



**Batic Investment and Logistics Company
(A Saudi Joint Stock Company)**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
(UNAUDITED)**

**Review Report for the three-Months period
Ended 31 March 2026**

Batic Investment And Logistics Company
(A Saudi Joint Stock Company)

THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND RE-
VIEW REPORT (UNAUDITED)

For the three-months period ended 31 March 2026

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**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 Batic Investments and Logistics Company- a Saudi Joint Stock Company ("the Company") and its subsidiaries (collectively referred to as "the Group") as at 31 March 2026, and the related interim condensed consolidated statements of comprehensive income, changes in equity, and interim cash flows for the three-month period then ended, and a summary of significant accounting policies and other 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) that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to draw 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" endorsed in the Kingdom of Saudi Arabia. A review of interim financial statements consists of making inquiries, primarily to the 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 "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia.

Emphasis of Matter

We draw attention to Note 19.1 to the interim condensed consolidated financial statements, which describes that one of the Group subsidiaries has received payment notices and invoices arising from contracts cancelled by various municipalities. The subsidiary has formally objected to these notices and invoices and has initiated legal proceedings before the courts. As disclosed in the note, the related matters remain subject to ongoing judicial processes, and a final court decision has not yet been issued. Our conclusion is not modified in respect of this matter.

for Ernst & Young Professional Services

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

Riyadh: 24 Thul-Qi'dah 1447H
(11 May 2026)



Batic Investment and Logistics Company
(A Saudi Joint Stock Company)

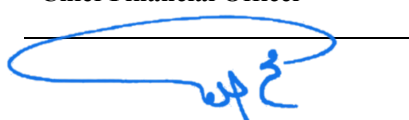
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 MARCH 2026

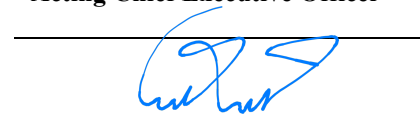
(All amounts are in Saudi Riyals unless otherwise stated)

		<i>As at 31 March 2026 (Unaudited)</i>	<i>As at 31 December 2025 (Audited)</i>
	<i>Notes</i>		
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	169,863,663	176,246,635
Right-of-use assets	5	29,219,215	61,493,795
Investment properties	6	148,227,365	145,757,730
Intangible assets	7	83,312,081	82,845,237
Investments at fair value through profit or loss (FVPL)		2,042,704	2,042,704
Other debit balances- non-current portion		825,817	1,101,089
Total non-current assets		433,490,845	469,487,190
Current assets			
Inventories		27,582,079	43,702,866
Trade receivables, prepayments, and other debit balances	8	186,290,810	171,193,423
Assets held for sale		-	1,595,045
Short-term financial assets measured at FVTPL	9	67,553,188	73,169,148
Due from related party	12	100,000	100,000
Cash and cash equivalents	10	48,662,151	33,789,954
Total current assets		330,188,228	323,550,436
Total assets		763,679,073	793,037,626
EQUITY AND LIABILITIES			
Equity			
Share capital	1	600,000,000	600,000,000
Accumulated losses		(25,114,542)	(37,364,667)
Business combination reserve		(144,687,468)	(144,687,468)
TOTAL EQUITY ATTRIBUTE TO THE COMPANY'S SHAREHOLDERS		430,197,990	417,947,865
Non-controlling interest		9,606,154	9,547,185
TOTAL EQUITY		439,804,144	427,495,050
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term loans	11	47,511,115	34,848,881
Lease liabilities - non-current portion	14	17,284,335	41,162,087
Employees' end of service benefit liabilities		28,860,034	27,944,987
Total non-current liabilities		93,655,484	103,955,955
Current liabilities			
Current portion of long-term loans	11	36,893,440	38,518,262
short-term loans	11	10,000,000	37,832,113
Lease liabilities – Current portion	14	12,086,789	22,394,545
Shareholders' accruals		35,208,876	35,224,662
Trade payables, accrued expenses, and other payables balances	13	127,961,320	120,794,526
Zakat provision	15	8,069,020	6,822,513
Total Current liabilities		230,219,445	261,586,621
Total liabilities		323,874,929	365,542,576
TOTAL LIABILITIES AND EQUITY		763,679,073	793,037,626

Chief Financial Officer



Acting Chief Executive Officer



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-months period ended 31 March 2026
(All amounts are in Saudi Riyals unless otherwise stated)

		<i>For the Three-month period ended 31 March</i>	
		2025 (Restated note 20)	
	Notes	2026 (Unaudited)	(Unaudited)
Revenues	16	136,782,788	113,703,895
Cost of revenue	16	(117,822,598)	(103,764,661)
Gross profit		<u>18,960,190</u>	<u>9,939,234</u>
General and administrative expenses		(8,090,763)	(9,340,865)
Provision of impairment of financial assets		(225,000)	(450,000)
Net gains from cancellation of contracts		=	<u>19,627,522</u>
Profit from operations		<u>10,644,427</u>	<u>19,775,891</u>
Unrealized gain on investments at FVTPL	9	4,414,210	-
Gain from disposals of PP&E and Intangible assets, net		307,063	84,148
Gain from disposals of assets held for sales.		716,695	-
Finance charge, net		(3,006,155)	(7,112,133)
Other income, net		479,361	341,461
Net Profit before zakat		<u>13,555,601</u>	<u>15,084,448</u>
Zakat expense	15	(1,246,507)	(1,100,537)
Net profit for the period		<u>12,309,094</u>	<u>13,983,911</u>
Attributable to:			
Equity holders of the parent		12,250,125	13,694,503
Non-controlling interest		<u>58,969</u>	<u>289,408</u>
		<u>12,309,094</u>	<u>13,983,911</u>
Other Comprehensive Income		=	-
Total comprehensive Income for the period		<u>12,309,094</u>	<u>13,983,911</u>
Attributable to:			
Equity holders of the parent		12,250,125	13,694,503
Non-controlling interests		<u>58,969</u>	<u>289,408</u>
		<u>12,309,094</u>	<u>13,983,911</u>
Earning per share (EPS)			
Earnings per share attributable to shareholders of the parent (basic and diluted)	17	<u>0.020</u>	<u>0.023</u>

Chief Financial Officer



Acting Chief Executive Officer



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Batic Investment and Logistics Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three-month period ended 31 March 2026

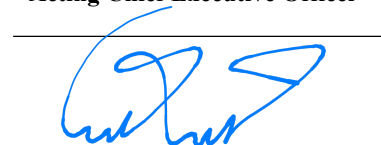
(All amounts are in Saudi Riyals unless otherwise stated)

	<i>Share capital</i>	<i>(Accumulated losses)</i>	<i>Business combination reserve</i>	<i>Total shareholders' equity</i>	<i>Non-controlling interest</i>	<i>Total</i>
For three months period ended 31 March 2025 (Unaudited)						
Balance at 1 January 2025 (Audited) - as previously reported	600,000,000	(58,154,215)	(144,687,468)	397,158,317	9,218,952	406,377,269
Impact of restatement (note 20)	-	(5,729,592)	-	(5,729,592)	(148,423)	(5,878,015)
Balance as at 1 January 2025 – as restated	600,000,000	(63,883,807)	(144,687,468)	391,428,725	9,070,529	400,499,254
Net profit for the period (Restated, Note 20)	-	13,694,503	-	13,694,503	289,408	13,983,911
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive Income for the period	-	13,694,503	-	13,694,503	289,408	13,983,911
Change in non-controlling interests	-	(130,546)	-	(130,546)	-	(130,546)
Balance at 31 March 2025 (Unaudited) (Restated, Note 20)	600,000,000	(50,319,850)	(144,687,468)	404,992,682	9,359,937	414,352,619
For three months period ended 31 March 2026 (Unaudited)						
Balance at 1 January 2026 (Audited)	600,000,000	(37,364,667)	(144,687,468)	417,947,865	9,547,185	427,495,050
Net profit for the period	-	12,250,125	-	12,250,125	58,969	12,309,094
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	12,250,125	-	12,250,125	58,969	12,309,094
Balance as at 31 March 2026 (Unaudited)	600,000,000	(25,114,542)	(144,687,468)	430,197,990	9,606,154	439,804,144

Chief Financial Officer



Acting Chief Executive Officer



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Batic Investment and Logistics Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS – UNAUDITED

For the three-months period ended 31 March 2026

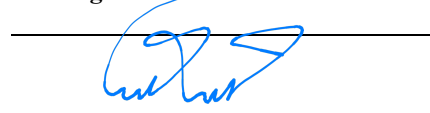
(All amounts are in Saudi Riyals unless otherwise stated)

		<i>For the three-month period ended 31 March</i>	
	<i>Notes</i>	<i>2026 (Unaudited)</i>	<i>2025(Restated, note 20) (Unaudited)</i>
OPERATING ACTIVITIES			
Profit before zakat		13,555,601	15,084,448
<i>Adjustments to reconcile profit before zakat to net cash flows:</i>			
Depreciation of property and equipment	4	4,988,882	7,128,381
Depreciation of right-of-use assets	5	5,836,492	6,052,944
Amortization of intangible assets		116,252	3,600,183
Depreciation of investment properties	6	298,878	300,510
Unrealized gains on investments at FVTPL	9	(4,414,210)	(1,995,081)
Provision of impairment of financial assets	8	225,000	450,000
Finance charge		3,006,155	7,112,133
Gains from sale of property, equipment, and intangible assets		(307,063)	(84,148)
Gains from derecognition of right of use assets		(364,733)	(97,588)
Gains from sale of assets held for sales		(716,695)	-
Gains from cancellation of contracts		-	(19,627,522)
Post-employment benefits obligation		2,494,725	2,166,413
Profit from a deposit		(143,203)	(251,284)
<i>Working capital adjustments:</i>			
Inventories		16,120,787	16,363
Trade receivables, prepayments, and other receivables		(14,539,884)	(13,889,864)
Trade payables, accrued expenses, and other payables		4,342,326	(10,308,485)
Cash flows generated from / (used in) operating activities		30,499,310	(4,342,597)
Employees' defined benefits obligation paid		(1,579,677)	(2,838,676)
Cash flows generated from / (used in) operating activities		28,919,633	(7,181,273)
INVESTING ACTIVITIES			
Additions to property and equipment	4	(211,185)	(6,147,204)
Additions to investments properties	6	(1,220,190)	(4,656,798)
Additions to short term investments at FVTPL	9	(10,000,000)	-
Additions of intangible assets		(583,093)	(354,480)
Proceeds from disposal of Assets held for sale		2,311,739	-
Proceed from investment fund, deposit and interest income		143,203	251,284
Proceeds from disposal of PP&E and intangible assets		364,019	214,763
Proceed from disposal financial assets at FVPL	9	20,030,170	381,508
Cash flows generated from / (used in) investing activities		10,834,663	(10,310,927)
FINANCING ACTIVITIES			
Payment of lease liabilities	14	(6,257,666)	(6,487,551)
Proceeds from loans	11	23,956,700	13,461,548
Repayment of loans	11	(40,751,401)	(16,326,912)
Repayment of finance costs		(1,813,946)	(1,599,748)
Change in shareholders accruals		(15,786)	(34,372)
Cash flows used in financing activities		(24,882,099)	(10,987,035)
Net change in cash and cash equivalents		14,872,197	(28,479,235)
Cash and cash equivalent at the beginning of the period		33,789,954	59,131,891
Cash and cash equivalents at ending of the period		48,662,151	30,652,656
Significant non-cash transactions were as follows:			
Right of use assets		29,097,065	29,418
Lease obligation		(28,008,376)	29,418

Chief Financial Officer



Acting Chief Executive Officer



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

For the three-months period ended 31 March 2026

(All amounts are in Saudi Riyals 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) and the unified number No. 7000652706.

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

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 ~~SR~~ (10) per share to ~~SR~~ (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

(Continued)

For the three-months period ended 31 March 2026

(All amounts are in Saudi Riyals 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:

	<i>Country of Domicile</i>	<i>31 March 2026</i>		<i>31 December 2025</i>	
		<i>% of direct investment</i>	<i>% of indirect investment</i>	<i>% of direct investment</i>	<i>% of indirect investment</i>
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 Joint Stock Company - One Person Company)	Kingdom of Saudi Arabia	100%	-	100%	-
Batic Real Estate Company (One Person LLC)	Kingdom of Saudi Arabia	100%	-	100%	-
Abeen Healthcare (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 joint stock company)	Kingdom of Saudi Arabia	97.85%	-	97.85%	-

Recent geopolitical developments in the Middle East

During the period, geopolitical tensions in parts of the Middle East intensified, leading to regional instability. Given that the majority of the Company's operations are conducted within the region, management continues to monitor these developments closely as the situation remains evolving, and any further escalation or prolonged continuation of the conflict could potentially affect its business.

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").

Recent geopolitical developments in the Middle East

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.

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.

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 amounts. 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.

Batic Investment and Logistics Company (A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the three-months period ended 31 March 2026
(All amounts are in Saudi Riyals unless otherwise stated)

2. BASIS OF PREPARATION (Continued)

2-4 Significant accounting policies (Continued)

The accounting policies applied in the preparation of these condensed interim 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 2025.

2-5 New and amended standards and interpretations

Following are the standards and amendments effective on 1 January 2026 or after (unless otherwise stated) and do not have a material impact on the Company's financial statements. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

In May 2024, the International Accounting Standards Board (IASB) issued amendments to IFRS 9 and IFRS 7 relating to the classification and measurement of financial instruments (the "Amendments"). The Amendments include the following key clarifications and requirements:

- Clarification of the requirements for the recognition and derecognition of financial assets and financial liabilities Specification that a financial liability is recognised on the settlement date, and the introduction of an accounting policy choice, subject to specific conditions, to derecognise financial liabilities settled through an electronic payment system before the settlement date.
- Additional guidance on assessing contractual cash flows of financial assets that include environmental, social and governance (ESG) and similar features.
- Clarification of the meaning of "non-recourse features" and the characteristics of contractually linked instruments.
- Introduction of additional disclosure requirements for financial instruments with contingent features, as well as enhanced disclosures for equity instruments classified at fair value through other comprehensive income (FVOCI).

These amendments had no material impact on the Group's consolidated financial statements.

2-6 New and amended standards and interpretations not yet effective

The new amended, issued standards and interpretations, which are not effective yet have not been adopted early by the Company and will be adopted on their effective date as applicable. The adoption of these standards and interpretations is not expected to have any material impact on the Company on the effective date, except for IFRS 18, for which the Group is currently assessing the impact on the consolidated financial statements.

Standard, Amendment or Interpretation

Effective date

- 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
- IAS (21) The Effects of Changes in Foreign Exchange Rates - Translation to a Hyperinflationary Presentation Currency	1 January 2027

3. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENT

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.

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

Batic Investment and Logistics Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

For the three-months period ended 31 March 2026

(All amounts are in Saudi Riyals unless otherwise stated)

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

Impairment of non-financial assets (continued)

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.

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.

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

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>31 March 2026</i> <i>(Unaudited)</i>	<i>31 December 2025</i> <i>(Audited)</i>
1 January - net book value	176,246,635	192,835,138
Additions for the period / year	211,185	11,739,440
Reclassification between investment properties and fixed assets	(1,548,323)	(1,522,542)
Depreciation charge for the period / year	(4,988,882)	(24,396,936)
Assets held for sale	-	(1,595,045)
Disposals, net - for the period / year	(56,952)	(813,420)
At the end of the period / Year	169,863,663	176,246,635

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 lease contracts with lease terms of 12 months or less. The Company applies the short-term lease recognition exemption to those leases.

Below is the movement of the right-of-use assets under the application of IFRS 16, Leases:

	<i>Buildings</i>	<i>Trucks</i>	<i>Total</i>
Balance as at 1 January 2026	8,731,269	52,762,526	61,493,795
Additions	2,868,068	-	2,868,068
Depreciation charged to period	(1,476,119)	(4,360,373)	(5,836,492)
Disposals	-	(29,306,156)	(29,306,156)
Balance as at 31 March 2026 (Unaudited)	10,123,218	19,095,997	29,219,215

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5. RIGHT-OF-USE ASSETS (Continued)

	<i>Buildings</i>	<i>Trucks</i>	<i>Total</i>
Balance as at 1 January 2025	10,500,790	72,789,098	83,289,888
	6,453,689	853,635	7,307,324
Additions			
Depreciation charged during the year	(6,550,319)	(18,009,493)	(24,559,812)
Disposals	(1,672,891)	(2,870,714)	(4,543,605)
Balance as at 31 December 2025 (Audited)	<u>8,731,269</u>	<u>52,762,526</u>	<u>61,493,795</u>

During the period ending 31 March 2026, the Group canceled some lease contracts before their expiry. Consequently, these disposals resulted in profits amounting to ~~SR~~ 364,733, (2025: ~~SR~~ 97,588) which were recognized in the consolidated statement of comprehensive profit or loss.

6. INVESTMENT PROPERTIES

	<i>31 March 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
1 January - net book value	145,757,730	245,957,183
Additions for the period / year	1,220,190	10,889,399
Transfers from property and equipment	1,548,323	1,522,542
Transfers to Lands inventories	-	(111,426,002)
Depreciation charge for the period / year	(298,878)	(1,185,392)
At the end of the period / Year	<u>148,227,365</u>	<u>145,757,730</u>

7. INTANGIBLE ASSETS

	<i>31 March 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
Goodwill	78,245,709	78,245,709
Other	5,066,372	4,599,528
At the end of the period / Year	<u>83,312,081</u>	<u>82,845,237</u>

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8. TRADE RECEIVABLES, PREPAYMENTS, AND OTHER RECEIVABLES

	Note	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Trade receivables			
Trade receivables	8-1	182,474,568	170,440,235
Expected credit loss allowance on trade receivables	8-2	(16,176,201)	(16,176,201)
Trade receivables, net		166,298,367	154,264,034
Prepayments & Other debit balances			
Custody receivables		16,482,393	17,052,044
Less: Provision for custody receivables	8-3	(16,450,838)	(16,225,838)
Custody receivables, net		31,555	826,206
Prepaid expenses		5,695,283	5,543,462
Letters of guarantee – insurance		3,398,635	4,851,506
Employees receivables		1,482,705	1,263,090
Due from selling a subsidiary		1,376,362	1,284,604
Advance Payment to suppliers		1,328,943	35,110
Others		6,678,960	3,125,411
Total Prepayments & Other debit balances		19,992,443	16,929,389
Total Trade receivables, Prepayments and other debit balances		186,290,810	171,193,423

Trade receivables

- Trade receivables are non-interest bearing and are generally due within 30-90 working days.

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

31 March 2026	Total	Current	0-90 days	91-180 days	181-270 days	271-360 days	More than 360 days
Book value	182,474,568	65,017,534	65,555,115	19,086,735	11,094,254	4,433,087	17,287,843
ECL	16,176,201	927,294	2,144,672	2,042,283	1,495,061	1,139,346	8,427,545
ECL rate	9%	1%	3%	11%	13%	26%	49%
31 December 2025	Total	Current	0-90 days	91-180 days	181-270 days	271-360 days	More than 360 days
Book value	170,440,235	64,902,043	60,193,956	16,449,039	10,493,739	2,315,612	16,085,846
ECL	16,176,201	842,092	2,476,334	1,933,564	2,081,725	679,755	8,162,731
ECL rate	9%	1%	4%	12%	20%	29%	51%

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

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
1 January	16,176,201	21,023,376
Charged during the period / year	-	(257,617)
Write off during the period/ year	-	(4,589,558)
Closing balance	16,176,201	16,176,201

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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 makes provisions according to the ageing of these balances.

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

	<i>31 March 2026</i> <i>(Unaudited)</i>	<i>31 December 2025</i> <i>(Audited)</i>
1 January	16,225,838	15,648,838
Charged during the period / year	225,000	900,000
Write off	-	(323,000)
Closing balance	16,450,838	16,225,838

9. FINANCIAL ASSETS MEASURED AT FVTPL

	<i>31 March 2026</i> <i>(Unaudited)</i>	<i>31 December 2025</i> <i>(Audited)</i>
Portfolio Management investments (note 9-1)	67,553,188	73,169,148
	67,553,188	73,169,148

9.1 Portfolio Management investments

Financial instruments investments are managed by Alistithmar Capital under Discretionary Portfolio Management (DPM) agreement between the Group and Alistithmar Capital. 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 movement for the period was as follows:

	<i>31 March 2026</i> <i>(Unaudited)</i>	<i>31 December 2025</i> <i>(Audited)</i>
1 January	73,169,148	85,256,967
Additions	10,000,000	-
Disposals during the period/ year	(20,030,170)	(8,863,001)
Unrealized gains	4,414,210	(3,224,818)
Closing balance	67,553,188	73,169,148

10. CASH AND CASH EQUIVALENT

	<i>31 March 2026</i> <i>(Unaudited)</i>	<i>31 December 2025</i> <i>(Audited)</i>
Cash in bank	40,645,069	33,789,354
Cash in hand	17,082	600
Short term deposit	8,000,000	-
Closing balance	48,662,151	33,789,954

(*) Short-term deposits are highly liquid deposits with a maturity period of one month and carry a variable return that is compliant with the principles of Islamic Sharia.

11. LOANS

11.1 Long-term Loans

The Group has obtained facilities from local banks in the form of short-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:

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11. LOANS (continued)

11.1 Long-term Loans (continued)

<i>Bank</i>	<i>Entity</i>	<i>Currency</i>	<i>Maturity end date</i>	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Local bank	Mubarrad	ﷲ	11 March 2031	41,000,000	24,854,025
Local bank	Batic Real Estate	ﷲ	23 October 2029	19,147,310	19,147,310
Local bank	Smart Cities	ﷲ	1 December 2026	11,575,687	15,434,250
Local bank	Mubarrad	ﷲ	10 March 2028	12,681,558	13,931,558
Total long-term loans				84,404,555	73,367,143
Less: Current portion of long-term loans				(36,893,440)	(38,518,262)
Non-current portion of long-term loans				47,511,115	34,848,881

These loans carry financing charges ranging from 7% to 8.9% (31 December 2025: 7% to 8.9%).

Loan agreements include covenants mainly related to the maintenance of certain financial ratios, in addition to other covenants. Under the terms of these agreements, the banks are entitled to demand immediate repayment of the loans in the event of non-compliance with any of these covenants. The Group has complied with all covenants except for certain covenants related to one of the loan agreements as at 31 March 2026 and 31 December 2025. Accordingly, the Group has reclassified the loan related to such covenants from the non-current portion of long-term loans to the current portion of long-term loans.

As of March 31, 2026, the Group obtained facilities agreements in the amount of ﷲ 177.8 million (December 31, 2025: ﷲ 177.8 million) and used as of March 31, 2025, amounting to ﷲ 84.4 million (December 31, 2025: ﷲ 73.4 million).

11.2 Short-term loans

The Group has obtained facilities from local banks, all of which are Sharia-compliant, in the form of short-term loans to finance working capital and 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 end date</i>	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Local bank	Mubarrad	ﷲ	6 September 2026	10,000,000	8,000,000
Local bank	Batic	ﷲ	18 February 2026	-	19,832,113
Local bank	Batic	ﷲ	23 February 2026	-	10,000,000
				10,000,000	37,832,113

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

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
1 January	111,199,256	212,872,732
Additions during the period / year	23,956,700	48,916,067
Paid during the period / year	(40,751,401)	(150,589,543)
At the end of the period / Year	94,404,555	111,199,256
Non-current balance	47,511,115	34,848,881
Current balance	46,893,440	76,350,375

The loans maturity schedule was as follows:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Less than a year	46,893,440	76,350,375
From one to two years	16,697,745	13,214,005
More than two years to five years	30,813,370	21,634,876
Total	94,404,555	111,199,256

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12. SIGNIFICANT RELATED PARTIES TRANSACTIONS

Related parties represent associates, partners, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of payment for these transactions are approved by the Company's management.

Due from related parties

	<i>Nature of Transactions</i>	<i>31 March 2026</i>	<i>31 December 2025</i>
Shareholder in subsidiary : Mohamad Al Gohny	Payment on behalf	100,000	100,000

12-1 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 three-month period ended 31 March (Unaudited)</i>	
	<i>2026</i>	<i>2025</i>
Key management employee's compensations		
Salaries and short-term benefit	1,408,519	1,300,114
End of service benefit	55,709	57,830
Total	1,464,228	1,357,944

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

	<i>For the three-month period ended 31 March (Unaudited)</i>	
	<i>2026</i>	<i>2025</i>
End of service and other benefits	2,712,007	2,499,998

13. TRADE PAYABLES, ACCRUALS, AND OTHER PAYABLES

	<i>31 March 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
Note		
Trade payable	38,282,624	49,611,090
Accrued expenses	33,626,322	30,763,287
Accrued amounts for employee's	21,596,541	20,271,340
Provision for contingent liabilities	15,836,143	15,836,143
VAT payable	4,665,260	2,413,700
Other	13,954,430	1,898,966
At the end of the year / Period	127,961,320	120,794,526

14. LEASE LIABILITIES

Set out below are the carrying amounts of lease liabilities recognized and the movements during the year:

	<i>31 March 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
1 January	63,556,632	84,169,691
Additions during the period / year	2,868,068	6,108,824
Interest charged during the period / year	1,169,223	5,390,439
Paid during the period / year	(6,257,666)	(28,033,527)
Disposals	(31,965,133)	(4,078,795)
At the end of the year / Period, divided into:	29,371,124	63,556,632
Long-term lease liabilities	17,284,335	41,162,087
Short-term lease liabilities	12,086,789	22,394,545

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15. ZAKAT PROVISION

A- Zakat status

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, 2025, and have obtained a valid final certificate effective until April 30, 2027. 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.

Batic Investments and Logistics

The Company has received the final Zakat assessments agreed with the Authority for the years from 2008 to 2021 and from 2023 to 2024. Any resulting differences, if applicable, have been settled, and the Zakat assessments for these years have been closed accordingly.

On June 20, 2023, the Company received a request for additional information regarding the Zakat returns for the year 2022. The requested information was submitted to the Authority, and the final assessment was issued to the Company on August 21, 2024. The Company filed an objection against a Zakat assessment amounting to ~~SR~~ 3,045,081. The objection was rejected.

Arab Security & Safety Services Company (AMNCO)

The Company received the final Zakat assessments, which were settled with the Authority for the years up to 2023.

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.

ABEEN Healthcare

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

B- Zakat movement provision

	<i>31 March 2026</i> <i>(Unaudited)</i>	<i>31 December 2025</i> <i>(Audited)</i>
1 January	6,822,513	5,978,019
Charged for the period / year	1,246,507	3,327,179
Paid during the period / year	-	(2,482,685)
Closing balance	8,069,020	6,822,513

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16. 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 guards' segment

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 interim condensed consolidated financial statements.

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16. SEGMENT INFORMATION (continued)

The table below represents the segments information for the period ended 31 March 2026 (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 park- ing solutions</i>	<i>Supply of medical equipment</i>	<i>Other and settlements</i>	<i>Total</i>
Revenue	29,538,107	35,756,516	33,482,235	14,987,222	10,529,334	14,041,117	2,476,663	-	(4,028,406)	136,782,788
Cost of revenue	(17,097,842)	(35,290,028)	(29,898,360)	(15,659,692)	(8,333,158)	(13,205,164)	(1,960,421)	-	3,622,067	(117,822,598)
Gross profit / (Loss)	12,440,265	466,488	3,583,875	(672,470)	2,196,176	835,953	516,242	-	(406,339)	18,960,190
Total assets	228,278,329	208,219,907	83,096,345	69,699,997	44,278,768	24,188,445	4,205,938	2,294,833	99,416,511	763,679,073
Total liabilities	90,126,181	135,525,628	34,321,898	18,837,700	15,615,754	16,069,587	43,351,871	2,238,819	(32,212,509)	323,874,929

The table below represents the segments information for the period ended 31 March 2025 (Unaudited) (Restated, note 20)

	<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 park- ing solutions</i>	<i>Supply of medical equipment</i>	<i>Other and settlements</i>	<i>Total</i>
Revenue	2,255,570	40,994,617	20,476,458	16,371,845	12,917,611	14,968,766	11,385,445	-	(5,666,417)	113,703,895
Cost of revenue(Restated, note 20)	(664,251)	(35,875,717)	(19,090,379)	(16,934,278)	(9,517,878)	(13,949,028)	(11,378,147)	-	3,645,017	(103,764,661)
Gross profit / (Loss) (Restated, note 20)	1,591,319	5,118,900	1,386,079	(562,433)	3,399,733	1,019,738	7,298	-	(2,021,400)	9,939,234
Total assets	293,841,528	244,677,562	66,521,651	63,394,010	41,381,393	21,579,797	16,378,740	3,120,650	131,930,265	882,825,596
Total liabilities	209,153,503	150,805,049	23,282,563	14,125,084	11,864,022	14,504,221	52,387,668	3,116,442	(10,765,575)	468,472,977

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17. EARNINGS PER SHARE (EPS)

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 31 March (unaudited)</i>	
	<i>2026</i>	<i>2025 (Restated, note 20)</i>
Net profit attributable to shareholders of the parent	12,250,125	13,694,503
Weighted average number of outstanding shares	600,000,000	600,000,000
Profit of basic and diluted per share	0.020	0.023

18. 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>31 March 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
Loans	94,404,555	111,199,256
Lease liabilities	29,371,124	63,556,632
Cash and cash equivalents	(48,662,151)	(33,789,954)
Short-term financial assets measured at FVPL	(67,553,188)	(73,169,148)
Net debt	7,560,340	67,796,786
Equity	439,804,144	427,495,050
Equity and net debt	447,359,684	495,291,836
Gearing ratio	2%	14%
Current ratio	1.43	1.24
Unused credit facilities (in SAR millions)	37.86	38.19

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

(a) 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 16). 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.

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19. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

19.1 CONTINGENT LIABILITIES

19.1.1 As at 31 March 2026, the Group has contingent liabilities in the form of bank guarantees uncovered in amount of ﷲ 19.3 million issued in the normal course of business (31 December 2025: ﷲ 25.5 million).

19.1.2 On 26 February 2025, the Qassim Region Municipality issued a press release announcing that it would assume responsibility for the management and operation of the parking lots in downtown Buraidah effective 27 February 2025, thereby terminating the previously signed contract with one of the Group's subsidiaries (Smart Cities Solutions). On 10 April 2025, the subsidiary received a notice from the Qassim Region Municipality requesting payment of SR 36,706,250 ﷲ (excluding VAT). This payment notice relates to the rent-free period that the Municipality alleges became due in respect of the preparation and construction phase of the project, asserting that the contractual grace period had expired and that the project was not fully completed within that period. The subsidiary objected to the notice and filed a case before the Court of First Instance. The Court of First Instance issued a judgment against the subsidiary, and this decision was subsequently upheld by the Court of Appeal. The subsidiary has since filed an appeal with the Supreme Court, and the case is currently under review. Based on the opinion of the subsidiary's legal advisor, the outcome of the case remains subject to judicial uncertainty. The legal advisor has indicated that there are arguments available to the subsidiary, including matters relating to the preparation of multiple locations and obstacles encountered during project execution, which support management's position that the claimed amount should not be recognized at this stage.

19.1.3 On 25 February 2025, the Eastern Province Municipality issued a press release announcing that it would assume responsibility for the management and operation of parking facilities in Dammam and Khobar as of that date, thereby terminating the previously executed contracts with one of the Group's subsidiaries (Smart Cities Solutions). The subsidiary received invoices totaling SR 78,345,513 (excluding VAT) relating to rental periods. The subsidiary objected to these invoices and initiated the necessary legal procedures by filing claims before the competent court. As of the date of preparing these financial statements, the cases remain in the early stages of litigation before the Court of First Instance, and no judgment has been issued to date.

19.2 CAPITAL COMMITMENTS

The Group also has capital commitments amounted to ﷲ 500 thousand as at 31 March 2026 (31 December 2025: ﷲ 642,306) mainly represent contracts for the purchase of property, equipment, and systems for the Group.

20. RESTATEMENTS OF COMPARATIVE FINANCIAL INFORMATION

Adjustment 1:

During the period, management identified that iqama fees paid in respect of expatriate employees had historically been capitalised and amortised based on an assumption of recoverability. Following clarification from the relevant government authority that such fees are non-recoverable, management concluded that the prior accounting treatment did not reflect the nature of the costs. Accordingly, the Company has corrected this prior-period error by retrospectively restating comparative financial information and adjusting opening equity, in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

Adjustment 2:

During the previous year, the Group corrected an error related to the recognition of revenue from certain public parking activities of one of its subsidiaries, whereby it was determined that a portion of the revenue recognized in prior periods did not meet the revenue recognition requirements under International Financial Reporting Standard (IFRS) 15. Accordingly, the consolidated financial statements were retrospectively restated in accordance with International Accounting Standard (IAS) 8. This correction resulted in an adjustment to the opening retained earnings balance as at 1 January 2025. There was no impact on the results of operations for the periods ended 31 March 2026 and 31 March 2025.

The table below presents the impact of the above-mentioned correction on the affected line items in the consolidated financial statements of prior years.

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20. RESTATEMENTS OF COMPARATIVE FINANCIAL INFORMATION (continued)

Impact on the Statement of Changes in Equity as at 1 January 2025

	<i>As previously re- ported</i>	<i>Adjustment</i>	<i>Restated balance</i>
	ﷲ	ﷲ	ﷲ
Shareholders' equity			
Accumulated losses	(58,154,215)	(5,729,592)	(63,883,807)
Non-controlling interest	9,218,952	(148,423)	9,070,529
Total Equity	406,377,269	(5,878,015)	400,499,254

Impact on the Statement of Comprehensive Income for the year ended 31 March 2025

	<i>As previously re- ported</i>	<i>Adjustment</i>	<i>Restated balance</i>
	ﷲ	ﷲ	ﷲ
Cost of revenue	(105,137,582)	1,372,921	(103,764,661)
General and administrative expenses	(9,312,166)	(28,699)	(9,340,865)
Other income , net	410,262	(68,801)	341,461
Net income for the year	12,708,490	1,275,421	13,983,911
Attribute to equity holders of the parent	12,417,372	1,277,131	13,694,503
Attribute to non-controlling interests	291,118	(1,710)	289,408
Basic and diluted income per share	0.021	0.002	0.023

Impact on statement of cash flows as at 31 March 2025

	<i>As previously Reported</i>	<i>Restatement</i>	<i>Balance after Restatement</i>
	ﷲ	ﷲ	ﷲ
OPERATING ACTIVITIES			
Income before zakat	13,809,027	1,275,421	15,084,448
Prepayments and other current assets	(12,614,443)	(1,275,421)	(13,889,864)

21. COMPARATIVES

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

22. SUBSEQUENT EVENTS

No significant events have occurred subsequent to the date of 31 March 2026 and before the issuance of these interim condensed consolidated financial statements, which require adjustment on these interim condensed consolidated financial statements as of 31 March 2026.

23. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim Condensed Consolidated Financial Statements were approved by the Board of Directors on 17 Thul-Qi'dah 1447H (corresponding to 4 May 2026).