

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

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL INFORMATION  
(UNAUDITED)  
30 JUNE 2024**

## **REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P.**

### ***Introduction***

We have reviewed the accompanying interim condensed consolidated statement of financial position of Agility Public Warehousing Company K.S.C.P. (the “Parent Company”) and its subsidiaries (collectively, the “Group”) as at 30 June 2024 and the related interim condensed consolidated statement of income and interim condensed consolidated statement of comprehensive income for the three months and six months periods then ended and the related interim condensed consolidated statement of cash flows and interim condensed consolidated statement of changes in equity for the six months period then ended. The management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard IAS 34: *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

### ***Scope of Review***

Except as explained in the following paragraph, we conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”. A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### ***Basis for Qualified Conclusion***

- (i) As stated in Note 4 to the interim condensed consolidated financial information, the Group’s investment in and loan to Korek Telecom (“Korek”) is carried at KD 111,443 thousand (31 December 2023: KD 111,639 thousand and 30 June 2023: KD 111,650 thousand) and KD 35,649 thousand (31 December 2023: KD 35,711 thousand and 30 June 2023: KD 35,715 thousand) respectively, in the interim condensed consolidated statement of financial position as at 30 June 2024. We were unable to obtain sufficient appropriate evidence about the carrying value of 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 in and loan to Korek were necessary. We have been issuing a qualified opinion and conclusion on the consolidated financial statements of the Group in respect of the same matter since the year ended 31 December 2014.

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. (continued)**

***Basis for Qualified Conclusion (continued)***

- (ii) As stated in Note 12(a) to the interim condensed consolidated financial information, the Group has investment properties amounting to KD 281,381 thousand as at 30 June 2024 (31 December 2023: KD 281,360 thousand and 30 June 2023: KD 279,317 thousand) that are leased from the Public Authority for Industry, Kuwait (“PAI”), of which the lease contracts of properties amounting to KD 219,062 thousand (31 December 2023: KD 191,172 thousand and 30 June 2023: KD 190,717 thousand) have expired as at the reporting date and are currently under legal dispute since PAI issued a notice to the Group on 18 January 2023 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 the underlying lease contracts as detailed in Note 12(a), and management being unable to determine the fair value of all the leased properties from PAI as at 30 June 2024. 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. We have been issuing a qualified opinion and conclusion on the consolidated financial statements of the Group in respect of the same matter since the year ended 31 December 2022.
- (iii) As stated in Note 12(d) to the interim condensed consolidated financial information 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 30 June 2024 in the interim condensed consolidated financial information, 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, receivables, retained earnings and non-controlling interest as at 30 June 2024 are understated by KD 54,396 thousand (31 December 2023: KD 54,396 thousand and 30 June 2023: KD 54,396 thousand), KD 32,964 thousand (31 December 2023: KD 32,964 thousand and 30 June 2023: KD 32,964 thousand) and KD 21,432 thousand (31 December 2023: KD 21,432 thousand and 30 June 2023: KD 21,432 thousand) respectively. Further, as stated in Note 12(d), the Group is also eligible for 7% interest per annum on awarded compensation, the financial impact of which has not been determined in the interim condensed consolidated financial information. We have been issuing a qualified opinion and conclusion on the consolidated financial statements of the Group in respect of the same matter since the period ended 30 June 2022.

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF AGILITY PUBLIC WAREHOUSING COMPANY K.S.C.P. (continued)**

***Qualified Conclusion***

Based on our review, except for the possible effect of the matters described in the “Basis for Qualified Conclusion” paragraph above, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with IAS 34.

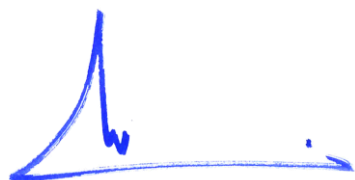
***Emphasis of Matter***

We draw attention to Note 12(e) to the interim condensed consolidated financial information which describe the contingencies and claims with the General Administration of Customs for Kuwait. Our conclusion is not further qualified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

Furthermore, based on our review, except for the possible effects of the matters described in the “Basis for Qualified Conclusion” paragraph above, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended and its Executive Regulations, as amended, or of the Parent Company’s Memorandum of Incorporation and Articles of Association, as amended, during the six months period ended 30 June 2024 that might have had a material effect on the business of the Parent Company or on its financial position.

We further report that, except for the possible effects of the matters described in the “Basis for Qualified Conclusion” paragraph above, during the course of our review, to the best of our knowledge and belief, we have not become aware of any violations of the provisions of Law No. 7 of 2010 concerning establishment of Capital Markets Authority “CMA” and organization of security activity and its executive regulations, as amended, during the six months period ended 30 June 2024 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 12(a).



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RSM Albazie & Co.

14 August 2024  
Kuwait

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

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2024

		30 June 2024	(Audited) 31 December 2023	30 June 2023
	Notes	KD 000's	KD 000's	KD 000's
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		312,874	311,033	297,919
Projects in progress		55,367	47,476	41,118
Right-of-use assets		200,091	165,859	161,339
Investment properties		517,076	514,169	496,788
Intangible assets		82,752	83,409	89,272
Goodwill		269,380	264,229	259,849
Investment in associates and joint ventures	13	147,252	144,966	145,896
Financial assets at fair value through profit or loss	4	124,759	114,178	116,377
Financial assets at fair value through other comprehensive income	5	941,198	1,077,069	1,309,711
Other non-current assets		175,884	146,989	75,236
Loans to related parties	13	239,286	226,042	205,075
Loan to an associate	4,13	35,649	35,711	35,715
<b>Total non-current assets</b>		<b>3,101,568</b>	<b>3,131,130</b>	<b>3,234,295</b>
<b>Current assets</b>				
Inventories		64,275	58,317	44,594
Trade receivables		253,185	222,599	215,401
Other current assets		133,264	119,960	117,900
Bank balances, cash and deposits	6	236,555	213,542	127,753
<b>Total current assets</b>		<b>687,279</b>	<b>614,418</b>	<b>505,648</b>
<b>TOTAL ASSETS</b>		<b>3,788,847</b>	<b>3,745,548</b>	<b>3,739,943</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Share capital		267,613	267,613	267,613
Share premium		152,650	152,650	152,650
Statutory reserve		195,595	195,595	195,595
Treasury shares	7	(40,561)	(40,561)	(40,561)
Treasury shares reserve		56,769	56,769	56,769
Foreign currency translation reserve		(23,585)	(44,132)	(34,255)
Hedging reserve		70,120	18,857	(51,332)
Investment revaluation reserve		(652,874)	(487,891)	(253,900)
Other reserves		26,350	26,464	27,713
Retained earnings		824,530	1,627,170	1,573,088
<b>Equity attributable to equity holders of the Parent Company</b>		<b>876,607</b>	<b>1,772,534</b>	<b>1,893,380</b>
Non-controlling interests	14	908,079	119,571	111,749
<b>Total equity</b>		<b>1,784,686</b>	<b>1,892,105</b>	<b>2,005,129</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Provision for employees' end of service benefits		35,913	35,555	28,302
Interest bearing loans	8	1,071,122	981,974	935,482
Lease liabilities		182,450	150,861	155,712
Other non-current liabilities		34,317	48,486	80,001
<b>Total non-current liabilities</b>		<b>1,323,802</b>	<b>1,216,876</b>	<b>1,199,497</b>
<b>Current liabilities</b>				
Interest bearing loans	8	128,327	119,945	60,287
Lease liabilities		49,460	46,938	32,199
Trade and other payables		493,680	461,600	434,556
Dividends payable	14	8,892	8,084	8,275
<b>Total current liabilities</b>		<b>680,359</b>	<b>636,567</b>	<b>535,317</b>
<b>Total liabilities</b>		<b>2,004,161</b>	<b>1,853,443</b>	<b>1,734,814</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,788,847</b>	<b>3,745,548</b>	<b>3,739,943</b>

Tarek Abdulaziz Sultan AlEssa  
Vice Chairman and CEO

The attached notes 1 to 16 form part of this interim condensed consolidated financial information.

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

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)

For the period ended 30 June 2024

	Notes	Three months ended		Six months ended	
		30 June		30 June	
		2024	2023	2024	2023
		KD 000's	KD 000's	KD 000's	KD 000's
Revenue from contract with customers	9	<b>375,439</b>	327,840	<b>711,729</b>	648,378
Cost of revenues		<b>(137,915)</b>	(128,060)	<b>(251,787)</b>	(261,510)
<b>Net revenues</b>		<b>237,524</b>	199,780	<b>459,942</b>	386,868
General and administrative expenses		<b>(180,076)</b>	(142,324)	<b>(341,967)</b>	(275,046)
Share of results of associates and joint ventures		<b>4,511</b>	3,373	<b>4,991</b>	4,253
Unrealised gain (loss) on financial assets at fair value through profit or loss		<b>1,420</b>	(510)	<b>4,981</b>	(1,107)
Dividend income		-	-	<b>3,182</b>	5,522
Miscellaneous income		<b>55</b>	159	<b>3,076</b>	386
<b>Profit before interest, taxation, depreciation, amortisation and Directors' remuneration (EBITDA)</b>		<b>63,434</b>	60,478	<b>134,205</b>	120,876
Depreciation		<b>(22,822)</b>	(20,899)	<b>(45,486)</b>	(40,279)
Amortisation		<b>(2,027)</b>	(2,084)	<b>(4,145)</b>	(4,306)
<b>Profit before interest, taxation and Directors' remuneration (EBIT)</b>		<b>38,585</b>	37,495	<b>84,574</b>	76,291
Interest income		<b>1,672</b>	656	<b>2,322</b>	1,171
Finance costs		<b>(18,331)</b>	(15,293)	<b>(35,036)</b>	(29,729)
<b>Profit before taxation and Directors' remuneration</b>		<b>21,926</b>	22,858	<b>51,860</b>	47,733
Taxation	10	<b>(4,697)</b>	(2,871)	<b>(8,293)</b>	(7,145)
Directors' remuneration		<b>(87)</b>	263	<b>(175)</b>	175
<b>PROFIT FOR THE PERIOD</b>		<b>17,142</b>	20,250	<b>43,392</b>	40,763
<b>Attributable to:</b>					
Equity holders of the Parent Company		<b>6,007</b>	14,166	<b>24,698</b>	29,487
Non-controlling interests		<b>11,135</b>	6,084	<b>18,694</b>	11,276
		<b>17,142</b>	20,250	<b>43,392</b>	40,763
<b>BASIC AND DILUTED EARNINGS PER SHARE – ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY (FILS)</b>	11	<b>2.40</b>	5.67	<b>9.89</b>	11.81

The attached notes 1 to 16 form part of this interim condensed consolidated financial information.



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

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 June 2024

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
<b>Profit for the period</b>	<b>17,142</b>	20,250	<b>43,392</b>	40,763
<b>Other comprehensive (loss) income:</b>				
<i>Items that are or may be reclassified to consolidated statement of income in subsequent periods:</i>				
Foreign currency translation adjustments	17,275	(5,901)	34,818	(10,638)
Share of other comprehensive (loss) income of associates and joint ventures	(766)	74	(80)	19
Loss on hedge of net investments	(140)	(909)	(108)	(5,822)
Gain (loss) on cash flow hedges	-	2,565	-	(463)
<b>Net other comprehensive (loss) income that are or may be reclassified to consolidated statement of income in subsequent periods</b>	<b>16,369</b>	(4,171)	<b>34,630</b>	(16,904)
<i>Items that will not be reclassified to the consolidated statement of income:</i>				
Changes in fair value of financial assets at fair value through other comprehensive income	(85,308)	106,235	(164,995)	320,262
Gain (loss) on fair value hedges	31,123	(40,371)	51,496	(40,371)
<b>Net other comprehensive (loss) income that will not be reclassified to consolidated statement of income</b>	<b>(54,185)</b>	65,864	<b>(113,499)</b>	279,891
<b>Total other comprehensive (loss) income</b>	<b>(37,816)</b>	61,693	<b>(78,869)</b>	262,987
<b>Total comprehensive (loss) income for the period</b>	<b>(20,674)</b>	81,943	<b>(35,477)</b>	303,750
<b>Attributable to:</b>				
Equity holders of the Parent Company	(46,000)	74,948	(68,589)	291,759
Non-controlling interests	25,326	6,995	33,112	11,991
	<b>(20,674)</b>	81,943	<b>(35,477)</b>	303,750

The attached notes 1 to 16 form part of this interim condensed consolidated financial information.

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

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the period ended 30 June 2024

	<i>Six months ended</i>	
	<i>30 June</i>	
	<b>2024</b>	<b>2023</b>
	<b>KD 000's</b>	<b>KD 000's</b>
<b>OPERATING ACTIVITIES</b>		
Profit before taxation and Director's remuneration	<b>51,860</b>	47,733
Adjustments for:		
Expected credit losses charge (reversal) on trade receivables	<b>1,734</b>	(44)
Provision for employees' end of service benefits	<b>1,423</b>	7,756
Foreign currency exchange gain	<b>(277)</b>	(669)
Share of results of associates and joint ventures	<b>(4,991)</b>	(4,253)
Unrealised (gain) loss on financial assets at fair value through profit or loss	<b>(4,981)</b>	1,107
Dividend income	<b>(3,182)</b>	(5,522)
Miscellaneous income	<b>(1,786)</b>	(386)
Depreciation of property, plant and equipment and right-of-use assets	<b>45,486</b>	40,279
Amortisation	<b>4,145</b>	4,306
Interest income	<b>(2,322)</b>	(1,171)
Finance costs	<b>35,036</b>	29,729
Operating profit before changes in working capital	<b>122,145</b>	118,865
Inventories	<b>(5,748)</b>	570
Trade receivables	<b>(31,617)</b>	(5,575)
Other current assets	<b>(7,556)</b>	(11,251)
Trade and other payables	<b>12,666</b>	1,184
	<b>89,890</b>	103,793
Taxation paid	<b>(7,699)</b>	(9,771)
Employees' end of service benefits paid	<b>(1,921)</b>	(4,302)
Directors' remuneration paid	<b>(300)</b>	-
Net cash flows from operating activities	<b>79,970</b>	89,720
<b>INVESTING ACTIVITIES</b>		
Net movement in financial assets at fair value through profit or loss	-	235
Net movement in financial assets at fair value through other comprehensive income	<b>(6,226)</b>	(674)
Additions to property, plant and equipment	<b>(23,293)</b>	(18,939)
Proceeds from disposal of property, plant and equipment	<b>8,050</b>	761
Loans to related parties	<b>(20,667)</b>	(22,104)
Additions to projects in progress	<b>(15,807)</b>	(9,936)
Net movement in investment in associates and joint ventures	<b>(1,523)</b>	(4,360)
Dividends received	<b>5,008</b>	7,233
Acquisition of additional interest in a subsidiary	<b>(1,232)</b>	-
Interest income received	<b>2,690</b>	613
Acquisition of a subsidiary, net of cash acquired	<b>(1,509)</b>	(604)
Net movement in deposits with original maturities exceeding three months	<b>18,401</b>	10,015
Net cash flows used in investing activities	<b>(36,108)</b>	(37,760)
<b>FINANCING ACTIVITIES</b>		
Proceeds from interest bearing loans	<b>339,391</b>	394,763
Repayment of interest bearing loans	<b>(217,073)</b>	(355,030)
Payment of lease obligations	<b>(33,047)</b>	(28,283)
Finance cost paid	<b>(17,225)</b>	(61,335)
Dividends paid to equity holders of the Parent Company	<b>(50,240)</b>	(168)
Dividends paid to non-controlling interests	<b>(22,454)</b>	(12,595)
Net cash flows used in financing activities	<b>(648)</b>	(62,648)
Net foreign exchange differences	<b>(1,800)</b>	(681)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>41,414</b>	(11,369)
Cash and cash equivalents at 1 January	<b>188,611</b>	132,898
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE</b>	<b>6 230,025</b>	121,529

The attached notes 1 to 16 form part of this interim condensed consolidated financial information.



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

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 June 2024

	<i>Attributable to equity holders of the Parent Company</i>												
	<i>Share capital KD 000's</i>	<i>Share premium KD 000's</i>	<i>Statutory reserve KD 000's</i>	<i>Treasury shares KD 000's</i>	<i>Treasury shares reserve KD 000's</i>	<i>Foreign currency translation reserve KD 000's</i>	<i>Hedging reserve KD 000's</i>	<i>Investment revaluation reserve KD 000's</i>	<i>Other reserves KD 000's</i>	<i>Retained earnings KD 000's</i>	<i>Sub total KD 000's</i>	<i>Non-controlling interests KD 000's</i>	<i>Total equity KD 000's</i>
As at 1 January 2024	267,613	152,650	195,595	(40,561)	56,769	(44,132)	18,857	(487,891)	26,464	1,627,170	1,772,534	119,571	1,892,105
Profit for the period	-	-	-	-	-	-	-	-	-	24,698	24,698	18,694	43,392
Other comprehensive income (loss)	-	-	-	-	-	20,547	51,263	(164,983)	(114)	-	(93,287)	14,418	(78,869)
Total comprehensive income (loss) for the period	-	-	-	-	-	20,547	51,263	(164,983)	(114)	24,698	(68,589)	33,112	(35,477)
Share based payments	-	-	-	-	-	-	-	-	-	156	156	-	156
Dividends (Note 14)	-	-	-	-	-	-	-	-	-	(25,524)	(25,524)	-	(25,524)
Interim cash dividends (Note 14)	-	-	-	-	-	-	-	-	-	(25,524)	(25,524)	-	(25,524)
Dividends in-kind (Note 14)	-	-	-	-	-	-	-	-	-	(776,446)	(776,446)	776,446	-
Dividends to non-controlling interests (Note 14)	-	-	-	-	-	-	-	-	-	-	-	(22,454)	(22,454)
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(4,028)	(4,028)
Contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	5,432	5,432
<b>As at 30 June 2024</b>	<b>267,613</b>	<b>152,650</b>	<b>195,595</b>	<b>(40,561)</b>	<b>56,769</b>	<b>(23,585)</b>	<b>70,120</b>	<b>(652,874)</b>	<b>26,350</b>	<b>824,530</b>	<b>876,607</b>	<b>908,079</b>	<b>1,784,686</b>
As at 1 January 2023	267,613	152,650	195,595	(40,561)	56,769	(150,788)	(4,695)	(446,276)	27,713	1,543,601	1,601,621	113,141	1,714,762
Profit for the period	-	-	-	-	-	-	-	-	-	29,487	29,487	11,276	40,763
Other comprehensive income (loss)	-	-	-	-	-	116,533	(46,637)	192,376	-	-	262,272	715	262,987
Total comprehensive income (loss) for the period	-	-	-	-	-	116,533	(46,637)	192,376	-	29,487	291,759	11,991	303,750
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(13,383)	(13,383)
As at 30 June 2023	267,613	152,650	195,595	(40,561)	56,769	(34,255)	(51,332)	(253,900)	27,713	1,573,088	1,893,380	111,749	2,005,129

The attached notes 1 to 16 form part of this interim condensed consolidated financial information.

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

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## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

### 1 CORPORATE INFORMATION

Agility Public Warehousing Company K.S.C.P. (the “Parent Company”) is a Kuwaiti shareholding company incorporated in 1979 and listed on Boursa Kuwait and Dubai Stock Exchange. The address of the Parent Company’s Head office is Sulaibia, beside Land Customs Clearing Area, P.O. Box 25418, Safat 13115, Kuwait. The Group operates under the brand name of “Agility”.

The interim condensed consolidated financial information of the Parent Company and its subsidiaries (collectively, the “Group”) was authorised for issue by the Board of Directors on 14 August 2024.

The main objectives of the Parent Company are as follows:

- ▶ Construction, management and renting of all types of warehouses.
- ▶ Warehousing goods under customs' supervision inside and outside customs areas.
- ▶ Investing the surplus funds in investment portfolios.
- ▶ Participating in, acquiring or taking over companies of similar activities or those that would facilitate achieving the Parent Company's objectives inside or outside Kuwait.
- ▶ All types of transportation, distribution, handling and customs clearance for goods.
- ▶ Customs consulting, customs automation, modernisation and decision support.

### 2 BASIS OF PREPARATION

The interim condensed consolidated financial information of the Group has been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

The interim condensed consolidated financial information does not include all of the information and disclosures required for complete consolidated financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2023. In the opinion of management, all adjustments considered necessary for a fair presentation have been included in the interim condensed consolidated financial information. Operating results for the interim period are not necessarily indicative of the results that may be expected for the year ending 31 December 2024.

### 3 NEW STANDARDS, INTERPRETATIONS, AMENDMENTS AND ACCOUNTING POLICIES ADOPTED BY THE GROUP

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2024, but do not have an impact on the interim condensed consolidated financial information of the Group.

#### **Supplier Finance Agreements – 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 transition rules clarify that an entity is not required to provide the disclosures in any interim periods in the year of initial application of the amendments. Thus, the amendments had no impact on the Group’s interim condensed consolidated financial information.

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

### 3 NEW STANDARDS, INTERPRETATIONS, AMENDMENTS AND ACCOUNTING POLICIES ADOPTED BY THE GROUP (continued)

#### 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.

#### Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020 and October 2022, 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 whereby an entity must disclose 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 had no impact on the Group's interim condensed consolidated financial information.

### 4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<i>30 June</i> <i>2024</i> <i>KD 000's</i>	<i>(Audited)</i> <i>31 December</i> <i>2023</i> <i>KD 000's</i>	<i>30 June</i> <i>2023</i> <i>KD 000's</i>
Investment in an associate - outside Kuwait (Note 13)	<b>111,443</b>	111,639	111,650
Quoted equity securities – outside Kuwait	<b>2,706</b>	1,374	2,794
Treasury bills - outside Kuwait	<b>9,210</b>	-	-
Unquoted equity securities - in Kuwait	<b>21</b>	21	21
Investment in funds - outside Kuwait (Note 13)	<b>1,379</b>	1,144	1,912
	<b><u>124,759</u></b>	<u>114,178</u>	<u>116,377</u>

During the year ended 31 December 2011, the Group (through its wholly owned subsidiary, a Venture Capital Organisation) jointly with France Telecom acquired 44% equity interest in Korek Telecom L.L.C. ("Korek Telecom"), a limited liability company incorporated in Iraq, via a joint company owned 54% by the Group and 46% by France Telecom. As a result, the Group owns 23.7% indirect interest in Korek Telecom.

The investment in Korek Telecom has been classified as an investment in an associate as the Group exercises significant influence over financial and operating policies of Korek Telecom. As this associate is held as part of Venture Capital Organization's investment portfolio, it is carried in the consolidated statement of financial position at fair value. This treatment is permitted by IAS 28 "Investment in Associates and Joint Ventures" which allows investments held by Venture Capital Organisations to be accounted for at fair value through profit and loss in accordance with IFRS 9, with changes in fair value recognised in the consolidated statement of income in the period of change.

As at 30 June 2024, interest bearing loan provided by the Group to Korek Telecom amounted to KD 35,649 thousand (31 December 2023: KD 35,711 thousand and 30 June 2023: KD 35,715 thousand) (Note 13).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

**4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)**

*Korek Litigation*

In February 2017, the Group filed a request for arbitration against the Republic of Iraq pursuant to Article 36 of the Convention on the Settlement of Investment Disputes between States and Nationals of Other States (“ICSID”), and Article 10 of the Agreement between the Government of the State of Kuwait and the Government of the Republic of Iraq for Reciprocal Promotion and Protection of Investments (the “2015 BIT”). The arbitral claim arises from a series of actions and inactions of the Iraqi government, including its regulatory agency Communications & Media Commission (“CMC”) relating to an alleged decision by the CMC to annul the previous written consent granted in connection with the Group’s investment in Korek Telecom, as well as the CMC’s order to transfer the shares acquired by the Group back to the original Iraqi shareholders (which was implemented in March 2019). Without limitation, the Group’s claims relate to Iraq’s failure to treat the Group’s investment of over USD 380 million fairly and equitably, its failure to accord the Group with due process, as well as the indirect expropriation of that investment, each in breach of the 2015 BIT. On 24 February 2017, the Group’s request for arbitration was formally registered with ICSID. The arbitration tribunal was formally constituted on 20 December 2017 and an initial procedural hearing was held on 31 January 2018.

The Group’s memorial was submitted on 30 April 2018. On 6 August 2018, Iraq submitted objections to jurisdiction and requested that they be determined as a preliminary matter before the case proceeds further on the merits. The tribunal bifurcated the proceedings on 31 October 2018 and the Group submitted its counter-memorial on jurisdiction on 10 January 2019. The reply of the respondents was submitted on 25 February 2019 and the Group’s rejoinder was submitted on 21 March 2019. The hearings were held on 24 and 25 April 2019. On 9 July 2019, the tribunal issued its decision on jurisdiction in which it found that it had jurisdiction over certain (but not all) of the Group’s claims. The case will now go forward on the merits of the claims over which the tribunal has jurisdiction. The Respondent’s counter-memorial was submitted on 13 March 2020. The Group’s reply to Respondent’s Counter-Memorial was submitted on 17 July 2020. The hearings on the merits were held in October 2020, and post-hearing submissions were submitted in November 2020.

On 22 February 2021, the tribunal issued its ruling, dismissing all of the Group’s claims and awarding costs of approximately USD 5 million in favor of the respondent. On 28 May 2021, the Group filed an application to annul the award with ICSID which was formally registered on 4 June 2021. On 22 September 2021, ICSID constituted a committee to adjudicate the Group’s application to annul the award. The committee convened on 22 November, 2021 and issued a procedural timetable for the proceedings on 24 November 2021. In accordance with the procedural timetable, the Group submitted its Memorial on 22 December 2021. Iraq’s Counter-Memorial was submitted on 22 April 2022. The hearings were convened on 15 and 16 November 2022. On 8 February 2024, the committee issued its decision in which it partially annulled the original judgment on the basis that the tribunal failed to properly rule on Agility’s implementation claim, thereby committing an annulable error. Consequently, on July 8, 2024, the Group refiled its ICSID claim against the Republic of Iraq. The claim has been registered and a new ICSID tribunal will be constituted in the coming months.

Separately, on 31 May 2021, Alcazar Capital Limited (“Alcazar”), a subsidiary of the Group, filed a claim in Kuwait against the Kurdistan Regional Government (KRG), a political subdivision of the Government of Iraq, under the terms of a sovereign guarantee in respect of the Group’s investment. On 24 January 2022, the Court of First Instance dismissed Alcazar’s claims on the basis that, among other things, Alcazar had failed to prove that it had extended the USD 250 million loan to Korek over which it was seeking damages under the sovereign guarantee. On 16 February 2022, Alcazar appealed the judgment to the Kuwait Court of Appeal. On 19 April 2022 the Court of Appeal issued a judgment in favor of Alcazar awarding damages of USD 490 million (the “Kuwait Judgement”) against the Kurdistan Regional Government, together with interest of 7% p.a. up to the date of satisfaction of the amount. On 2 May 2023, the Kuwait Court of Cassation issued a stay of enforcement of the Kuwait Court of Appeal judgment, pending its adjudication of the matter. On 30 January 2024, the Kuwait Court of Cassation rejected the KRG’s appeal and upheld the Kuwait Judgment. Consequently, the Group will now pursue enforcement of the Kuwait Judgment against the KRG. Pending final outcome of the enforcement proceedings and the uncertainties on the timing and determination of the amount of recovery, the Group’s management has not considered any adjustment in the interim condensed consolidated financial information.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

**4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)**

*Korek Litigation (continued)*

On 24 February 2023, Korek commenced an arbitration against Alcazar, seeking a permanent injunction preventing Alcazar from enforcing in Kuwait and internationally against the KRG, the Kuwait Judgment. Korek claims the obtaining and enforcement of the Kuwaiti Judgment is a breach of a Deed of Release that Alcazar signed in 2011, by which Alcazar is said to have released Korek's obligations under the Convertible Loan Agreement. Korek also seeks various declarations, including declarations that Alcazar is in breach of contract and Korek has no liability under a Convertible Loan Agreement. Korek has also indicated that it will apply to the tribunal (once constituted) for an interim injunction preventing Alcazar from enforcing the Kuwaiti Judgment, pending the issuance of a final award in the arbitration. Korek submitted its Request for Arbitration to the ICC Secretariat on 24 February 2023, and this was served on Alcazar on 15 March 2023. Alcazar filed its Answer to the Request for Arbitration (the "Answer") on 15 May 2023. The tribunal was constituted on 23 July 2023. Korek filed its statement of claim on 18 October 2023. Alcazar filed a security for costs application on 20 October 2023, and a stay application on 23 October 2023. On 21 December 2023, the tribunal granted Alcazar's security for costs application but dismissed its stay application. Korek was required to provide security for Alcazar's costs in the amount of USD 1.35 million (the "Security Amount") by 18 January 2024 but failed to do so. The proceedings were therefore automatically stayed until Korek belatedly paid the Security Amount on 18 March 2024. The proceedings have now recommenced. Korek filed an application for an interim injunction on 28 March 2024. Alcazar filed its Statement of Defence on 23 April 2024. Korek's application for an interim injunction was stayed by agreement on 13 May 2024, pending the outcome of parallel proceedings in Kuwait which was subsequently decided in Alcazar's favor. The parties are currently engaging in the document production process, which concluded on 17 July 2024. Korek's reply is due on 9 September 2024.

Separately and prior to filing the Request for Arbitration under the Deed of Release, Korek applied to the DIFC Courts for an interim injunction restraining Alcazar from enforcing the Kuwaiti Judgment until the tribunal in the Release Arbitration is constituted and can determine an equivalent application for an interim injunction (the "Interim Injunction Application"). The Interim Injunction Application was made on 20 January 2023. Alcazar acknowledged service of the Interim Injunction Application on 17 February 2023. After the parties filed evidence and skeleton arguments, the hearing of the Interim Injunction Application occurred on 22 March 2023. On 13 June 2023 the DIFC Court dismissed the Interim Injunction Application. On 26 June 2023, the DIFC Court provided written reasons for the dismissal of the Interim Injunction Application. Alcazar was awarded its costs of the Interim Injunction Application, and proceeded with a detailed assessment of its costs which resulted in the DIFC Court ordering Korek to pay Alcazar USD 307,753 on June 28, 2024. Korek has, to date, failed to pay and enforcement steps are being taken.

As the dispute remains pending without legal resolution and in the absence of clarity, the financial impact of this case cannot be assessed.

In conjunction with the foregoing claims related to Korek Telecom, Iraq Telecom Limited ("IT Ltd.") (in which the Group holds an indirect 54% stake) commenced the following proceedings:

► *Shareholders Agreement Arbitration*

On 4 June 2018, IT Ltd. commenced ICC arbitration proceedings against Korek International (Management) Ltd ("CS Ltd") and Mr. Sirwan Saber Mustafa. The dispute is in relation to various contractual breaches by the respondents under a shareholders' agreement relating to the Parent Company's investment in Korek Telecom. The amount in dispute is to be determined during the course of the proceedings.

The request for arbitration was submitted on 4 June 2018, and the respondents' reply was submitted on 10 September 2018. IT Ltd. filed an amended request for arbitration on 15 January 2019 and the tribunal was constituted on 29 March 2019. IT Ltd's Statement of Claim was submitted on 28 August 2019 and CS Ltd's Statement of Defense was submitted on 22 January 2020. On 10 July 2020, IT Ltd. discontinued the proceedings on a without prejudice basis.

New proceedings were commenced with similar claims were nonetheless filed by IT Ltd., both for itself and on behalf of International Holdings Ltd ("IH") and Korek Telecom, against CS Ltd. and Mr. Sirwan Saber Mustafa. On 25 August 2020, IT Ltd. filed its second amended (and current) request for arbitration for itself and in the name and on behalf of International Holdings Ltd. The tribunal was constituted, and IT Ltd.'s application to pursue derivative claims on behalf of International Holdings Ltd. and Korek Telecom was submitted in December 2020.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

**4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)**

*Korek Litigation (continued)*

► *Shareholders Agreement Arbitration (continued)*

The tribunal held a preliminary hearing in February 2021 to adjudicate IT Ltd.'s application to bring derivative claims on behalf of International Holdings Ltd (including whether the tribunal has jurisdiction over such an application). By order dated 16 March 2021, the Tribunal granted IT Ltd. permission to file most of the derivative claims at issue. On 23 April 2021, IT Ltd. submitted its Statement of Claim on the merits. The parties held hearings on the merits between 8 and 16 May 2022. Further hearings occurred on 2 and 3 August 2022. On March 20, 2023, the Tribunal issued its award. The Tribunal agreed with IT Ltd. and International Holdings Limited that all of the respondents had engaged in a deliberate and intentional scheme "to bribe and corrupt officials" of Iraq's telecommunications regulator in order to procure a wrongful decision to expropriate the shareholding of IT Ltd. and IH in Korek Telecom. The Tribunal also agreed with IT Ltd. and International Holdings Limited that Sirwan Saber Mustafa Barzani had breached his fiduciary obligations by engaging in multiple acts of self-dealing and misconduct, causing harm to the claimants.

The Tribunal ordered that the respondents, jointly and severally, pay International Holdings Limited and IT Ltd. a combined amount of USD 1.65 billion in damages and legal costs, together with interest. Of this amount, an amount of USD 1.329 billion is due to International Holdings Limited, and an amount of USD 318.7 million is due to IT Ltd.

On 10 April 2023, an application for recognition and enforcement of the award was made. The DIFC Court granted the application on 13 April 2023 (the "R&E Order"). The R&E Order needs to be served before it is enforceable. On 14 April 2023, an application for permission to serve the Defendants with the R&E Order and related DIFC Court documents by alternative means was made. This application was granted by the DIFC Court on 2 May 2023. On 14 April 2023, an application was made for IT Ltd. to have permission to enforce the award and the R&E Order for and on behalf of International Holdings Limited. This application was granted on 12 May 2023.

On 28 April 2023, IT Ltd. applied to the DIFC Court for a worldwide freezing order against Mr. Barzani, to the value of the amount he personally owes Iraq Telecom and IH Ltd under the SHA Award (i.e. circa US \$1.6 billion). An ex parte hearing occurred on 11 May 2023 and the freezing order was granted on 12 May 2023. Mr. Barzani was served with the freezing order and expressed his willingness to comply with it, and also provided asset disclosure via an affidavit. The parties are in ongoing correspondence regarding the extent of Mr. Barzani's disclosure and his compliance with the freezing order. IT Ltd. can apply to the DIFC Court for an order for further disclosure, or cross-examination of Mr. Barzani, as necessary.

On 24 May 2023, Korek and Mr. Barzani applied to stay the effect of the R&E Order pending determination of the Award Set Aside Application (defined below) (the "R&E Application"). The Court granted the R&E Application on 31 May 2023, but then set aside the order granting the R&E Application on 2 June 2023 and requested a hearing of the R&E Application, which was listed for 25 July 2023. The parties then agreed to the withdrawal of the R&E Application, on the condition that Iraq Telecom undertake not to enforce the R&E Order in the DIFC until the determination of the Award Set Aside Application by the DIFC Court of First Instance. That agreement was memorialised in a consent order. The 25 July 2023 hearing has been vacated.

On 20 June 2023, Korek and Mr. Barzani applied to the DIFC Court to set aside the SHA Award. In respect of this application, IT Ltd. filed and served responsive evidence to Korek's and Mr. Barzani's application on 15 September 2023, and Korek and Mr. Barzani filed and served their factual evidence on 20 October 2023. The experts appointed by the parties was filed their joint reports on 24 November 2023, and a hearing of three days occurred in the week commencing 19 February 2024. Judgment is expected imminently.

Pending final outcome of the enforcement proceedings and the uncertainties on the timing and determination of the amount of recovery, the Group's management has not considered any adjustment in the interim condensed consolidated financial information.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

**4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)**

*Korek Litigation (continued)*

► *IBL Subordination Agreement Arbitration: Arbitration proceedings against IBL Bank SAL, Korek Telecom and International Holdings Ltd.*

The dispute is in relation to alleged fraud orchestrated by certain Korek Telecom stakeholders with the knowledge and cooperation of IBL Bank in connection with a subordination agreement relating to a USD 150 million loan extended by IBL Bank to Korek Telecom. The amount in dispute is to be determined during the course of the proceedings. The request for arbitration was submitted on 26 June 2018, and the respondents' reply and counterclaim was submitted on 8 October 2018. The counterclaim seeks damages for losses (still unquantified) allegedly suffered by the respondents in relation to their reputation and good standing. IBL's answer and counterclaim was submitted on 8 November 2018. Korek's and IH's answer was submitted on 14 December 2018. The tribunal was constituted on 15 May 2019. IT Ltd.'s Statement of Claim was submitted on 22 November 2019, and respondents' Statements of Defense were submitted on 21 February 2020. IT Ltd.'s Reply was filed on 22 July 2020. IBL's Rejoinder and Reply to Defence to Counterclaim and IH/Korek's Rejoinder were filed on 23 October 2020. The hearings were convened in February 2021.

On 24 September 2021, the Tribunal issued its award granting in full IT Ltd.'s claim to render as null and void the subordination agreement relating to the USD 150 million loan extended by IBL Bank to Korek Telecom. The Tribunal agreed with IT Ltd. that all of the respondents, including IBL Bank, had engaged in a deliberate and intentional deception of IT Ltd. The counterclaims of the respondents were rejected in their entirety. In addition to the avoidance of the subordination agreement, IT Ltd. was awarded legal costs in the amount of USD 3 million, which was collected on 18 May 2023.

As a result of this award, on 12 November 2021, IT Ltd. filed a Request for Arbitration against Korek Telecom, in order to enforce its debt claim of more than USD 285 million (plus default interest) bringing the total claim to approximately USD 1 billion, against IH, as debtor, and Korek Telecom, as guarantor. Korek Telecom filed its reply on 24 January 2022. On 17 June 2022, Korek Telecom filed a request to stay the proceedings pending adjudication of its application before the Lebanese courts to annul the arbitral award invalidating the Subordination Agreement. On 1 July 2022, IT Ltd. filed its response to Korek Telecom's motion to stay. On 15 July 2022, Korek Telecom filed its Reply in support of its motion to stay. On 29 July 2022, IT Ltd. filed its Rejoinder to Korek Telecom's motion to stay. The hearing of the stay application occurred on 17 August 2022 and Korek Telecom's stay application was dismissed by the Tribunal on 22 August 2022.

The first Procedural order was issued on 9 September 2022. IT Ltd. filed its Statement of Claim on 9 September 2022. Korek Telecom's Defense was filed on 18 November 2022, the disclosure stage concluded on 20 January 2023. Iraq Telecom's Statement of Reply was filed on 3 March 2023. Korek's Statement of Rejoinder was filed on 5 May 2023. The merits hearing was convened in June 2023, and further hearings were convened on 26 and 27 September 2023. The parties are in discussions regarding an amendment to the terms of reference and the next procedural steps. There is likely to be a further round of tribunal queries following by closing submissions.

Separately as well, IT Ltd. filed a Request for Arbitration ("IBL II Arbitration") against IBL Bank on 13 December 2021, seeking damages for the fraud that was adjudicated in the previous arbitration. IBL Bank's Reply was submitted on 7 April 2022. The tribunal was constituted on 10 August 2022, and the Tribunal has convened a Case Management Conference in the arbitration on 3 November 2022 and issued a procedural timetable on 5 December 2022. Pursuant to the timetable, IT Ltd. filed its Statement of Claim on 9 December 2022 and IBL's Statement of Defense was filed 24 March 2023.

On 1 June 2023, the Beirut Court of Appeal issued its decision on IBL's challenge to the award in the initial IBL Arbitration, ordering the set aside of that award (the "Annulment Decision"). IT Ltd. appealed the Annulment Decision before the Lebanese Court of Cassation. Following the issuance of the Annulment Decision, on 7 July 2023, IT Ltd. applied for a stay of the proceedings, or, in the alternative, an adjustment of the procedural timetable. On the same date, IBL applied for a summary dismissal of IT Ltd.'s claims. The Tribunal granted a stay of the proceedings until IT Ltd.'s application to the Lebanese Court of Cassation to stay the annulment was determined. On 18 October 2023, the Lebanese Court of Cassation ordered a stay of the Annulment Decision. The challenge to the Beirut Court of Appeal's decision is currently pending, and the parties have indicated they have no objection to maintaining the stay pending the outcome of the challenge. On 1 February 2024, the Tribunal issued Procedural Order No. 10, ordering a stay of the arbitration proceedings until the Lebanese Court of Cassation's decision on the challenge to the Beirut Court of Appeal's decision, or until 1 February 2025, whichever occurs first.



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

**4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)**

*Korek Litigation (continued)*

► *DIFC Director Claims*

On 12 March 2018 IT Ltd. commenced proceedings in the courts of the Dubai International Financial Centre (“DIFC”) against Raymond Zina Rahmeh. The claim alleges breach of the defendant’s duties as directors of International Holdings and also alleges multiple instances of self-dealing. Mr. Rahmeh was validly served with the claim in CFI-019-2018 in Lebanon on 6 February 2020 and a certificate of service was issued by the DIFC Court on 13 February 2020.

Permission for IT to bring the derivative claim for and on behalf of IH against Mr. Rahmeh was granted by the DIFC Court on 11 May 2020, subject to the condition that IT is to file a schedule of breach, loss and causation (which has been done). Efforts were made to serve Mr. Rahmeh with the Schedule of Particulars and other recent documents via diplomatic service, but ultimately failed. Per the orders of the Court, the Schedule of Particulars must be served before further steps are taken in the proceedings. IT Ltd therefore applied for and was granted on 17 June 2021 permission to serve Mr. Rahmeh with the Schedule of Particulars and other documents by alternative means (e.g. email and courier to various affiliates of Mr. Rahmeh). Service by the alternative methods was effected, and, subsequently, on 16 December 2021, a judgment against Mr. Rahmeh was issued in the amount of USD 71.3 million plus costs and interest. On 27 December 2021, the DIFC court granted permission for the judgement to be served on Mr. Rahmeh by way of alternate service. Alternative service was effected, IT is now in the process of enforcing the judgement sum plus costs. On 1 January 2023, IT Ltd. applied for injunctive relief (preventative attachments) before the courts in Lebanon regarding certain of Mr. Rahmeh’s assets. On 25 January 2023, injunctive relief was granted, thereby attaching 26 properties owned by Mr. Rahmeh in different districts as well as his shares in 24 companies. The injunctive relief extends to profits generated by those companies. Following a number of notification steps, the enforcement process proceeded towards a court-controlled auction process to auction off the assets. However, this process was interrupted because Mr. Rahmeh appealed to the Court of Appeal the decision of the Lebanese Court of First Instance granting permission to IT Ltd to enforce the default judgment. Pending determination of Mr. Rahmeh’s appeal, enforcement is paused by law. IT Ltd is in the process of drafting a detailed defense to Mr. Rahmeh’s appeal which will be filed imminently.

Separately, on 5 September 2017, Modern Global Company for General Trading of Equipment, Supplier for Construction and Real Estate WLL (a wholly owned subsidiary of the Parent Company) commenced arbitration proceedings against Korek Telecom in relation to Korek’s alleged failure to pay servicing fees due to Modern Global under a services agreement. On 20 March 2019, Modern Global was awarded its full claim, interest and legal costs, amounting to approximately USD 4.5 million. The Group is currently in the process of enforcing the award against Korek Telecom. As part of the enforcement process, Modern Global sought leave to make alternative service on Korek. A hearing before the DIFC Court regarding the grant of alternative service was convened on 9 February 2021. The DIFC Court issued its judgment on 9 May 2021 pursuant to which Modern Global was wholly successful on the appeal. Consequently, Modern Global is now taking active steps to enforce the USD 5 million award against Korek in the UAE and Iraq. In April 2022, an amount of approximately USD 1.1 million was obtained from certain Korek assets in the United Arab Emirates. Enforcement efforts remain ongoing.

As a result of the ongoing litigation relating to Korek, the Group’s management was unable to determine the fair value of this investment and the recoverability of interest bearing loan as at 30 June 2024, 31 December 2023 and 30 June 2023. Accordingly, the investment is carried at its fair value as at 31 December 2013 of USD 359 million equivalent to KD 111,443 thousand (31 December 2023: KD 111,639 thousand and 30 June 2023: KD 111,650 thousand).

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

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

#### 5 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<i>30 June</i> <i>2024</i> <i>KD 000's</i>	<i>(Audited)</i> <i>31 December</i> <i>2023</i> <i>KD 000's</i>	<i>30 June</i> <i>2023</i> <i>KD 000's</i>
Quoted equity securities - outside Kuwait **	<b>907,501</b>	1,043,662	1,248,478
Treasury bills – outside Kuwait	-	5,949	6,382
Unquoted securities:			
- In Kuwait	<b>935</b>	935	2,841
- Outside Kuwait	<b>32,762</b>	26,523	52,010
	<b>941,198</b>	1,077,069	1,309,711

\*\* Quoted equity securities include investment in a listed entity in Europe having a carrying value of KD 906,871 thousand (31 December 2023: KD 1,043,496 thousand and 30 June 2023: KD 1,248,355 thousand), of which, to the extent of securities having a carrying value of KD 657,685 thousand (31 December 2023: KD 756,770 thousand and 30 June 2023: KD 388,002 thousand), the Group has entered into a funded equity collar arrangement (“collars”) 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 period, amounting to KD 38,234 thousand (31 December 2023: gain of KD 55,215 thousand and 30 June 2023: loss of KD 40,371 thousand) has been recognized in the interim condensed consolidated statement of comprehensive income. The proceeds received from the collars amounting to KD 719,695 thousand (31 December 2023: KD 744,921 thousand and 30 June 2023: KD 304,480 thousand) has been classified as interest bearing loans (Note 8).

#### 6 BANK BALANCES, CASH AND DEPOSITS

	<i>30 June</i> <i>2024</i> <i>KD 000's</i>	<i>(Audited)</i> <i>31 December</i> <i>2023</i> <i>KD 000's</i>	<i>30 June</i> <i>2023</i> <i>KD 000's</i>
Cash at banks and on hand	<b>196,298</b>	184,024	112,043
Short term deposits*	<b>33,727</b>	4,587	9,486
<b>Cash and cash equivalents</b>	<b>230,025</b>	188,611	121,529
Deposits with original maturities exceeding 3 months	<b>6,530</b>	24,931	6,224
	<b>236,555</b>	213,542	127,753

\* Short term deposits are placed for varying periods, depending on the immediate cash requirements of the Group and earn interest at the respective short term deposit rates.

#### 7 TREASURY SHARES

	<i>30 June</i> <i>2024</i>	<i>(Audited)</i> <i>31 December</i> <i>2023</i>	<i>30 June</i> <i>2023</i>
Number of treasury shares	<b>123,786,106</b>	123,786,106	123,786,106
Percentage of issued shares	<b>4.63%</b>	4.63%	4.63%
Market value in KD 000's	<b>34,536</b>	75,510	77,119

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

### 8 INTEREST BEARING LOANS

Interest bearing loans include financing facilities amounting to KD 719,695 thousand (31 December 2023: KD 744,921 thousand and 30 June 2023: KD 304,480 thousand) availed in relation to a 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 interest prepaid for this facility amount to KD 23,468 thousand (31 December 2023: KD 24,291 thousand and 30 June 2023: KD 7,970 thousand) and KD 36,750 thousand (31 December 2023: KD 50,183 thousand and 30 June 2023: KD 19,596 thousand) and is reported under ‘other current assets’ and ‘other non-current assets’ respectively.

#### *Hedge of net investments in foreign operations*

Included in interest bearing loans at 30 June 2024 are loans denominated in USD 292,320 thousand (31 December 2023: USD 285,000 thousand and 30 June 2023: USD 1,050,000 thousand) and EUR 157,348 thousand (31 December 2023: Nil and 30 June 2023: EUR 378,665 thousand) (hedging instrument), which have been designated as a hedge of the net investments in the overseas subsidiaries (with functional currency USD and EUR) and are being used to hedge the Group’s exposure to foreign exchange risk on these investments.

Gains or losses on the retranslation of interest bearings loans are transferred to other comprehensive income to offset any gains or losses on translation of the net investments in these subsidiaries. During the period, foreign exchange loss arising on translation of the hedging instrument amounting to KD 108 thousand (30 June 2023: KD 5,822 thousand) was taken to other comprehensive income (hedging reserve).

### 9 REVENUE FROM CONTRACTS WITH CUSTOMERS

The following presents the disaggregation of the Group’s revenue from contracts with customers:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>KD 000’s</i>	<i>KD 000’s</i>	<i>KD 000’s</i>	<i>KD 000’s</i>
Logistics services	<b>90,172</b>	96,991	<b>179,826</b>	195,698
Rent	<b>21,929</b>	21,243	<b>43,831</b>	42,846
Ground handling and airport services	<b>194,566</b>	164,780	<b>372,374</b>	317,308
Others	<b>68,772</b>	44,826	<b>115,698</b>	92,526
	<b>375,439</b>	327,840	<b>711,729</b>	648,378
	<b>375,439</b>	327,840	<b>711,729</b>	648,378
	<b>375,439</b>	327,840	<b>711,729</b>	648,378

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>KD 000’s</i>	<i>KD 000’s</i>	<i>KD 000’s</i>	<i>KD 000’s</i>
<b>Timing of revenue recognition</b>				
Goods and services transferred at a point in time	<b>333,540</b>	287,270	<b>629,100</b>	566,869
Goods and services transferred over time	<b>41,899</b>	40,570	<b>82,629</b>	81,509
	<b>375,439</b>	327,840	<b>711,729</b>	648,378
	<b>375,439</b>	327,840	<b>711,729</b>	648,378

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

### 9 REVENUE FROM CONTRACTS WITH CUSTOMERS (continued)

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
<b>Geographical markets</b>				
Middle East and Africa	<b>187,971</b>	172,493	<b>360,333</b>	352,084
America	<b>67,000</b>	59,639	<b>133,864</b>	122,477
Europe	<b>78,802</b>	61,785	<b>143,705</b>	122,819
Asia	<b>41,666</b>	33,923	<b>73,827</b>	50,998
<b>Total revenue from contracts with customers</b>	<b>375,439</b>	327,840	<b>711,729</b>	648,378

### 10 TAXATION

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
National Labour Support Tax (NLST)	<b>159</b>	372	<b>651</b>	776
Contribution to Kuwait Foundation for the Advancement of Sciences (KFAS)	<b>88</b>	184	<b>317</b>	384
Zakat	<b>89</b>	186	<b>319</b>	386
Taxation on overseas subsidiaries	<b>4,361</b>	2,129	<b>7,006</b>	5,599
	<b>4,697</b>	2,871	<b>8,293</b>	7,145

### 11 BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share amounts are calculated by dividing profit for the period attributable to equity holders of the Parent Company by the weighted average number of outstanding shares during the period as follows:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
Profit for the period attributable to equity holders of the Parent Company (KD 000's)	<b>6,007</b>	14,166	<b>24,698</b>	29,487
	<i>Shares</i>	<i>Shares</i>	<i>Shares</i>	<i>Shares</i>
Number of paid-up shares	<b>2,676,128,586</b>	2,676,128,586	<b>2,676,128,586</b>	2,676,128,586
Adjustment for reciprocal holding with an associate	<b>(54,593,023)</b>	(54,593,023)	<b>(54,593,023)</b>	(54,593,023)
Weighted average number of treasury shares	<b>(123,786,106)</b>	(123,786,106)	<b>(123,786,106)</b>	(123,786,106)
Weighted average number of outstanding shares	<b>2,497,749,457</b>	2,497,749,457	<b>2,497,749,457</b>	2,497,749,457
Basic and diluted earnings per share attributable to equity holders of the Parent Company (fils):	<b>2.40</b>	5.67	<b>9.89</b>	11.81

As there are no outstanding dilutive instruments, the basic and diluted earnings per share are identical.

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

### 12 CONTINGENCIES AND CAPITAL COMMITMENTS

The Group has contingencies and capital commitments at the reporting date as follows:

	<b>30 June 2024 KD 000's</b>	<i>(Audited)</i> <b>31 December 2023 KD 000's</b>	<b>30 June 2023 KD 000's</b>
Letters of guarantee*	<b>185,710</b>	163,195	183,325
Operating lease commitments	<b>1,482</b>	2,194	830
Capital commitments	<b>46,475</b>	18,453	25,367
Corporate guarantees**	<b>102,230</b>	106,968	124,476
	<b>335,897</b>	290,810	333,998

\*Included in letters of guarantee are bank guarantees of KD 30,651 thousand (31 December 2023: KD 30,651 thousand and 30 June 2023: KD 30,651 thousand), provided by a bank on behalf of the subsidiary "Global Clearing House Systems K.S.C. (Closed)" to the General Administration of Customs in the State of Kuwait. These guarantees are issued by the bank on a non-recourse basis to the Group.

\*\*The Group (Parent Company along with its subsidiary UPAC) and a related party are part of an arrangement to construct and develop a commercial mall in UAE ("project). The Group currently has an equity interest of 19.87% (31 December 2023: 19.87% and 30 June 2023: 19.87%) and has also extended interest bearing loan facilities to the project (Note 13). Further, the Parent Company provided corporate guarantees amounting to KD 102,176 thousand (31 December 2023: KD 106,634 thousand and 30 June 2023: KD 123,945 thousand) to external financial institutions that have provided finance facilities to the project.

#### Legal claims

(a) *Renewal of land leases with Public Authority for Industry, Kuwait (PAI)*

Investment properties include certain properties with a carrying value of KD 190,981 thousand that are leased from PAI as described below.

1. 805,712 m2 of land in Sulaibiya area with a carrying value of KD 77,962 thousand leased based on Municipal Council No. (MC /61/6/80) -issued in 1980 – under contract No. 60.
2. 150,000 m2 of land in Sulaibiya area with a carrying value of KD 11,751 thousand leased based on Municipal Council No. (MC / F 21/287/10/99)-issued in 1999 – under contract No. 211.
3. 1,625,000 m2 of land in Mina Abdullah area (plots 3,4 and 5) with a carrying value of KD 66,057 thousand leased based on Municipal Council No. (MC/11/10/78) -issued in 1981 – under contract No. 208.
4. 200,000 m2 of land in Amghara Industrial area with a carrying value of KD 6,821 thousand leased based on Municipal Council No. (L.B./83/10/86) -issued in 1986 – under contract No. 19/2002.
5. 941,420 m2 of land in Doha with a carrying value of KD 28,390 thousand leased in accordance with letter issued by the Council of Ministers No. (11/930-1949) – Issued in 1978 – under contract No. 8/2003.

The above lands were leased for developing warehousing facilities (both dry and temperature controlled), craft areas, open yards for parking trucks etc.

On 21 November 2022, the Council of Ministers, Kuwait issued a resolution no (1259/12) during its meeting No. (48-3/2022) which decided the following:

- a. No automatic renewal or extension of leases for warehousing and related support services after the expiration of their term. The lands will be leased through public bidding process for qualified companies in conformity with the principles of justice, equality and improvement of governance.
- b. No leasing of any land for storage purposes except after referring and coordinating with the government performance follow-up agency.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

**12 CONTINGENCIES AND CAPITAL COMMITMENTS (continued)**

**Legal claims (continued)**

*(a) Renewal of land leases with Public Authority for Industry, Kuwait (PAI) (continued)*

Subsequently PAI made a public announcement through news media that was also published in the Official Gazette “Kuwait Al-Youm” under No. 1618 on 15 January 2023 on the termination of the contracts referred to above. The Parent Company issued a warning dated 15 January 2023 to the PAI’s Board of directors members and to its Director General to respond and deny the content of these announcements. The Parent Company sent another warning to PAI on 25 January 2023 in response to the latter’s warning dated 18 January 2023. The Parent Company filed the following cases in the court of first instance against PAI asserting its position that the leases have been renewed and requested the court to prevent PAI and its affiliates from obstructing the Parent Company’s possession and use of the lands mentioned above.

The Parent Company filed the cases based on the terms of the aforementioned contracts, minutes of meetings, exchanged correspondences and provision of the law applied resolutions in this regard.

1. Case No. 14/2023 Commercial, Civil, Government / 27, regarding contract No. 60 of the Sulaibiya site, with an area of 805,712 m<sup>2</sup>. The court of first instance dismissed the case on 16 February 2023 rejecting the case. The Parent Company filed the appeal under appeals No. 1480, 1482, 1449 Commercial Appeal, Civil, Government / 10 for the year 2023. On 5 November 2023, the court of appeals ruled to formally accept the three appeals and in substance to reject them and uphold the appealed ruling and compelled the appellant to pay the appeals’ expenses and an amount of KD Twenty (20) as attorney’s fees. Agility has challenged this appeal decision and filed case number 18/35/38 for the year 2024 cassation commercial /1.
2. Case No. 9/2023 Commercial, Civil Government / 28, regarding contract No. 211 of the Sulaibiya site, with an area of 150,000 m<sup>2</sup>. The first instance court issued a judgment on 18 June 2023 on grounds of lack of jurisdiction and referred the case to the Administrative Department / 2 under no 4155/2023 administrative department /2. On 27 December 2023, the court of first instance ruled and dismissed the case. The Parent Company appealed the above judgement under Appeal No. 3340/2023 Commercial, Civil, Government / 9. On 14 November 2023 the court of appeal rejected the appeal. The Parent Company filed a new case under case no. 622/2024 commercial, Civil Government /23 with the same requests. On 11 June 2024 a preliminary decision was issued to transfer the case to the expert department in the Ministry of Justice.
3. Case No. 19/2023 Commercial, Civil, Government / 9, regarding contract No. 208 for Mina Abdullah’s site, with an area of 1,625,000 m<sup>2</sup>. On 24 January 2024, the court of first instance delivered its judgement rejecting the main case and in the secondary case ordered the parent company to vacate the land in favor of PAI. The Parent Company appealed the decision of the court of first instance in appeals no. 1119 and 1146 for the year 2024 and PAI appealed the court of first instance decision in appeal no 1049 for the year 2024. The court forwarded the appeals to the appeal department Commercial, Civil, Government/3 and the appeals are postponed to 13 October 2024 for review.
4. Case No. 12/2023 Commercial, Civil, Government / 20, regarding Contract No. 19/2002 for the truck parking site in Amghara Industrial Area, with an area of 200,000 m<sup>2</sup>. The court of first instance dismissed the case on 28 February 2023. The Parent Company appealed the judgment with appeals Nos. 1613, 1649, 1654, 1663, commercial, civil, government / 5 for the year 2023. On 14 June 2023, a stay order was issued pending a decision on the judges’ recusal request No. 13 of 2023. On 13 March 2024, the court of appeal issued its ruling rejecting the appeal and confirmed the court of first instance ruling. The Parent Company has appealed this decision in the appeals no. 2043, 2148, 2211, 2215 for the year 2024 commercial cassation / 7.
5. Case No. 29/2023 Commercial, Civil, Government / 7 regarding contract No. 8/2003, Doha site, with an area of 941,420 m<sup>2</sup>. The court of first instance on 19 March 2023 ruled in favor of the Parent Company establishing the contractual relationship between Agility and PAI for a period twenty years starting from 1 January 2023 and ending on 31 December 2042 on an area of 941,420 m<sup>2</sup> in the Doha area, subject of contract No. 8/2003 dated 12 August 2003 under the same terms and conditions. PAI appealed the judgment in Appeal No. 1762/2023 Commercial, Civil, Government / 1. On 18 June 2023, the Court of Appeal ruled to annul the appealed ruling and dismiss the case. The Parent Company has appealed the ruling before the Court of Cassation under case No 3897,3949,4145/ 2023 Commercial Cassation /1.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

**12 CONTINGENCIES AND CAPITAL COMMITMENTS (continued)**

**Legal claims (continued)**

*(a) Renewal of land leases with Public Authority for Industry, Kuwait (PAI) (continued)*

The PAI also filed claims against the Parent Company in respect of contract No. 208 for Mina Abdullah site, and Contract No. 211 for the Sulaibiya site.

Pending final outcome of the above litigations, the Group's management was unable to determine the fair value of the subject investment properties as at 30 June 2024.

*(b) Dispute with Iraqi Airways Company (IAC)*

Aviation Service (Iraq) Limited (ASIL), an indirect partially owned subsidiary of the Parent Company, 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 paid to ASIL an amount equal to USD 9.6 million.

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.

*(c) NAS Afghanistan vs Afghanistan Civil Aviation Authority, Afghanistan Ministry of Transportation and Civil Aviation and Ariana Afghan Airlines Co. Ltd. (ICC Case No. 2580/AYZ/ELU1)*

National Aviation Services, Afghanistan (NAS), a subsidiary of the Parent Company filed a Notice of Arbitration in the above matter in November 2020. The claims involve the Respondents': (i) failure to enforce NAS' exclusive right to render ground handling services at Afghan airports; (ii) unlawful termination of the subject concession agreement; (iii) seizure and expropriation of the NAS' equipment and operations; and (iv) illegal encashment of a performance guarantee. An arbitral tribunal was constituted comprising Professor Dr. Mohamed S. Abdel Wahab, Laurence Shore and Caline Mouawad (President). Following a hearing on the merits the Tribunal issued its Award dated 16 December 2022 in NAS' favour and awarding NAS damages, inclusive of attorneys' fees and arbitration costs, of approximately US\$27.7 million plus post-Award interest accruing annually at a rate of LIBOR + 2%. NAS' external counsel is advising the company on the enforcement of the award with proceedings recently commenced in the UK High Court.

Pending final outcome of the enforcement proceedings and the uncertainties on the timing and determination of the amount of recovery, the Group's management has not considered any adjustment in the interim condensed consolidated financial information.



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

**12 CONTINGENCIES AND CAPITAL COMMITMENTS (continued)**

**Legal claims (continued)**

*(d) Guarantee encashment*

A resolution was issued by the General Administration of Customs for Kuwait ("GAC") to cash a portion, amounting to KD 10,092 thousand of the bank guarantee submitted by Global Clearing House Systems K.S.C. (Closed) ("GCS"), a subsidiary of the Parent Company, in favour of GAC in relation to performance of a contract. Pursuant to this resolution, GAC called the above guarantee during the year ended 31 December 2007.

GCS appealed the above resolution at the Court of First Instance and the latter issued its judgment in favour of GCS and ordered GAC to pay an amount of KD 58,927 thousand as compensation against the non-performance of its obligations under the contract, and KD 9,138 thousand towards refunding of the guarantee encashed earlier, together with an interest of 7% per annum on these amounts to be calculated from the date the judgment becomes final.

GCS appealed the judgment in Appeal number 1923 for the year 2014 administration /4, before the Court of Appeal requesting an increase in compensation. GAC also filed an appeal No. 1955 / 2014 Administrative 4 before the Court of Appeal. On 13 September 2015, the Court of Appeal pronounced its judgement affirming the decision of the Court of First Instance. Both GCS and GAC appealed against this ruling before the Kuwait Court of Cassation in appeals No. 1480, 1487 for the year 2015. On 25 September 2019, the Court of Cassation resolved to defer the appeal to the experts. On 24 May 2021, the experts committee issued a report affirming GCS's right for the claimed compensation.

On 11 May 2022, this matter was finally resolved with the issuance of this judgment in respect of Appeals Nos. 1480 and 1487 for year 2015, Administrative/4 by the Court of Cassation, where the court ordered the GAC to refund an amount of KD 5,561 thousand to GCS out of the original amount of encashed guarantee. The said appeals resolved, otherwise, to uphold the appealed judgment, which ordered the second defendant, "the Director General of the General Administration of Customs in his capacity," to pay to the plaintiff "GCS" an amount of KD 58,927 thousand in addition to the legal interest of 7% annually on both amounts from the date this judgment becomes final.

The management of GCS is currently engaged in negotiations with GAC to conclude this in the best interest of shareholders of GCS and accordingly the Parent Company and GCS have decided not to recognize any adjustments in the consolidated financial statements to reflect the above judgement pending the outcome of the negotiations.

*(e) Legal cases with GAC - Appeals no. 1927 and 1933 for the year 2018*

Further, in respect of an ongoing dispute between GCS and GAC on which there were claims filed by both parties against each other relating to project management mechanisms in the ports, GCS filed Case No. 760/2014 Administrative/6 against the GAC requesting the delegation of experts from the Ministry of Justice to view the IT system at the GAC to indicate the amount of vehicle handling fees. GAC filed a counterclaim requesting that GCS complies with the price list attached to the contract.

GAC also filed case No. 4242/2014 Administrative/6 against GCS with a request to establish a project mechanism development fund, for GCS to pay the customs an amount of KD 500 thousand for developing project mechanisms at customs ports on a periodic basis, obliging GCS to pay the customs an amount of KD 21,242 thousand for the fines owed by GCS as of 9 February 2005, as well as an amount of KD 50 thousand for the annual allocation to the fund.

GAC also filed several lawsuits that were joined to the cases filed by GCS which are as follows:

Case No. 4246/2014 Administrative/6 against GCS requesting it to pay the customs an amount of KD 1,805 thousand as differential payments due for the project manager's fees from August 2006 to August 2011, obliging GCS to pay the customs an amount of KD 2,025 thousand as differences due to the project manager's fees for the period from August 2011 to August 2014, obliging GCS to pay the customs an amount of KD 42,991 thousand for the differences due as of 9 February 2005 as a result of its failure to pay the project manager's fees, with a cumulative delay fine of 1% per week, and obliging GCS to make monthly payments due for the project manager's fees until the end of the contract.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

**12 CONTINGENCIES AND CAPITAL COMMITMENTS (continued)**

**Legal claims (continued)**

*(e) Legal cases with GAC - Appeals no. 1927 and 1933 for the year 2018 (continued)*

Case No. 2738/2014 Administrative/6 against GCS with a request to oblige it to pay customs an amount of KD 5,853 thousand as differences in payments due for the project manager's fees from August 2006 to October 2010 with a cumulative delay fine and legal interest at the rate of 7% annually; and Case No. 3276/2015 Administrative/6 filed by the Director General of the General Administration of Customs with the same requests under Case No. 4242/2014 Administrative/6; and Case No. 3280/2015 Administrative/6 filed by the Director General of the General Administration of Customs with the same requests contained in Case No. 4246/2014 Administrative/6.

All these cases were joined together to hand down a single judgment for all of them. On 25 September 2018, the judgment was issued dismissing all cases.

The judgment was appealed by both GCS and GAC under appeals No. 1927 and 1933/2018, Contracts Administration and Individual Appeals/2. On 26 September 2022 the court ruled, First: the litigation ended in the first appeal, and the appellant company is obliged to pay the expenses and KD 10 as attorney fees; Second: accepting the second appeal in form, and in substance, cancelling the appealed judgment with regard to what was included in its judgment under requests one to four, and oblige the appellee to set up the project development fund, subject of the Bidding Contract No. A/S.M./1/2004/2005, subject of the litigation, and pay the appealing administration an amount of KD 12,443 thousand, and rejecting the appeal and upholding the appealed judgment with respect to other requests.

GCS appealed this judgment before the court of cassation in appeal No. 3995 for the year 2022 Cassation, Administrative/1 and requested to cancel the ruling and reject the case. The appeal also included a request for a stay of execution until the appeal is resolved. GAC also appealed this judgement in appeal No. 4023 for the year 2022 and requested to increase the value of the compensation. During the hearing scheduled for 12 April 2023, the Court of Cassation considered the request to stay the enforcement, and resolved to stay the enforcement of the judgment until the appeal is resolved. The Parent Company and GCS (after consulting the external counsel) have resolved not to record any provision pending final ruling by the court of cassation.

In addition to the above, there are other legal disputes between GCS and GAC. Both the parties have filed various claims and counter claims that are currently pending in the courts. The legal counsel of the Group believes that these matters will not have a material adverse effect on the Group's interim condensed consolidated financial information.

*(f) ICS Claims Against Argentina*

On July 21, 2014, ICS Inspection and Control Services Limited, a subsidiary of the Parent Company, filed a notice of arbitration against the Argentine Republic ("the Respondent") regarding the Respondent's breach of its obligations under Article 2 of the bilateral treaty between the United Kingdom and Argentina in connection to an agreement entered into between the Claimant and Argentina's Ministry of Economy and Public Finances, formerly known as the Ministry of Economy and Public Works and Services ("MECON") on March 11, 1998. This agreement concerned services provided by ICS as part of a government-supervised program under which goods intended for import into Argentina would be inspected before being shipped to Argentina. ICS thereby sought compensation for the losses incurred due to the alleged breaches of the bilateral investment treaty.

On 29 April 2024, the tribunal awarded compensation to ICS for an amount of USD 165.9 million, being USD 9.7 million as principal award in addition to interest. Consequently, the Group will pursue enforcement of the award against the Respondent.

On 29 May 2024, Argentina filed an application to correct a computation error in the Final Award under Article 38 of the 2010 UNCITRAL Rules. The computation error results in the principal amount due to ICS being reduced by USD 46 thousand. With the interest, the correction reduces the amount of compensation due to ICS as at the date of the Award by USD 723.8 thousand to USD 165.1 million. ICS did not object to the correction of the computation error. On 12 July 2024, the Tribunal issued its Decision confirming the correction of the computation filed by Argentina. Argentina can still seek to challenge this decision with the Deutsch courts.

Pending final outcome of the enforcement proceedings and the uncertainties on the timing and determination of the amount of recovery, the Group's management has not considered any adjustment in the interim condensed consolidated financial information.

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

### 12 CONTINGENCIES AND CAPITAL COMMITMENTS (continued)

#### Legal claims (continued)

In addition to the above, the Group is involved in various incidental claims and legal proceedings. The legal counsel of the Group believes that these matters will not have a material adverse effect on the interim condensed consolidated financial information.

### 13 RELATED PARTIES TRANSACTIONS AND BALANCES

Related parties represent major shareholders, associates and joint ventures, directors and key management personnel of the Group, and entities which they control or over which they exert significant influence. Pricing policies and terms of these transactions are approved by the Group's management. Transactions and balances with related parties are as follows:

	<i>Major shareholders</i>	<i>Other related parties</i>	<i>Six months ended</i>	
			<i>2024</i>	<i>2023</i>
	<i>KD 000's</i>	<i>KD 000's</i>	<i>Total</i>	<i>Total</i>
			<i>KD 000's</i>	<i>KD 000's</i>
<b>Interim condensed consolidated statement of income</b>				
Revenues	-	4,999	<b>4,999</b>	5,876
Cost of revenues	-	(23,171)	<b>(23,171)</b>	(29,424)
General and administrative expenses	-	(220)	<b>(220)</b>	(9)
Share of results of associates and joint ventures	(1,136)	6,127	<b>4,991</b>	4,253
Interest income	-	115	<b>115</b>	105
Finance costs	-	(116)	<b>(116)</b>	(250)
Miscellaneous income	-	705	<b>705</b>	-
<i>(Audited)</i>				
	<i>Major shareholders</i>	<i>Other related parties</i>	<i>30 June 2024</i>	<i>31 December 2023</i>
	<i>KD 000's</i>	<i>KD 000's</i>	<i>Total</i>	<i>Total</i>
			<i>KD 000's</i>	<i>KD 000's</i>
<b>Interim condensed consolidated statement of financial position</b>				
Investment in associates and joint ventures	16,886	130,366	<b>147,252</b>	144,966
Financial assets at fair value through profit or loss (Note 4)	-	112,822	<b>112,822</b>	112,783
Financial assets at fair value through other comprehensive income (Note 5)	-	16,823	<b>16,823</b>	10,798
Trade receivables	-	7,327	<b>7,327</b>	10,991
Amounts due from related parties	-	1,325	<b>1,325</b>	1,364
Loans to related parties	-	239,286	<b>239,286</b>	226,042
Loan to an associate (Note 4)	-	35,649	<b>35,649</b>	35,711
Other non-current liabilities	-	6,390	<b>6,390</b>	21,387
Trade and other payables	61	8,078	<b>8,138</b>	12,429

Loans to related parties include KD 235,838 thousand (31 December 2023: KD 215,232 thousand and 30 June 2023: KD 201,264 thousand) provided to a joint venture representing amounts advanced by a subsidiary of the Group 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 after completion of construction subject to the project achieving certain operational targets and upon the discretion of the Group. The subsidiary has suspended recognition of interest income since the year ended 31 December 2020. Amount of interest attributable for the period ended 30 June 2024 of KD 13,899 thousand (31 December 2023: KD 24,043 thousand and 30 June 2023: KD 10,993 thousand). The suspension of interest is temporary and the subsidiary retains the right to reinstate it in the future.

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

### 13 RELATED PARTIES TRANSACTIONS AND BALANCES (continued)

#### Compensation of key management personnel

The remuneration of board of directors and other members of key management (executives) during the period were as follows:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
Short-term benefits (key management)	<b>194</b>	151	<b>388</b>	302
Accrual for committees services (board of directors)	<b>88</b>	88	<b>176</b>	176
Accrual for remuneration to board of directors	<b>88</b>	88	<b>176</b>	176
	<b>370</b>	327	<b>740</b>	654

### 14 DIVIDEND, BONUS SHARES AND DIRECTORS' REMUNERATION

On 27 March 2024, the Board of Directors of the Parent Company, based on the authorization given by the Parent Company's ordinary general meeting held on 30 May 2023 and the extraordinary general meeting held on 7 June 2023, approved the distribution of interim dividends comprising of cash dividends of 10 fils per share and in-kind dividends representing 49% of the shares currently held by the Parent Company in Agility Global PLC, a wholly owned subsidiary of the Parent Company. Every shareholder registered in the Parent Company's records at the end of the record date will receive two shares in Agility Global PLC for each share such shareholder owns in the Parent Company. On 1 May 2024, the distribution of dividends in-kind was completed and on 2 May 2024, Agility Global PLC was listed on Abu Dhabi Securities Exchange (ADX) after finalizing the required procedures in accordance with the applicable rules and regulations.

Accordingly, the Parent Company has recognised non-controlling interest amounting to KD 776,446 thousand representing 49% of the carrying value of assets and liabilities of Agility Global PLC with a corresponding adjustment to the retained earnings in the interim condensed consolidated financial information.

On 14 May 2024, the Board of Directors of Agility Global PLC, in accordance with the Article of Association and the ADGM companies Regulations approved the distribution of interim dividends amounting to AED 0.023 per share.

The shareholders at the Annual General Meeting ("AGM") held on 28 May 2024 approved the consolidated financial statement for the year ended 31 December 2023 and the distribution of cash dividends of 10 fils (2022: Nil) for the year ended 31 December 2023.

### 15 SEGMENT INFORMATION

The Group determined the following as its major operating segments:

#### *Controlled entities:*

This segment comprises of business units that are controlled by the Group and hence consolidated in its financial statements. The entities that are part of this segment provides services that include real estate, fuel logistics, airplane ground handling, fuelling and cleaning services, cargo and lounge management, customs operations and management, construction and remote site services, customs consulting and waste recycling.

#### *Investments:*

The segment comprise of business units that holds the Group's non-controlling interests in various sectors. These investments comprises of both listed and unlisted equity securities and convertible loans.

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

### 15 SEGMENT INFORMATION (continued)

Six months ended 30 June 2024	<i>Controlled entities</i> <i>KD 000's</i>	<i>Investments</i> <i>KD 000's</i>	<i>Total</i> <i>KD 000's</i>
Revenues	711,729	-	711,729
Profit before interest, taxation, depreciation, amortisation and Directors' remuneration (EBITDA)	133,765	440	134,205
Depreciation	(45,486)	-	(45,486)
Amortisation	(4,145)	-	(4,145)
Profit before interest, taxation and directors' remuneration (EBIT)	84,134	440	84,574

#### Key components of controlled entities:

Six months ended 30 June 2024	<i>Aviation services</i> <i>KD 000's</i>	<i>Fuel logistics</i> <i>KD 000's</i>	<i>Others</i> <i>KD 000's</i>	<i>Total</i> <i>KD 000's</i>
Revenues	371,653	167,860	172,216	711,729
Results				
Profit before interest, taxation, depreciation, amortisation and directors' remuneration (EBITDA)	54,909	39,243	39,613	133,765

Six months ended 30 June 2023	<i>Controlled entities</i> <i>KD 000's</i>	<i>Investments</i> <i>KD 000's</i>	<i>Total</i> <i>KD 000's</i>
Revenues	648,378	-	648,378
Profit before interest, taxation, depreciation, amortisation and Directors' remuneration (EBITDA)	118,035	2,841	120,876
Depreciation	(40,279)	-	(40,279)
Amortisation	(4,306)	-	(4,306)
Profit before interest, taxation and Directors' remuneration (EBIT)	73,450	2,841	76,291

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

### 15 SEGMENT INFORMATION (continued)

Key components of controlled entities:

Six months ended 30 June 2023	<i>Aviation services</i> KD 000's	<i>Fuel logistics</i> KD 000's	<i>Others</i> KD 000's	<i>Total</i> KD 000's
Revenues	316,577	169,813	161,988	648,378
Results				
Profit before interest, taxation, depreciation, amortisation and directors' remuneration (EBITDA)	42,144	29,626	46,265	118,035

The Group's financing (including interest income and finance costs) and taxation is managed on a Group basis and are not allocated to operating segments.

The following table presents segment assets and liabilities of the Group's operating segments as at 30 June 2024, 31 December 2023 and 30 June 2023.

	<i>Controlled entities</i> KD 000's	<i>Investments</i> KD 000's	<i>Adjustments and eliminations</i> KD 000's	<i>Total</i> KD 000's
<i>As at 30 June 2024</i>				
<b>Total assets</b>	<b>3,236,544</b>	<b>1,602,409</b>	<b>(1,050,106)</b>	<b>3,788,847</b>
<b>Total liabilities</b>	<b>1,306,863</b>	<b>1,737,005</b>	<b>(1,039,707)</b>	<b>2,004,161</b>
<i>Other disclosures:</i>				
Goodwill	269,380	-	-	269,380
Intangible assets	82,752	-	-	82,752
Capital expenditure *	(39,100)	-	-	(39,100)

Key components of controlled entities:

<i>As at 30 June 2024</i>	<i>Aviation services</i> KD 000's	<i>Fuel logistics</i> KD 000's	<i>Others</i> KD 000's	<i>Total</i> KD 000's
<b>Total assets</b>	<b>851,366</b>	<b>520,367</b>	<b>1,864,811</b>	<b>3,236,544</b>
<b>Total liabilities</b>	<b>814,391</b>	<b>289,869</b>	<b>202,603</b>	<b>1,306,863</b>
<i>Other disclosures:</i>				
Goodwill	233,742	12,093	23,545	269,380
Intangible assets	67,247	15,379	126	82,752
Capital expenditure *	(9,647)	(16,141)	(13,312)	(39,100)

	<i>Controlled entities</i> KD 000's	<i>Investments</i> KD 000's	<i>Adjustments and eliminations</i> KD 000's	<i>Total</i> KD 000's
<i>As at 31 December 2023 (Audited)</i>				
Total assets	3,049,447	1,677,149	(981,048)	3,745,548
Total liabilities	1,122,935	1,702,388	(971,880)	1,853,443

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

### 15 SEGMENT INFORMATION (continued)

*Other disclosures:*

Goodwill	264,229	-	-	264,229
Intangible assets	83,409	-	-	83,409
Capital expenditure *	(63,200)	-	-	(63,200)
Change in fair value of investment properties	15,466	-	-	15,466

Key components of controlled entities:

<i>As at 31 December 2023 (Audited)</i>	<i>Aviation services KD 000's</i>	<i>Fuel logistics KD 000's</i>	<i>Others KD 000's</i>	<i>Total KD 000's</i>
Total assets	756,627	490,134	1,802,686	3,049,447
Total liabilities	697,663	274,661	150,611	1,122,935

*Other disclosures:*

Goodwill	228,515	12,111	23,603	264,229
Intangible assets	69,872	12,865	672	83,409
Capital expenditure *	(22,628)	(16,400)	(24,172)	(63,200)
Change in fair value of investment properties	-	-	15,466	15,466

<i>As at 30 June 2023</i>	<i>Controlled entities KD 000's</i>	<i>Investments KD 000's</i>	<i>Adjustments and eliminations KD 000's</i>	<i>Total KD 000's</i>
Total assets	2,711,609	1,782,431	(754,097)	3,739,943
Total liabilities	1,407,964	1,067,593	(740,743)	1,734,814

*Other disclosures:*

Goodwill	259,849	-	-	259,849
Intangible assets	89,272	-	-	89,272
Capital expenditure *	(28,875)	-	-	(28,875)

Key components of controlled entities:

<i>As at 30 June 2023</i>	<i>Aviation services KD 000's</i>	<i>Fuel logistics KD 000's</i>	<i>Others KD 000's</i>	<i>Total KD 000's</i>
Total assets	716,754	480,356	1,514,499	2,711,609
Total liabilities	666,641	269,786	471,537	1,407,964

*Other disclosures:*

Goodwill	229,012	7,235	23,602	259,849
Intangible assets	73,719	14,679	874	89,272
Capital expenditure *	(13,169)	(5,987)	(9,719)	(28,875)

\* Capital expenditure consists of additions to property, plant and equipment, projects in progress and investment properties.



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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

### 15 SEGMENT INFORMATION (continued)

#### Other geographic information

The following presents information regarding the Group's non-current assets based by geographical segments determined based on the geographic locations of the legal entities forming part of the Group.

Non-current assets	30 June 2024 KD 000's	(Audited)	30 June
		31 December 2023 KD 000's	2023 KD 000's
Middle east and Africa	1,631,520	1,550,580	1,252,834
Asia	72,282	76,303	81,100
Europe	68,956	57,885	94,892
America	115,601	110,149	233,485
	<u>1,888,359</u>	<u>1,794,917</u>	<u>1,662,311</u>

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, loan to related parties and loan to associate.

### 16 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:

The Group 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:

	Level 1 KD'000	Level 2 KD'000	Level 3 KD'000	Total fair value KD'000
<b>30 June 2024</b>				
<b>Financial assets measured at fair value through profit or loss</b>				
Investment in an associate - outside Kuwait	-	-	111,443	111,443
Quoted equity securities – outside Kuwait	2,706	-	-	2,706
Treasury bills - outside Kuwait	-	-	9,210	9,210
Unquoted equity securities - in Kuwait	-	-	21	21
Investment in funds - outside Kuwait	-	1,379	-	1,379
Loans to related parties	-	-	235,838	235,838
Loan to an associate	-	-	35,649	35,649
	<u>2,706</u>	<u>1,379</u>	<u>392,161</u>	<u>396,246</u>
<b>Financial assets measured at fair value through other comprehensive income</b>				
Quoted equity securities- outside Kuwait	907,501	-	-	907,501
Unquoted securities	-	-	33,697	33,697
	<u>907,501</u>	<u>-</u>	<u>33,697</u>	<u>941,198</u>

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

### 16 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

	<i>Level 1 KD'000</i>	<i>Level 2 KD'000</i>	<i>Level 3 KD'000</i>	<i>Total fair value KD'000</i>
<i>Derivative financial assets</i>				
Forward foreign exchange contracts	-	2	-	2
Collars	-	103,006	-	103,006
	<u>-</u>	<u>103,008</u>	<u>-</u>	<u>103,008</u>
	<u>910,207</u>	<u>104,387</u>	<u>425,858</u>	<u>1,440,452</u>
	<u><u>910,207</u></u>	<u><u>104,387</u></u>	<u><u>425,858</u></u>	<u><u>1,440,452</u></u>
	<i>Level 1 KD'000</i>	<i>Level 2 KD'000</i>	<i>Level 3 KD'000</i>	<i>Total fair value KD'000</i>
31 December 2023 (Audited)				
<i>Financial assets measured at fair value through profit or loss</i>				
Investment in an associate - outside Kuwait	-	-	111,639	111,639
Quoted equity securities – outside Kuwait	1,374	-	-	1,374
Unquoted equity securities - in Kuwait	-	-	21	21
Investment in funds - outside Kuwait	-	1,144	-	1,144
Loans to related parties	-	-	215,232	215,232
Loan to an associate	-	-	35,711	35,711
	<u>1,374</u>	<u>1,144</u>	<u>362,603</u>	<u>365,121</u>
	<u>1,374</u>	<u>1,144</u>	<u>362,603</u>	<u>365,121</u>
<i>Financial assets measured at fair value through other comprehensive income</i>				
Quoted equity securities - outside Kuwait	1,043,662	-	-	1,043,662
Treasury bills - outside Kuwait	-	-	5,949	5,949
Unquoted securities	-	-	27,458	27,458
	<u>1,043,662</u>	<u>-</u>	<u>33,407</u>	<u>1,077,069</u>
	<u>1,043,662</u>	<u>-</u>	<u>33,407</u>	<u>1,077,069</u>
<i>Derivative financial assets</i>				
Forward foreign exchange contracts	-	5	-	5
Interest rate swaps	-	44	-	44
Collars	-	65,107	-	65,107
	<u>-</u>	<u>65,156</u>	<u>-</u>	<u>65,156</u>
	<u>1,045,036</u>	<u>66,300</u>	<u>396,010</u>	<u>1,507,346</u>
	<u><u>1,045,036</u></u>	<u><u>66,300</u></u>	<u><u>396,010</u></u>	<u><u>1,507,346</u></u>

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

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2024

### 16 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

	<i>Level 1</i> <i>KD'000</i>	<i>Level 2</i> <i>KD'000</i>	<i>Level 3</i> <i>KD'000</i>	<i>Total fair value</i> <i>KD'000</i>
30 June 2023				
<i>Financial assets measured at fair value through profit or loss</i>				
Investment in an associate - outside Kuwait	-	-	111,650	111,650
Quoted equity securities - outside Kuwait	2,794	-	-	2,794
Unquoted equity securities - in Kuwait	-	-	21	21
Investment in funds - outside Kuwait	-	1,912	-	1,912
Loans to related parties	-	-	201,264	201,264
Loan to an associate	-	-	35,715	35,715
	<u>2,794</u>	<u>1,912</u>	<u>348,650</u>	<u>353,356</u>
<i>Financial assets measured at fair value through other comprehensive income</i>				
Quoted equity securities - outside Kuwait	1,248,478	-	-	1,248,478
Treasury bills - outside Kuwait	-	-	6,382	6,382
Unquoted securities	-	-	54,851	54,851
	<u>1,248,478</u>	<u>-</u>	<u>61,233</u>	<u>1,309,711</u>
<i>Derivative financial assets (liabilities)</i>				
Forward foreign exchange contracts	-	425	-	425
Collars	-	(40,371)	-	(40,371)
Interest rate swaps	-	25,684	-	25,684
	<u>-</u>	<u>(14,262)</u>	<u>-</u>	<u>(14,262)</u>
	<u>1,251,272</u>	<u>(12,350)</u>	<u>409,883</u>	<u>1,648,805</u>

There were no transfers between the fair value hierarchies during the period.

The Group's management was unable to determine the fair value of the investment in an associate and the recoverability of interest bearing loan as at 30 June 2024, 31 December 2023 and 30 June 2023 due to certain inherent uncertainties and accordingly the investment and related loan is carried at its fair value as at 31 December 2013 (Note 4).

Fair values of unquoted equity securities classified as fair value through other comprehensive income are determined using valuation techniques that are not based on observable market prices or rates.

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.

The following table below shows a reconciliation of the opening and the closing amount of level 3 financial assets measured at fair value:

	<i>30 June</i> <i>2024</i> <i>KD'000</i>	<i>(Audited)</i> <i>31 December</i> <i>2023</i> <i>KD'000</i>	<i>30 June</i> <i>2023</i> <i>KD'000</i>
As at 1 January	<b>396,010</b>	384,206	384,206
Re-measurement recognised in interim condensed consolidated statement of comprehensive income	<b>3,528</b>	(28,165)	-
Others including net purchases (sales), transfer and exchange difference	<b>26,320</b>	39,969	25,677
<b>As at the reporting date</b>	<b><u>425,858</u></b>	<u>396,010</u>	<u>409,883</u>