

## Agility Global PLC

The healthy contribution from all segments boosted top line

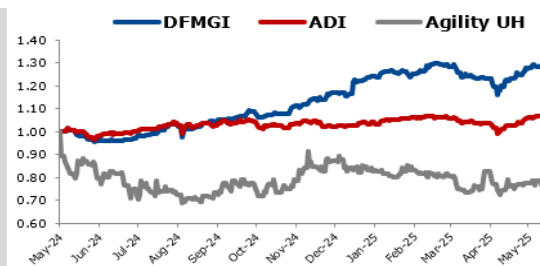
**Current Price**  
AED 1.20

**Target Price**  
AED 2.10

**Upside/Downside (%)**  
+75%

**Rating**  
BUY

- Revenues grew 16.7% YOY to USD 1,143 Mn in 1Q25 driven by healthy growth across all segments.
- New businesses from Spain and Portugal and expansion in Serbia, increased winter activity, and improved yields supported Aviation services business.
- Agility Logistics Parks announced the expansion of 226K warehousing capacity in Jeddah & Riyadh.
- Menzies to acquire 100% of U.S.-based G2 Secure Staff for USD 305 Mn, with an additional USD 10 Mn deferred until 2026, based on performance targets.
- Total investment portfolio valued at c. USD 5.1 Bn as of March 31, 2025, with significant stakes in DSV and Reem Mall.



### 1Q25 Net Profit lower than our estimate

Agility Global ("Agility, "the Company") reported a net profit of USD 21 Mn for 1Q25, compared to a net profit of USD 30 Mn in 1Q24, below our estimate of USD 35 Mn. This performance is primarily driven by higher depreciation expenses related to business expansion and increased interest expense. These higher costs followed the Company's capitalization in May 2024 as part of the listing process and were further driven by greater debt utilization compared to 1Q24. Net profit was also impacted due to growth in direct expenses, operating expenses, and tax expenses, partially offset by rise in revenue.

### P&L Highlights

Agility's revenue grew 16.7% YOY to USD 1,143 Mn in 1Q25 driven by healthy growth across all segments. Revenue from the Aviation Services Segment (Menzies) rose 12.6% YOY to USD 649 Mn in 1Q25, driven by higher volumes from new operations in Portugal and Spain, expansion in Serbia, increased winter activity, and improved yields. Revenue from the Industrial real estate Segment (Agility Logistics Parks) increased 7.6% YOY to USD 14 Mn in 1Q25, due to strong demand for world-class warehouse particularly in Saudi Arabia where occupancy rates remained high. The Fuel Logistic Segment (Tristar) achieved 35.4% YOY growth as revenue rose to USD 340 Mn in 1Q25, primarily driven by growth in the fuel segment because of new Sri Lanka fuel business which is began in 2H24. Revenue from other activities grew 0.6% YOY to USD 139 Mn in 1Q25. The Company's direct expenses grew 23.7% YOY to USD 444 Mn in 1Q25. Thus, gross profit rose 12.6% YOY to USD 698 Mn in 1Q25. However, gross profit margin declined from 63.3% in 1Q24 to 61.1% in 1Q25. Agility's other operating expenses increased 7.9% YOY to USD 126 Mn in 1Q25. Other income/expenses rose 22.2% YOY to USD 416 Mn primarily driven by an increase in salaries and employee benefits, which grew from USD 371 Mn in 1Q24 to USD 426 Mn in 1Q25.

### Stock Information

Market Cap (AED, Mn)	12,501.27
Paid Up Capital (Mn)	623.99
52 Week High	1.45
52 Week Low	1.04
3M Avg. daily value (USD)	19,368,850

### 1Q25 Result Review (USD, Mn)

Total Assets	11,752
Total Liabilities	5,995
Total Equity	5,327
EBITDA	173
Net Profit	21

### Financial Ratios

Dividend Yield (12m)	1.92
Dividend Pay-out (%)	0.00
Price-Earnings Ratio(x)	28.25
Price-to-Book Ratio (x)	0.64
Book Value (USD)	0.51
Return-on Equity (%)	2.26

### Stock Performance

5 Days	-3.23%
1 Months	-4.00%
3 Months	-6.98%
6 Months	-10.45%
1 Year	-13.04%
Month to Date (MTD%)	-2.44%
Quarter to Date (QTD%)	-8.40%
Year to Date (YTD%)	-8.40%

Moreover, income from the share of results of associates increased to USD 17 Mn in 1Q25 from USD 2 Mn in 1Q24. As a result, the Company's EBITDA increased 5.1% YOY to USD 173 Mn in 1Q25 with a 167 bps YOY contraction in EBITDA margin to 15.1%. Aviation Services segment EBITDA grew 4.3% YOY to USD 86 Mn with a margin of 13.3% in 1Q25 due to growth in all material divisions and service lines. EBITDA for the Fuel logistic segment decreased 7.2% YOY to USD 60 Mn in 1Q25 driven by one-off gain which booked in 2024 and higher depreciation expense from commitment to charter new vessels to activities intended to support business growth. Industrial real estate segment EBITDA grew 1.9% YOY to USD 10 Mn in 1Q25 with a margin of 69.8%. D&A charges increased 17.1% YOY to USD 81 Mn in 1Q25. As a result, operating profit fell significantly by 3.6% YOY to USD 92 Mn in 1Q25. The Company's finance income increased from USD 2 Mn in 1Q24 to USD 9 Mn in 1Q25, whereas finance costs also increased 26.1% YOY to USD 55 Mn in 1Q25. Income tax expense increased 66.5% YOY to USD 15 Mn in 1Q25. The share of profit attributable to non-controlling interest holders decreased 28.5% YOY to USD 10 Mn in 1Q25.

### Balance Sheet Highlights

Agility Global maintains a robust balance sheet with USD 11.8 Bn in assets and USD 5.3 Bn in shareholder equity as of 1Q25, this is because of the largest investment in DSV which contributes 32% of total assets. The Company reported operating cash flow of USD 164 Mn in 1Q25 and incurred a gross capex of USD 60 Mn in 1Q25. The Company's cash and cash equivalents increased from USD 871 Mn in 4Q24 to USD 962 Mn in 1Q25 mainly due to an increase in cash flow from operations. Moreover, interest-bearing loans increased to USD 3.8 Bn in 1Q25 compared to USD 3.4 Bn in 4Q24. The Company's reported net debt of USD 3.6 Bn in 1Q25 and reported net debt (excluding lease liabilities) was USD 2.8 Bn.

### Target Price and Rating

We maintain our BUY rating on Agility Global with an unchanged target price of AED 2.10. Agility Global reported strong revenue growth in 1Q25, supported by robust performance across all business segments, with the exception of Other Activities. The Company made notable progress in operational expansion and investment strategy, reporting a total investment portfolio valued at c. USD 5.1 Bn as of March 31, 2025. This portfolio includes both listed and non-listed assets, with significant stakes in DSV and Reem Mall. Agility owns 19.3 Mn shares in DSV, one of the world's largest freight forwarders, positioning it among DSV's largest shareholders. The value of this investment increased following DSV's announcement of its acquisition of DB Schenker. To manage volatility, Agility hedged its DSV investment through a funded equity collar. The company maintains a long-term positive outlook on DSV due to its global leadership and consistent, value-driven growth. Reem Mall, another key asset, has 198 units trading with c. 80% of Gross Leasable Area (GLA) committed. The mall is among the region's first fully integrated omnichannel retail ecosystems, combining retail, logistics, digital, and e-commerce services to deliver a seamless customer experience. Reem Mall's holding comprises both equity and convertible debt. Menzies Aviation posted revenue growth, driven by its new operations in Spain and Portugal, and expansion in Serbia. Additionally, Menzies agreed to acquire U.S.-based G2 Secure Staff for USD 305 Mn, with an additional USD 10 Mn contingent on 2026 performance. This acquisition solidifies Menzies' position as the largest aviation services provider globally by geographic coverage, airport presence, and aircraft turnaround operations. Agility Logistics Parks (ALP) benefited from favorable market dynamics, bolstered by Saudi Arabia's economic diversification. ALP commenced construction of new logistics parks in Jeddah and Riyadh, adding 226K sqm of warehousing, expected to be delivered between late 2025 and early 2026. Revenue from these developments will be recognized accordingly. Tristar Group has a strong growth pipeline, particularly in maritime and fuel storage infrastructure. It also launched operations at RM Parks Sri Lanka. These initiatives are expected to drive long-term value. Management is actively implementing initiatives to optimize performance across the group. Agility forecasts group revenue to grow 11–13% YOY in 2025, with an expected EBITDA margin of 14–15%. The group anticipates an effective tax rate of c. 30% in 2025, largely due to the application of Pillar 2 global minimum tax regulations. The board approved to distribute cash dividend of AED 0.023 per share amounting USD 65 Mn for 2H24 (1H24: AED 0.023 Per Share). Thus, based on our analysis, we assign a BUY rating on the stock.

### Agility Global - Relative valuation

(at CMP)	2024	2025F
PE	25.79	33.08
PB	0.60	0.59
EV/EBITDA	33.30	32.46
DPS	0.046	0.046
Dividend yield	3.8%	3.8%

FABS Estimates & Co Data

\*Agility was listed in May 2024 hence prior-period multiples are not available.

### Agility Global - P&L

USD Mn	1Q24	4Q24	1Q25	1Q25F	Var	YOY Ch	QOQ Ch	2024	2025F	Change
Revenue	979	1,193	1,143	1,258	-9.2%	16.7%	-4.2%	4,507	5,083	12.8%
Direct expenses	-359	-480	-444	-503	-11.7%	23.7%	-7.3%	-1,743	-2,033	16.7%
<b>Gross profit</b>	<b>620</b>	<b>713</b>	<b>698</b>	<b>755</b>	<b>-7.5%</b>	<b>12.6%</b>	<b>-2.1%</b>	<b>2,764</b>	<b>3,050</b>	<b>10.3%</b>
Other operating expenses	-488	-570	-552	-589	-6.2%	13.2%	-3.0%	-2,176	-2,404	10.5%
Share of result of JVs	2	9	17	6	NM	NM	84.8%	33	23	-32.0%
Other income/expenses	31	46	11	20	-46.9%	-65.6%	-76.8%	89	82	-8.4%
<b>EBITDA</b>	<b>165</b>	<b>198</b>	<b>173</b>	<b>192</b>	<b>-9.8%</b>	<b>5.1%</b>	<b>-12.8%</b>	<b>711</b>	<b>750</b>	<b>5.6%</b>
D&A	-69	-87	-81	-87	-6.7%	17.1%	-7.2%	-307	-328	6.7%
Operating profit	<b>95</b>	<b>111</b>	<b>92</b>	<b>105</b>	<b>-12.3%</b>	<b>-3.6%</b>	<b>-17.3%</b>	<b>404</b>	<b>423</b>	<b>4.7%</b>
Finance income	2	-1	9	10	-6.8%	NM	NM	21	38	85.2%
Finance cost	-43	-49	-55	-51	7.3%	26.1%	11.4%	-188	-204	8.7%
<b>Profit before tax</b>	<b>54</b>	<b>61</b>	<b>46</b>	<b>63</b>	<b>-27.3%</b>	<b>-13.9%</b>	<b>-24.8%</b>	<b>236</b>	<b>257</b>	<b>8.6%</b>
Income Tax	-9	-17	-15	-15	-3.7%	66.5%	-15.1%	-52	-77	47.2%
<b>Profit before NCI</b>	<b>45</b>	<b>44</b>	<b>31</b>	<b>48</b>	<b>-34.7%</b>	<b>-29.8%</b>	<b>-28.6%</b>	<b>184</b>	<b>180</b>	<b>-2.4%</b>
Non-controlling interests	-14	-14	-10	-13	-20.0%	-28.5%	-26.9%	-57	-57	1.0%
<b>Profit attributable</b>	<b>30</b>	<b>30</b>	<b>21</b>	<b>35</b>	<b>-40.0%</b>	<b>-30.4%</b>	<b>-29.4%</b>	<b>127</b>	<b>123</b>	<b>-3.9%</b>

FABS estimate & Co Data

### Agility Global - Margins

	1Q24	4Q24	1Q25	YOY Ch	QOQ Ch	2024	2025F	Change
Gross Profit	63.3%	59.8%	61.1%	-221	131	61.3%	60.0%	-133
EBITDA	16.8%	16.6%	15.1%	-167	-150	15.8%	14.8%	-101
Operating Profit	9.7%	9.3%	8.0%	-169	-127	9.0%	8.3%	-64
Net Profit	3.1%	2.5%	1.9%	-126	-66	2.8%	2.4%	-42

FABS estimate & Co Data

## Valuation:

We use Discounted Free Cash Flow (DCF) and Sum of The Parts (SOTP) method to value Agility. We have assigned 70% to DCF and 30% to SOTP method.

Valuation Method	Target	Weight	Weighted Value
DCF Method	1.87	70.0%	1.30
SOTP Method	2.66	30.0%	0.80
<b>Weighted Average Valuation (AED)</b>			<b>2.10</b>
Current market price (AED)			1.20
Upside/Downside (%)			+75%

### 1) DCF Method:

Agility is valued using free cash flow to firm. We have discounted the cash flow using the weighted average cost of capital of 9.4%. It is arrived after using the cost of equity of 10.6% and after-tax cost of debt of 5.5% with debt-to-equity ratio of 30.5%. Cost of equity is calculated by using 10-year government bond yield of 5.2%, beta of 0.84 and equity risk premium of 6.5%. Government bond yield is calculated after adding average Abu Dhabi and Kuwait Government 10-year CDS spread over 10-year US risk free rate. Cost of debt is calculated using cost of debt of 7.9% after adjusting a tax rate of 30.0%. Also, assumed a terminal growth rate of 2.0%.

Sum of PV (USD, Mn)	620
Terminal value (USD, Mn)	3,557
Net Debt	-4,009
Investments	5,100
<b>FV to Common shareholders (USD, Mn)</b>	<b>5,268</b>
No. of share (Mn)	10,418
Current Market Price (AED)	1.20
<b>Fair Value per share (AED)</b>	<b>1.87</b>

### DCF Method

(All Figures in USD Mn)	FY 2025E	FY 2026E	FY 2027E	FY 2028E	FY 2029E
NOPAT	288	338	376	416	448
Depreciation & amortization	143	166	176	178	178
CAPEX	-440	-325	-200	-200	-158
Working Capital	-207	-83	-100	-102	-77
<b>Free Cash Flow to Firm (FCFF)</b>	<b>-217</b>	<b>96</b>	<b>251</b>	<b>291</b>	<b>391</b>
Discounting Factor	0.94	0.86	0.79	0.72	0.66
<b>Discounted FCFF</b>	<b>-129<sup>1</sup></b>	<b>83</b>	<b>198</b>	<b>210</b>	<b>257</b>

Source: FAB Securities, <sup>1</sup>Adjusted for partial year

## 2) SOTP Method:

We have used SOTP method to value Agility. We have considered local as well as international peers to value using the EV/EBITDA multiple. Since the Company operates into multiple segments hence each segment is valued separately using the peers of the segment. The value of all segments is summed up to compute the total enterprise value of the firm and after that includes the value of net debt and value of investments held.

### EV/EBITDA Method (USD Mn)

Segment	EBITDA	Multiple	Valuation
Menzies Aviation Services	397	7.5x	2,984
Tristar Fuel Logistic	286	9.5x	2,702
Agility Logistic Parks	42	18.5x	777
<b>Total Enterprise Value</b>			<b>6,660</b>
Net Debt			-4,009
Investments			5,100
<b>Enterprise Value</b>			<b>7,751</b>

Company	Market	EV/EBITDA (x)		P/E (x)	
	(USD Mn)	2025F	2026F	2025F	2026F
Aviation					
SATS LTD	3,332	7.9	7.6	17.2	15.5
FRAPORT AG FRANKFURT AIRPORT	6,139	10.9	10.2	12.6	13.5
CELEBI HAVA SERVISI	1,700	6.0	5.6	10.8	7.9
AENA SME SA	37,696	10.4	9.9	16.2	15.2
TOSCANA AEROPORTI SPA	350	8.5	6.6	21.2	17.9
Guangzhou Baiyun International Airport	3,024	5.7	5.8	18.9	21.5
Çelebi Hava Servisi	1,700	6.0	5.6	10.8	7.9
Athens International Airport	3,027	8.4	8.2	13.4	14.2
Xiamen International Airport	842	4.0	3.6	13.0	11.1
Average		7.5x	7.0x	14.9x	13.9x
Median		7.9x	6.6x	13.4x	14.2x
Max		8.5x	8.2x	17.2x	15.5x
Min		6.0x	5.6x	12.6x	11.1x

Source: FAB Securities

Company	Market	EV/EBITDA (x)		P/E (x)	
	(USD Mn)	2025F	2026F	2025F	2026F
<b><u>Transportation Fuel Logistics</u></b>					
NATIONAL SHIPPING CO OF/THE	5,884	NA	NA	20.7	NA
HUNT (JB) TRANSPRT SVCS INC	14,752	10.6	9.4	26.3	21.2
KNIGHT-SWIFT TRANSPORTATION	7,571	9.0	7.5	32.0	18.8
ADNOC LOGISTICS & SERVICES	9,547	8.0	7.6	11.6	10.9
QATAR FUEL QSC	4,097	13.9	13.1	14.1	13.8
Arabian Drilling Company	2,003	6.6	6.2	17.7	14.0
OQ Gas Networks	1,518	11.2	10.7	13.5	10.7
Frontline plc	3,898	6.9	6.5	8.2	6.9
<b>Average</b>		<b>9.5x</b>	<b>8.7x</b>	<b>18.0x</b>	<b>13.8x</b>
<b>Median</b>		<b>9.0x</b>	<b>7.6x</b>	<b>15.9x</b>	<b>13.8x</b>
<b>Max</b>		<b>10.9x</b>	<b>10.1x</b>	<b>22.1x</b>	<b>16.4x</b>
<b>Min</b>		<b>7.5x</b>	<b>7.0x</b>	<b>13.0x</b>	<b>10.8x</b>

Source: FAB Securities

Company	Market	EV/EBITDA (x)		P/E (x)	
	(USD Mn)	2024F	2025F	2024F	2025F
<u>Logistics</u>					
GROWTHPOINT PROPERTIES LTD	2,461	16.0	15.7	NA	NA
PROLOGIS INC	102,378	22.2	20.5	39.2	33.1
MAPLETREE LOGISTICS TRUST	4,217	20.1	19.5	18.0	16.5
CTP NV	8,452	21.7	18.5	18.6	16.6
Sime Darby Property Berhad	2,278	13.8	13.0	17.7	16.3
SmartCentres Real Estate Investment	2,652	17.5	17.1	13.2	13.1
Average		18.5x	17.4x	21.3x	19.1x
Median		18.8x	17.8x	18.0x	16.5x
Max		21.3x	19.2x	18.6x	16.6x
Min		16.3x	16.1x	17.7x	16.3x

Source: FAB Securities

## Research Rating Methodology:

Rating	Upside/Downside potential
BUY	Higher than +15%
ACCUMULATE	Between +10% to +15%
HOLD	Lower than +10% to -5%
REDUCE	Between -5% to -15%
SELL	Lower than -15%

## FAB Securities Contacts:

### Research Analyst

Ahmad Banihani                      +971-2-6161629                      [ahmad.banihani@Bankfab.com](mailto:ahmad.banihani@Bankfab.com)

### Sales & Execution

Abu Dhabi Head Office

Trading Desk                      +971-2-6161700/1                      Online Trading Link  
    +971-2-6161777

Institutional Desk                      +971-4-4245765

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