Agility

22 August, 2021

M/s Boursa Kuwait

Subject: Analyst/ Investor Conference for the Second Quarter of 2021

Reference to the above mentioned subject and pursuant to the requirements of Boursa Kuwait Rule Book issued as per Resolution No. (1) of 2018, we wish to inform you that the quarterly Analyst/ Investors Conference was held through a Live Webcast at 2:00 pm local time on Thursday, 19 August 2021.

Please refer to the attached transcript of the conference and the presentation (Q2-2021).

Best Regards,

Investor Relations Department

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Agility Public Warehousing Company
Second Quarter 2021 Analyst Webcast

Sunday, August 22nd 2021

Kindly find enclosed the minutes of Agility's analyst webcast, which was held on Thursday August 19, 2021 at 2.00 PM Kuwait time, to discuss Second Quarter 2021 earnings.

Attendees from Agility:
Ehab Aziz – Group CFO
Soriana Borjas – Investor Relations Senior Manager

From Arqaam Capital:
Rita Guindy

Rita: Good morning and good afternoon, ladies and gentlemen, and thank you for joining us today. This is Rita Guindy and on behalf of Arqaam Capital, I would like to welcome you to Agility Q2 2021 results webcast. With me here today, I have Mr. Ehab Aziz, Agility's Chief Financial Officer and Agility's investor relations team. Without further delay, I will now turn over the call to Soriana Borjas, Agility's Investor Relations Senior Manager.

Soriana: Thank you Rita. Welcome everyone to Agility's second quarter earnings webcast with me today Mr Ehab Aziz, our group CFO, who will present to you Agility's performance and the major developments in this quarter. After the presentation, which you should have available on your screen, we will open the floor for the Q&A. Please feel free to submit all your questions in the chat box and we will make sure address it during our call. In case we didn't have enough time to answer all your questions, we will get back to you directly and answer them. Before we begin, I would like to draw your attention to the disclaimer available on the second page. As this presentation may contain forward looking statements, such statements are subject to risks and uncertainties. Please take a moment to read this, and then I'll hand it over to Ehab. Thank you.

Ehab: Welcome everyone to our second quarter analyst presentation. This is the agenda that I will try to address today. First, we will address the DSV-GIL transaction, which has been closed, as disclosed to the stock exchange on August 16, then we will walk you through the key highlights for Q2 and H1 2021 results, then we will give you a flavour of how we think about the company going forward and where the value of the company is driven from. This is a very preliminary view, but I think it is the first step post the GIL transaction, and then we will open the floor to Q&A.

First, the update on DSV-GIL transaction, which we have concluded on the 16th of August, at an EV of USD 4.77bn and an equity value of USD 4.67bn, reflecting an almost USD 500m increase compared to the value we announced at signing, this is a function of the increase in the value of DSV shares. We agreed to receive around 19.3m shares of DSV in exchange of 100% of GIL, most of which are registered in our name, and under our control, except for a very small and insignificant portion of shares in jurisdictions where the closing is yet to happen in the near future. As a result of the transaction, we will report in Q3 a one-off gain which is basically the difference between the carrying value of GIL at the closing date, and the stock price of DSV. As you know, our stake is 8%, which will be treated as an investment, and the change in fair value will be reported according to IFRS 9, where we will most likely take it through the equity to eliminate the volatility to our income statement. We should recognize around KD 968m (USD 3.2 bln) as a one-off gain in the P&L. Subsequently, we will measure the change in DSV share price and the movement will be reflected in our equity; however that treatment will to be confirmed by our board. We will replace the carrying value of GIL of around KD 400m by the DSV share value, which is around KD 1.4bn at closing, implying an additional KD 1bn in equity in Q3 2021.

It is important to highlight the reason behind this transaction. I think from a strategic perspective, we are not exiting the industry, we are replacing our 100% stake in GIL with a minority stake in a much larger company. We are still invested in the industry with exposure to the logistics sector, however, we're not directly managing it. We're joining one of the largest and best global logistics companies in the world, DSV, with a market cap of roughly USD 55bn. They have shown a tremendous performance improvement and a significant growth story, consistently throughout the years, growing in all aspects, and it is considered one of the best global players in this industry and we will be the second largest shareholder in this company going forward. Furthermore, we will have one of seven board seats, and we looking forward to working with DSV management team and board to take the company to the next level.

We also agreed with DSV that we will explore further areas of cooperation, mainly for our ALP, as you know DSV is a very large contract logistics operator in the world, and we have a significant industrial real estate sector that we control 100% of and there will be lots of opportunities going forward being explored by the two companies. That's in addition to Shipa, which is Shipa e-commerce and Shipa freight business that are still part of Agility. These are the main aspects, however, there are plenty of other aspects for corporation from a strategic value.

On the financial or economic value, this transaction is important as it unlocks significant shareholder value, as I mentioned the one-time gain of USD 3.2bn, as we can see that our stock price has reflected some of that already. So not only from a strategic aspect selling GIL was imperative but also financially it was the right decision, to replace our smaller size business by a minority stake in DSV which unlocked shareholder value. In addition, DSV pays very little dividend yield – about 0.3-0.4% but that's not the main channel through which they return capital to shareholders. Historically, the main channel has been a share buyback program and they're very systematic and structured about it. If we participate in that program, and nothing prevents us from participating, while keeping our pro rata share of 8%, based on historical trends, we would receive USD 200-250m of annual cash flows from that investment which we can use to increase our dividends, or reduce our debt, reinvest in other areas. Compared to the cash flow we used to get from GIL, this should represent a significant increase as GIL's FCF was limited due to scale and investment requirement in working capital. So definitely we will get more cash from DSV than what we used to get from GIL.

The third pillar for shareholder value is the management of DSV being able to run the company effectively with consistently growing their market cap and earnings. Over the last ten years, they have been able to generate about an IRR of 37% and we expect management team to continue to create value in the future. There might be a short term volatility, but we are looking long term as we are long term investor. We have high confidence in management's ability to generate shareholder value, and we are now part of these shareholders - being the second largest shareholder. Management is pragmatic and effective, we feel very comfortable trusting them with GIL and having a significant stake invested in that company.

Moving to Q2 highlights. GIL in Q2 was reported as per IFRS 5 – in one line item. Revenues presented here are from continued operations excluding GIL. What we used to call infrastructure is up 26% and net revenue is up 24.6%. This is a significant growth year over year, though coming from a low base because of COVID situation, but this give us confidence that the recovery of all these entities have been quite significant and Q2's growth accelerated compared to Q1. Of course, the impact from COVID in Q2 2020 was more than Q1 2020, but most of the entities are growing at a faster rate and this gives us confidence that we are recovering from covid and that we can go back and exceed 2019 profitability level. EBIT recorded KD 29.6m and net profit at KD 38.6m, a big part of that is still GIL being consolidated until 16th of August. So, Q2 and part of Q3 will still reflect the performance of GIL. Continued operations continue to recover and grow at good rates as seen across all entities, and we're confident that this should continue. We will come out of this crisis, a better and stronger company. For H1, growth rates for the combined Q1 & Q2 were lower than the Q2 growth as COVID had a higher impact on the second quarter of 2020 than the first but it is decent year over year growth in revenues of 13%, net revenues of 8%, EBIT of 40% and net profit of 215%. Net revenue margin also expanded almost 55%, excluding GIL which is a low margin business. Continued operations registered 21% y/y in net profit in H1 2021 driven by topline growth. Discontinued operations, GIL, also grew driven by better market conditions and tight environment in freight forwarding.

Some might say that GIL is now contributing significantly and we should not have it, but let me remind you that GIL was by industry standard sub scale and the ability to generate free cash flow was limited, it is still a good company but relatively small. Furthermore, we are not missing that level of growth, as DSV is registering the same growth pattern if not higher. The industry is doing extremely well, and we are still part of the industry however through a different mean.

In terms of balance sheet, there is assets held for sales that's for GIL, and liabilities held for sale also for GIL. Both will get eliminated in Q3 and replaced by the KD 1.4bn investment in DSV, which will increase our assets by more than KD 1.4bn. Total equity will be also increase by around KD 1bn reaching KW 2.2bn post transaction. Net debt also increased due to our investment program that we have been investing in in the last 5 years that includes mainly Reem Mall which is coming to an end, and we expect the level of investment and CapEx to normalize in 2022.

Now I want to share with you how we see the company going forward, this is more of a brain storming, but we should announce a clearer picture about our strategic plans and how we will be investing the cash that we will be generating from DSV and from our core operating businesses. Agility management since privatization was focused on generating shareholder value, as we were able to grow that by 65x and generated an IRR of almost 28% in 24 years. We have our ups and downs, but when you step out and see the big picture you will see that management has created significant value and we will continue to remain focused on this foundation that governs our investment philosophy. We feel satisfied. In 2011, when we lost all military business, and the company shrunk to a level when many people thought the company would disappear, we did exactly the opposite, as we have been able to grow shareholders value five times since that time, Which is about USD 7 billion of value creation and 25% IRR. This governs our way of thinking. Maybe we should not have taken some risks, but maybe then we would not have been able to create this much of shareholder value.

Going forward, we should be looking at the company as two main pillars: strategic controlled investment (called infrastructure in the past); which are fully controlled and their earning power will be reflected in P&L. The other pillar is strategic but non-controlled investment, including DSV the biggest investment, Reem mall, GWC, NREC and tech investment. The performance of the strategic non-controlled investment will not be reflected in the P&L. From a value creation perspective, the way we look at it is based on the fair value of these investments and cash flow generation. Using the earnings power as the only metric or EV/EBITDA or P/E wouldn't be appropriate as a significant part of the company is now in the strategic non-controlled investment. Internally, we think that each group of assets should be managed differently, and value creation would be different than in the past.

Now this is just a diagram that shows what I just talked about. So the strategic controlled businesses, before COVID, their EBIT, which is a proxy of the earning power on a run-rate basis is about USD 345m, so you will see that in the P&L. Now, on the strategic non-controlled businesses, the fair value of those investments, and we use fair value for those listed investment, which is the case for DSV a publicly listed company, summarily, NREC and GWC, for non-listed investments like Reem Mall we either take some assumptions and come up with a value or we use the carrying value in the books. So it is around KD 1.6bn of net value is in that strategic non-controlled business. And then the grey third pillar is future investments, which we still don't know how it will look like, but I think we are working diligently to define that and identify what other sectors or opportunities that would help us take the company to the next level.

Now it was one thing to grow the company from roughly USD 400m in 1997 to USD 7bn in 2021, it is a different task to take the company from USD 7bn to USD 20bn going forward and it requires certain magnitude of investments and certain way of managing things, certain sectors, certain geographies and I think we are working diligently to define that and identify what would be the next investment.

This is my final slide, and it is to summarize these two segments, we have presented this slide in Q1, but I think it is important to reiterate the message. Controlled entities have shown constant year over year growth, we also allocated what we believe is the debt that belongs to this group which is about KD 86m out of the total debt that we have. So again earning power almost KD 460m revenue in 2019, I am using 2019 as a proxy of the run-rate, KD 260m of net revenues which is the 50/55% margin, high EBIT margin of 22%, so if you compare this to GIL, you will notice that GIL, given its low margin, was dragging our overall margins down, and thus we expect going forward our margins will be much higher. The net debt allocated to that segment is roughly KD 86m.

Looking at the right side of this slide, you can see the KD 1.6bn that includes all the investments that we have listed in the previous slide, and the debt that we believe is allocated to this side is about KD 167 million, that gives us a net asset value of KD 1.6bn. If we divide that by the current outstanding number of shares, that gives us we get to 769 fils/share. So KD 769 fils/share of the company's value today is driven by the right side, Strategic non-controlled businesses and then you need to add on the top the net equity value of the other business based on whichever methodology you use to value the strategic controlled business. That's how we, at least at this point in time, are looking at the segment of the company and how we will process that. As I mentioned the intention is to use fair value method as per IFRS 9 to value DSV and take any change in values, if the price goes up that change in value goes to the equity, so we eliminate the noise that the stock price movement of DSV and the other listed stocks every quarter will create on the P&L and if it goes down it also goes to the equity, so you should look at it as a net asset value rather than from a P&L perspective.

I think that's my last slide, with that I think we need to go to the Q&A. I would like to address as many questions as I can.

Operator: Thank you. Ladies and gentlemen, if you'd like to ask a question, please ask it in the chat box on the bottom right-hand side of your screen.

Looks like we don't have any questions currently.

Fouzi Aldhafeeri - Should we expect higher dividends in the coming years, using flows from DSV share buyback?

Ehab: I think the answer is potentially yes. If the past is an indicator of how things will go in the future for DSV, we will be receiving USD 200-250m and we can use that cash either to pay dividends or reinvest in the business, but that is something we will decide at the time; but potentially dividends will increase if there is no use of that money into reasonable business opportunities. I can't give a confirmed answer, because that's the board decision and we have to assess it at the time but what I can tell you is that now we are getting more cashflow from DSV than we used to get from GIL so potentially dividends can be seen as one of the uses for this cash flow.

Maya Bou Kheir - Can you please give us an update on Tristar and what the plan is after the decision to not IPO?

So I think Tristar IPO is behind us. We still believe that the company is doing great, we are still focusing on organic and inorganic growth, and the focus has shifted to growing the company with the current shareholder structure. We remain open to other opportunity maybe listings or other ventures that we can do, so as and when these opportunities present themselves, we will assess and do what is right for the shareholders. I think the GIL transaction has shown that we are quite pragmatic when it comes to managing that portfolio of assets we have, and I would say we have a systematic approach at looking at how we can create value and if it makes sense then we don't have any emotional attachment to the business as long as it makes sense to our shareholders and we are following the same approach with Tristar.

Chandan Sonthalia - What is the performance outlook of Infra segment in 2021-22 which includes severely affected businesses like NAS (aviation related Cargo handling and services) as well UPAC (involved in commercial RE development; developing the Reem Mall in Abu Dhabi).

Ehab: As I said, that business is about KD 100m of EBIT, and revenues are recovering quite strongly. We are a leaner and better company today, each company of those has taken actions on the cost side and is becoming leaner and fitter, so I think we will recover from 2020 COVID hit and hopefully, end of 2021/2022, unless there is another shock, I think we will be at or exceed the 2019 level.

Ramzi Sidani - Hi, can you please talk more about the cost savings at the Infrastructure segment level? EBITDA margin in the past was 30%, where could margins be once the COVID situation normalizes? Thanks

Ehab: I don't have an answer for where the margins would be, because although they are different entities and quite segmented, but there are also lots of activities and lots of costs that were required to manage the group at the corporate level. As a result, there has been quite significant costs paid for governance and other requirements to manage a group of that size.

Now with the GIL being sold, the company structure is simplified, I don't necessarily see that we will have the same level of cost and the same level of structure. We are in the process of re-looking at that and assessing what should be kept and done in the same way and what should not be done in the same way and how we can change that. So hopefully by the end of the year we will have a better view on the run rate including the cost optimization and including the synergies of the deal going forward.

Maya Bou Kheir - What is the progress on Reem Mall construction and pre-leasing so far? What level of rental rates should we expect there?

Ehab: As you know, today our investment in Reem is through a convertible debt, and part of the deal is if the performance reaches a certain level which is satisfactory to us, we will convert the debt and consolidate the asset. Now in terms of construction, I think construction is well in progress, and I think the target date is Q1 max Q2 next year for the opening. Construction is going well, and we should deliver, from a construction handover perspective, this year. So I think we are at the end of a very difficult project given the market conditions, but we are still very optimistic about this asset and hopefully by the time the asset is online, Covid restrictions are lifted and people are able to go outside and spend money and enjoy being in one of the best and largest malls in Abu Dhabi with quite good entertainment aspects to it. Leasing is, I don't have the latest figure, but I think we have been signing several leases over the last several months, I think we should be in a reasonable shape, I don't think we will be at 100% or 80% at the time of opening, which is in Q1 or latest by Q2 next year, but I think it will be decent enough to open and operate the mall. I remind you that the mall is over 2.5 floors, so it is not one floor thus managing it, in a certain way, is better from an occupancy and from usability perspective. So hopefully the overall experience will be good for consumers, and we hope the tenants will do well. We also hope by the time when the mall is open, covid is behind us and that becomes like a catalyst for that asset. But it remains a very challenging asset in a challenging market environment that they are operating in but we are still somehow optimistic about it.

Shankar Puthanveetil - Can you give us some details on Shipa's performance? In which segment do you include it?

Ehab: Shipa today is relatively small to the size of the group, the profitability of Shipa is not significant compared to the KD 100m but it is part of our operating assets. However, in terms of capability and future potential its top line growth is promising, it has been growing at high digit levels, that's in ecommerce as well as Shipa Freight. Now, with the association with DSV, the Shipa companies have different abilities and a different potential and that is what we are currently actively exploring with DSV and I believe that will be a quite decent business in the future. So I hope I answered your question about profitability, it is reported in the P&L but it is small. However, in the future we believe it will be a significant contributor to our profitability.

Chandan Sonthalia - Current Status of the Reem Mall project? When is the project expected to be completed and when will the mall start operations? Level of leasing contracted to date? How much % of GLA has been leased?

Ehab: We have already answered the question on Reem Mall.

Ramesh Kumar - Can you please shed some light on the Iraq Telecom investment realizations?

Ehab: I think we have been as transparent as possible in our financials, almost every quarter there is an update on the status of investment. Currently we have claims of about USD 600m, on the Iraqi shareholders and it is a legal battle, and we believe we have a very good chance of recovering some or all of our money. But I can't give you any certainty because this is a legal proceeding, and any outcome might happen. We believe that we have been mistreated in Iraq and I think we will do everything in our power to recover what is right for us. Today we cannot assess how much we can realize, that is why there is a qualification in the financial report about this investment and I think you can make your own judgment, you can take 100% of it out from our equity because at the end of the day we don't get any earnings from it. It is a balance sheet item, you can write it off fully if you are pessimistic about the situation however the management can't assess with high level of certainty how much could be recovered hence the qualification. Post the DSV deal, we will have about KD 2.2bn of equity, so even if you write off the entire investment, which is currently around KD 140m, it is still maybe 5-6% of the total equity of the company. So from an absolute perspective it is still significant and we are doing everything to fight it but relative to our total equity it would be somehow insignificant given the size of our equity today and our asset base.

Maya Bou Kheir - How much warehousing capacity is ALP adding this year and in the next few years and in which markets? what is the earmarked capex for these?

Ehab: I think we will communicate this in details by year-end. But I can tell you that by next year the 400k sqm built-up capacity that we have in Saudi should be done. I think currently we are at 250k sqm, so we will add probably 100-150k sqm in Saudi, we are looking to buy more land in Saudi in different cities and expand business quite significantly there. We are in four countries now in Africa, Cot d'Ivoire, Mozambique, Ghana and Nigeria, we are also looking at Kenya (we are under discussions to acquire land there) so I think that is one of the businesses we will continue to expand in this region. India also, we are activating the lands we acquired in 2006, 2007 and 2008, where we built some facilities on it, as the industrial market is booming in India now, and there are quite a few opportunities. The other upside that we have in that sector is now with DSV in place, I think we have good discussions on potential opportunities in different geographies where we can help and where DSV can benefit from our capabilities. So it is mutually beneficial for both organizations. So that could be quite significant, DSV is a large logistics operator, and it is a grade A operator so the size/scale of the business can be quite significant, and the risk is also quite low given the credit standing of DSV. So that's also another area of potential growth for ALP.

Chandan Sonthalia - Impact of DSV deal on the Agility's debt structure. Will any debt move to DSV?

Ehab: There is some of the debt that moved already to DSV as part of the deal and if you look at the difference between the enterprise value of USD 4.77bn and equity value of USD 4.67bn that is basically the cash and net debt adjustment that took place as part of the GIL transaction. So the current debt on the balance sheet today is entirely our debt, we have a strong balance sheet and we are working now to reorganize our financing structure in light of the DSV shares that we own, because you know that can give us a lot of ability to leverage some of that. The cashflow that will come from DSV can also be used.

We believe we are at a comfortable level of debt today, and as I said a big chunk of the CapEx went to Reem Mall over the past several years and that is one reason why our net debt has increased over the years and we expect that to finish in terms of financing by Q2 next year, so the debt burden should start going down from there unless we find an interesting opportunity, organic or inorganic. We have kept debt at a reasonable level, and as what we have communicated 5 years ago that we will move from net cash to net debt with a reasonable level. We also can raise money through different means, we have treasury shares that we can release through different means in the market and raise cash if needed. So we feel quite comfortable, we have the shares from DSV so we can lever up and organize things a little bit differently. So we don't see any issues with the current level of debt, actually the deal gave us a lot more flexibility to manage our debt.

I think this was the last question, if there are no more questions, we can conclude today's call.

Thursday, 19th August 2021

Agility Earnings Call Presentation

Q2 2021 Results

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Agenda

1. DSV-GIL Transaction Closure
2. Financial Highlight
3. Agility’s Way Forward
4. Q&A

DSV-GIL Transaction Closure

GIL / DSV Panalpina A/S ("DSV") Transaction closure

- On 16 August 2021, Agility concluded the sale of its Global Integrated Logistics ("GIL") business. The all-shares transaction has an enterprise value of **$4.77 billion** and equity value of $4.67 billion, on closing, an increase of ~$ 500 million compared to the value announced as of the signing date i.e. April 27, 2021.

- In consideration for 100% of GIL, Agility receives **19,304,348 DSV shares** (with a nominal value of DKK 1 per share) representing approximately 8% of all post-transaction outstanding shares of DSV. Agility will also have a seat on the DSV board of directors.

- The impact of the transaction will be a **one off gain representing** the difference between GIL carrying value and DSV's shares value as of end of August 2021. This will be reported in the third quarter of 2021 where Agility will book a gain from Disposal of discontinued operations i.e GIL of **around KD 968 million (USD 3.2bln)** and an investment at Fair value of KD 1.4 billion*.

- Going forward, the DSV investment will be reported at fair value as per **IFRS 9**

Note: the actual value of GIL and DSV shares will be calculated as of 31st August 2021

Deal Impact – Summary

Agility will be a better and stronger company

Strategic Value ... Economic Value

Stronger Logistics Platform

- DSV is one of the best global logistics operators with market cap of **~USD 55bln**
- Agility will be the **2^{nd} largest** shareholder with a board seat
- Agility and DSV will explore **further areas of cooperation** with other related Agility businesses- Agility Logistics Parks, Shipa companies, and technology ventures

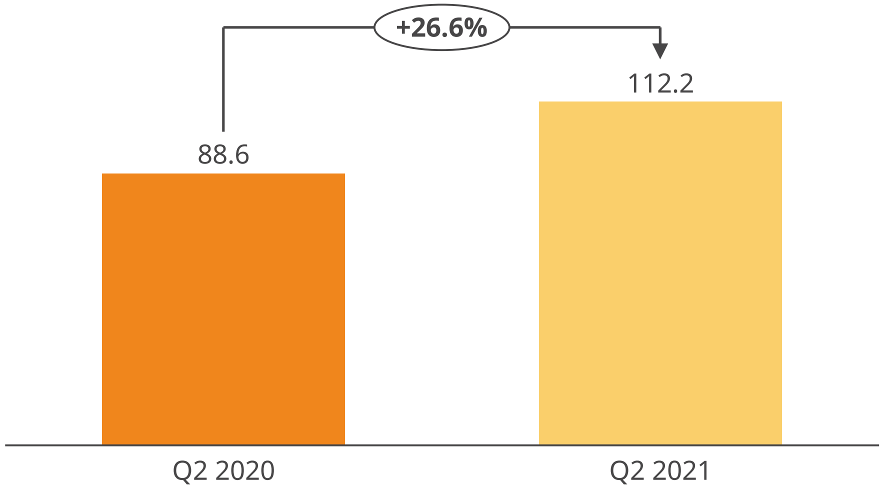
Unlock Shareholders Value

- Recognize a one-time profit of **USD 3.2bln**
- Potential cash flow from DSV (in the form of dividends and share buybacks) to Agility of ~**USD 200mln** per annum.
- DSV's had a very strong track record creating shareholders' value (**IRR of 37%** over the past 10 years)

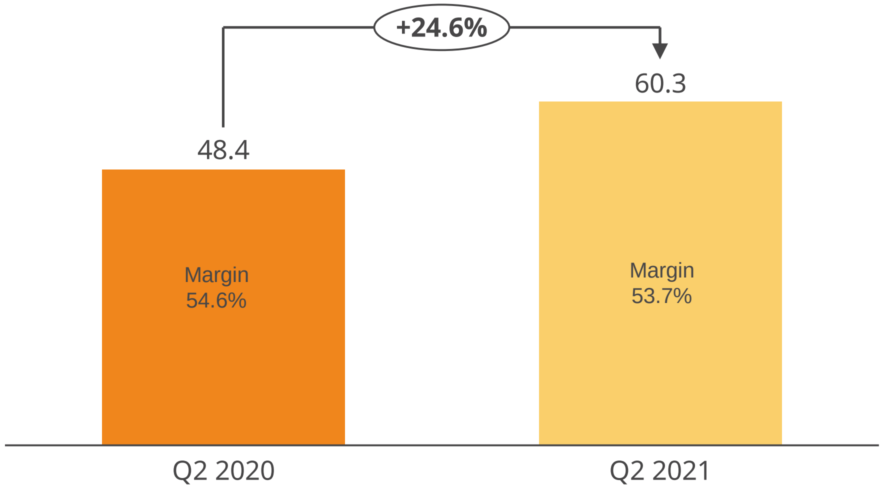
Q2 Financial Highlight

Group Summary Financial Performance (Q2)
KD Mn

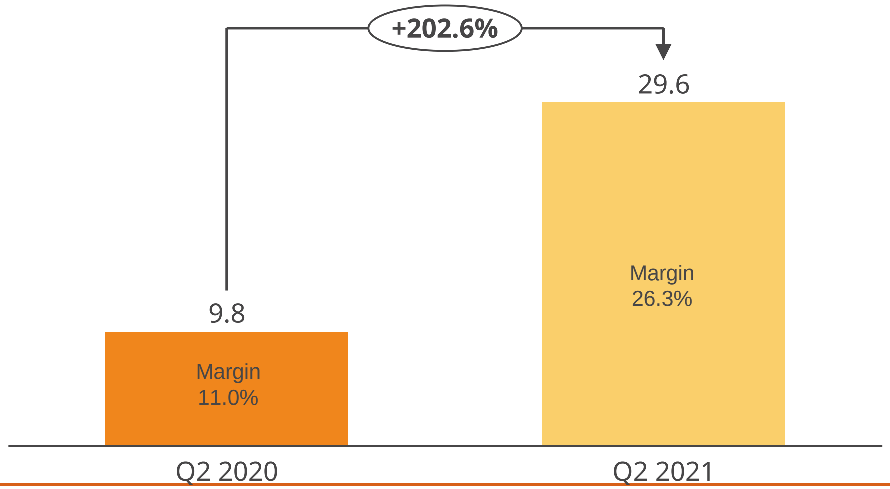
Revenue



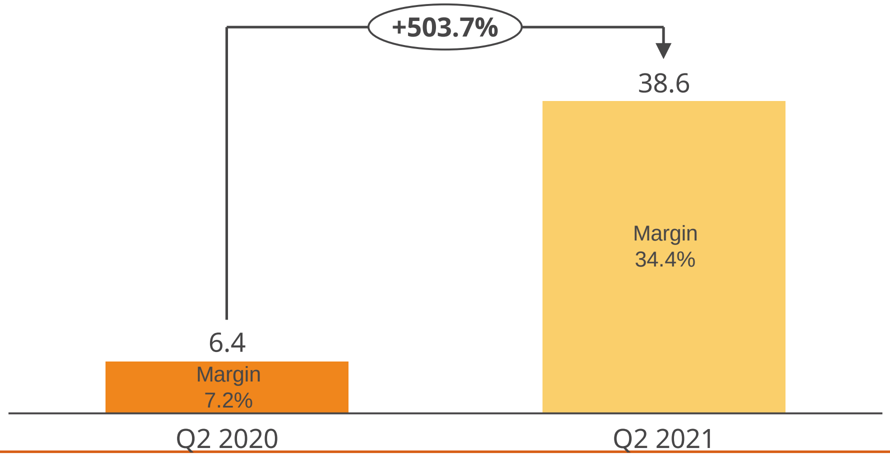
Net Revenue



EBIT



Net Profit



Infrastructure Group Financial Performance

Revenue Growth QTD

ALP Logistics

+5% revenue growth was due to increased demand for warehousing space in regions where ALP has presence

TRISTAR

12.5% revenue growth. This performance reflects improving market conditions and Tristar's resilient and diversified business model

UPAC

238.3% revenue growth. UPAC operations are showing signs of gradual recovery

NAS

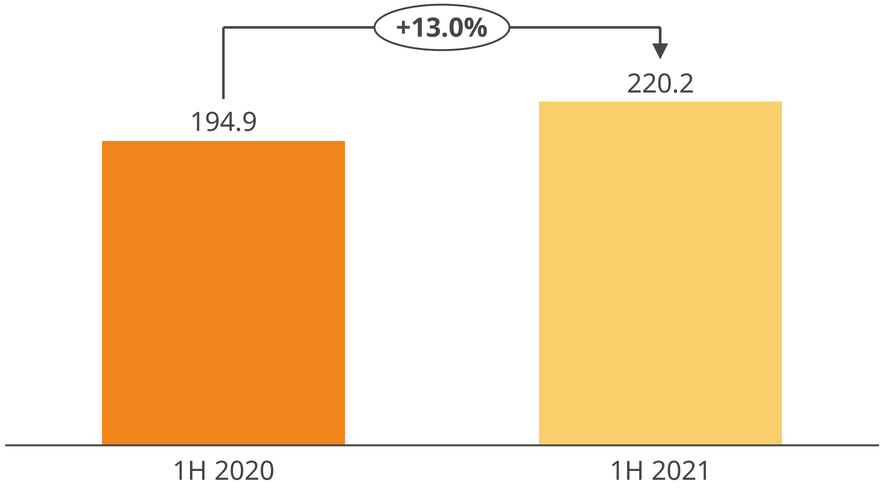
131.9% revenue growth. NAS's performance represents a full recovery to pre-pandemic levels of 2019.

Global Clearinghouse Systems

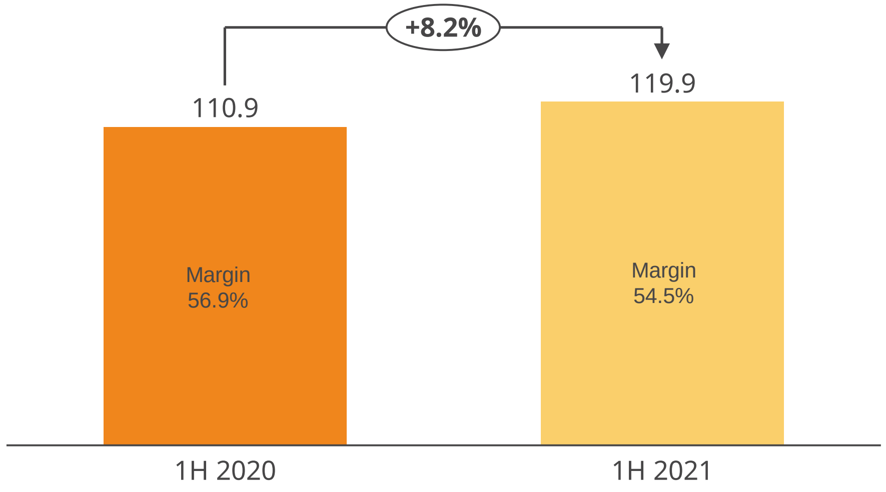
48.1% revenue growth. GCS's performance was driven by increased trade volumes and initiatives implemented by the company to spur its growth.

Group Summary Financial Performance (1H)
KD Mn

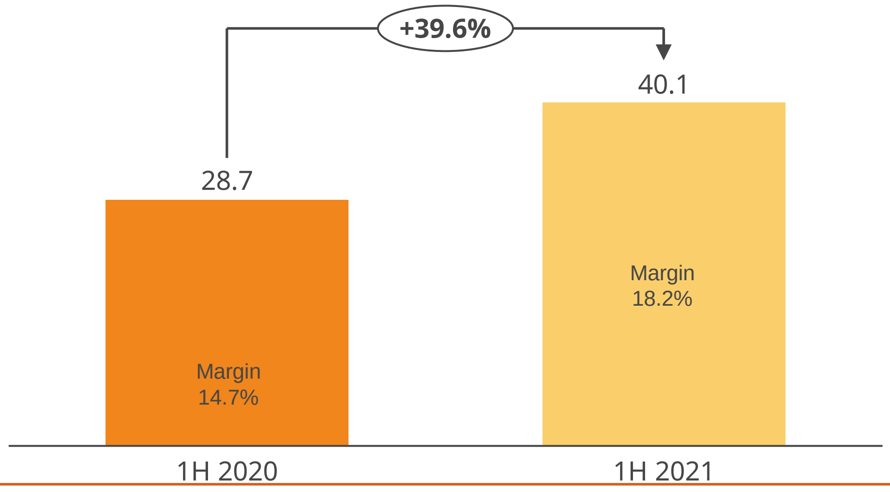
Revenue



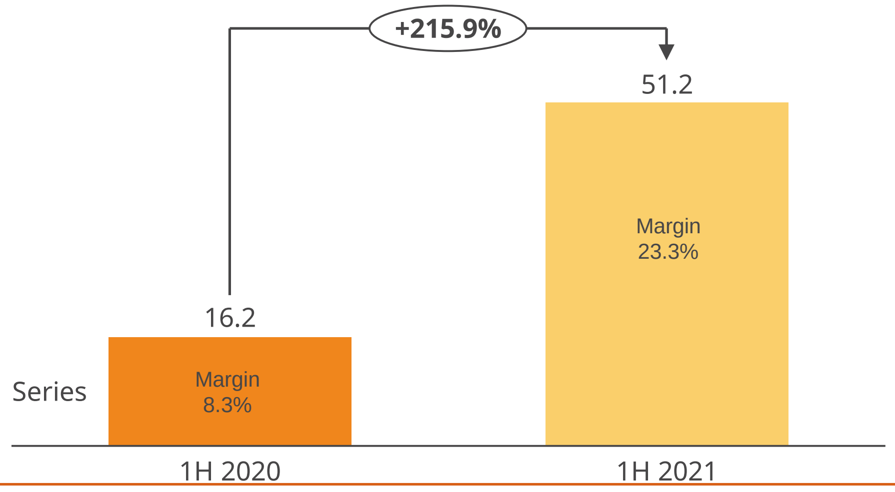
Net Revenue



EBIT

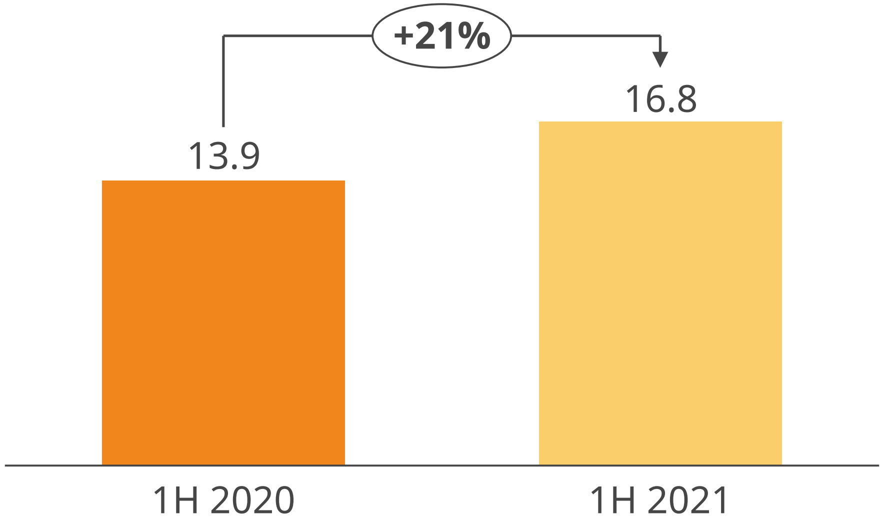


Net Profit

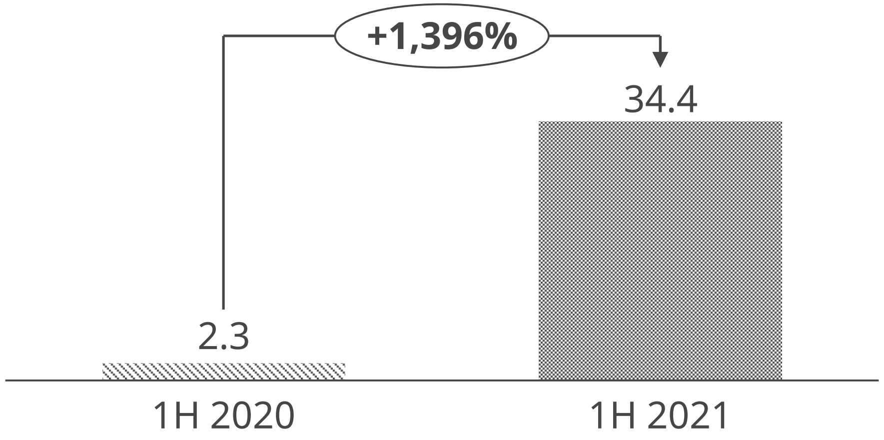


Net Profit Contribution
KD Mn

Continued Operations



Discontinued Operations

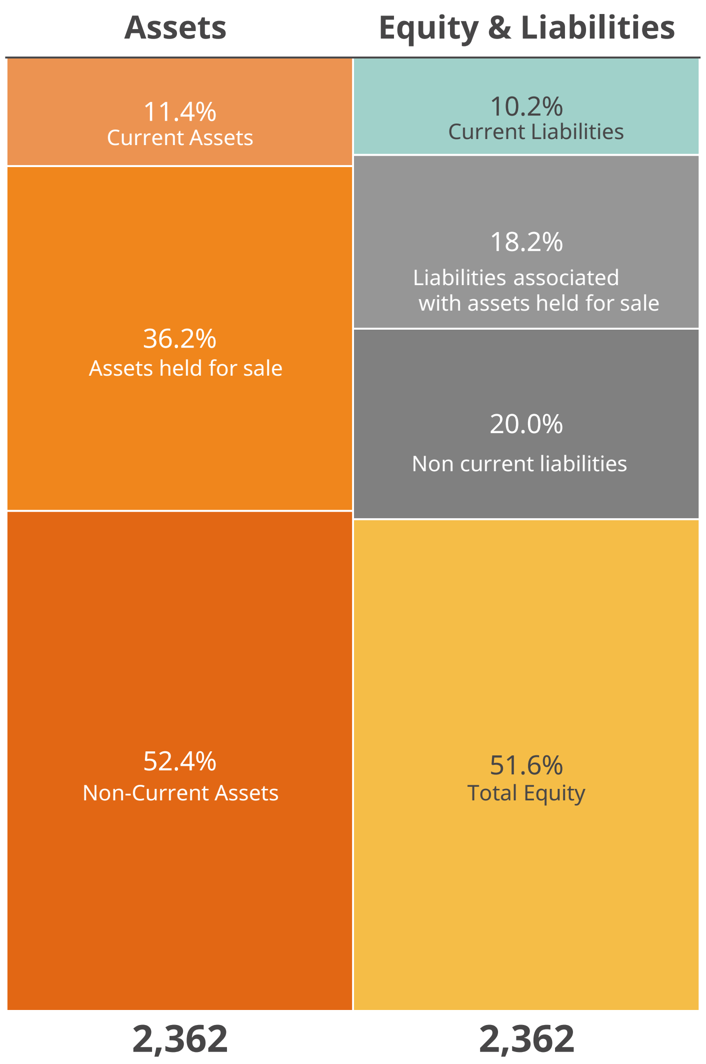


Highlights

- GIL (Discontinued Operation) is reported in this quarter as a single line item as per IFRS 5
- GIL performance was exceptional this quarter driven by favorable market conditions
- Continued operations include the performance of our Infrastructure entities and the strategic investments

Balance Sheet
KD Mn

Balance sheet	Q2 2021	Q2 2020	Variance	%
Current assets	1,123.1	664.0	459.1	69.2%
Non-Current assets	1,238.8	1,552.8	-314.0	-20.2%
Total assets	**2,361.9**	**2,216.7**	145.2	6.5%
Current liabilities	671.6	524.5	147.1	28.0%
Non-current liabilities	471.8	536.2	-64.4	-12.0%
Total liabilities	**1,143.5**	**1,060.7**	82.8	7.8%
Shareholders' equity	1,170.5	1,110.9	59.6	5.4%



Highlights

Net Debt[1]	299.9	143.1
Net Debt[1] / EBITDA[2]	2.8X	1.7X

[1] *Excluding Lease liabilities and discontinued operations*
[2] *EBITDA annualized and excluding discontinued operations*

Statement of Cash Flows

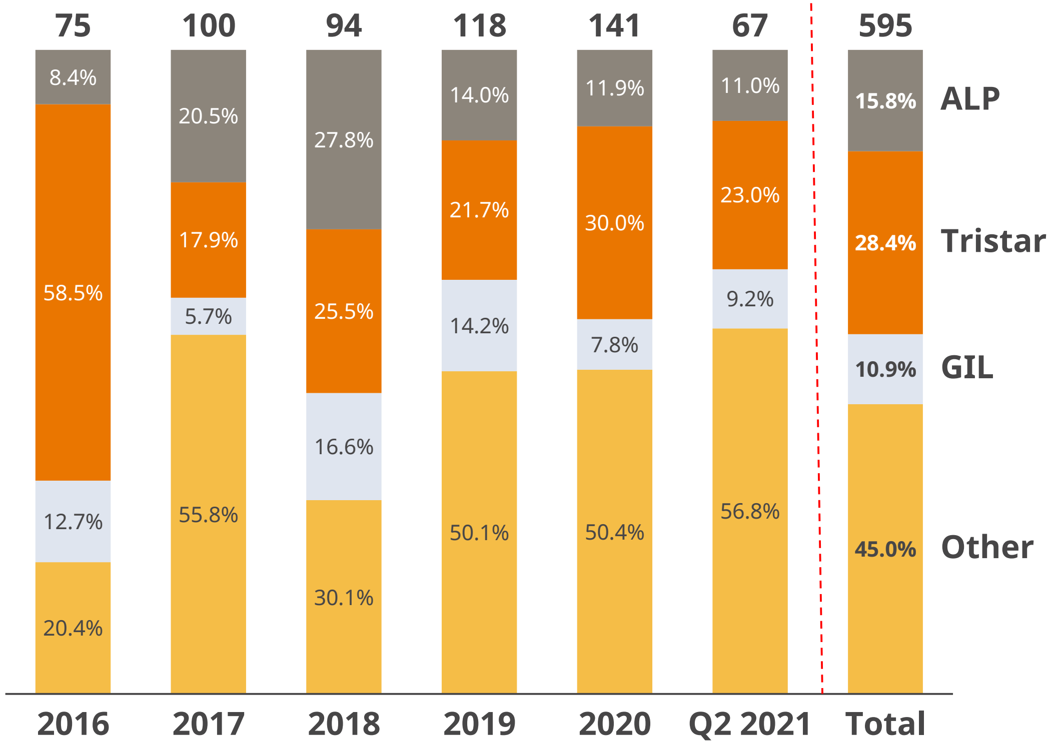
KD Mn

Cash Flow Statement	Q2 2021	Q2 2020	Variance	%
Cash from Operating activities before changes in working capital	126.3	81.6	44.7	54.7%
Changes in working capital	-24.0	23.0	-47.0	-204.3%
Other Items	-13.5	-11.0	-2.5	22.5%
Net Cash flow from operating activities	**88.8**	**93.6**	-4.8	-5.1%
Capex + Investments	-67.4	-46.8	-18.2	36.9%
Net Cash flow from investing activities	**-70.4**	-49.9	-20.5	41.1%
Free Cash Flow	**18.5**	**43.7**	-25.3	-57.8%

Highlights

Conversion ratio (OCF/EBITDA[1])	70.8%	123.4%
CAPEX as % of Revenue	6.2%	6.1%

Capex Allocation



[1] EBITDA and OCF includes discontinued operations
[2] Revenue includes discontinued operations

[1] *Others include Reem mall and corporate investment*

Agility’s Way Forward

Key Points

- Agility Management had a strong track record in creating shareholders' value over an extended period of time
  - Since its privatization in 1997 **~65x of pre-privatization value an IRR of ~28% for 24 years**
  - Since 2011 (shifting focus from military business) **~5x with a value creation of ~USD 7bln and an IRR of ~25%**
- Going forward the value of the company will be driven by 2 Pillars:
  - **Strategic Controlled Investments** i.e. ALP, Tristar, NAS, GCS, GCC..etc We expect to realize value through organically and inorganically within these sectors. Earnings from this Pillar will be consolidated into our financials and will reflect in our operating earnings.
  - **Strategic Non-Controlled Investment** i.e. DSV, Reem, GWC, Tech investments is becoming a critical pillar of our portfolio of businesses as these investments represent strategic stakes in businesses which we believe will continue to enhance shareholders' value . The value of these investment will mainly be reflected in the shareholders Equity as well as in the cash we will receive from dividends shares buy back, partial or full monetization of the stake
- Our Balance Sheet remains our strength to fuel our future growth

Note: the actual value of GIL and DSV shares will be calculated as of 31st August 2021

Post Closing Agility's Profile

Post Closing Profile

Strategic, Controlled Businesses
Pre-COVD EBIT of ~**KD 104mln ($345mln)**

- ALP
- Tristar
- NAS
- UPAC ex RM
- GCS

Strategic, non-controlled businesses
Estimated Net Value of **KD 1.6bln (~$5.3bln)**

- DSV
- NREC
- GWC
- RM
- Tech (Hyliion, QG, etc)

Future Investments
Strong balance sheet to invest in the future

- Digital Logistics
- ESG
- Others

Post Closing Agility's Profile – Financial Snapshot

Well positioned for further growth

Agility

Strategic, Controlled Entities

	Absolute Value in KWD M					CAGR (%)	
	2016	2017	2018	2019	2020 *	2016-19	2016-20
Revenue	307	346	398	463	405	*14.8%*	*7.2%*
Net Revenue	184	218	234	260	212	*12.2%*	*3.6%*
EBIT	65	82	98	104	58	*16.9%*	*-2.9%*
EBIT Margin	21%	24%	25%	22%	14%		
EBIT Margin inc. GIL	7%	7%	8%	8%	5%		
**Net Debt ** **					86		

* 2020 Revenue was impacted by the Covid-19 pandemic and 2020 EBIT included a one-time expense of KWD 28 M associated with the loss of Amghara Land.

** To calculate net debt of controlled entities total Net Debt in 2020 of KWD 253 M is adjusted for funds used to fund RM, NREC shares acquisition, and other investments

Note: These figures are based on unaudited estimates and are subject to change upon finalizing the closing process

Strategic, Non-Controlled Entities

	Total Value M KWD
Total Listed Investments *	**1,631**
Total Other Investments	**154**
TOTAL INVESTMENTS	**1,786**
Debt **	167
NET VALUE	**1,619**
Agility nb. of Shares Outstanding	2,104,893,396
Value per Share (KWD)	***0.769***

* Listed Investments are valued as 17 August 2021 and include DSV, GWC, NREC, Hyliion, Tortoise II, and Queen's Gambit shares.

** Figure includes funds used to fund RM, NREC stake, some Tech investments

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Q&A Session