assets that are pledged as collateral against these loans.

21 OTHER NON-CURRENT LIABILITIES

	2022 USD 000's	*2021 USD 000's*
Amounts due to related parties (Note 28)	**33,103**	**10,457**
Government grants	**27,450**	**-**
Provision for insurance claims	**47,739**	**-**
Deferred tax liability	**19,209**	**16,000**
Other liabilities	**32,406**	**1,857**
	159,907	**28,314**

22 TRADE AND OTHER PAYABLES

	2022 USD 000's	*2021 USD 000's*
Trade payables	**301,922**	**155,366**
Accrued expenses	**156,310**	**63,082**
Accrued employee related expenses	**150,061**	**33,709**
Taxation	**44,411**	**12,537**
Amounts due to related parties (Note 28)	**28,604**	**-**
Other liabilities	**150,727**	**92,637**
	832,035	**357,331**

The entire trade payables are of short-term nature, non-interest bearing and normally settled on 30 to 60 days terms. The carrying amount of the liabilities largely corresponds to their fair values.

23 REVENUE FROM CONTRACTS WITH CUSTOMERS

The following presents the disaggregation of the revenue from contracts with customers:

	2022 *USD 000's*	*2021* *USD 000's*
Ground handling and airport services	**960,025**	**191,847**
Logistics services	**785,272**	**489,951**
Rent	**61,981**	**40,268**
Others	**544,903**	**460,739**
	2,352,181	**1,182,805**
Timing of revenue recognition		
Goods and services transferred at a point in time	**2,090,207**	**1,002,665**
Goods and services transferred over time	**261,974**	**180,140**
	2,352,181	**1,182,805**
Geographical markets		
Middle East	**834,089**	**679,568**
Africa	**650,320**	**370,755**
Europe	**367,512**	**78,635**
America	**360,680**	**30,253**
Asia	**139,580**	**23,594**
	2,352,181	**1,182,805**

24 OTHER OPERATING EXPENSES

	2022 *USD 000's*	*2021* *USD 000's*
Salaries and employee benefits	**578,932**	**155,119**
Professional fees	**55,174**	**50,077**
Rent (Note 7)	**30,531**	**1,484**
Repairs and maintenance	**28,801**	**14,031**
Expected credit losses for trade receivables (Note 15)	**10,309**	**12,172**
Facilities management	**27,205**	**5,056**
Expenses allocated by the Parent Company	**33,633**	**20,025**
Other expenses	**46,473**	**15,460**
	811,058	**273,424**

25 BUSINESS COMBINATION

Acquisitions during the year

(a) Acquisition of John Menzies limited

On 4 August 2022, one of the entities forming part of Agility SpinCo acquired 100% equity interest in John Menzies Limited (Menzies). Menzies is a limited liability company registered and incorporated in Scotland (United Kingdom) and is engaged in providing ground and air cargo services, into-plane fuelling, fuel farm management and cargo forwarding services in several countries.

25 BUSINESS COMBINATION (continued)

The acquisition of Menzies has been accounted based on provisional fair values of the identifiable assets and liabilities on the acquisition date and the management is in the process of finalising the fair values of the assets and liabilities acquired. The consideration paid, provisional fair values of the assets and liabilities recognised at the date of acquisition, are summarised as follows:

	USD'000
Assets	
Property, plant and equipment	**172,880**
Right-of-use assets	**190,775**
Intangible assets	**214,391**
Investment in associates and joint ventures	**20,474**
Other non-current assets	**34,819**
Inventories	**6,995**
Trade receivables	**266,197**
Other current assets	**87,365**
Bank balances, cash and deposits	**91,189**
	1,085,085
Liabilities	
Interest bearing loans	**402,280**
Lease liabilities	**200,686**
Other non-current liabilities	**127,855**
Trade and other payables	**380,300**
	1,111,121
Total identifiable net liabilities at provisional fair values	**(26,036)**
Purchase consideration*	**683,366**
Add: carrying value on non-controlling interest	**18,865**
Add: net liabilities acquired	**26,036**
Provisional goodwill on acquisition	**728,267**
Consideration settled in cash	**554,213**
Cash and cash equivalents in subsidiary acquired	**(91,189)**
Net cash outflow on acquisition	**463,024**

*Includes the fair value of the existing interest in John Menzies Limited of USD 129,153 thousand at the time of acquisition previously included in “Financial assets at fair value through other comprehensive income”.

The re-measurement to fair value of the existing 19% interest in John Menzies PLC resulted in a loss of USD 13,372 thousand. This amount has been included in “other comprehensive (loss) income” in the combined and carve-out statement of comprehensive income and was subsequently transferred to ‘Parent investment’ on the date of acquisition.

From the date of acquisition, John Menzies Limited contributed USD 741,773 thousand of revenue and USD 28,685 thousand to profit before tax of Agility SpinCo. If the combination had taken place at the beginning of 2022, John Menzies Limited contribution to Agility SpinCo’s revenue would have been USD 1,743,908 thousand and the profit before tax would have been USD 23,882 thousand. The provisional goodwill includes the fair value of expected synergies arising from acquisition.

25 BUSINESS COMBINATION (continued)

(b) Acquisition of HG Storage International Limited

On 28 August 2022, one of the entities forming part of Agility SpinCo, acquired 51% equity interest in HG Storage International Limited (HG Storage). HG Storage is a limited liability company registered and incorporated in Jersey and is engaged in providing oil pipeline and storage services in the several countries.

The acquisition of HG Storage has been accounted based on provisional fair values of the identifiable assets and liabilities on the acquisition date and the management is in the process of determining the fair values of the assets and liabilities acquired. The consideration paid, provisional fair values of the assets and liabilities recognised at the date of acquisition, are summarised as follows:

	USD'000
Assets	
Property, plant and equipment	**204,061**
Investment in associates and joint ventures	**120,097**
Other non-current assets	**18,801**
Inventories	**19,296**
Trade receivables	**46,789**
Other current assets	**8,213**
Bank balances, cash and deposits	**41,293**
	458,550
Liabilities	
Interest bearing loans	**68,042**
Other non-current liabilities	**62,492**
Trade and other payables	**42,126**
	172,660
Total identifiable net assets at provisional fair values	**285,890**
Purchase consideration	**196,691**
Add: carrying value on non-controlling interest	**190,945**
Less: net assets acquired	**(285,890)**
Provisional goodwill on acquisition	**101,746**
Consideration settled in cash	**196,691**
Cash and cash equivalents in subsidiary acquired	**(41,293)**
Net cash outflow on acquisition	**155,398**

From the date of acquisition, HG Storage International Limited contributed USD 148,933 thousand of revenue and USD 4,583 thousand to profit before tax of Agility SpinCo. If the combination had taken place at the beginning of 2022, HG Storage International Limited contribution to Agility SpinCo's revenue would have been USD 405,790 thousand and the loss before tax would have been USD 10,642 thousand.

The provisional goodwill includes the fair value of expected synergies arising from acquisition.

26 DERIVATIVE FINANCIAL INSTRUMENTS

Derivatives are financial instruments that derive their value with reference to the underlying interest rate, foreign exchange rate or other indices. Notional principal amounts merely represent amounts to which a rate or price is applied to determine the amounts of cash flows to be exchanged and do not represent the potential gain or loss associated with the market or credit risk of such instruments. The entities forming part of Agility SpinCo deal in the following derivative instruments to manage the interest rate risk and foreign exchange positions.

Derivatives held for trading
Derivatives used for hedging purpose but which do not meet the qualifying criteria for hedge accounting are classified as 'derivatives held for trading'.

Interest rate swaps
Interest rate swaps are contractual agreements between two counterparties to exchange interest payments on a defined principal amount for a fixed period of time in order to manage the interest rate risk on the interest bearing assets and liabilities.

The table below shows the fair values of derivative financial instruments, recorded as assets or liabilities, together with their notional amounts analysed by the terms of maturity. The notional amount, recorded gross, is the amount of a derivative's underlying amount and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at the year end and are indicative of neither the market risk nor the credit risk.

				Notional amounts by term to maturity		
	Positive fair value USD 000's	***Negative fair value USD 000's***	***Notional amount USD 000's***	***Within one year USD 000's***	***1 – 5 years USD 000's***	***> 5 years USD 000's***
2022						
Derivatives held as cash flow hedge:						
Interest rate swap	**1,975**	**-**	**51,787**	**-**	**51,787**	**-**
	1,975	**-**	**51,787**	**-**	**51,787**	**-**

				Notional amounts by term to maturity		
	Positive fair value USD 000's	***Negative fair value USD 000's***	***Notional amount USD 000's***	***Within one year USD 000's***	***1 – 5 years USD 000's***	***> 5 years USD 000's***
2021						
Derivatives held as cash flow hedge:						
Interest rate swap	**-**	**(910)**	**63,028**	**-**	**63,028**	**-**
	-	**(910)**	**63,028**	**-**	**63,028**	**-**

27 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

	2022 USD 000's	*2021 USD 000's*
Letters of guarantee	**335,255**	**270,066**
Operating lease commitments	**4,124**	**2,371**
Capital commitments	**85,626**	**33,948**
Corporate guarantees*	**485,845**	**320,873**
	910,850	**627,258**

* An entity forming part of Agility SpinCo and a related party are part of an arrangement to construct and develop a commercial mall in UAE ("project). Currently it has an equity interest of 19.87% (31 December 2021: 19.87%) and has also extended interest bearing loan facilities to the project (Note 28). Further, the Parent Company has provided corporate guarantees amounting to USD 450,909 thousand (31 December 2021: USD 320,873 thousand) to the Project which is expected to be transferred to Agility SpinCo upon listing.

Legal claims

Dispute with Iraqi Airways Company (IAC):
Aviation Service (Iraq) Limited (ASIL), an indirect subsidiary of the John Menzies (as an entity forming part of Agility SpinCo), is a party to a concession agreement with IAC to provide Ground Handling and Aviation Fuel Concession Agreement with IAC (the "Concession Agreement"). Pursuant to the Concession Agreement, the parties established a separate entity in Iraq, Menzies Aviation Services Iraq LLC (but registered as United Iraqi Company for Airports and Ground Handling Services Limited) ("MASIL") to perform the services under the Concession Agreement.

On 20 October 2022, ASIL commenced an arbitration in the Dubai International Arbitration Centre ("DIAC") with assigned case number 239/2022 against IAC. The claim seeks, inter alia, damages against IAC for breaches of the Concession Agreement, including costs associated with services provided under the Concession Agreement in the amount of USD 15 million and loss of profits incurred by ASIL in the amount of USD 81 million. IAC has not filed any response to the request for arbitration. The parties are now in the process of appointing the arbitral tribunal and the arbitration is therefore at an early stage; however, the management (after consulting with external legal counsel) is of the view that ASIL's prospects of success in the DIAC arbitration are estimated to be reasonable.

IAC subsequently commenced proceedings before the commercial court in Iraq seeking, inter alia, the annulment of the registration of MASIL, the annulment of the shareholders agreement entered into between ASIL and IAC (as shareholders in MASIL) and MASIL (as the company) and sought a grossly inflated financial compensation with no substantive evidence whatsoever.

In light of the lack of any substantive evidence submitted by IAC, the strong jurisdictional challenge on the basis of the arbitration agreement, the total disregard of the limitation of liability clauses under the relevant agreements and the fact there are no guarantees provided by any of Agility SpinCo's entities to guarantee the performance of ASIL, the management (after consulting with external legal counsel) is of the view that IAC's prospects of success in the proceedings it has filed before the commercial court in Iraq are estimated to be low.

In addition to the above, there are various incidental claims and legal proceedings. The management believes that these matters will not have a material adverse effect on the combined and carve-out historical financial information.

28 RELATED PARTY TRANSACTIONS

Related parties include Parent Company, entities under common control outside the entities forming part of Agility SpinCo, directors and key management personnel of the Parent Company.

Transactions and balances with related parties are as follows:

2022	*Parent Company USD 000's*	*Entities under common control USD 000's*	*Other related parties USD 000's*	*Total USD 000's*
Combined and carve-out statement of income				
Revenues	**2,434**	**14,638**	**22,181**	**39,253**
Direct expenses	**(1,569)**	**-**	**(76,808)**	**(78,377)**
Other operating expenses *	**(33,633)**	**-**	**(152)**	**(33,785)**
Share of results of associates and joint ventures	**-**	**-**	**(6,989)**	**(6,989)**
Interest income	**-**	**862**	**228**	**1,090**
Finance Costs	**(60,515)**	**(17,753)**	**(323)**	**(78,591)**
Combined and carve-out statement of financial position				
Investment in associates and joint ventures (Note 11)	**-**	**-**	**451,950**	**451,950**
Financial assets at fair value through other comprehensive income	**-**	**-**	**32,298**	**32,298**
Trade receivables	**-**	**-**	**44,518**	**44,518**
Amounts due from related parties	**6,484**	**31,492**	**-**	**37,976**
Loans to related parties	**-**	**-**	**597,415**	**597,415**
Amounts due to related parties	**2,021,112**	**728,491**	**-**	**2,749,603**
Other non-current liabilities (Note 21)	**-**	**-**	**33,103**	**33,103**
Trade and other payables (Note 22)	**-**	**-**	**28,604**	**28,604**

2021	*Parent Company USD 000's*	*Entities under common control USD 000's*	*Other related parties USD 000's*	*Total USD 000's*
Combined and carve-out statement of income				
Revenues	**3,804**	**12,634**	**-**	**16,438**
Direct expenses	**(983)**	**-**	**-**	**(983)**
Other operating expenses *	**(20,025)**	**-**	**-**	**(20,025)**
Share of results of associates and joint ventures	**-**	**-**	**14,675**	**14,675**
Interest income	**-**	**1**	**160**	**161**
Finance Costs	**(38,711)**	**(1,436)**	**(444)**	**(40,591)**
Combined and carve-out statement of financial position				
Investment in associates and joint ventures (Note 11)	**-**	**-**	**335,453**	**335,453**
Amounts due from related parties	**5,898**	**19,251**	**-**	**25,149**
Loans to related parties	**-**	**-**	**514,459**	**514,459**
Amounts due to related parties	**1,403,435**	**71,066**	**-**	**1,474,501**
Other non-current liabilities (Note 21)	**-**	**-**	**10,457**	**10,457**

Loans to related parties include USD 592,568 thousand (2021: USD 503,838 thousand) provided to a joint venture and represents amounts advanced by an entity forming part of Agility SpinCo towards the construction and development of a Commercial Mall in UAE ("Project"). This amount bears compounded annual interest rates and can be converted to equity in the project on completion of construction subject to the project achieving certain operational targets and upon the discretion of the entity.

Amounts due to related parties amounting to USD 2,747,087 thousand represents loans payable to the Parent Company and entities under common control which carry interest at market rates. It is expected that a portion of this amount will be settled through transfer of external debt currently with the parent company to Agility SpinCo and the balance will be converted to equity before the listing.

* Includes allocation of general corporate expenses from the Parent Company (Note 2.5)

28 RELATED PARTY TRANSACTIONS (continued)

Compensation of key management personnel

The remuneration of board of directors and other members of key management (executives) of the Parent Company allocated to Agility SpinCo during the year were as follows. These allocations may not, however, reflect the expenses Agility SpinCo would have incurred as a standalone Group for the periods presented. Actual costs that may have been incurred if Agility SpinCo had been a standalone company would depend on a number of factors, including the finalised organizational structure and other strategic decisions.

	2022 USD 000's	*2021 USD 000's*
Short-term benefits (Key management)	**7,010**	**2,293**
Committee services to board of directors of Parent Company	**892**	**1,185**
Remuneration to board of directors of Parent Company	**892**	**395**
	8,794	**3,873**

Short term benefits include discretionary bonus amounting to USD 5,470 thousand (2021: USD 3,617 thousand) awarded to key management personnel of the Parent Company and allocated to Agility SpinCo.

29 OPERATING SEGMENT INFORMATION

The following entities are considered as its major operating segments in Agility SpinCo:-

Aviation Services: This represents services provided in the airports including ground handling, air cargo services, into-plane fuelling, fuel farm management and cargo forwarding.

Fuel Logistics: This includes logistics services relating to fuel comprising turnkey fuel contracts, fuel trading, distribution, tanker owning, chartering, coastal operations, Road transport, warehousing, fuel farm management and bulk fuel storage

Industrial real estate: consists of developing warehousing and light industrial facilities to business looking to manager their own warehousing operations.

Investments: comprises of business units that hold non-controlling interest in various sectors. These investments comprises of both quoted and unquoted equity securities and convertible loans.

Others: Consists of all business units other than the above.

29 OPERATING SEGMENT INFORMATION (continued)

2022	*Aviation Services USD 000's*	*Fuel Logistics USD 000's*	*Industrial Real Estate USD 000's*	*Investments USD 000's*	*Others USD 000's*	*Total USD 000's*
Revenues	**955,033**	**833,928**	**34,759**	**-**	**528,461**	**2,352,181**
Results						
Profit before interest, taxation, depreciation and amortisation (EBITDA)	**135,082**	**173,156**	**96,998**	**(25,558)**	**(16,319)**	**363,359**
Depreciation						**(124,904)**
Amortisation						**(21,019)**
Profit before interest and taxation (EBIT)						**217,436**
Interest income						**1,988**
Finance costs						**(114,231)**
Profit before taxation						**105,193**
Taxation						**(20,877)**
Profit for the year						**84,316**
Total Assets	**2,044,665**	**1,604,990**	**654,871**	**4,110,272**	**457,641**	**8,872,439**
Total Liabilities	**1,858,903**	**909,433**	**342,081**	**704,592**	**1,012,889**	**4,827,898**
Other disclosures:						
Goodwill (Note 10)	**770,006**	**108,181**	**-**	**-**	**66,851**	**945,038**
Intangible assets (Note 9)	**220,395**	**-**	**-**	**-**	**9,044**	**229,439**
Capital expenditure	**43,488**	**37,667**	**32,174**	**-**	**9,031**	**122,360**
Change in fair value of investment properties (Note 8)	**-**	**-**	**73,475**	**-**	**-**	**73,475**

29 OPERATING SEGMENT INFORMATION (continued)

2021	*Aviation Services USD 000's*	*Fuel Logistics USD 000's*	*Industrial Real Estate USD 000's*	*Investments USD 000's*	*Others USD 000's*	*Total USD 000's*
Revenues	**188,558**	**532,851**	**24,538**	**-**	**436,858**	**1,182,805**
Results						
Profit before interest, taxation, depreciation and amortisation (EBITDA)	**51,165**	**126,677**	**75,718**	**(38,855)**	**(3,953)**	**210,752**
Depreciation						**(88,231)**
Amortisation						**(15,911)**
Profit before interest and taxation (EBIT)						**106,610**
Interest income						**1,226**
Finance costs						**(75,354)**
Profit before taxation						**32,482**
Taxation						**(13,134)**
Profit for the year						**19,348**
Total Assets	**214,929**	**969,155**	**554,487**	**5,505,471**	**407,789**	**7,651,831**
Total Liabilities	**15,934**	**549,881**	**326,179**	**667,522**	**915,451**	**2,474,967**
Other disclosures:						
Goodwill (Note 10)	**37,945**	**5,407**	**-**	**-**	**67,354**	**110,706**
Intangible assets (Note 9)	**15,680**		**-**	**-**	**21,272**	**36,952**
Capital expenditure	**3,681**	**74,476**	**38,633**	**-**	**4,683**	**121,473**
Change in fair value of investment properties (Note 8)	**-**	**-**	**64,204**	**-**	**-**	**64,204**

Inter-segment transactions and balances are eliminated upon consolidation and included in the "others" column. Agility SpinCo's financing (including finance costs and finance income) and income taxes are managed on an overall combined basis and are not allocated to operating segments.

Capital expenditure consists of additions to property, plant and equipment, projects in progress and investment properties.

Other geographic information

The following presents information regarding Agility SpinCo's non-current assets based on its geographical segments:

Non-current assets	*2022 USD 000's*	*2021 USD 000's*
Middle east	**2,046,099**	**1,695,550**
Asia	**265,140**	**94,461**
Europe	**379,333**	**9,850**
America	**681,604**	**3,817**
Africa	**498,993**	**227,068**
	3,871,169	**2,030,746**

Non-current assets for this purpose consists of property, plant and equipment, projects in progress, right-of-use assets, investment properties, intangible assets, goodwill, other non-current assets and loan to related parties.

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The exposure to risks from its use of financial instruments and these risks are managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the continuing profitability. The principal financial liabilities, other than derivatives, comprise interest bearing loans, due to related parties, trade and other payables. The main purpose of these financial liabilities is to raise finance for the operations. The financial assets comprise trade and other receivables, cash and short-term deposits, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and loan to related parties.

The Parent Company's senior management reviews and agrees policies for managing risks and provides assurance to the Board of Directors of the Parent Company that the financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with policies and risk appetite. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the parent company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The major risks to which Agility SpinCo is exposed in conducting its business and operations, and the means and organisational structure it employs in seeking to manage them strategically are outlined below.

Risk mitigation
As part of its overall risk management, and as considered appropriate, derivatives and other instruments are used to manage exposures resulting from changes in interest rates, foreign currencies, equity risks, credit risks, and exposures arising from forecast transactions.

Excessive risk concentration
Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar 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 earnings to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations and the risk arising there from, management monitors them on an ongoing basis. Identified concentrations of credit risks are controlled and managed accordingly. There are no significant concentrations of credit risk identified.

The main risks arising from the financial instruments are credit risk, liquidity risk and market risk with the latter subdivided into interest rate risk, foreign currency risk and equity price risk.

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

Gross maximum exposure to credit risk
The table below shows the gross maximum exposure to credit risk across financial assets before credit risk mitigation:

	2022 *USD 000's*	*2021* *USD 000's*
Bank balances	**325,405**	**207,049**
Trade receivables	**585,848**	**184,647**
Loans to related parties	**597,415**	**514,459**
Other assets *(excluding advances to suppliers and prepaid expenses)*	**109,398**	**42,190**
	1,618,066	**948,345**

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Trade receivables
The exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer base, including the default risk of the industry and country, in which customers operate, has less of an influence on credit risk.

Customer credit risk is managed by each business unit subject to the established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and any services/shipments to major customers are generally covered by security deposits, letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions.

The management performs an impairment analysis at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 15.

The table below provides information about the credit risk exposure on the trade receivables using a provision matrix:

31 December 2022	*Trade receivables*						
		Days past due					
	Current USD 000's	*1 to 30 days USD 000's*	*31 to 60 days USD 000's*	*61 to 90 days USD 000's*	*91 to 120 days USD 000's*	*> 120 days USD 000's*	*Total USD 000's*
Estimated total gross carrying amount at default	**85,796**	**291,829**	**94,824**	**37,857**	**44,116**	**103,552**	**657,974**
Provision for estimated credit loss							**72,126**
Expected credit loss rate							**11%**

31 December 2021	*Trade receivables*						
		Days past due					
	Current USD 000's	*1 to 30 days USD 000's*	*31 to 60 days USD 000's*	*61 to 90 days USD 000's*	*91 to 120 days USD 000's*	*> 120 days USD 000's*	*Total USD 000's*
Estimated total gross carrying amount at default	**39,442**	**58,830**	**15,048**	**14,102**	**17,757**	**114,502**	**259,681**
Provision for estimated credit loss							**75,034**
Expected credit loss rate							**29%**

Cash and cash equivalents
Credit risk from balances with banks and financial institutions is managed by the Parent Company's treasury in accordance with the policy. Investments of surplus funds are made only with approved counterparties to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty failure. The maximum exposure to credit risk for the components of the combined and carve-out statement of financial position at 31 December 2022 and 31 December 2021 is the carrying amounts at the reporting date.

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Cash and cash equivalents (continued)
Exposure to credit risk is managed by placing funds only with counterparties with appropriate credit ratings. Given these credit ratings, management does not expect any counterparty to fail to meet its obligations.

Liquidity risk
Liquidity risk is the risk that entities forming part of Agility SpinCo will be unable to meet its liabilities when they fall due. To limit this risk, management has arranged diversified funding sources, manages assets with liquidity in mind, and monitors liquidity on a periodic basis.

The table below summarises the maturity profile of the financial liabilities based on contractual undiscounted repayment obligations:

2022	*Less than 1 month USD 000's*	*1 to 3 months USD 000's*	*3 to 12 months USD 000's*	*More than 1 year USD 000's*	*Total USD 000's*
Interest bearing loans	**1,999**	**41,056**	**121,168**	**543,430**	**707,653**
Lease liabilities	**9,455**	**18,911**	**85,101**	**468,802**	**582,269**
Trade and other payables	**69,336**	**138,672**	**624,027**	**-**	**832,035**
Due to related parties	**-**	**2,516**	**-**	**2,747,087**	**2,749,603**
Other non-current liabilities	**-**	**-**	**-**	**159,907**	**159,907**
Total financial liabilities	**80,790**	**201,155**	**830,296**	**3,919,226**	**5,031,467**

2021	*Less than 1 month USD 000's*	*1 to 3 months USD 000's*	*3 to 12 months USD 000's*	*More than 1 year USD 000's*	*Total USD 000's*
Interest bearing loans	**1,770**	**14,423**	**48,583**	**401,218**	**465,994**
Lease liabilities	**4,059**	**8,119**	**36,535**	**322,233**	**370,946**
Trade and other payables	**29,777**	**59,556**	**267,998**	**-**	**357,331**
Due to related parties	**-**	**2,185**	**-**	**1,472,316**	**1,474,501**
Other non-current liabilities	**-**	**-**	**-**	**28,314**	**28,314**
Total financial liabilities	**35,606**	**84,283**	**353,116**	**2,224,081**	**2,697,086**

Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risk: interest rate risk, currency risk, and other price risks, such as equity risk. Financial instruments affected by market risk include bank balances and trade receivables in foreign currencies, deposits, financial assets at fair value and related party, interest bearing loans, trade payables in foreign currencies and derivative financial instruments. The sensitivity analyses in the following sections relate to the position as at 31 December 2022 and 31 December 2021.

Market risk is managed on the basis of pre-determined asset allocations across various asset categories, diversification of assets in terms of geographical distribution and industry concentration, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

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 exposure to the risk of changes in market interest rates relates primarily to the debt obligations with floating interest rates.

Interest rate risk is managed by having a balanced portfolio of fixed and variable rate loans and borrowings and by entering into interest rate swaps, in which the management agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)

Interest rate risk (continued)
Interest rate sensitivity
Based on the financial assets and liabilities held at the year end, an assumed 50 basis points movement in interest rate, with all other variables held constant, would equally impact the profit before taxation as follows.

	50 basis points movement Effect on combined and carve-out statement of income	
	2022 USD 000's	***2021 USD 000's***
	±2,416	**±2,124**

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The exposure to the risk of changes in foreign exchange rates relates primarily to the operating and financing activities (when revenues, expenses and borrowings are denominated in a currency other than US Dollars) and financial assets at fair value denominated in foreign currency.

Foreign currency risk is managed by use of derivative financial instruments where appropriate and the net exposure is kept to an acceptable level.

Foreign currency sensitivity
The following table demonstrates the sensitivity to a reasonably possible change in the EURO / US Dollars exchange rate, with all other variables held constant, of the profit before taxation (due to changes in the fair value of monetary assets and liabilities) and equity (due to changes in the fair value of financial assets at fair value through other comprehensive income). The exposure to foreign currency for all other currencies is not material.

	Change in currency rate by 1 %			
	Effect on other comprehensive income		***Effect on combined and carve-out statement of income***	
	2022 USD 000's	***2021 USD 000's***	***2022 USD 000's***	***2021 USD 000's***
EURO	**±21,872**	**±45,101**	**±309**	**±2**

Equity price risk
Equity price risk is the risk that fair values of equities change as the result of changes in level of equity indices and the value of individual stocks.

Quoted Securities:
The effect (as a result of a change in the fair value of financial assets at fair value through profit or loss and other comprehensive income) due to a reasonably possible change in market indices, with all other variables held constant on the results is as follows:

2022			*2021*		
Change in *equity price* % (+ / -)	***Effect on equity (+ / -) USD 000's***	***Effect on profit (+ / -) USD 000's***	**Change in *equity price* % (+ / -)**	***Effect on equity (+ / -) USD 000's***	***Effect on profit (+ / -) USD 000's***
5	**151,571**	**634**	**5**	**226,479**	**1,671**

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)

Equity price risk (continued)
Unquoted securities:
Sensitivity analysis relating to unquoted securities (financial assets measured at fair value through other comprehensive income and financial assets at fair value through profit or loss) is included in Note 31.

31 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in orderly transactions between market participants at the measurement date.

Determination of fair value and fair value hierarchy:
Agility SpinCo uses the following hierarchy for determining and disclosing the fair values of financial instruments:

Level 1: quoted (unadjusted) prices in an active market for identical assets and liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
Level 3: other techniques which use inputs which have a significant effect on the recorded fair value are not based on observable market data.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

2022	*Level 1 USD'000*	*Level 2 USD'000*	*Level 3 USD'000*	*Total fair value USD'000*
Financial assets measured at fair value through profit or loss				
Quoted equity securities	**12,687**	**-**	**-**	**12,687**
Investment in funds	**-**	**5,366**	**-**	**5,366**
Loan to a related party	**-**	**-**	**592,568**	**592,568**
	12,687	**5,366**	**592,568**	**610,621**
Financial assets measured at fair value through other comprehensive income				
Quoted equity securities	**3,031,427**	**-**	**-**	**3,031,427**
Unquoted equity securities	**-**	**-**	**156,616**	**156,616**
	3,031,427	**-**	**156,616**	**3,188,043**
Derivative financial assets:				
Interest rate swaps	**-**	**1,975**	**-**	**1,975**
	-	**1,975**	**-**	**1,975**
	3,044,114	**7,341**	**749,184**	**3,800,639**

31 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

Determination of fair value and fair value hierarchy (continued)

2021	*Level 1 USD'000*	*Level 2 USD'000*	*Level 3 USD'000*	*Total fair value USD'000*
Financial assets measured at fair value through profit or loss				
Quoted equity securities	**33,413**	**-**	**-**	**33,413**
Convertible loan	**-**	**-**	**15,001**	**15,001**
Investment in funds	**-**	**4,259**	**-**	**4,259**
Loan to a related party	**-**	**-**	**503,838**	**503,838**
	33,413	**4,259**	**518,839**	**556,511**
Financial assets measured at fair value through other comprehensive income				
Quoted equity securities	**4,529,576**	**-**	**-**	**4,529,576**
Unquoted equity securities	**-**	**-**	**89,359**	**89,359**
	4,529,576	**-**	**89,359**	**4,618,935**
Derivative financial assets:				
Interest rate swaps	**-**	**(910)**	**-**	**(910)**
	-	**(910)**	**-**	**(910)**
	4,562,989	**3,349**	**608,198**	**5,174,536**

There were no transfers between the hierarchies during 2022 and 2021.

The following table below shows a reconciliation of the opening and the closing amount of level 3 financial assets measured at fair value:

	2022 USD'000	*2021 USD'000*
As at 1 January	**608,198**	**501,713**
Re-measurement recognised in other comprehensive income	**(3,654)**	**449**
Others including net additions (sales) and transfer	**144,640**	**106,036**
As at 31 December	**749,184**	**608,198**

Fair value of Agility SpinCo's financial assets that are measured at fair value on a recurring basis:

Financial assets at fair value through other comprehensive income:
Fair values of certain unquoted equity securities classified as financial assets classified as fair value through other comprehensive income are determined using valuation techniques that are not based on observable market prices or rates. The impact on the combined and carve-out statement of comprehensive income would be immaterial if the relevant risk variables used to fair value the unquoted securities were altered by 5%.

Loan to a related party
The debt instrument has been valued based on the residual land value of the investee's major asset, using the discounted cash flow method. The most significant unobservable inputs used in the fair value measurements include the exit rate and discount rate.

32 CAPITAL MANGAGEMENT

The primary objective of Agility SpinCo's management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder value.

Agility SpinCo includes within net debt, interest bearing loans less bank balances, cash and deposits. Capital includes Invested equity attributable to the equity holders of Agility SpinCo and non- controlling interests.

	2022 *USD 000's*	*2021* *USD 000's*
Interest bearing loans	**601,695**	**365,074**
Bank balances, cash and deposits	**(325,405)**	**(207,049)**
Net Debt	**276,290**	**158,025**
Invested equity attributable to the equity holders of Agility SpinCo	**3,649,952**	**5,026,545**
Non-controlling interests	**394,589**	**150,319**
Capital	**4,044,541**	**5,176,864**
Capital and debt	**4,320,831**	**5,334,889**
Gearing	**6.39%**	**2.96%**