



31 March 2023

M/s **Boursa Kuwait**

Subject: Agility's BOD results

Reference to the above mentioned subject, kindly be informed that Agility's Board of Directors has met on Thursday, March 30th 2023 at 1:30 pm and approved certain items on the agenda, the board decided to postpone the approval of the audited financial statements for the period ending 31 December 2022 to Friday 31st March, 2023. The board met on Friday 31st March 2023 and approved the audited financials as per the attached template.

And pursuant to the requirements of Boursa Kuwait, resolution no. (1) of 2018, we wish to inform you that the quarterly Analyst/ Investor Conference will be held through a Live Webcast on Thursday, 6th April 2023 at 2:00 pm local time. Interested parties can visit our website www.agility.com under News or Investor Relations page for instructions on how to participate in the aforementioned conference. For any further clarification, please reach us at investor@agility.com.

Best Regards,

Tarek Abdulaziz Sultan Al Essa
Vice Chairman



Company Name	اسم الشركة
Agility Public Warehousing Company KSCP	شركة أجيليتي للمخازن العمومية ش.م.ك.ع

Financial Year Ended on	2022-12-31	نتائج السنة المالية المنتهية في
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Board of Directors Meeting Date	2023-03-30	تاريخ اجتماع مجلس الإدارة
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Required Documents	المستندات الواجب إرفاقها بالنموذج
Approved financial statements. Approved auditor's report This form shall not be deemed to be complete unless the documents mentioned above are provided	نسخة من البيانات المالية المعتمدة نسخة من تقرير مراقب الحسابات المعتمد لا يعتبر هذا النموذج مكتملاً ما لم يتم وإرفاق هذه المستندات

التغيير (%)	السنة المقارنة	السنة الحالية	البيان
Change (%)	Comparative Year	Current Year	Statement
	2021-12-31	2022-12-31	
180.7%	24,236,000	68,040,000	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم من العمليات المستمرة Net Profit (Loss) from continuing operations represents the amount attributable to the owners of the parent Company
-	953,189,000	-	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم من العمليات الغير مستمرة Net Profit (Loss) from discontinued operations represents the amount attributable to the owners of the parent Company
-93.1%	386.97	26.83	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
79.3%	274,806,000	492,705,000	الموجودات المتداولة Current Assets
15%	2,905,309,000	3,340,849,000	إجمالي الموجودات Total Assets
64.2%	321,765,000	528,220,000	المطلوبات المتداولة Current Liabilities
91.5%	846,218,000	1,620,203,000	إجمالي المطلوبات Total Liabilities
-20.4%	2,012,581,000	1,601,621,000	إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company
77.6%	486,154,000	863,380,000	إجمالي الإيرادات التشغيلية Total Operating Revenue
82.9%	70,314,000	128,597,000	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss) EBIT
لا ينطبق Not applicable	لا يوجد خسائر متراكمة No Accumulated Losses	لا يوجد خسائر متراكمة No Accumulated Losses	الخسائر المتراكمة / رأس المال المدفوع Accumulated Loss / Paid-Up Share Capital

التغيير (%)	الربع الرابع المقارن	الربع الرابع الحالي	البيان
Change (%)	Fourth quarter Comparative Year	Fourth quarter Current Year	Statement
	2021-12-31	2022-12-31	
4218%	-647,000	26,647,000	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم من العمليات المستمرة Net Profit (Loss) from continuing operations represents the amount attributable to the owners of the parent Company
4218%	-0.26	10.51	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
137.8%	141,493,000	336,525,000	إجمالي الإيرادات التشغيلية Total Operating Revenue
339.8%	10,606,000	46,646,000	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)

• Not Applicable for first Quarter

• لا ينطبق على الربع الأول

Increase/Decrease in Net Profit (Loss) is due to	سبب ارتفاع/انخفاض صافي الربح (الخسارة)
<p>The increase in net profits from continuing operations by 180.7% is due to the growth in the company's operations. Noting, that those numbers include 5 months results of Menzies Aviation and 4 Months of HG storage that were acquired during 2022.</p> <p>The decrease in Net Profits reported is mainly due to the inclusion of the results of the discontinued operations "GIL" in the comparative period that was sold in August 2021, and was still reported within Agility's Financials in 2021.</p>	<p>يعود سبب ارتفاع صافي الربح من العمليات المستمرة بنسبة 180.7% الى النمو في أعمال الشركة التشغيلية. علماً أن هذه البيانات تضم 5 أشهر من نتائج شركة مينيز و 4 أشهر من نتائج شركة HG Storage اللتان تم الاستحواذ عليهما في عام 2022.</p> <p>أما سبب انخفاض صافي الربح المعلن فيعود إلى ادراج نتائج العمليات الغير مستمرة في فترة السنة المقارنة. حيث أن أجيليتي كانت قد باعت قطاع الخدمات اللوجيستية في شهر أغسطس 2021 وبالتالي فان بيانات هذا قطاع بقيت مدرجة ضمن بيانات أجيليتي المجمعة في 2021.</p>

Total Revenue realized from dealing with related parties (value, KWD)	7,301,000	بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
Total Expenditures incurred from dealing with related parties (value, KWD)	29,614,000	بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)

Auditor Opinion		رأي مراقب الحسابات
1.	Unqualified Opinion <input type="checkbox"/>	1. رأي غير متحفظ
2.	Qualified Opinion <input checked="" type="checkbox"/>	2. رأي متحفظ
3.	Disclaimer of Opinion <input type="checkbox"/>	3. عدم إبداء الرأي
4.	Adverse Opinion <input type="checkbox"/>	4. رأي معاكس

In the event of selecting item No. 2, 3 or 4, the following table must be filled out, and this form is not considered complete unless it is filled.

بحال اختيار بند رقم 2 أو 3 أو 4 يجب تعبئة الجدول التالي، ولا يعتبر هذا النموذج مكتملاً ما لم يتم تعبئته

أساس النتيجة المتحفظة	نص رأي مراقب الحسابات كما ورد في التقرير
<p>(i) كما هو مبين في إيضاح 7 حول البيانات المالية المجمعة، لدى المجموعة عقارات استثمارية بمبلغ 279,216 ألف دينار كويتي كما في 31 ديسمبر 2022، وهي مؤجرة من الهيئة العامة للصناعة، الكويت، وقد انتهت عقود إيجار هذه العقارات بقيمة 190,635 ألف دينار كويتي كما في تاريخ البيانات المالية المجمعة وهي الآن قيد النزاع القانوني. علاوة على ذلك، بعد تاريخ البيانات المالية المجمعة، أصدرت الهيئة العامة للصناعة إخطاراً للمجموعة تعبر فيه عن عدم رغبتها في تجديد أو تمديد عقود الإيجار، وإخطار المجموعة بإخلاء هذه المباني في غضون أسبوع من إصدار الإخطار. كجزء من الإجراءات القانونية، طلبت المجموعة من المحاكم الكويتية منع الهيئة العامة للصناعة من مقاطعة استخدام المجموعة لهذه العقارات. لم تتمكن المجموعة أيضاً من الحصول على تقدير موثوق به للقيمة العادلة للعقارات الاستثمارية المستأجرة من الهيئة العامة للصناعة، بسبب عدم اليقين المرتبط بهذه العقارات، نتيجة للتقاضي القائم مع الهيئة العامة للصناعة. لذلك لم تتمكن من الحصول على أدلة تدقيق كافية ومناسبة حول وجود هذه العقارات الاستثمارية وتقييمها بسبب انتهاء سريان بعض عقود الإيجار الأساسية كما هو مبين بالتفصيل في الإيضاح 7، وعدم قدرة الإدارة على تحديد القيمة العادلة لجميع العقارات المستأجرة من الهيئة العامة للصناعة كما في 31 ديسمبر 2022. علاوة على ذلك، هناك قدر كبير من عدم اليقين بشأن تجديد جميع عقود الإيجار مع الهيئة العامة للصناعة والحقوق أو الالتزامات التي قد تنشأ، بالإضافة إلى الإيرادات التشغيلية والربحية والتدفقات النقدية ذات الصلة التي قد تتأثر، نتيجة الإجراءات القانونية الجارية. وبالتالي، لم نتسكن من تحديد ما إذا كان من الضروري إجراء أي تعديلات على القيمة الدفترية لهذه العقارات.</p> <p>(ii) وفقاً لما ورد في الإيضاح رقم 11 حول البيانات المالية المجمعة، تم إدراج استثمار المجموعة في شركة كوريك تيليكوم ("كوريك") وفي القرض المقدم لها بمبلغ 111,263 ألف دينار كويتي (2021: 109,293 ألف دينار كويتي) وبمبلغ 35,591 ألف دينار كويتي (2021: 35,169 ألف دينار كويتي) على التوالي، في بيان المركز المالي المجموع كما في 31 ديسمبر 2022. ولم نتسكن من الحصول على أدلة تدقيق كافية ومناسبة حول الاستثمار في كوريك وإمكانية استرداد القرض نظراً لطبيعة الاستثمار وعدم التأكد الجوهري المتعلق به والنتيجة الفعلية لدعاوى التحكيم العديدة القائمة. وبناء عليه، لم نتسكن من تحديد ما إذا كان من الضروري إجراء أي تعديلات على القيمة الدفترية للاستثمار والقرض المقدم إلى شركة كوريك.</p> <p>(iii) كما هو مبين في الإيضاح 29 (ج) حول البيانات المالية المجمعة ووفقاً للحكم الصادر عن محكمة التمييز ضد الإدارة العامة للجمارك في الكويت، لم تسجل المجموعة أي تعديلات تتعلق بالنتيجة النهائية كما في 31 ديسمبر 2022 في البيانات المالية المجمعة، حيث تقوم الإدارة باستكشاف إمكانيات الدخول في مفاوضات مع الإدارة العامة للجمارك لتسوية التعويض الممنوح، والذي في رأينا كان يجب تسجيله كدخل ورصيد مدين. نتيجة لذلك، تم تخفيض ربح السنة المنتهية في 31 ديسمبر 2022 والذمم المدينة والأرباح المرحلة كما في 31 ديسمبر 2022 بمبلغ 58,927 ألف دينار كويتي. علاوة على ذلك، كما هو مبين في الإيضاح 29 (ب)، فإن المجموعة مؤهلة أيضاً للحصول على فائدة 7٪ سنوياً على التعويض الممنوح، والذي لم يتم تحديد التأثير المالي له في البيانات المالية المجمعة.</p>	<p>Basis for Qualified Opinion</p> <p>(i) As stated in Note 7 to the consolidated financial statements, the Group has investment properties amounting to KD 279,216 thousand as at 31 December 2022 that are leased from the Public Authority for Industry, Kuwait ("PAI"), of which the lease contracts of properties amounting to KD 190,635 thousand have expired as at the reporting date and are currently under legal dispute. Further, subsequent to the reporting date, PAI issued a notice to the Group expressing their unwillingness to renew or extend these lease contracts, and for the Group to vacate these premises within a week of issuing the notice. As part of legal proceedings, the Group has asked the Kuwait courts to prevent PAI from interrupting the usage of these</p>

properties by the Group. The Group was also unable to obtain a reliable estimate of the fair value of the investment properties leased from PAI, on account of the uncertainty associated with these properties, as a result of the ongoing litigation with PAI. We were therefore unable to obtain sufficient appropriate audit evidence about the existence and valuations of these investment properties due to the expiry of a few of the underlying lease contracts as detailed in Note 7, and management being unable to determine the fair value of all the leased properties from PAI as at 31 December 2022. Further there is significant uncertainty around the renewal of all the lease contracts with PAI and the rights or liabilities that may arise, as well as the operational revenues, profitability and related cashflows that may be impacted, as a result of the ongoing legal proceedings. Consequently, we were unable to determine whether any adjustments to the carrying value of these properties were necessary.

(ii) As stated in Note 11 to the consolidated financial statements, the Group's investment in and loan to Korek Telecom ("Korek") is carried at KD 111,263 thousand (2021: KD 109,293 thousand) and KD 35,591 thousand (2021: KD 35,169 thousand) respectively in the consolidated statement of financial position as at 31 December 2022. We were unable to obtain sufficient appropriate audit evidence about the investment in Korek and the recoverability of the loan due to the nature and significant uncertainty around the investment and eventual outcome of the various ongoing arbitrations. Consequently, we were unable to determine whether any adjustments to the carrying value of the investment and loan to Korek were necessary.

(iii) As stated in Note 29 (c) to the consolidated financial statements and pursuant to the judgment by the Court of Cassation against the General Administration of Customs for Kuwait ("GAC"), the Group has not recorded any adjustments related to the final outcome as at 31 December 2022 in the consolidated financial statements, as the management is exploring the possibilities of entering into negotiations with GAC for settlement of awarded compensation, which in our view should have been recorded as an income and receivable. As a result, profit for the year ended 31 December 2022, receivables and retained earnings as at 31 December 2022 are understated by KD 58,927 thousand. Further, as stated in Note 29(b), the Group is also eligible for 7% interest per annum on awarded compensation, the financial impact of which has not been determined in the consolidated financial statements.

(i) لم يتمكن المدقق من الحصول على أدلة تدقيق كافية ومناسبة حول وجود هذه العقارات الاستثمارية وتقييمها بسبب انتهاء سريان بعض عقود الإيجار الأساسية كما هو مبين بالتفصيل في الإيضاح 7. علاوة على ذلك، هناك قدر كبير من عدم اليقين بشأن تجديد جميع عقود الإيجار مع الهيئة العامة للصناعة والحقوق أو الالتزامات التي قد تنشأ، بالإضافة إلى الإيرادات التشغيلية والربحية والتدفقات النقدية ذات الصلة التي قد تتأثر نتيجة الإجراءات القانونية الجارية. وبالتالي، لم يتمكن من تحديد ما إذا كان من الضروري إجراء أي تعديلات على القيمة الدفترية لهذه العقارات.

(ii) لم يتمكن مراقب الحسابات من الحصول على أدلة تدقيق كافية ومناسبة حول الاستثمار في كوريك وإمكانية استرداد القرض نظراً لطبيعة الاستثمار وعدم التأكد الجوهري المتعلق به والنتيجة الفعلية لدعاوى التحكيم العديدة القائمة. وبناء عليه، لم يتمكن من تحديد ما إذا كان من الضروري إجراء أي تعديلات على القيمة الدفترية للاستثمار والقرض المقدم إلى شركة كوريك.

(iii) وفقاً للحكم الصادر عن محكمة التمييز ضد الإدارة العامة للجمارك في الكويت، لم تسجل المجموعة أي تعديلات ذات صلة بالنتيجة النهائية كما في 31 ديسمبر 2022 في البيانات المالية المجمعة، حيث تستكشف الإدارة إمكانيات الدخول في مفاوضات مع الإدارة العامة للجمارك لتسوية التعويض الممنوح، والذي كان ينبغي، في رأي المدقق، تسجيله كإيرادات وأرصدة مدينة.

(i) The auditors were unable to obtain sufficient appropriate audit evidence about the existence and valuations of these investment properties due to the expiry of some of the underlying lease contracts as detailed in Note 7. Further there is significant uncertainty around the renewal of all the lease contracts with PAI and the rights or liabilities that may arise, as well as the operational revenues, profitability and related cashflows that may be impacted, as a result of the ongoing

شرح تفصيلي
بالحالة التي
استدعت مراقب
الحسابات لإبداء
الرأي

<p>legal proceedings. Consequently, the auditors were unable to determine whether any adjustments to the carrying value of these properties were necessary.</p> <p>(ii) The auditors were unable to obtain sufficient appropriate audit evidence about the investment in Korek and the recoverability of the loan due to the nature and significant uncertainty around the investment and eventual outcome of the various ongoing arbitrations. Consequently, they were unable to determine whether any adjustments to the carrying value of the investment and loan to Korek were necessary.</p> <p>(iii) Pursuant to the judgment by the Court of Cassation against the General Administration of Customs for Kuwait ("GAC"), the Group has not recorded any adjustments related to the final outcome as at 31 December 2022 in the consolidated financial statements, as the management is exploring the possibilities of entering into negotiations with GAC for settlement of awarded compensation, which in the auditors view should have been recorded as an income and receivable.</p>	
<p>(i) من أجل معالجة الرأي المتحفظ بخصوص الاستثمارات العقارية أقامت الشركة عدد من الدعاوى القضائية لإثبات أحقيتها في تجدد العقود مع الهيئة العامة للصناعة وستواصل الشركة الدفاع عن حقوقها وحقوق مساهميها قانونياً كما ورد في إفصاحاتها بهذا الخصوص.</p> <p>(ii) من أجل معالجة الرأي المتحفظ، حول الاستثمار في كوريك ستواصل المجموعة متابعة مطالباتها وتنفيذ الأحكام التي حصلت عليها الخاصة بهذا الاستثمار وهناك عدد من القضايا القائمة بخصوص هذا الاستثمار يرجى مراجعة البيانات المالية لمزيد من التفاصيل.</p> <p>(iii) أما بخصوص التحفظ الخاص بالحكم الصادر من محكمة التمييز ضد الإدارة العامة للجمارك في الكويت، ما زالت الشركة في مفاوضات مع الإدارة العامة للجمارك لتسوية التعويض الممنوح وسيتم معالجة هذا الرأي المتحفظ بمجرد الانتهاء من المفاوضات.</p> <p>(i) To address the qualification regarding the investment properties leased from the Public Authority for Industry (PAI), the Group has filed several cases against PAI to prove its right to renew those contracts, the company will continue to pursue those claims to protect its rights and the rights of its shareholders as per the disclosures published related to this subject.</p> <p>(ii) In order to address the qualified opinion, the Group will continue to pursue its claims and enforce the arbitration decisions it has been granted. There are a number of ongoing claims related to this investment, please refer to the financial statement for more details.</p> <p>(iii) As for the qualification regarding the judgment issued by the Court of Cassation, the company is still engaged in negotiations with GAC for settlement of awarded compensation, only until this negotiation is concluded we can address this qualified opinion.</p>	<p>الخطوات التي ستقوم بها الشركة لمعالجة ما ورد في رأي مراقب الحسابات</p>
<p>(i) الاستثمارات العقارية: تقوم الشركة بمتابعة القضايا الخاصة بالعقود مع الهيئة العامة للصناعة ولا يمكن تحديد الجدول الزمني الى حين الفصل في هذه القضايا.</p> <p>(ii) قضية كورك : أن الشركة بصدد تنفيذ الأحكام التي حكمت لصالحها ولا يوجد جدول زمني محدد لذلك.</p> <p>(iii) اما ما يخص التحفظ الخاص بحكم محكمة التمييز ضد الإدارة العامة للجمارك في الكويت، فلا يمكن تحديده في الوقت الحالي انتظارا لنتائج المفاوضات مع الإدارة العامة للجمارك.</p> <p>(i) Investment Properties: the company will continue to pursue those claims and can't confirm a timeline until those cases are resolved.</p> <p>(ii) Korek Litigation: The company is in the process to enforce the Rulings that came in its favor and can't confirm a fixed timeline yet.</p> <p>(iii) As for the qualification regarding the ruling of the Court of Cassation against the General Administration of Customs for Kuwait, it cannot be determined at the moment as it is pending the outcome of the negotiations with GAC.</p>	<p>الجدول الزمني لتنفيذ الخطوات لمعالجة ما ورد في رأي مراقب الحسابات</p>

Corporate Actions		استحقاقات الأسهم (الإجراءات المؤسسية)	
النسبة	القيمة		
NA	0	توزيعات نقدية	Cash Dividends
NA	0	توزيعات أسهم منحة	Bonus Share
NA	NA	توزيعات أخرى	Other Dividend
NA	NA	عدم توزيع أرباح	No Dividends
NA	NA	زيادة رأس المال	Capital Increase
NA	NA	تخفيض رأس المال	Capital Decrease

ختم الشركة Company Seal	التوقيع Signature	المسمى الوظيفي Title	الاسم Name
		Vice Chairman and CEO نائب رئيس مجلس الإدارة والرئيس التنفيذي	Tarek Abdul Aziz Sultan Al Essa طارق عبدالعزيز سلطان العيسى

**AGILITY PUBLIC WAREHOUSING
COMPANY K.S.C.P. AND
SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2022

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P.

Report on the Audit of Consolidated Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of Agility Public Warehousing Company K.S.C.P (the “Parent Company”) and its subsidiaries (collectively, the “Group”), which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

- (i) As stated in Note 7 to the consolidated financial statements, the Group has investment properties amounting to KD 279,216 thousand as at 31 December 2022 that are leased from the Public Authority for Industry, Kuwait (“PAI”), of which the lease contracts of properties amounting to KD 190,635 thousand have expired as at the reporting date and are currently under legal dispute. Further, subsequent to the reporting date, PAI issued a notice to the Group expressing their unwillingness to renew or extend these lease contracts, and for the Group to vacate these premises within a week of issuing the notice. As part of legal proceedings, the Group has asked the Kuwait courts to prevent PAI from interrupting the usage of these properties by the Group. The Group was also unable to obtain a reliable estimate of the fair value of the investment properties leased from PAI, on account of the uncertainty associated with these properties, as a result of the ongoing litigation with PAI. We were therefore unable to obtain sufficient appropriate audit evidence about the existence and valuations of these investment properties due to the expiry of a few of the underlying lease contracts as detailed in Note 7, and management being unable to determine the fair value of all the leased properties from PAI as at 31 December 2022. Further there is significant uncertainty around the renewal of all the lease contracts with PAI and the rights or liabilities that may arise, as well as the operational revenues, profitability and related cashflows that may be impacted, as a result of the ongoing legal proceedings. Consequently, we were unable to determine whether any adjustments to the carrying value of these properties were necessary.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. (continued)**

Report on the Audit of Consolidated Financial Statements (continued)

Basis for Qualified Opinion (continued)

- (ii) As stated in Note 11 to the consolidated financial statements, the Group's investment in and loan to Korek Telecom ("Korek") is carried at KD 111,263 thousand (2021: KD 109,293 thousand) and KD 35,591 thousand (2021: KD 35,169 thousand) respectively in the consolidated statement of financial position as at 31 December 2022. We were unable to obtain sufficient appropriate audit evidence about the investment in Korek and the recoverability of the loan due to the nature and significant uncertainty around the investment and eventual outcome of the various ongoing arbitrations. Consequently, we were unable to determine whether any adjustments to the carrying value of the investment and loan to Korek were necessary.
- (iii) As stated in Note 29 (c) to the consolidated financial statements and pursuant to the judgment by the Court of Cassation against the General Administration of Customs for Kuwait ("GAC"), the Group has not recorded any adjustments related to the final outcome as at 31 December 2022 in the consolidated financial statements, as the management is exploring the possibilities of entering into negotiations with GAC for settlement of awarded compensation, which in our view should have been recorded as an income and receivable. As a result, profit for the year ended 31 December 2022, receivables and retained earnings as at 31 December 2022 are understated by KD 58,927 thousand. Further, as stated in Note 29(b), the Group is also eligible for 7% interest per annum on awarded compensation, the financial impact of which has not been determined in the consolidated financial statements.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

We draw attention to Note 29 (d) to the consolidated financial statements, which describes the contingencies and claims relating to the litigations with the General Administration of Customs for Kuwait.

Our opinion is not modified in respect of the matter set out above.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. (continued)

Report on the Audit of Consolidated Financial Statements (continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Basis for Qualified Opinion* section, we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

a) Fair value measurement of investments properties

The fair values of the Group's investment properties other than those leased from PAI, amounting to KD 195,607 thousand, have been determined by external real estate appraisers. The determination of the fair value of these investment properties is dependent on key inputs, such as rental value, occupancy rate, discount rate, yield rate, price per square meter and market knowledge and historical transactions, which, although not directly observable, are corroborated by observable market data. The disclosures relating to the inputs are relevant, given the estimation uncertainty involved in these valuations. The methodology applied in determining the valuations is set out in Note 7 to the consolidated financial statements.

Given the size and complexity of the valuation of investment properties, and the importance of the disclosures relating to the inputs used in such valuations, we have considered this as a key audit matter.

We have considered the methodology and the appropriateness of the valuation models and inputs used to value the investment properties. We have tested the inputs and assumptions made by management of the Group and the appropriateness of the properties' related data supporting the external appraisers' valuations. We performed procedures for areas of risk and estimation. This included, where relevant, comparison of judgments made to current market practices and challenging the valuations on a sample basis. Further, we have considered the objectivity, independence and expertise of the external real estate appraisers.

We also assessed the appropriateness of the disclosures relating to the investment properties of the Group in Note 7 to the consolidated financial statements.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. (continued)

Report on the Audit of Consolidated Financial Statements (continued)

Key Audit Matters (continued)

b) Contingent liabilities and provisions from claims and proceedings

The Parent Company and certain of its group companies are involved as a party in legal proceedings with third parties as well as certain governmental entities. As the ultimate disposition of asserted claims and proceedings cannot be determined with certainty, an adverse outcome could have a material effect on the Group's consolidated financial position, results from operations and cash flows.

The determination of (contingent) liabilities from claims and proceedings is judgmental and the amounts involved are or can be material to the Group's consolidated financial statements as a whole. Details of Group's legal claims are presented in Note 7, Note 11 and Note 29 of the consolidated financial statements. Due to the significant judgment and estimation uncertainty with respect to the ongoing legal claims, we identified this as a key audit matter.

In response to this matter, our audit procedures included, amongst others, understanding of the Group's processes around the identification and evaluation of claims and proceedings at different levels in the organization, the recording and continuous re-assessment of the related (contingent) liabilities, provisions and disclosures in accordance with IFRS. We also inquired with management in respect of ongoing claims, proceedings and read relevant correspondence and minutes of the meetings of the Board of Directors, requested internal and external legal confirmation letters of the Group. We also assessed the appropriateness of disclosure regarding (contingent) liabilities from claims and proceedings, as shown in Note 7, Note 11 and Note 29 to the consolidated financial statements.

c) Accounting for business combination

During the year, the Group has completed the acquisition of HG Storage International Limited (HG Storage) and John Menzies PLC (Menzies), at a total purchase consideration of KD 65,201 thousand and KD 209,664 thousand respectively. These transactions have been accounted for in accordance with IFRS 3 *Business Combinations* ("IFRS 3") using the acquisition method.

The Group, assisted by external experts, has accounted for the cost of the acquisitions by determining the provisional fair values of the assets and liabilities acquired, with the balance resulting in a preliminary goodwill of KD 31,605 thousand and KD 223,629 thousand on the acquisition of HG Storage and Menzies respectively, and the recognition of intangible assets of KD 65,616 thousand from the acquisition of Menzies. The purchase price allocation for both the acquisitions are still provisional as at 31 December 2022 given the time that has elapsed between the transaction dates and the approval of the consolidated financial statements. The preliminary goodwill arising from the acquisitions and the relating carrying amounts of assets and liabilities will be adjusted on a retrospective basis upon finalisation of the purchase price allocation process during the financial year 2023.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. (continued)**

Report on the Audit of Consolidated Financial Statements (continued)

c) Accounting for business combination (continued)

We have determined this to be a key audit matter based on the quantitative materiality of the acquisitions, and considering that significant management's judgments and estimates are involved in the determination of the provisional values of the acquired assets and liabilities, including the identification and the provisional valuation of the newly identified intangible assets.

Our audit procedures included, among others, reviewing the relevant Board and Annual General Assembly Meeting minutes as well as the regulatory approvals, and obtaining an understanding of the acquisition transactions, in order to assess whether the accounting treatment in accordance with IFRS 3 *Business Combinations*, has been appropriately applied. In this connection, we assessed the criteria used for recognition of the transaction as a business combination and the determination of the acquisition date and the consideration paid. We also verified that the results of the operations of HG Storage and Menzies were included in the consolidated financial statements of the Group from the date of acquisition, as required by IFRS 3.

We have assessed the adequacy of the related disclosures in Note 26 to the consolidated financial statements. The Group's policy on accounting for business combinations is disclosed in Note 2.5 to the consolidated financial statements.

Other information included in the Group's 2022 Annual Report

Management is responsible for the other information. Other information consists of the information included in the Group's 2022 Annual Report, other than the consolidated financial statements and our auditor's report thereon. We obtained the report of the Parent Company's Board of Directors, prior to the date of our auditor's report, and we expect to obtain the remaining sections of the Annual Report after the date of our auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. (continued)

Report on the Audit of Consolidated Financial Statements (continued)

Other information included in the Group's 2022 Annual Report (continued)

As described in the *Basis for Qualified Opinion* section above, we were unable to obtain sufficient appropriate audit evidence about the carrying values of investment properties as at 31 December 2022, the Group's investment and loan to Korek as at 31 December 2022 and the adjustments arising from the favorable court order with respect to the GAC litigation. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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

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

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. (continued)

Report on the Audit of Consolidated Financial Statements (continued)

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

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

Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. (continued)

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

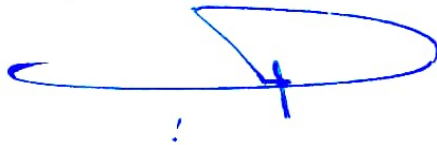
Furthermore, in our opinion proper books of account have been kept by the Parent Company and the consolidated financial statements, together with the contents of the report of the Parent Company's Board of Directors relating to these consolidated financial statements, are in accordance therewith. We further report that, except for the possible effect of the matters described in the *Basis for Qualification* section above, we obtained all the information and explanations that we required for the purpose of our audit and that the consolidated financial statements incorporate all information that is required by the Companies Law No.1 of 2016, as amended, and its executive regulations, as amended, and by the Parent Company's Memorandum of Incorporation and Articles of Association, that an inventory was duly carried out and that, to the best of our knowledge and belief, no violations of the Companies Law No.1 of 2016, as amended and its executive regulations, as amended, nor of the Parent Company's Memorandum of Incorporation and Articles of Association have occurred during the year ended 31 December 2022 that might have had a material effect on the business of the Parent Company or on its financial position.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. (continued)**

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

Report on Other Legal and Regulatory Requirements (continued)

We further report that, during the course of our audit, we have not become aware of any violations of the provisions of Law No 7 of 2010 concerning the Capital Markets Authority and its related regulations during the year ended 31 December 2022 that might have had a material effect on the business of the Parent Company or on its financial position, except for the valuation of investment properties as disclosed in Note 7.



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EY
AL-AIBAN, AL-OSAIMI & PARTNERS



NAYEF M. AL-BAZIE
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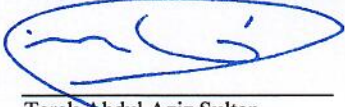
30 March 2023
Kuwait

Agility Public Warehousing Company K.S.C.P. and Subsidiaries

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	Notes	31 December 2022 KD 000's	31 December 2021 KD 000's
ASSETS			
Non-current assets			
Property, plant and equipment	4	298,160	176,452
Projects in progress	5	37,396	28,635
Right-of-use assets	6	155,042	95,213
Investment properties	7	474,823	434,989
Intangible assets	8	70,270	11,183
Goodwill	9	292,392	35,924
Investment in associates and joint ventures	10	142,926	105,920
Financial assets at fair value through profit or loss	11	116,813	125,254
Financial assets at fair value through other comprehensive income	12	976,412	1,397,859
Other non-current assets		65,350	28,213
Loans to related parties	30	182,969	155,692
Loan to an associate	30	35,591	35,169
Total non-current assets		2,848,144	2,630,503
Current assets			
Inventories	13	45,247	18,764
Trade receivables	14	213,990	91,094
Other current assets	15	102,204	65,825
Bank balances, cash and deposits	16	131,264	99,123
Total current assets		492,705	274,806
TOTAL ASSETS		3,340,849	2,905,309
EQUITY AND LIABILITIES			
EQUITY			
Share capital	17	267,613	223,011
Share premium	17	152,650	152,650
Statutory reserve	17	195,595	188,450
Treasury shares	17	(40,561)	(49,239)
Treasury shares reserve		56,769	44,366
Foreign currency translation reserve	17	(150,788)	(84,486)
Hedging reserve	17	(4,695)	(12,873)
Investment revaluation reserve	17	(446,276)	(57,372)
Other reserves	17	27,713	34,464
Retained earnings		1,543,601	1,573,610
Equity attributable to equity holders of the Parent Company		1,601,621	2,012,581
Non-controlling interests		119,025	46,510
Total equity		1,720,646	2,059,091
LIABILITIES			
Non-current liabilities			
Provision for employees' end of service benefits	18	29,169	22,478
Interest bearing loans	19	885,869	408,318
Lease liabilities	6	133,742	88,811
Other non-current liabilities	20	43,203	4,846
Total non-current liabilities		1,091,983	524,453
Current liabilities			
Interest bearing loans	19	47,101	15,224
Lease liabilities	6	34,582	14,861
Trade and other payables	21	438,094	283,706
Dividends payable		8,443	7,974
Total current liabilities		528,220	321,765
Total liabilities		1,620,203	846,218
TOTAL EQUITY AND LIABILITIES		3,340,849	2,905,309


Tarek Abdul Aziz Sultan
Vice Chairperson and CEO

The attached notes 1 to 34 form part of these consolidated financial statements.

Agility Public Warehousing Company K.S.C.P. and Subsidiaries

CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 December 2022

	Notes	2022 KD 000's	2021 KD 000's
CONTINUING OPERATIONS			
Revenue from contract with customers	22	863,380	486,154
Cost of revenues		(390,054)	(234,776)
Net revenues		473,326	251,378
General and administrative expenses	23	(309,704)	(155,044)
Change in fair value of investment properties	7	22,533	12,004
Transaction costs on acquisition of subsidiaries		(7,571)	-
Share of results of associates and joint ventures	10	(1,983)	4,453
Revaluation loss on financial assets at fair value through profit or loss		(6,281)	(13,798)
Dividend income		4,774	-
Miscellaneous income		5,448	9,962
Profit before interest, taxation, depreciation, amortisation and Directors' remuneration (EBITDA)		180,542	108,955
Depreciation		(45,506)	(33,840)
Amortisation	8	(6,439)	(4,801)
Profit before interest, taxation and Directors' remuneration (EBIT)		128,597	70,314
Interest income		616	412
Finance costs		(32,160)	(21,123)
Profit before taxation and Directors' remuneration		97,053	49,603
Taxation	24	(9,672)	(6,677)
Directors' remuneration		(350)	(350)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		87,031	42,576
DISCONTINUED OPERATIONS			
Profit after tax from discontinued operations	25	-	954,009
PROFIT FOR THE YEAR		87,031	996,585
Attributable to:			
Equity holders of the Parent Company			
Profit for the year from continuing operations		68,040	24,236
Profit for the year from discontinued operations		-	953,189
		68,040	977,425
Non-controlling interests			
Profit for the year from continuing operations		18,991	18,340
Profit for the year from discontinued operations		-	820
		18,991	19,160
PROFIT FOR THE YEAR		87,031	996,585
BASIC AND DILUTED EARNINGS PER SHARE – ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY (fils)			
	27	26.83	386.97
BASIC AND DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS – ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY (fils)			
	27	26.83	9.60

The attached notes 1 to 34 form part of these consolidated financial statements.

Agility Public Warehousing Company K.S.C.P. and Subsidiaries

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2022

	2022 KD 000's	2021 KD 000's
Profit for the year	87,031	996,585
Other comprehensive (loss) income:		
<i>Items that are or may be reclassified to consolidated statement of income in subsequent periods:</i>		
Foreign currency translation adjustments	(64,248)	(75,710)
Exchange differences on disposal of discontinued operations (Note 25)	-	28,053
Share of other comprehensive income of associates and joint venture (Note 10)	1,540	955
(Loss) Gain on hedge of net investments (Note 19)	(14,083)	1,466
Gain on cash flow hedges	20,721	7,877
Net other comprehensive loss that are or may be reclassified to consolidated statement of income in subsequent periods	(56,070)	(37,359)
<i>Items that will not be reclassified to consolidated statement of income</i>		
Changes in fair value of equity instruments at fair value through other comprehensive income	(393,108)	(54,882)
Re-measurement (loss) gain on defined benefit plans (Note 18)	(6,751)	2,517
Net other comprehensive loss that will not be reclassified to consolidated statement of income	(399,859)	(52,365)
Total other comprehensive loss	(455,929)	(89,724)
Total comprehensive (loss) income for the year	(368,898)	906,861
Attributable to:		
Equity holders of the Parent Company	(389,943)	888,599
Non-controlling interests	21,045	18,262
	(368,898)	906,861

The attached notes 1 to 34 form part of these consolidated financial statements.

Agility Public Warehousing Company K.S.C.P. and Subsidiaries

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2022

	Notes	2022 KD 000's	2021 KD 000's
OPERATING ACTIVITIES			
Profit before taxation and Directors' remuneration from continuing operations		97,053	49,603
Profit before taxation and Directors' remuneration from discontinued operations	25	-	974,093
		<u>97,053</u>	<u>1,023,696</u>
Profit before taxation and Directors' remuneration		97,053	1,023,696
Adjustments for:			
Change in fair value of investment properties	7	(22,533)	(12,004)
Expected credit losses of trade receivables	14	3,535	9,305
Provision for employees' end of service benefits	18	8,407	9,853
Foreign currency exchange gain		(1,798)	(1,505)
Gain on sale of discontinued operations before tax	25	-	(904,146)
Share of results of associates and joint ventures	10	1,983	(4,453)
Revaluation loss on financial assets at fair value through profit or loss		6,281	13,798
Dividend income		(4,774)	-
Miscellaneous income		(5,448)	(9,962)
Depreciation of property, plant and equipment and right-of-use assets		45,506	60,648
Amortisation	8	6,439	4,801
Interest income		(616)	(430)
Finance costs		32,160	23,678
		<u>166,195</u>	<u>213,279</u>
Operating profit before changes in working capital		166,195	213,279
Inventories		(18,506)	2,094
Trade receivables		(25,708)	(80,792)
Other current assets		(2,522)	(10,792)
Trade and other payables		(4,707)	64,030
		<u>114,752</u>	<u>187,819</u>
Taxation paid		(9,821)	(16,576)
Employees' end of service benefits paid	18	(4,543)	(11,839)
Directors' remuneration paid		(350)	(140)
		<u>100,038</u>	<u>159,264</u>
Net cash flows from operating activities		100,038	159,264
INVESTING ACTIVITIES			
Net movement in financial assets at fair value through profit or loss		(5,515)	7,658
Net movement in financial assets at fair value through other comprehensive income		(63,340)	(18,873)
Additions to property, plant and equipment	4	(22,609)	(28,208)
Proceeds from disposal of property, plant and equipment		8,470	277
Loans to related parties		(25,739)	(16,512)
Additions to intangible assets		-	(20)
Additions to projects in progress	5	(32,567)	(14,806)
Additions to investment properties	7	-	(12,034)
Dividends received		9,069	2,213
Acquisition of additional interests in a subsidiaries		-	(126)
Acquisition of subsidiaries net of cash acquired		(194,324)	(4,225)
Cash outflow on disposal of discontinued operations	25	-	(138,668)
Interest income received		1,428	485
Net movement in deposits with original maturities exceeding three months		8,848	(23,942)
		<u>(316,279)</u>	<u>(246,781)</u>
Net cash flows used in investing activities		(316,279)	(246,781)
FINANCING ACTIVITIES			
Net movement in interest bearing loans		349,436	76,329
Payment of lease obligations	6	(29,928)	(37,154)
Proceeds on sale of treasury shares		21,081	-
Finance costs paid		(26,071)	(16,072)
Dividends paid to equity holders of the Parent Company		(41,629)	(19,467)
Dividends paid to non-controlling interests		(14,972)	(9,969)
		<u>257,917</u>	<u>(6,333)</u>
Net cash flows from (used in) financing activities		257,917	(6,333)
Net foreign exchange translation differences		(687)	(1,010)
		<u>40,989</u>	<u>(94,860)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		40,989	(94,860)
Cash and cash equivalents at 1 January		74,036	168,896
		<u>115,025</u>	<u>74,036</u>
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	16	115,025	74,036

The attached notes 1 to 34 form part of these consolidated financial statements.