



BATIC INVESTMENT AND LOGISTICS COMPANY
(A Saudi Joint Stock Company)

Interim Condensed Consolidated Financial Statements
(Unaudited) and Independent Auditor's Review Report

For the Three-Month and
Six-Month Periods Ended 30 June 2025

BATIC INVESTMENT AND LOGISTICS COMPANY
(A Saudi Joint Stock Company)

THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
AS AT 30 JUNE 2025

<u>Index</u>	<u>Page</u>
Independent Auditor's Review Report	1
Interim Condensed Consolidated Statement of Financial Position	2
Interim Condensed Consolidated Statement of Comprehensive Income	3
Interim Condensed Consolidated Statement of Changes in Equity	4
Interim Condensed Consolidated Statement of Cash Flows	5-6
Notes to the Interim Condensed Consolidated Financial Statements	7 - 21

**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
TO THE SHAREHOLDERS OF BATIC INVESTMENTS AND LOGISTICS COMPANY
(A SAUDI JOINT STOCK COMPANY)**

Introduction:

We have reviewed the accompanying interim condensed consolidated statement of financial position of Batic Investments and Logistics Company– a Saudi Joint Stock Company (“the Company”) and its subsidiaries (collectively referred to as “the Group”) as at 30 June 2025, and the related interim condensed consolidated statements of comprehensive income, for the three-month and six-month periods ended 30 June 2025, and the related interim condensed consolidated statement of changes in equity and cash flows for the six-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, “Interim Financial Reporting” (“IAS 34”) endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

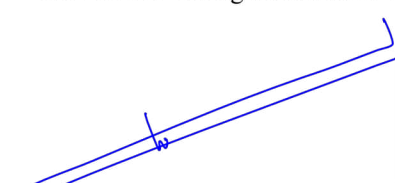
Scope of Review:

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” as endorsed in the Kingdom of Saudi Arabia. A review of interim financial statement 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 that are endorsed in the Kingdom of Saudi Arabia 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.

Conclusion:

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 endorsed in the Kingdom of Saudi Arabia.

for Ernst & Young Professional Services


Fahad M. Al-Toaimi
Certified Public Accountant
License no. (354)



Riyadh: 17 Safar 1447H
(11 August 2025)

BATIC INVESTMENT AND LOGISTICS COMPANY
(A Saudi Joint Stock Company)


INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 JUNE 2025

(All amounts are in Saudi Riyals unless otherwise stated)

		30 June 2025 (Unaudited)	31 December 2024 (Audited)
	<i>Note</i>		
ASSETS			
Non-current assets			
Property and equipment	4	187,036,548	192,835,138
Right-of-use assets	5	71,972,727	83,289,888
Investment properties	6	229,098,082	245,957,183
Intangible assets	7	82,032,084	682,015,874
Investments at fair value through profit or loss FVPL		2,042,704	2,042,704
Other debit balances- non-current portion		1,651,634	2,202,178
Total non-current assets		573,833,779	1,208,342,965
Current assets			
Inventories		3,506,245	3,878,085
Trade receivables, prepayments, and other debit	8	170,673,110	154,034,818
Short-term financial assets measured at FVTPL	9	83,162,455	85,256,967
Cash and cash equivalents	10	35,982,595	59,131,891
Total current assets		293,324,405	302,301,761
Total assets		867,158,184	1,510,644,726
EQUITY AND LIABILITIES			
Equity			
Share capital	1	600,000,000	600,000,000
Accumulated losses		(44,133,503)	(58,154,215)
Business combination reserve	19	(144,687,468)	(144,687,468)
TOTAL EQUITY ATTRIBUTE TO THE COMPANY'S SHAREHOLDERS		411,179,029	397,158,317
Non-controlling interest		9,477,084	9,218,952
TOTAL EQUITY		420,656,113	406,377,269
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term loans	11	43,912,264	35,985,514
Trade payables- non-current portion	14	-	1,784,250
Lease liabilities - non-current portion	15	52,046,827	62,226,372
Obligation under the service concession agreement- non-current portion	12	-	608,692,941
Employees' end of service benefit liabilities		27,646,102	27,802,496
Total non-current liabilities		123,605,193	736,491,573
Current liabilities			
Current portion of long-term loans	11	96,502,418	141,796,688
Short-term loans	11	35,458,746	35,090,530
Obligation under the service concession agreement- current portion	12	-	31,092,207
Lease liabilities - Current portion	15	23,011,082	21,943,319
Shareholders' accruals		35,285,404	35,357,361
Trade payables, accrued expenses and other payable balances	14	126,622,115	96,517,760
Zakat provision	16	6,017,113	5,978,019
Total Current liabilities		322,896,878	367,775,884
Total liabilities		446,502,071	1,104,267,457
TOTAL LIABILITIES AND EQUITY		867,158,184	1,510,644,726

Chief Financial Officer



Managing Director



The accompanying notes 1 through 23 form an integral part of these interim condensed consolidated financial statements.

BATIC INVESTMENT AND LOGISTICS COMPANY
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME – UNAUDITED

FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2025

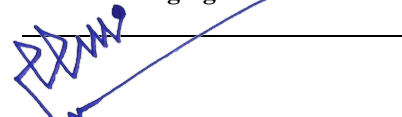
(All amounts are in SAR unless otherwise stated)

	Note	For the Three-month period ended 30 June		For the Six-month period ended 30 June	
		2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
Revenues	17	147,495,036	123,202,027	261,198,931	247,502,923
Cost of revenue	17	(130,104,672)	(106,168,716)	(235,242,254)	(215,456,681)
Gross profit		17,390,364	17,033,311	25,956,677	32,046,242
General and administrative expenses		(9,440,178)	(9,463,480)	(18,752,344)	(18,646,558)
Provision of impairment of financial assets	8	450,000	(1,500,000)	-	(3,000,000)
Net Gains from Contract Terminations		388,666	-	20,016,188	-
Provision of slow moving inventories		-	(251,292)	-	(418,819)
Profit from operations		8,788,852	5,818,539	27,220,521	9,980,865
Unrealized (losses) gain on investments measured at FVTPL	9	(3,324,089)	985,538	(1,329,008)	5,176,727
Gain from disposals of PP&E and Intangible assets, net		115,704	416	199,852	58,091
Finance charge, net		(3,358,581)	(6,003,054)	(10,470,714)	(11,476,862)
Other income, net		678,617	308,997	1,088,879	720,277
Net Profit before zakat		2,900,503	1,110,436	16,709,530	4,459,098
Zakat expense	16	(1,330,149)	(1,768,084)	(2,430,686)	(3,535,161)
Net profit / (loss) for the period		1,570,354	(657,648)	14,278,844	923,937
Attributable to::					
Equity holders of the parent		1,603,339	(745,961)	14,020,712	849,732
Non-controlling interests		(32,985)	88,313	258,132	74,205
		1,570,354	(657,648)	14,278,844	923,937
Other Comprehensive Income		-	-	-	-
Total comprehensive Income / (loss) for the period		1,570,354	(657,648)	14,278,844	923,937
Attribute to:					
Equity holders of the parent		1,603,339	(745,961)	14,020,712	849,732
Non-controlling interests		(32,985)	88,313	258,132	74,205
		1,570,354	(657,648)	14,278,844	923,937
Earnings / (loss) per share (EPS)					
Earnings / loss per share attributable to shareholders of the parent (basic and diluted)	18	0.003	(0.001)	0.023	0.001

Chief Financial Officer



Managing Director



The accompanying notes 1 through 23 form an integral part of these interim condensed consolidated financial statements.

BATIC INVESTMENT AND LOGISTICS COMPANY

(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(All amounts are in SAR unless otherwise stated)

For six months period ended 30 June 2024 (Unaudited)

Balance at 1 January 2024 (Audited)

Net profit for the period

Other comprehensive income for the period

Total comprehensive Income for the period

Balance at 30 June 2024 (Unaudited)

<i>Capital</i>	<i>Retained earnings/ (Accumulated losses)</i>	<i>Business combination reserve</i>	<i>Total shareholders' equity</i>	<i>Non-controlling interest</i>	<i>Total</i>
600,000,000	818,113	(144,687,468)	456,130,645	9,512,098	465,642,743
-	849,732	-	849,732	74,205	923,937
-	-	-	-	-	-
-	849,732	-	849,732	74,205	923,937
600,000,000	1,667,845	(144,687,468)	456,980,377	9,586,303	466,566,680

For six months period ended 30 June 2025 (Unaudited)

Balance at 1 January 2025 (Audited)

Net profit for the period

Other comprehensive income for the period

Total comprehensive Income for the period

Balance as at 30 June 2025 (Unaudited)

600,000,000	(58,154,215)	(144,687,468)	397,158,317	9,218,952	406,377,269
-	14,020,712	-	14,020,712	258,132	14,278,844
-	-	-	-	-	-
-	14,020,712	-	14,020,712	258,132	14,278,844
600,000,000	(44,133,503)	(144,687,468)	411,179,029	9,477,084	420,656,113

Chief Financial Officer

Managing Director

The accompanying notes 1 through 23 form an integral part of these interim condensed consolidated financial statements.

BATIC INVESTMENT AND LOGISTICS COMPANY
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS – UNAUDITED
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(All amounts are in ~~SR~~ unless otherwise stated)

		<i>For the six-month period ended 30 June</i>	
	<i>Notes</i>	2025	2024
OPERATING ACTIVITIES			
Profit before zakat		16,709,530	4,459,098
<i>Adjustments to reconcile profit before zakat to net cash flows:</i>			
Depreciation of property and equipment	4	14,173,020	13,614,030
Depreciation of right-of-use assets	5	12,681,552	10,673,066
Amortization of intangible assets		4,885,976	11,467,613
Depreciation of investment properties	6	598,467	333,546
Unrealized loss (gain) from investments at FVTPL	9	1,329,008	(5,176,727)
Realized Gain from Investment funds		-	(188,355)
Provision of impairment of financial assets	8	-	3,000,000
Provision of Slow-moving inventories		-	418,819
Finance charge		10,470,714	11,476,862
Gains from sale of property, equipment, and intangible assets, net		(199,852)	(58,091)
Gains on disposal of right-of-use assets		(97,588)	(85,432)
Employees' end of service benefits liability		5,902,407	5,095,992
Gains from cancellation of contracts		(20,016,188)	-
Profit from a deposit and interest income received		(411,765)	(374,420)
Working capital adjustments:			
Inventories		26,229,287	(1,107,187)
Trade receivables, prepayments, and other receivables		(24,104,756)	(1,578,640)
Trade payables, accrued expenses, and other payables		10,590,473	6,413,891
Cash flows generated from operating activities		58,740,285	58,384,065
Zakat paid	16	(2,391,592)	(5,956,731)
Employees' end of service benefit liabilities paid		(6,215,680)	(8,666,147)
Cash flows generated from operating activities		50,133,013	43,761,187
INVESTING ACTIVITIES			-
Additions to property and equipment	4	(9,538,498)	(10,840,346)
Additions to investments properties	6	(8,579,359)	(6,984,164)
Additions of intangible assets		(364,105)	(3,663,596)
Additions to short term financial assets at FVPL		-	(19,997,200)
Proceed from investment fund and deposit and interest income		411,765	562,775
Proceeds from disposal of PP&E and intangible assets		346,716	649,786
Proceed from disposal of short term financial assets at FVPL	9	765,504	18,125,035
Cash flows used in investing activities		(16,957,977)	(22,147,710)
FINANCING ACTIVITIES			
Payment of lease liabilities		(12,730,293)	(12,484,905)
Proceeds from loans	11	21,466,496	22,497,200
Repayment of loans	11	(58,465,800)	(23,218,285)
Repayment of finance costs		(6,522,777)	(3,327,093)
Change in shareholders accruals		(71,958)	(54,334)
Cash flows used in financing activities		(56,324,332)	(16,587,417)

The accompanying notes 1 through 23 form an integral part of these interim condensed consolidated financial statements.

BATIC INVESTMENT AND LOGISTICS COMPANY
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS – UNAUDITED
(Continued)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025


(All amounts are in **ﷲ** unless otherwise stated)

		<i>For the six-month period ended 30 June</i>	
	<i>Notes</i>	2025	2024
Net change in cash and cash equivalents		(23,149,294)	5,026,060
Cash and cash equivalents at beginning of the period		59,131,891	40,497,279
Cash and cash equivalents at ending of the period	10	<u>35,982,595</u>	<u>45,523,339</u>

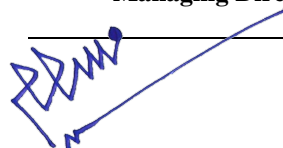
Significant non-cash transactions were as follows:

Right of use assets	5,634,268	38,400,653
Lease obligation	3,283,165	38,400,653
obligation under the service concession agreement	643,510,405	-
Prepaid expenses and other debit balances	8,902,076	1,261,027
Additions to obligation under service concession agreement	-	30,254,517
Transfer from investment properties to land inventory	(25,857,450)	-

Chief Financial Officer



Managing Director



The accompanying notes 1 through 23 form an integral part of these interim condensed consolidated financial statements.

BATIC INVESTMENT AND LOGISTICS COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(All amounts are in ﷲ unless otherwise stated)

1. CORPORATE INFORMATION

Batic Investments and Logistics Company (the "Company" or "Batic") - a Saudi Joint Stock Company - the previous name (Saudi Transport and Investment Company – "Mubarrad") formed under the Regulations for Companies and is registered in the Riyadh, Kingdom of Saudi Arabia ("KSA") under Commercial Registration No. 1010052902 dated 13 Rabi' al-Thani 1404H (corresponding to 16 January 1984).

Based on the approval of the Extraordinary General Assembly of the shareholders of the Company on 6 Rajab 1438H (corresponding to 3 April 2017), the second article of the Company's By-laws has been amended to change the name of the Company from (Saudi Transport and Investment Company – "Mubarrad") to (Batic Investment and Logistics Company).

The main activities of the Company and its subsidiaries (referred to collectively as "the Group") include, but are not limited to, the following:

- 1- Activities of head offices.
- 2- General construction of residential buildings.
- 3- Goods land transportation .
- 4- Logistic services.
- 5- Provision of private civil security guard services.
- 6- Transportation of cash, precious metals, and valuable documents to and from banks and ATM machines.
- 7- Cash and mail collection and sorting.
- 8- Wholesale and retail trade in surveillance, security, safety, electronic devices, and their maintenance and operation.
- 9- Building maintenance, cleaning, crowd organization, and management.
- 10- General building cleaning.
- 11- Purchase and sale of lands and real estate, subdivision, map selling activities, management and leasing of owned or leased properties (residential and non-residential), construction of residential buildings and general non-residential building construction, management and leasing of residential and non-residential properties, and real estate management activities for a commission.
- 12- Building maintenance services.
- 13- Towing and roadside assistance activities.
- 14- Repair and maintenance of wireless telephone devices.
- 15- Wholesale of medical devices, equipment, and supplies.

The Company's head office is located in Riyadh - Al-Olaya District - Al-Arz Street - P.O. Box 7939.

The Company's fiscal year begins on the first of January and ends at the end of December of each calendar year.

Capital

The shareholders of the Company in their meeting held on to 2 Jumada al-Ula 1443H (corresponding to 6 December 2021) decided to increase the share capital of the Company from ﷲ 300,000,000 to ﷲ 600,000,000 (divided into 60,000,000 shares of ﷲ 10 each). The regulatory procedures for the share capital increase were completed, including the approval of the Capital Market Authority ("CMA"), which was obtained on 26 Rabi' al-Awwal 1443H (corresponding to 2 November 2021), and were completed during 2022.

On 21 June 2023, the Extraordinary General Assembly of the Company's shareholders approved amending the Company's By-laws in accordance with the new Regulations for Companies, the amended corporate governance regulations issued by the Capital Market Authority and their executive regulations. The most important of these amendments are:

- Splitting the nominal value of the share from ﷲ (10) per share to ﷲ (1) per share, making the number of the Company's shares (600,000,000) six hundred million shares instead of (60,000,000) sixty million shares.
- Cancelling the Company's term specified in the Company's By-laws as (50) years.
- Cancelling the statutory reserve clause in the By-laws and transferring the entire balance of the statutory reserve on the date of the General Assembly meeting to the accumulated losses.

The Company shall operate in accordance with applicable regulations and after obtaining the necessary licenses from the relevant authorities, if any

BATIC INVESTMENT AND LOGISTICS COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited) (Continued)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(All amounts are in SAR unless otherwise stated)

1. ORGANIZATION AND PRINCIPAL ACTIVITIES (Continued)

Group structure

The interim condensed consolidated financial statements include the financial statements of the parent Company and its subsidiaries (collectively referred to as the "Group") as follows:

	Country of Domicile	30 June 2025		31 December 2024	
		% of direct investment	% of indirect investment	% of direct investment	% of indirect investment
The Arab Company for Security and Safety Services - AMNCO (LLC)	Kingdom of Saudi Arabia	94.89%	-	94.89%	-
Saudi Transport and Investment Company (Mubarrad) (Closed join -Stock /One person company)	Kingdom of Saudi Arabia	100%	-	100%	-
Batic Real Estate company (One person -LLC)	Kingdom of Saudi Arabia	100%	-	100%	-
Abeen Healthcare company (One person -LLC)	Kingdom of Saudi Arabia	100%	-	100%	-
AMNCO Facility Management Company (LLC)	Kingdom of Saudi Arabia	-	94.89%	-	94.89%
Smart Cities ICT Solutions Company (Closed join -Stock)	Kingdom of Saudi Arabia	97.85%	-	97.85%	-

2. BASIS OF PREPARATION

2-1 Statement of compliance

The interim consolidated financial statements are prepared in accordance with International Accounting Standard 34 ("IAS 34") "Interim Financial Reporting" that is endorsed in KSA and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements in accordance with International Financial Reporting Standards and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. Management considers that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

2-2 Basis of measurement

The condensed consolidated interim financial statements have been prepared on the historical cost basis, except for:

- short-term financial assets through profit or loss, which are measured at fair value, and
- employee' end-of-service benefits obligations, which are measured at the present value of future obligations using the projected unit credit method.

Further, these interim condensed consolidated financial statements have been prepared using an accrual basis of accounting.

2-3 Functional and presentation currency

The accompanying condensed consolidated interim financial statements are presented in Saudi Riyals, which is the functional currency of the Group, and the presented financial statements are rounded to the nearest Saudi riyal.

2-4 Significant accounting policies

Business combination

For business combinations involving entities under common control ("combining entities") are accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amount

BATIC INVESTMENT AND LOGISTICS COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited) (Continued)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(All amounts are in ~~SR~~ unless otherwise stated)

2. BASIS OF PREPARATION (Continued)

2-4 Significant accounting policies (Continued)

Business combination (Continued)

Adjustments are made to the carrying amounts in order to incorporate any differences arising due to differences in accounting policies used by the combining entities. No goodwill or gain is recognized as a result of the combination and any difference between the consideration paid/transferred and the equity acquired is reflected within the equity of the Group. The consolidated statement of comprehensive income reflects the results of the combining entities from the date when the combination took place.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024.

NEW STANDARDS ISSUED, AND STANDARDS ISSUED AND EFFECTIVE

Following are the standards and amendments effective on 1 January 2025 or after (unless otherwise stated):

Amendments and interpretations

- Amendments to IAS 1: Classification of Liabilities as Current and Non-current Liabilities with Covenants
- Amendments to IAS 16: Lease Liability in a Sale and Leaseback.
- Amendments to IAS 7 and IFRS 7: Disclosures: Supplier Finance Arrangements

The new standards had no impact on the Group's consolidated financial statements.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

NEW STANDARDS ISSUED, AND STANDARDS ISSUED BUT NOT YET EFFECTIVE

There are new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's interim condensed financial statements as listed.

- | | |
|---|---|
| - Volume (11): Annual Improvements to IFRS Accounting Standards. | 1 January 2026 |
| - Amendments to IFRS (9) and IFRS (7): Power Purchase Agreements. | 1 January 2026 |
| - IFRS (18): Presentation and Disclosure in Financial Statements – Replaces IAS (1) Presentation of Financial Statements. | 1 January 2027 |
| - IFRS (19) – Subsidiaries without Public Accountability: Disclosures | 1 January 2027 |
| - Amendments to IFRS (10) and IAS (28): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | The effective date of this amendment is postponed indefinitely. |

The Group intends to adopt this amendment, if applicable, when becomes effective. This amendment will have no impact on the interim condensed consolidated financial statements of the Group.

3. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In preparing these interim condensed consolidated financial statements, management has made certain judgments, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses and related disclosures. Uncertainty about assumptions and estimates may result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Differences result from adjustments to estimates are recognized prospectively.

Estimations and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the date of preparing the interim condensed consolidated financial statements that have a risk of causing an adjustment to the carrying amounts of assets and liabilities within the next financial period. The Group based its assumptions and estimates on parameters available when the interim condensed consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

BATIC INVESTMENT AND LOGISTICS COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited) (Continued)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(All amounts are in ~~SR~~ unless otherwise stated)

3. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (Continued)

Impairment of non-financial assets (Continued)

Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash generating units (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use is based on a Discounted Cash Flow ("DCF") model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group

is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Expected Credit Losses of Trade Receivables

The Group as a has applied the standard's simplified approach of impairment in accordance with IFRS (9) and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Employee' defined benefits liabilities

Defined benefit obligations to employees are determined using actuarial valuation processes. An actuarial valuation involves making various assumptions, which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation ("DBO") is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

Useful lives and residual values of property and equipment

The useful life of each of the Group's items of property, plant and equipment is estimated based on the period over which the asset is expected to be available for use. Such estimation is based on a collective assessment of practices of similar businesses, internal technical evaluation, experience with similar assets and application of judgment as to when the assets become available for use and the commencement of the depreciation charge.

The estimated useful life of each asset is reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the asset. Any change in the estimated useful life or depreciation method will be accounted for prospectively.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the interim condensed consolidated statement of financial position cannot be measured based on quoted prices in active markets, their fair value is determined using valuation techniques including the discounted cash flow ("DCF") model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instrument Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease contracts liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (e.g. subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases contracts lease Group' subsidiary company functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (e.g. credit rating of a subsidiary) are required.

BATIC INVESTMENT AND LOGISTICS COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited) (Continued)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(All amounts are in SAR unless otherwise stated)

3. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (Continued)

Going concern.

The Group's management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the interim condensed consolidated financial statements have been prepared on a going concern basis.

Judgments

Determining the lease term of contract with extension and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

Property Lease Classification – Group as a Lessee

The Group has entered into lease agreements for its properties. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases

4. PROPERTY AND EQUIPMENT

	<i>30 June 2025</i> <i>(Unaudited)</i>	<i>31 December 2024</i> <i>(Audited)</i>
Balance at the beginning of the period/year	192,835,138	197,940,063
Additions for the period / year	9,538,498	35,998,450
Additions to projects under process period / year	-	871,385
Transferred to /from investments properties	(1,017,457)	(10,615,066)
Depreciation charge for the period / year	(14,173,020)	(28,006,646)
Impairment of property and equipment	-	(665,888)
Disposals for the period / year , net	(146,611)	(2,687,160)
Closing balance - net book value	187,036,548	192,835,138

5. Right-of-Use Assets

The Group has lease contracts for buildings and trucks with lease periods ranging from one years to 8 years, and they are used in the Group's operational operations. The Group's obligations under lease contracts are secured by the lessor's title to the leased assets. In general, the Group is prohibited from assigning or subleasing leased assets.

The Company also has certain leases with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

Below is the movement of right-of-use assets in accordance with the application of the International Financial Reporting Standard (IFRS) 16, "Leases":

	<i>Buildings</i>	<i>Trucks</i>	<i>Total</i>
Balance as of January 1, 2024	13,366,676	52,017,926	65,384,602
Additions	6,036,247	37,755,381	43,791,628
Depreciation charge for the period / year	(6,111,588)	(16,984,209)	(23,095,797)
Disposals	(2,790,545)	-	(2,790,545)
Balance as of December 31, 2024 (Audited)	10,500,790	72,789,098	83,289,888

BATIC INVESTMENT AND LOGISTICS COMPANY
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited) (Continued)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(All amounts are in ﷲ unless otherwise stated)

5. Right-of-Use Assets (Continued)

	<i>Buildings</i>	<i>Trucks</i>	<i>Total</i>
Balance as of January 1, 2025	10,500,790	72,789,098	83,289,888
Additions	4,231,937	853,635	5,085,572
Depreciation charge for the period / year	(3,392,801)	(9,288,751)	(12,681,552)
Disposals	(850,466)	(2,870,715)	(3,721,181)
Balance as of June 30, 2025 (Un-audited)	10,489,460	61,483,267	71,972,727

During the period ended June 30, 2025, the Group terminated certain lease contracts before their expiration dates. As a result of these derecognitions, gains amounting to 97,588 ﷲ (December 31, 2024: 85,432 ﷲ) were recognized in the condensed interim consolidated statement of income.

6. INVESTMENT PROPERTIES

	<i>30 June 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
1 January - net book value	245,957,183	200,971,898
Additions for the period / year	8,579,359	57,157,836
Transfers / reclass to property and equipment	1,017,457	10,615,066
Transfer to land inventory	(25,857,450)	-
Depreciation charge for the period / year	(598,467)	(751,051)
Disposals	-	(22,036,566)
At the end of the period / year	229,098,082	245,957,183

7. INTANGIBLE ASSETS

	<i>30 June 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Smart parking concession rights (IFRIC 12)	-	599,855,627
Goodwill	78,245,709	78,245,709
Other	3,786,375	3,914,538
At the end of the period / year	82,032,084	682,015,874

8. TRADE RECEIVABLES, PREPAYMENTS, AND OTHER RECEIVABLES

		<i>30 June 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
<u>Trade receivables</u>			
Trade receivables	8-1	166,877,077	142,779,783
Provision for expected credit losses on trade receivables	8-2	(20,573,376)	(21,023,376)
Trade receivables, net		146,303,701	121,756,407

BATIC INVESTMENT AND LOGISTICS COMPANY
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited) (Continued)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(All amounts are in ﷲ unless otherwise stated)

9. TRADE RECEIVABLES, PREPAYMENTS, AND OTHER RECEIVABLES (Continued)

	Note	30 June 2025 (Unaudited)	31 December 2024 (Audited)
<u>Prepayments and other debit balances</u>			
Custody receivables	8-3	16,880,404	16,063,497
Less: Provision for custody receivables		(16,098,838)	(15,648,838)
Custody receivables, net		781,566	414,659
Prepaid expenses		6,957,132	16,597,218
Advance Payment to suppliers		1,957,272	1,678,667
Employees receivables and petty cash		1,203,741	1,796,534
Letters of guarantee – insurance		3,565,546	4,727,187
Due from selling a subsidiary		1,284,604	1,192,847
Others		8,619,548	5,871,299
Total Prepayments and other debit balances		24,369,409	32,278,411
Total Trade receivables, Prepayments and other debit balances		170,673,110	154,034,818

Trade receivables

- Trade receivables are non-interest bearing and are generally due within 30-90 working days.
- A balance of ﷲ 609 thousand due for more than 360 days has been included in trade receivables. The Group has a mortgage guarantee of a residential building of a fair value amounting to ﷲ 1.8 million.

8-1 The following is an analysis of receivables aging and expected credit losses:

30 June 2025	Total	Current	0-90 days	91-180 days	181-270 days	271-360 days	More than 360 days
Book value	166,877,077	73,333,424	58,295,354	8,418,610	2,458,583	3,384,929	20,986,177
ECL	20,573,376	915,445	2,138,909	1,064,430	526,395	1,012,565	14,915,632
ECL rate	12%	1%	4%	13%	21%	30%	71%
31 December 2024	Total	Current	0-90 days	91-180 days	181-270 days	271-360 days	More than 360 days
Book value	142,779,783	53,673,411	49,527,633	12,022,068	2,766,789	1,610,154	23,179,728
ECL	21,023,376	568,696	1,595,358	1,145,276	514,336	457,354	16,742,356
ECL rate	15%	1%	3%	10%	19%	28%	72%

8-2 The movement in the allowance for expected credit losses of trade receivables was as follows:

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
1 January	21,023,376	19,933,055
Charged during the period / year	-	5,717,900
Transfer to / Write off during the period/ year	(450,000)	(4,627,579)
Closing balance	20,573,376	21,023,376

BATIC INVESTMENT AND LOGISTICS COMPANY
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited) (Continued)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(All amounts are in ~~SR~~ unless otherwise stated)

8. TRADE RECEIVABLES, PREPAYMENTS, AND OTHER RECEIVABLES (Continued)

Custody receivables

8-3 The majority of custody receivables are receivables for more than one year. Management make provisions according to the ageing of these balances.

The movement in the provision for custody receivables was as follows:

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
1 January	15,648,838	15,366,738
Transfer from / Charged during the period / year	450,000	282,100
At the end of the period / year	16,098,838	15,648,838

9 SHORT TERM FINANCIAL ASSETS MEASURED AT FVPL

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Portfolio Management investments (note 9-1)	83,162,455	85,256,967
	83,162,455	85,256,967

9-1 Portfolio Management investments are managed by Alistithmar Capital under Discretionary Portfolio Management (DPM) agreement between the Group and Alistithmar Capital compliant with Islamic sharia rules. The investment is classified (short-term investment) at fair value through profit and loss as the Group held it for sale in short term period, the unrealized gain or loss of the portfolio is recorded in the statement of comprehensive income.

The investment movement as follows:

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Balance at the beginning of the year	85,256,967	65,549,473
Addition during the period / year	-	23,997,200
Disposals during the period/ year	(765,504)	(18,944,921)
Unrealized gains	(1,329,008)	14,655,215
At the end of the period / year	83,162,455	85,256,967

10 CASH AND CASH EQUIVALENT

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Cash in bank	21,897,676	30,723,299
Cash in hand	84,919	3,258,592
Short term deposits (*)	14,000,000	25,150,000
At the end of the period / year	35,982,595	59,131,891

(*) Short term deposits are highly liquid deposits with a maturity period of one month and carry a variable interest rate that is compliant with Islamic sharia rule.

BATIC INVESTMENT AND LOGISTICS COMPANY
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited) (Continued)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(All amounts are in ﷲ unless otherwise stated)

11 LOANS

11-1 Long-term Loans

The Group has obtained facilities from local banks all is sharia compatible in the form of med-term loans, long term project financing, letters of credit and letters of guarantee. The following table summarizes details and outstanding balances of the Groups facilities:

<i>Bank</i>	<i>Entity</i>	<i>Currency</i>	<i>Maturity</i>	<i>30 June 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Local bank	SMART CITIES	ﷲ	1 December 2026	23,151,374	30,868,499
Local bank	MUBARRAD	ﷲ	6 April 2026	1,183,288	1,774,931
Local bank	MUBARRAD	ﷲ	25 November 2025	1,153,297	2,998,353
Local bank	MUBARRAD	ﷲ	10 March 2028	16,431,559	18,931,558
Local bank	MUBARRAD	ﷲ	4 May 2030	6,004,950	-
Local bank	BATIC REALESTATE	ﷲ	23 October 2029	23,208,861	23,208,861
Local bank	BATIC REALESTATE	ﷲ	27 August 2025	69,281,353	100,000,000
Total Long-term loans				140,414,682	177,782,202
Less: Current portion of long-term loans				(96,502,418)	(141,796,688)
Non-current portion of long-term loans				43,912,264	35,985,514

These loans carry financing charges ranging from 7.5% to 8.9% (December 31, 2024: 7.5% to 8.9%).

As of June 30, 2025, the loan agreements include covenants primarily related to maintaining certain financial ratios and other commitments. Under the terms of these agreements, the banks have the right to demand immediate repayment of the loans in the event of any breach of such covenants. The Group complied with all covenants except for certain covenants under one of the agreements as of December 31, 2024. Accordingly, the Group obtained a waiver for those covenants from the bank subsequent to the reporting date. As a result, the Group reclassified the related loan from the non-current portion of long-term loans to the current portion of long-term loans as of December 31, 2024. Since the banks assess the financial ratios related to the covenants on an annual basis rather than quarterly, management subsequently reclassified the loan related to those covenants from the current portion of long-term loans back to the non-current portion of long-term loans.

As of June 30, 2025, the group has obtained credit facility agreements amounting to 317.3 million ﷲ (December 31, 2024: 317.3 million ﷲ), with an outstanding balance as of June 30, 2025, of 140.4 million ﷲ (December 31, 2024: 177.7 million ﷲ).

Loans are secured by a mortgage with a net book value of SAR 216.9 million (December 31, 2024: SAR 239.7 million),

11-2 Short-term Loans

The Group has obtained facilities from local banks, all of which are compliant with Islamic Shariah principles, in the form of short-term loans to finance working capital, as well as final and initial letters of guarantee. The following table summarizes the details and outstanding balances of the short-term loans:

<i>Bank</i>	<i>Entity</i>	<i>Currency</i>	<i>Maturity</i>	<i>30 June 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Local bank	MUBARRAD	ﷲ	16 November 2025	5,461,546	5,093,330
Local bank	BATIC	ﷲ	18 August 2025	19,997,200	19,997,200
Local bank	BATIC	ﷲ	24 July 2025	10,000,000	10,000,000
				35,458,746	35,090,530

BATIC INVESTMENT AND LOGISTICS COMPANY
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited) (Continued)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(All amounts are in ﷲ unless otherwise stated)

11 LOANS (Continued)

11-3 The following is the movement of loans during the period / year:

	<i>30 June 2025</i> <i>(Unaudited)</i>	<i>31 December 2024</i> <i>(Audited)</i>
balance at the beginning of the year	212,872,732	182,991,308
Additions during the period / year	21,466,496	72,237,916
Paid during the period / year	(58,465,800)	(42,356,492)
At the end of the period / year	175,873,428	212,872,732
Non-Current portion	43,912,264	35,985,514
Current portion	131,961,164	176,887,218

The loans maturity schedule was as follows:

	<i>30 June 2025</i> <i>(Unaudited)</i>	<i>31 December 2024</i> <i>(Audited)</i>
Less than a year	131,961,164	176,887,218
From one to two years	20,416,597	24,275,134
More than two years to five years	23,495,667	11,710,380
Total	175,873,428	212,872,732

12 OBLIGATION UNDER THE SERVICE CONCESSION AGREEMENT

The current and non-current portion of the obligation under the Service Concession Agreement was as follows (IFRIC: 12)

	<i>30 June 2025</i> <i>(Unaudited)</i>	<i>31 December 2024</i> <i>(Audited)</i>
1 January	639,785,148	593,030,254
Additions for the period / year	3,725,257	30,254,517
Finance costs (IFRIC 12)	-	16,500,377
Disposals during the period (note 12-1)	(643,510,405)	-
At the end of the period / year	-	639,785,148
Less: Current balance	-	(31,092,207)
Non-current balance	-	608,692,941

12-1 Disposals During the Period

12-1 The full obligation under the smart parking service concession agreement was canceled during the period as a result of the termination and suspension of the investment contracts by the Eastern Province Municipality on February 25, 2025, and the Qassim Region Municipality on February 27, 2025. These contracts were signed with Smart Cities Solutions Company for Communications and Information Technology (a subsidiary) for the establishment, development, and operation of parking facilities in Dammam, Khobar, Dhahran, and Buraidah, with a total value of 643,510,405 ﷲ. The related assets and provisions were derecognized, and the resulting financial impact was reflected in the condensed consolidated preliminary statement of comprehensive income.

13 SIGNIFICANT RELATED PARTIES TRANSACTION AND BALANCES

The related parties consist of senior management employees, members of the board of directors, and members of committees, in which the members of the board of directors or the employees of senior management, directly or indirectly, have a significant influence. The Group has, during the normal course of business, concluded many transactions with the related parties. These transactions were concluded in accordance with the agreed terms and conditions.

BATIC INVESTMENT AND LOGISTICS COMPANY
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited) (Continued)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(All amounts are in ﷲ unless otherwise stated)

13 SIGNIFICANT RELATED PARTIES TRANSACTION AND BALANCES (Continued)

There were not significant transactions made with related parties during the six-month period.

Key management personnel compensation

Key management personnel include members of the Board of Directors and executive managers who have the authority and responsibility for planning, directing and controlling the activities of the group at the company level. The following is a summary of the compensation of senior management personnel:

	<i>For the six-month period ended 30 June (Unaudited)</i>	
	<i>2025</i>	<i>2024</i>
Key management employee's compensations		
Salaries and short-term benefit	2,922,187	2,577,582
End of service benefit	115,660	109,659
Total	3,037,847	2,687,241

The following amounts are payable in respect of end of service benefits to Key management personnel:

	<i>For the six-month period ended 30 June (Unaudited)</i>	
	<i>2025</i>	<i>2024</i>
End of service and other benefits	2,560,537	2,072,617

14 TRADE PAYABLES, ACCRUED EXPENSES AND OTHER PAYABLE BALANCES

	<i>30 June 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Trade payable	47,899,122	48,136,467
Accrued expenses	36,333,588	24,399,330
Accrued employee salaries	17,753,654	18,972,536
Provision for Potential Liabilities	17,150,000	-
VAT payable	3,064,404	2,839,009
Other	4,421,347	3,954,668
At the end of period / year	126,622,115	98,302,010
Non-current balance	-	(1,784,250)
Current balance	126,622,115	96,517,760

15 LEASE LIABILITIES

Below is a statement of the carrying amount of the recognized lease commitments and the movements during the year:

	<i>30 June 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Balance at the beginning of the year	84,169,691	65,650,552
Addition during the period / year	3,982,073	43,791,628
Interest charged during the period/year	2,840,858	6,149,802
Paid during the period/year	(12,730,293)	(28,543,484)
Disposals	(3,204,420)	(2,878,807)
At the end of the period / year, divided into:	75,057,909	84,169,691
Long-term lease liabilities	52,046,827	62,226,372
Short-term lease liabilities	23,011,082	21,943,319

BATIC INVESTMENT AND LOGISTICS COMPANY
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited) (Continued)
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025
(All amounts are in ﷲ unless otherwise stated)

16 ZAKAT PROVISION

The Company and its subsidiaries have submitted Zakat declarations to the Zakat, Tax and Customs Authority for all years up to the year ended December 31, 2024, and have obtained a valid final certificate effective until April 30, 2026. Starting from 2020, the Company and its subsidiaries (The Saudi Transport and Investment Company "Mubarrad" and Batic Real Estate Company) have submitted a unified Zakat declaration, with Abeen Medical Company being added to the unified declaration starting from 2024.

A- Zakat Assessments

Batic Investments and Logistics

The Company received the final Zakat assessments agreed upon with the Authority for the years 2008 to 2020, and the differences (if any) were settled, with the Zakat assessments for those years closed.

On June 20, 2023, the Company received a request for additional information related to the Zakat return examination for the years 2021 and 2022. The required information was submitted to the Authority, and a final assessment was issued to the Company on August 21, 2024, amounting to 3,489,138 ﷲ. The Zakat assessment was settled, and the Company paid the Zakat differences for the year 2021. The Company filed an objection to the 2022 Zakat assessment amounting to 3,045,081 ﷲ, representing the disputed portion. The objection was rejected and escalated to the General Secretariat of the Zakat, Tax and Customs Committees. The committee also rejected the objection, and an appeal was submitted. As of the date of the financial statements, no decision has been issued regarding the appeal.

Arab Security & Safety Services Company (AMNCO)

The Company received the final Zakat assessments and settled them with ZATCA for the years up to 2018.

On January 26, 2025, the company received a request for additional information to review the 2023 tax return. The requested data was submitted to the Authority; however, as of the date of the financial statements, the final assessment decision had not yet been issued

Saudi Transport and Investment Company (Mubarrad)

The Zakat declarations and assessments of the Company are included within the unified declaration of Batic Investment and Logistics Company and are reviewed and settled as part of Batic's unified Zakat declaration.

Batic Real Estate

The Zakat declarations and assessments of the Company are included within the unified declaration of Batic Investment and Logistics Company and are reviewed and settled as part of Batic's unified Zakat declaration.

AMNCO Facility Management Co. Ltd.

The Company received the final Zakat assessments and settled them with ZATCA for the years up to 2021.

SMART Cities Solutions Co. Ltd.

The company's Zakat declaration for the year 2021 was reviewed and settled with the authority, resulting in no Zakat differences.

ABEEN Healthcare Co. Ltd.

The Zakat declarations and assessments of the Company are included within the unified declaration of Batic Investment and Logistics Company and are reviewed and settled as part of Batic's unified Zakat declaration.

B- Zakat movement provision

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Balance at the beginning of the yaer	5,978,019	7,081,107
Charged for the period / year	2,430,686	5,602,206
Paid during the period / year	(2,391,592)	(6,705,294)
Balance at the end of the period / year	6,017,113	5,978,019

17 SEGMENT INFORMATION

The Group's management has defined the operational segments based on the reports reviewed by the Board of Directors on the basis of which strategic decisions are taken. For administrative purposes, the Group is organized into 8 business units based on their services, and the following are the operating segments of the Group:

Land transportation segment

The transport segment is represented in the transportation of goods and missions for a fee on the Kingdom of Saudi Arabia land roads, car and trailer rental services, rental of cold stores, fuel stations and maintenance workshops, and the purchase, sale and maintenance of equipment and machinery related to road transport.

Real estate Segment

The real estate segment is represented in buying, selling, and developing lands and constructing buildings on them and investing them by sale or rent for the Group's entities and third parties, establishing and operating commercial and industrial projects.

Security guard sector

It includes providing security guards and shift services to banks and companies.

ATM feeding

It includes feeding and maintenance services for banks' ATMs.

Insurance money transfer, counting and sorting of money and correspondence segment

It includes transportation and insurance services for the transfer of money and valuables money counting and sorting services and postal correspondence.

Facility management segment

It includes maintenance and operation of buildings, property management and marketing for others

Smart parking segment

It includes rent parking to others.

Medical equipment supply segment

It includes the supply of medical equipment to medical entities and institutions.

Management monitors the operating results of its business units separately for the purpose of making decisions regarding resource allocation and performance assessment. Segment performance is evaluated based on profit or loss from operations and is measured consistently with operating profit or loss in the consolidated financial statements.

BATIC INVESTMENT AND LOGISTICS COMPANY
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(All amounts are in ~~ﷲ~~ unless otherwise stated)

17. SEGMENT INFORMATION (continued)

The table below represents the segments information for the period ended 30 June 2025 (Unaudited)

	<i>Investment property</i>	<i>Transporta- tion sector</i>	<i>Security guard sector</i>	<i>ATM feeding sector</i>	<i>Secured money trans- fer and correspond- ence sector</i>	<i>Facility man- agement sec- tor</i>	<i>Smart parking solutions</i>	<i>Supply of medical equipment</i>	<i>Others and settlements</i>	<i>Total</i>
Revenue	44,398,276	80,730,975	47,705,188	33,337,346	24,859,430	30,462,762	13,633,796	-	(13,928,842)	261,198,931
Cost of revenue	(27,652,083)	(78,053,786)	(45,573,725)	(34,343,214)	(19,111,494)	(28,147,487)	(13,850,791)	-	11,490,326	(235,242,254)
Gross profit / (Loss)	16,746,193	2,677,189	2,131,463	(1,005,868)	5,747,936	2,315,275	(216,995)	-	(2,438,516)	25,956,677
Total assets	277,991,849	242,541,333	73,966,288	68,312,218	44,093,800	26,136,304	13,242,501	2,937,136	117,936,755	867,158,184
Total liabilities	179,068,335	152,274,362	29,716,572	17,647,967	14,685,248	16,592,069	49,182,668	2,957,702	(15,622,852)	446,502,071

The table below represents the segments information for the period ended 30 June 2024 (Unaudited)

	<i>Investment property</i>	<i>Transporta- tion sector</i>	<i>Security guard sector</i>	<i>ATM feeding sector</i>	<i>Secured money transfer and correspondence sector</i>	<i>Facility man- agement sector</i>	<i>Smart parking solutions</i>	<i>Supply of med- ical equipment</i>	<i>Others and settlements</i>	<i>Total</i>
Revenue	3,203,606	79,170,008	42,915,845	38,065,822	25,148,692	24,300,020	38,277,427	-	(3,578,497)	247,502,923
Cost of revenue	(1,150,713)	(70,639,004)	(42,289,512)	(36,536,035)	(20,160,356)	(21,928,825)	(24,990,382)	-	2,238,146	(215,456,681)
Gross profit / (Loss)	2,052,893	8,531,004	626,333	1,529,787	4,988,336	2,371,195	13,287,045	-	(1,340,351)	32,046,242
Total assets	260,588,691	255,839,498	74,722,413	72,531,101	45,753,876	20,761,464	703,695,046	3,945,967	100,505,361	1,538,343,417
Total liabilities	177,768,486	160,109,972	29,322,147	18,139,536	14,745,806	12,704,577	724,565,379	3,804,375	(69,383,541)	1,071,776,737

BATIC INVESTMENT AND LOGISTICS COMPANY
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(All amounts are in ﷲ unless otherwise stated)

18 EARNINGS PER SHARE (EPS)

The number of shares for the comparative periods, has been retroactively adjusted to reflect the division of shares (Note 1 – Capital). As this represents a change in the number of the basic shares, without a change in resources, the weighted average number of basic shares outstanding during all periods presented shall be adjusted retrospectively.

And the basic profit / (loss) per share versus profit / (loss) relating to ordinary shares is calculated by dividing the net profit / (loss) attributable to common shareholders by the weighted average number of ordinary shares outstanding during the period. The diluted profit / (loss) per share is the same as the basic profit / (loss) per share since the company does not have any issue diluted shares.

	<i>For the three-month period ended 30 June (unaudited)</i>		<i>For the six-month period ended 30 June (unaudited)</i>	
	2025	2024	2025	2024
Net profit/(loss) attributable to shareholders of the parent	1,603,336	(745,961)	14,020,710	849,732
Weighted average number of outstanding shares	600,000,000	600,000,000	600,000,000	600,000,000
Profit (loss) of basic and diluted per share	0.003	(0.001)	0.023	0.001

19 LIQUIDITY RISK AND GOING CONCERN

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at an amount close to its fair value.

The calculation of net debt was as follows:

	<i>30 June 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Obligation under the service concession agreement	-	639,785,148
Loans	175,873,428	212,872,732
Lease liabilities	75,057,909	84,169,691
Cash and cash equivalents	(35,982,595)	(59,131,891)
Short-term financial assets measured at FVPL	(83,162,455)	(85,256,967)
Net debt	131,786,287	792,438,713
Equity	420,656,113	406,377,269
Equity and net debt	552,442,400	1,198,815,982
Gearing ratio	24%	66%
Current ratio	0.91	0.82
Unused credit facilities (in ﷲ millions)	64,07	98.36

The management believes that the Group has ability to meet its obligation as:

The Group manages its liquidity risk by ensuring that bank borrowing facilities from multiple banks are available (note 11).

The Group operates in diversified industries (see note 17). Management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources and borrowing facilities from multiple banks to continue in business for the foreseeable future. Moreover, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as going concern. Therefore, these condensed consolidated interim financial statements have been prepared on a going concern basis.

BATIC INVESTMENT AND LOGISTICS COMPANY
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

(All amounts are in ﷲ unless otherwise stated)

20 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

As at 30 June 2025, the Group has contingent liabilities in the form of bank guarantees uncovered in amount of ﷲ 19.5 million issued in the normal course of business (31 December 2024: ﷲ 24.4 million).

The Group also has capital commitments amounted to ﷲ 2.3 M as at 30 June 2025 (31 December 2024: ﷲ 8.7 million) mainly represent contracts for the purchase of property, equipment, and systems for the Group.

21 COMPARATIVES

Certain comparative period amounts have been reclassified for the purpose of better presentation. However, the effect of those reclassification was not significant.

22 SUBSEQUENT EVENTS

As of July 28, one of the Group's companies received requests from the Zakat, Tax and Customs Authority for additional information to examine the Zakat returns for the years 2020 to 2022, and the required information is currently being prepared for submission.

As of July 29, one of the Group's companies received requests from the Zakat, Tax and Customs Authority for additional information to examine the Zakat return for the year 2024, and the required information is currently being prepared for submission.

Other than what has been mentioned above, no events occurred after June 30, 2025, and before the issuance of the condensed interim consolidated financial statements that would have a material impact on the condensed interim consolidated financial statements as of June 30, 2025.

23 APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim Condensed Consolidated Financial Statements were approved by the Board of Directors on 11 Safar 1447H (corresponding to 5 August 2025).