

VISION رؤية
2030
مخطط التنمية الوطني
KINGDOM OF SAUDI ARABIA

سابكو
SAPTCO
Saudi Public Transport Company

Annual Report
2024



سائیکو
SAPTECO



Custodian of the Two Holy Mosques
King Salman bin Abdulaziz Al Saud



His Royal Highness
Prince Mohammed bin Salman Abdulaziz Al Saud
Crown Prince and Prime Minister



SAPTCO Memberships



International Association of Public Transport
UITP



Arab Union for Land Transport
AULT



National Association for Pupil Transportation
NAPT



International Road Transport Union
IRU

Index

1- Brief Overview	06
Key Performance Highlights.....	06
Year in Review.....	07
Chairman's Message.....	10
Managing Director and CEO's Message ..	12
2- About SAPTCO	14
About Us.....	15
Our Journey.....	15
Our Vision.....	15
Our Mission.....	15
Our Values.....	16
Our Services.....	18
Our Policy.....	21
3- Strategy and Sustainability	22
SAPTCO Strategy.....	23
Strategic Pillars.....	25
Business Model.....	26
Strategic Initiatives.....	26
Subsidiaries.....	27
Sustainability.....	28
Social Responsibility.....	30
Risk Management.....	31
4- Operational Performance Summary	34
Riyadh Metro.....	35
Riyadh Bus.....	37
Public Transport.....	40
International Transport.....	49
Intercity Transport.....	51
Technical Shared Services.....	53
Specialized Transport.....	53
Educational Transport.....	56
DMS.....	64
5- Financial Performance	66
Net Profits and Earnings Per Share ..	67
Five Years Statement of	
Financial Position.....	67
Income Statement for Five Years..	68
Explanation of Differences	
in Operating Results.....	68
Explanation of Deviation from	
Accounting Standards.....	69
Banking Facilities.....	70
Long-Term Loans.....	70
Statutory Payments.....	71
Penalties and Sanctions Imposed.....	72
Related Party.....	72
6- Capital and Ownership	75
Capital.....	76
Investment Restrictions.....	76
Company Ownership Structure.....	76
Share Performance Analysis Chart.....	77
Shares of Board Members and	
Senior Executives.....	78
7- SAPTCO Governance	79
SAPTCO Governance Structure.....	80
Board of Directors.....	82
Board Committees.....	92
Dividend Distribution and Remuneration.....	94
Internal Audit and Control.....	95
Auditor's Report.....	98
Board of Directors Declarations.....	101
Board of Directors Confirmations.....	102
Actions Taken Regarding Shareholders' Notes.....	102
Evaluation of BOD and its Committees.....	102
8- Investor Relations	103
General Assembly of Shareholders.....	104
Requests for Shareholders Register.....	105
Regulatory Disclosures.....	106
9- Consolidated Financial Statements	109





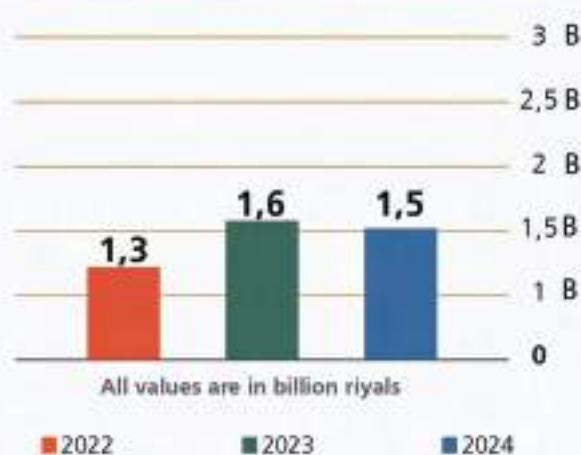
Key Performance Highlights

The year 2024 marked a period of remarkable success for SAPTCO, highlighting the company's exceptional resilience and adaptability in the face of complex economic challenges and dynamic changes within the transport sector.

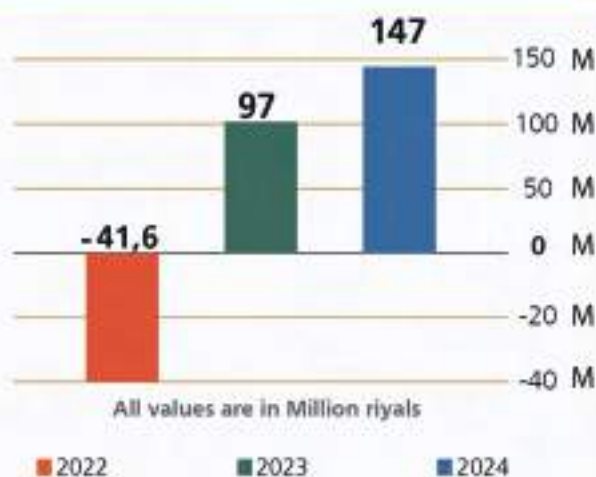
Despite the profound economic disruptions caused by the coronavirus pandemic, which significantly impacted numerous industries and organizations, SAPTCO successfully maintained its competitive market position and reinforced its leadership role.

The company continued to deliver its services with high efficiency and sustainable quality, achieving a 90% automation rate for operations and projects, and attaining a 44.22% localization rate for local content. This reflects its unwavering commitment to excellence and innovation, even under challenging circumstances.

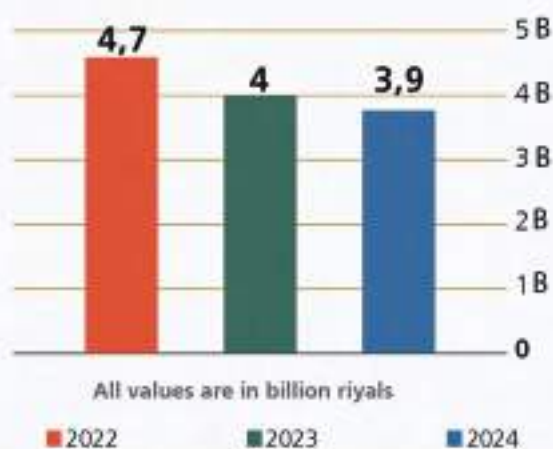
Revenue



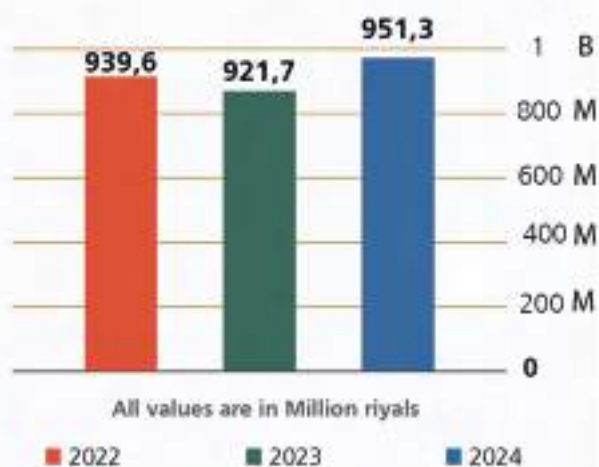
Operating Income



Total Assetst



Total Equity





Year in Review



05

January

Platinum Sponsor of Hajj and Umrah Conference, Under the Patronage of the Custodian of the Two Holy Mosques

The conference is strategically designed to elevate the quality of services provided to pilgrims and establish collaborative partnerships with Hajj management offices and service providers. Through the implementation of innovative solutions, it aims to enhance the comprehensive Hajj ecosystem and optimize operational performance.

16

January

Official Website Launch of SAPTCO Specialized Services

SAPTCO Specialized Services unveiled its official digital platform, delivering integrated transportation solutions spanning business and private rental sectors. This underscores the company's unwavering commitment to pioneering innovative, reliable services that precisely address customer needs with exceptional operational efficiency.



20

January

Signing an Agreement with Almosafir

SAPTCO Specialized signed a partnership agreement with Almosafir to provide a comprehensive range of integrated services in Umrah, tourism, and transportation, aimed at enhancing customer experience and meeting their needs in an innovative and holistic manner.



04

February

SAPTCO Specialized Services participated at Nusuk Forum in Dubai

As part of its efforts to enhance transportation services, SAPTCO Specialized Services showcased cutting-edge technologies and innovative solutions aimed at improving pilgrim comfort and safety at the Nusuk Exhibition in Dubai. During his visit, Dr. Tawfiq Al-Rabiah, Minister of Hajj and Umrah, was briefed on SAPTCO's integrated transportation system, which provides a safe and seamless mobility experience for pilgrims and Umrah performers, highlighting the company's commitment to delivering exceptional service standards for visitors to the Grand Mosque.



24

March

MoU with NAVER LABS & NAVER Cloud

SAPTCO signed a memorandum of understanding with NAVER Cloud and NAVER LAB to enhance collaboration in smart transportation services, focusing on leveraging artificial intelligence technologies to improve user experiences and develop innovative solutions that meet customer needs.





Year in Review

06

April

Public Transport Project Launch in Jazan Region

In the presence of His Highness the Jazan Region Governor and the President of the General Transport Authority, SAPTCO launched its public transport project in the region. The initiative aims to expand urban transportation options, contributing to improved mobility for residents and visitors by providing comprehensive transportation solutions.



22

May

SAPTCO Specialized Services participated at Nusuk Forum in Jakarta

SAPTCO Specialized Services participated in the Nusuk Forum in Jakarta, held under the patronage of the Minister of Hajj and Umrah and organized by the Saudi Tourism Authority. The company showcased its integrated transportation services for pilgrims, launching four new languages and highlighting its role in supporting domestic tourism through advanced transportation solutions that meet the highest standards, reflecting its commitment to providing a safe and seamless mobility experience for pilgrims, Umrah performers, and tourists.

08

May

Signing a Strategic Partnership with Yutong Chinese Company

SAPTCO signed a strategic partnership agreement with Yutong, a global leader in electric and hydrogen vehicle manufacturing for buses and trucks. Under the agreement, SAPTCO becomes the official distributor of Yutong products in the region, reinforcing its commitment to providing innovative and sustainable transportation solutions.



21

July

Public Transport Project Launch in Qassim Region

SAPTCO launched its public transport project in the Qassim region, with the Qassim Region Governor and the President of the General Transport Authority in attendance. The project aims to broaden urban transportation choices, reflecting SAPTCO's commitment to delivering innovative mobility solutions that cater to the community's diverse transportation needs.



Year in Review



10

August

Public Transport Project Launch in Tabuk Region

SAPTCO inaugurated its public transport project in the Tabuk region under the patronage of the Tabuk Region Governor and the President of the General Transport Authority. The project will introduce advanced and flexible urban mobility solutions, facilitating movement for residents and visitors while providing diverse transportation options that enhance overall quality of life.

14

October

Public Transport Project Launch in Al-Ahsa Governorate

SAPTCO inaugurated its public transport project in the Al-Ahsa Governorate, honored by the presence of the Al-Ahsa Governor and the President of the General Transport Authority. The project will enhance transportation diversity within the city, offering comfortable and effective solutions for residents and visitors, improving mobility experiences and reflecting sustainable service development.



27

November

King Salman bin Abdulaziz inaugurates the Riyadh Metro Project.

King Abdulaziz Project has inaugurated the Riyadh Metro, the largest simultaneously built rail system covering 176 kilometers with 84 stations. SAPTCO operates the Red and Blue Lines, major routes in Riyadh's public transport network extending from north to south and east to west.

12

December

First Intercity Hydrogen-Powered Bus Launch

SAT, a SAPTCO Group subsidiary, unveiled the Kingdom's first hydrogen-powered intercity bus as part of its commitment to environmental sustainability. The innovative transport solution is designed to reduce carbon emissions and align with Saudi Arabia's strategic objectives for a greener transportation future.



25

December

IRU International Transport Award

SAPTCO was honored with a prestigious award from the International Road Transport Union (IRU), celebrating its commitment to professional excellence in land transportation. The recognition spotlights the company's "Road Masters" program, which elevates driver performance through a cutting-edge training approach that meets international standards.



Board Memberd



H.E. Musaed bin Abdulaziz Aldawood
Chairman



Mr. Turki bin Musaed Almubarak
Vice Chairman



Eng. Khalid bin Abdullah Alhogail
Managing Director - CEO



Dr. Saud bin Mohammed Alnimir
Board Member



Mr. Walid Abdurrahman Alhabib
Board Member



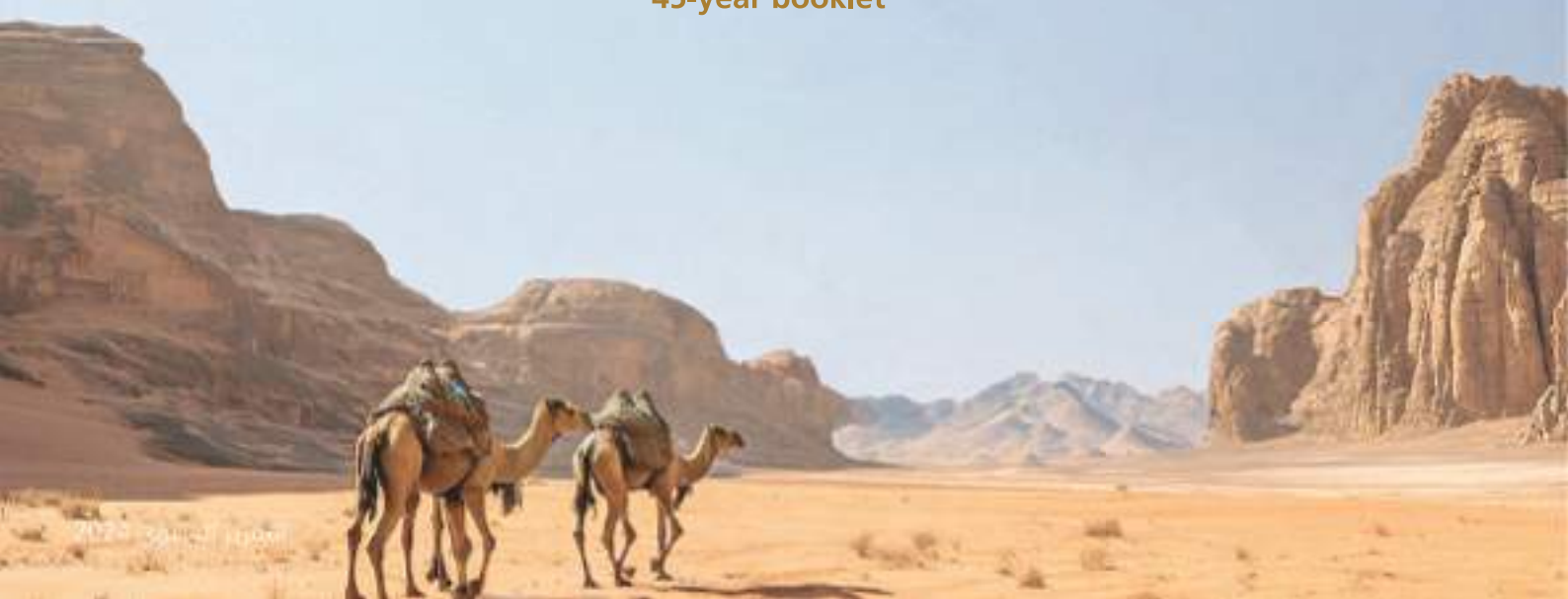
Mr. Yasser bin Suleiman Aldawood
Board Member

45
1979 - 2024
عاماً YEARS

الناقل الوطني البري الأول
FIRST NATIONAL LAND CARRIER



For quick access to the
45-year booklet





Chairman's Statement

With deep roots and over 45 years of industry experience, SAPTCO continues to advance its strategic objectives in logistics transportation—a sector vital to the Kingdom's development and economic growth. Throughout its steadfast journey, SAPTCO remains dedicated to implementing industry-leading practices and cutting-edge technologies. The company actively develops compelling, innovative solutions aligned with Saudi Vision 2030, creating a transportation ecosystem that is both people-centered and environmentally sustainable while fostering innovation and collaboration.



Sustainability stands as a key pillar of the Saudi vision and one of our core principles. To protect the environment, SAPTCO is procuring electric buses with batteries that reduce carbon emissions. We utilize the latest technologies to minimize paper transactions, reduce water waste, and conserve energy. We are committed to importing high-quality products that lower negative environmental consumption. A key sustainability initiative is our contract with SIRC, owned by the Public Investment Fund, to safely dispose of used oils through environmentally friendly recycling.

At SAPTCO, we are deeply committed to our social responsibility, actively embodying this principle through engagement in diverse community initiatives. We were privileged to serve pilgrims by distributing kits during the Hajj season and providing bus support to charitable organizations, including the Blindness Charitable Association and Dignity Association for Senior Care. Furthermore, we contributed to the "A Nation Pulsing with Health" campaign, offering transportation resources to promote a health transformation approach that prioritizes individual well-being and proactive disease prevention.

We are committed to creating a conducive work environment that respects and elevates our employees' potential. Our approach centers on recognizing individual contributions, providing systematic professional development, and fostering a culture of continuous growth. We work hand in hand with our team, understanding that our collective achievements are the result of every employee's dedication and expertise.

The remarkable successes of 2024 reflect the invaluable contributions of our employees across all departments and sectors.

The year 2024 was marked by significant achievements. We successfully launched 50 public transportation routes, deploying 444 buses across 6 major cities, serving over 15 million passengers. A notable milestone was securing a contract with NEOM's primary destination, Sindalah Island, valued at 24 million riyals. SAPTCO also won operational contracts for transportation networks in key regions including Al-Ahsa, Abha, Tabuk, and Madinah (Pilgrims' Service Contract). Furthermore, we expanded our operations in Jeddah, introducing 14 bus routes and extending the contract term to 3 years.

The year's most significant milestone was the Riyadh Metro project, where SAPTCO operates with a 20% ownership stake alongside its French partner. The project encompasses two of the six metro lines: the Blue Line, spanning 38 kilometers from south to north and traversing 25 stations, including the King Abdullah Financial District, and the Red Line along King Abdullah Road, extending 25.3 kilometers and connecting the capital's east and west through 15 stations.

I extend my sincere thanks to our Leadership. My appreciation goes equally to our executive management, valued shareholders, esteemed partners, and dedicated employees for their continued confidence and support. SAPTCO remains committed to our forward-looking vision, striving to enhance our services and products in alignment with our ambitious goals and the Saudi Vision 2030 for elevating urban quality of life.

H.E Musaed bin Abdulaziz Aldawood
Chairman



— Managing Director and CEO Statement

Dear Esteemed Shareholders,

The 2024 annual report marks the 45th anniversary of SAPTCO's founding in 1979, throughout which the Saudi Public Transport Company has achieved remarkable growth and transformation in its operations. From its initial focus on intra-city transportation, SAPTCO has expanded to encompass a comprehensive range of services including urban public transit, intercity connections, international routes, specialized transport, student services, and Hajj and Umrah pilgrim transportation. The company now also operates autonomous vehicles, mobility sharing services, shuttle buses, and railway systems. This evolution has cemented SAPTCO's reputation for excellence in delivering integrated transportation solutions and established its position as a premier transportation provider nationally and regionally.



SAPTCO has further enhanced its service quality through the introduction of hydrogen-powered buses, deployment of electric buses, and implementation of Bus Rapid Transit (BRT) systems. The company now proudly serves as a key operator of the King Abdulaziz Public Transport Project in Riyadh, managing both bus services and the critical backbone of the metro network — specifically the two major arteries consisting of the Red Line and Blue Line. This demonstrates SAPTCO's dedication to delivering smart and sustainable transportation solutions.

The year 2024 represented a critical milestone in our corporate evolution, marking our first full year of operations following the conclusion of our exclusive concession agreement, which ended in Q4 2023. This period presented significant challenges that required extraordinary effort to restructure our operations and strengthen our competitive position. Our efforts proved successful, resulting in a series of contract awards to manage public transportation networks across numerous key urban centers, including Madinah, Jeddah, Eastern Province, Qassim, Jazan, Taif, Tabuk, Al-Ahsa, and Abha.

Despite the formidable challenges confronting transportation sector companies since the onset of the COVID-19 pandemic in 2020, SAPTCO has successfully achieved progressive reduction in its losses between 2020 and 2024, with improvement rates ranging from 42% to 73% year-over-year. This sustained financial recovery has established the foundation for the company's return to profitability in its consolidated financial statements, bolstering its fiscal stability and enabling continued participation in significant tender opportunities aligned with Saudi Vision 2030 projects.

In conclusion, I wish to express my profound gratitude to our visionary Leadership for creating the optimal conditions that have facilitated our achievements. My sincere appreciation extends to our valued shareholders and Board members whose unwavering support and confidence have been instrumental in realizing these milestones. I reserve particular recognition for the dedicated SAPTCO team, whose persistent dedication has propelled the company forward in fulfilling its corporate objectives and meeting shareholder expectations, all while contributing to Vision 2030's mission of enhancing urban quality of life through comprehensive transportation services.

Eng. Khalid bin Abdullah Alhogail
Managing Director - CEO

About SAPTCO





About SAPTCO

About Us

The Saudi Public Transport Company (SAPTCO) embarked on its transformative journey in 1979, coinciding with the Kingdom of Saudi Arabia's initial efforts to develop public transportation infrastructure.

Founded with an initial capital of 1 billion Saudi riyals, the company expanded its capital to 1.25 billion Saudi riyals in 2007. Over a 45-year period culminating on October 15, 2023, SAPTCO was granted transportation privileges, ultimately emerging as the Kingdom's premier national land transport provider.

The company's fleet stands out for its innovative composition, featuring vehicles integrated with state-of-the-art technological systems designed to meet diverse customer requirements. SAPTCO's strength lies in its comprehensive team of professionals—including skilled drivers, expert technicians, and dedicated administrative staff—all united in their commitment to delivering exceptional service standards both domestically and internationally.



Our Values	Our Vision	Our Mission
Commitment Collaboration Responsibility Continuous Improvement Proactivity	To build and develop high-quality, safe transportation services as the primary national land carrier.	Providing more attractive mobility and travel services, enhancing customer experience in line with the highest global standards.





Our Journey

☆ Foundation (1979 – 1998): Pioneering Public Transport

Founded by royal decree in 1979, the Saudi Public Transport Company (SAPTCO) was created to transform Saudi Arabia's public transportation landscape. The company's mission focused on enhancing efficiency through safe, reliable, and advanced transportation solutions connecting major cities Kingdom-wide. As the official and sole public transport provider during this period, SAPTCO successfully developed an integrated network that served both daily commuters and long-distance travelers. By consistently adapting its services to meet the needs of a growing population, the company firmly established itself as a cornerstone of Saudi Arabia's public transportation infrastructure.



☆ Expansion & Growth (1998–2008): Expanding mobility horizons bringing destinations closer



During this phase, SAPTCO expanded its network to enhance accessibility and connectivity across Saudi Arabia. New intercity routes were introduced, improving connections between smaller cities and rural areas, making daily commutes more convenient for residents. SAPTCO also became a key provider of Hajj and Umrah transportation, significantly increasing its fleet and dedicated routes to accommodate the growing number of pilgrims.

Furthermore, the company expanded internationally, launching cross-border services to the UAE and Kuwait, solidifying its position as a leading regional transport operator.

☆ Strategic Partnerships & Metro Operations (2008–2018): Shaping the Future of Mobility

SAPTCO entered a new era by forming strategic partnerships and expanding into metro and rail operations to support Saudi Arabia's evolving public transport infrastructure.

- **Riyadh Public Transport Project:** Partnered with RATP Dev to establish the Public Transport Company, managing one of the Kingdom's largest urban transit networks.
- **Metro Operations:** Launched the Capital Metro Company in collaboration with RATP Dev to oversee metro operations and maintenance, marking a major step in urban mobility.
- **Student Transport Solutions:** Partnered with Emirates Transport to establish Safer, a specialized school transport service ensuring safe and efficient mobility for students.





Our Journey

☆ Growth & Sustainability (2018–2022):

Smart Mobility for a Sustainable Future

During this phase, SAPTCO focused on digital transformation and sustainability, aligning with Saudi Vision 2030's objectives to enhance quality of life through modern transportation systems.

- **Adopting a Light-Asset Model:** Transitioning to digital mobility solutions to enhance customer experience and optimize services using cutting-edge technology.
- **Advancing Smart Transport:** Introducing autonomous vehicle technology and smart systems to improve operational efficiency and road safety.
- **Investing in Digital Solutions:** Establishing a venture-backed digital mobility company to support innovative startups offering technology-driven transport services.



☆ Recovery & Expansion (2023–2028):

Moving Life Towards a Greener Tomorrow

As the transport industry rapidly evolves, SAPTCO continues to expand its operations and strengthen its leadership in public transportation through forward-thinking, sustainable initiatives.

- **Implementing Sustainable Transport Technologies:** Deploying electric and hydrogen-powered buses in select areas, reinforcing SAPTCO's commitment to reducing carbon emissions and promoting environmental sustainability.
- **Enhancing Operational Efficiency:** Improving processes and profitability through investments in smart infrastructure and advanced management systems.
- **Future Innovation:** Expanding investments in green mobility technologies and forming strategic partnerships with global leaders in manufacturing and R&D to deliver smart, sustainable transport solutions for the future.





Our Services

Public Transport

SAPTCO's public transport service is a cornerstone of urban mobility, offering an extensive network that connects major cities across Saudi Arabia, including Riyadh, Jeddah, Madinah, Dammam, Qatif, Taif, Qassim, and Jazan.

New routes will soon be introduced in Tabuk and Asir, further expanding access to reliable public transportation.



Intercity Transport

SAPTCO provides essential intercity transport services, ensuring seamless connectivity between cities and rural areas across the Kingdom. Our state-of-the-art buses, equipped with world-class safety and comfort features, offer passengers a smooth and secure travel experience. By facilitating easy access between destinations, SAPTCO supports domestic tourism and promotes a culture of travel within Saudi Arabia.

International Transport

SAPTCO offers a safe, modern, and comfortable international travel experience, catering to both business and leisure travelers. With a vast network covering key destinations in the Gulf and Arab regions, our services connect Saudi cities to major international hubs, including the UAE, Bahrain, and Egypt, ensuring a seamless cross-border journey.





Our Services

Specialized Transport

Specialized transport is one of SAPTCO's most prominent services, focusing on meeting the needs of customers seeking bespoke transportation solutions, whether as direct beneficiaries or organizers of specific programs. These services reflect the company's ongoing commitment to enhancing and improving customer experiences.

SAPTCO stands out with its diverse fleet of buses equipped with the latest safety technologies, making it the optimal choice in this domain. This service excellence has attracted numerous government entities, universities, schools, sports clubs, and companies to utilize specialized transportation for their personnel.

Leveraging our advanced fleet and dedicated services, we guarantee comfortable and safe journeys, offering a variety of buses that take you to your destinations with ease and convenience.



Student Transport

Student transport provided by SAPTCO through its subsidiary (SEITCO) is a critical element that facilitates students' safe and reliable access to schools and universities. The service is comprehensive, adhering to the highest quality and safety standards, making it an essential component of the educational ecosystem, with the goal of providing a safe and comfortable transportation environment for students.

Metro Services

SAPTCO signed a contract with its French partner RATP Dev to establish the Capital Metro Company, which was awarded a contract by the Royal Commission for Riyadh City on September 17, 2018, to operate and maintain two of the six metro lines: the first Blue Line (38 km) and the second Red Line (25.3 km) in Riyadh for a 12-year period.

The company is owned 80% by RATP Dev and 20% by the Saudi Public Transport Company (SAPTCO).





Our Services

Digital Mobility Solutions

SAPTCO aims to develop the transportation ecosystem in the Kingdom of Saudi Arabia through digital services, enhancing smart mobility and logistics concepts. By leveraging the latest artificial intelligence technologies and enabling factors, we seek to achieve Vision 2030 objectives, improve quality of life, and enrich customer experiences.

Aligned with our vision, one of our companies specializes in providing comprehensive digital mobility solutions through passenger solutions and the eJourney platform.



Maintenance

The Maintenance Sector, under the Shared Technical Services Unit, provides comprehensive oversight of fleet engineering and maintenance to ensure the highest levels of operational efficiency and technical sustainability. The sector operates according to the latest global standards to achieve optimal operational readiness, contributing to enhanced fleet performance and improved reliability and safety.

The sector aims to improve operational efficiency through advanced maintenance strategies and innovative logistical solutions, ensuring business continuity and effectively meeting internal and external operational needs with high efficiency.

SAPTCO Academy

SAPTCO Training Academy has revolutionized the land transportation sector through comprehensive training programs comprising over 60 specially designed courses that address customer needs and transportation sector requirements.

Our services at SAPTCO Academy are distinguished by their comprehensive and integrated approach, covering multiple critical aspects. These include driver and technician training and empowerment, extending to facility rentals such as halls, training grounds, and simulation equipment. At SAPTCO, we are committed to elevating service quality for our customers and maintaining the highest safety standards that serve the transportation sector in the Kingdom of Saudi Arabia.





Our Policy

SAPTCO believes in fundamental principles that are essential to success in the transportation sector. These principles are crucial, as achieving sustainable growth and objectives is impossible without unwavering commitment. Our core principles include:

Investment in Human Resources

Keeping pace with local and global developments through continuous improvement, ensuring a safe and sustainable work environment.

Compliance with Regulatory and Legal Frameworks

Adhering to all legal controls and governance systems to maintain integrated regulatory performance.

Establishing Balanced Relationships with Customers and Suppliers

Preserving the rights of all parties, working to improve work methods to achieve mutual satisfaction and promote sustainable cooperation.

Commitment to Highest Health, Safety, and Environmental Standards

Keeping pace with local and global developments through continuous improvement, ensuring a safe and sustainable work environment.

Adherence to High-Quality Standards

Ensuring the application of the highest quality levels in technical and administrative services and practices, with a focus on attracting expertise that supports these standards.

Transparency and Building Strong Partner Relationships

Maintaining continuous communication with investors and strategic partners to enhance transparency and ensure the rights of all parties in supporting the company's journey.



Strategy and Sustainability





SAPTCO Strategy

Within the framework of SAPTCO's ambitious commitment to achieving sustainable growth, a comprehensive strategy extending to 2028 has been developed.

This strategy aims to enhance operational efficiency, reduce costs, increase revenues, and achieve a balance between business expansion and financial sustainability.

Key Strategic Pillars

Pandemic Recovery: The strategy seeks to restore pre-pandemic operational status, strengthening the company's ability to quickly adapt to future challenges, contributing to its stability and sustainable growth.

Business Expansion:

- **Increase Productive Capacity:** Through efficiency improvements and the adoption of modern technologies
- **Expand Customer Base:** By enhancing existing services and introducing innovative solutions that meet market needs
- **Penetrate New Markets:** Developing effective growth strategies to establish a strong presence in the local market

Maximizing Operational and Expenditure Efficiency:

- **Optimize Available Resources:** Through improved utilization and distribution strategies
- **Apply Global Best Practices:** Reducing costs without compromising service quality, contributing to increased returns and enhanced financial performance

Fundamental Execution Pillars:

- **Focus on Operational Efficiency:** Accelerating profitability through internal process improvements and performance enhancement
- **Strengthen Operating Model:** Developing operational infrastructure to meet future transportation requirements, including adoption of smart transport and digital solutions
- **Commitment to Vision 2030:** Actively contributing to the Kingdom's vision through innovative and sustainable transportation solutions
- **Global Partnerships:** Establishing strategic alliances with leading global manufacturers and suppliers to support the transportation ecosystem and expand mutual benefits

Operational Business Model

SAPTCO has established a solid reputation as a leading national land transportation company for over 45 years. The company distinguishes itself with exceptional capabilities that place it at the forefront of the sector. Founded as a model of strength and efficiency in land transportation, SAPTCO maintains a flexible strategy that enables it to lead transportation initiatives both within and beyond the Kingdom.

The company adopts a holding company structure that oversees several independent entities, with this model enhancing operational efficiency and ensuring excellence in the performance of subsidiary business units.



Role of the Holding Company:

- Establish comprehensive strategic guidance ensuring coordination and integration across various units
- Provide shared resources and services among subsidiaries to maximize available capabilities
- Enable subsidiaries to enter new markets and attract diverse customer segments, contributing to business expansion and competitive strength

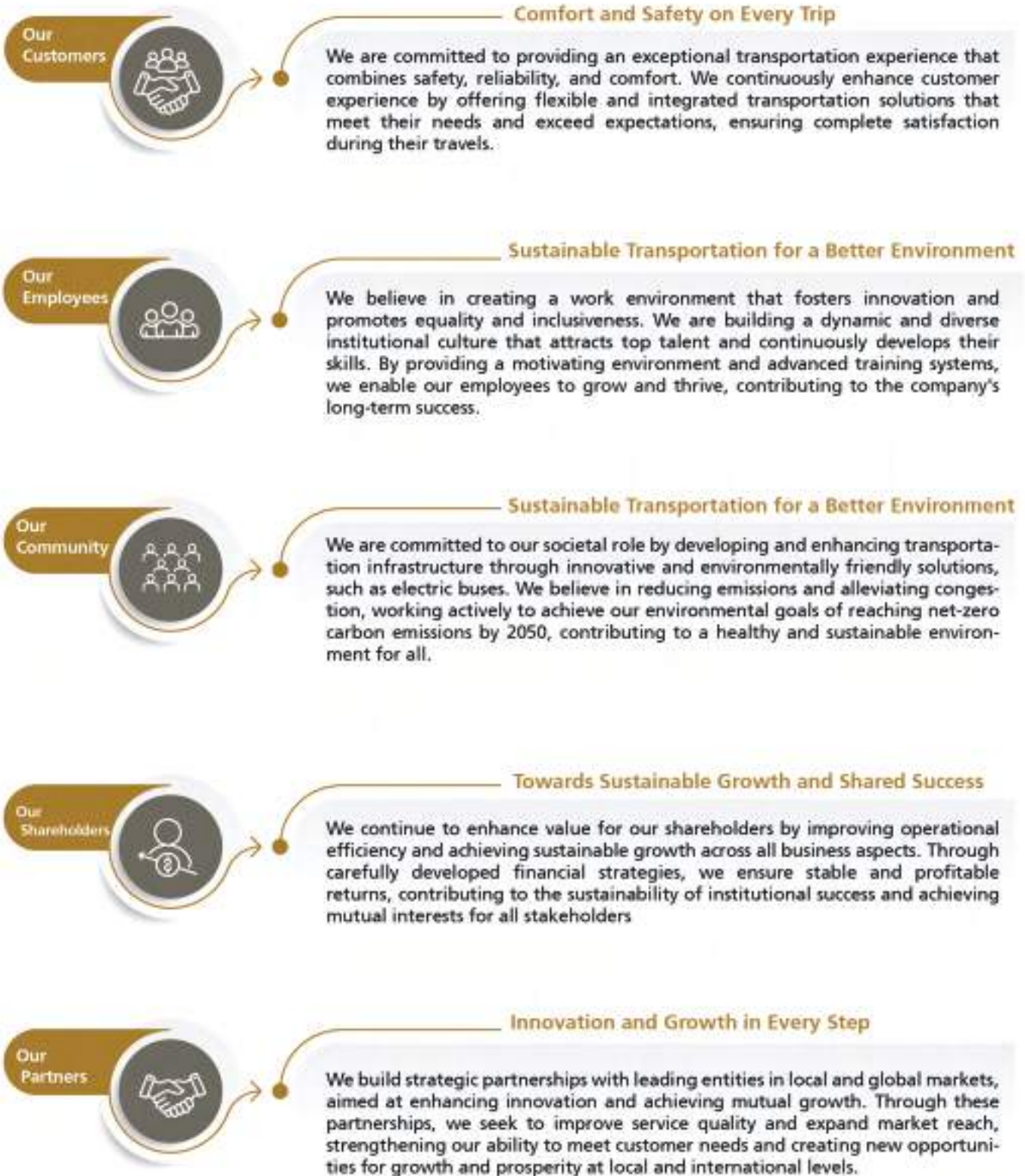
Business Unit Objectives:

- Operate with autonomy while focusing on improving service quality
- Conduct precise financial performance tracking through independent financial statements for each unit
- Enhance the company's overall financial performance by improving individual unit benefits, thereby supporting profitability and innovation





Delivering Sustainable Value for Stakeholders





Strategic Initiatives

To achieve our ambitious objectives, we have identified 15 key strategic initiatives to be implemented across various stages. These initiatives are distributed according to the following priorities:



4

Technical Shared Services Initiatives

Designed to support and enhance technical infrastructure across all subsidiary units, contributing to improved operational performance.

4

Specialized Services Initiatives

Aimed at improving operational efficiency and developing new services that align with market and customer needs.

1

Holding Company Initiative

Targeting the development of strategic management and enhancing integration between different units to achieve optimal coordination and efficiency.

2

Public Transportation Initiatives

Focused on enhancing service quality and strengthening SAPTCO's market share in the public transportation sector.

1

New Partnerships Initiative

Targeting the opening of new collaboration horizons with local and global partners, contributing to business expansion and innovation in transportation solutions.

3

Enabling Initiatives

Aimed at providing necessary support to ensure strategic objectives are met through improving core processes and procedures.

These initiatives work to achieve an ideal balance between continuous business development and service innovation, enhancing SAPTCO's ability to meet customer needs and contribute to sustainable transportation sector development.



Subsidiaries

Company Name	SAT	Public Transportation Co., Ltd.	Digital Mobility Solutions Company for Investments – Single-shareholder Company	Capital Metro Co. Ltd – CAMCO	Saudi Emirates Integrated Transport Company – (SEITCO)	Saudi Bahraini Transport Co*	Alem Alriyadah Company for Training
Share Capital (SR)	10,000,000	10,000,000	5,000,000	18,000,000	100,000	10,000,000	100,000
Shareholding %	85% of share capital	80% of share capital	100% of share capital	20% of share capital	50% of share capital	40% of share capital	100% of share capital
Principal Activity	Security bus services	Bus supply, operation, and maintenance in Riyadh under investment Authority license No. 10603051147347 dated 01/1/420H	Professional, scientific, technical, administrative, and support services, financial and insurance activities, information and communication, transportation and storage	Road construction and maintenance under investment Authority license No. 1020602117714 dated 03/1/1420H	School transportation services, vehicle ownership, fleet management, and transportation services	Passenger transportation by buses between the Kingdom of Saudi Arabia and the Kingdom of Bahrain via King Fahd Causeway, including luggage and parcel transportation, and related public transportation activities. (under liquidation)	Administrative services for offices, driving schools, and higher and electronic training institutes
Principal Place of Business	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia	Kingdom of Bahrain	Kingdom of Saudi Arabia
Country of Incorporation	Kingdom of Saudi Arabia (Commercial Registration No: 11010919499)	Kingdom of Saudi Arabia (Commercial Registration No: 1010429250)	Kingdom of Saudi Arabia (Commercial Registration No: 1010732575)	Kingdom of Saudi Arabia (Commercial Registration No: 1010611311)	Kingdom of Saudi Arabia (Commercial Registration No: 1010402608)	Kingdom of Saudi Arabia (Commercial Registration No 2050016546) and Kingdom of Bahrain (Commercial Registration No. 17777)	Kingdom of Saudi Arabia (Commercial Registration No: 1009023001)

* The Extraordinary General Assembly of Partners on 31/12/2015 resolved to liquidate the company and complete its legal procedures. The liquidation is being finalized.



— Sustainability

SAPTCO is committed to enhancing green energy technology and innovation in public transportation by adopting advanced solutions that support environmental sustainability. We are developing eco-friendly transportation solutions through autonomous vehicles and electric buses powered by renewable energy. Our efforts include integrating clean energy sources, such as solar power, into bus fleet charging stations, effectively reducing carbon emissions.

These initiatives align with global efforts to mitigate climate change and promote sustainable alternatives that support achieving net-zero carbon emissions by 2050. Through investments in green technology, SAPTCO contributes to building a sustainable future for the transportation sector, enhancing community quality of life and protecting the environment for future generations.





Latest Projects, Solutions, and Innovations

Launching the First Hydrogen Bus in the Kingdom

In a pioneering step towards enhancing innovation and adopting sustainable transportation, SAPTCO collaborated with its partners to launch the first hydrogen bus in the Kingdom. The bus can travel up to 635 kilometers continuously and accommodate 45 passengers.



This initiative is part of the intercity transportation services provided by SAT, one of SAPTCO's companies, aimed at reducing carbon emissions and supporting the transition to clean transportation solutions.

Electric Buses

Committed to implementing modern and environmentally friendly transportation modes, SAPTCO, in collaboration with its partners, launched an electric bus fleet in Jeddah, Dammam, and Medina. These buses can travel over 250 kilometers on a single charge, contributing to enhanced quality of life in Saudi cities.



The initiative aligns with the National Transport and Logistics Strategy and supports the Kingdom's sustainable development objectives.

Autonomous Vehicles

SAPTCO aims to elevate service quality in Saudi cities by launching autonomous vehicles, positioning itself as a pioneer in adopting this advanced technology. In collaboration with partners from King Abdullah University of Science and Technology (KAUST) and NEOM, these vehicles operate within a closed geographic area using artificial intelligence, cameras, and surrounding sensors.



The initiative seeks to achieve Vision 2030 objectives by improving transportation infrastructure and promoting smart vehicle usage in the future.



Social Responsibility

SAPTCO is committed to providing safe and reliable public transportation that meets citizens' needs and creates diverse employment opportunities for youth through specialized training programs.

In 2024, more than 19 young men and women were trained to hone their skills and increase their professional opportunities.

SAPTCO also contributes to social responsibility by participating in developmental initiatives, such as the "A Nation Pulsing with Health" campaign, which aims to raise awareness about health transformation and improve the quality and efficiency of healthcare services in the Kingdom.

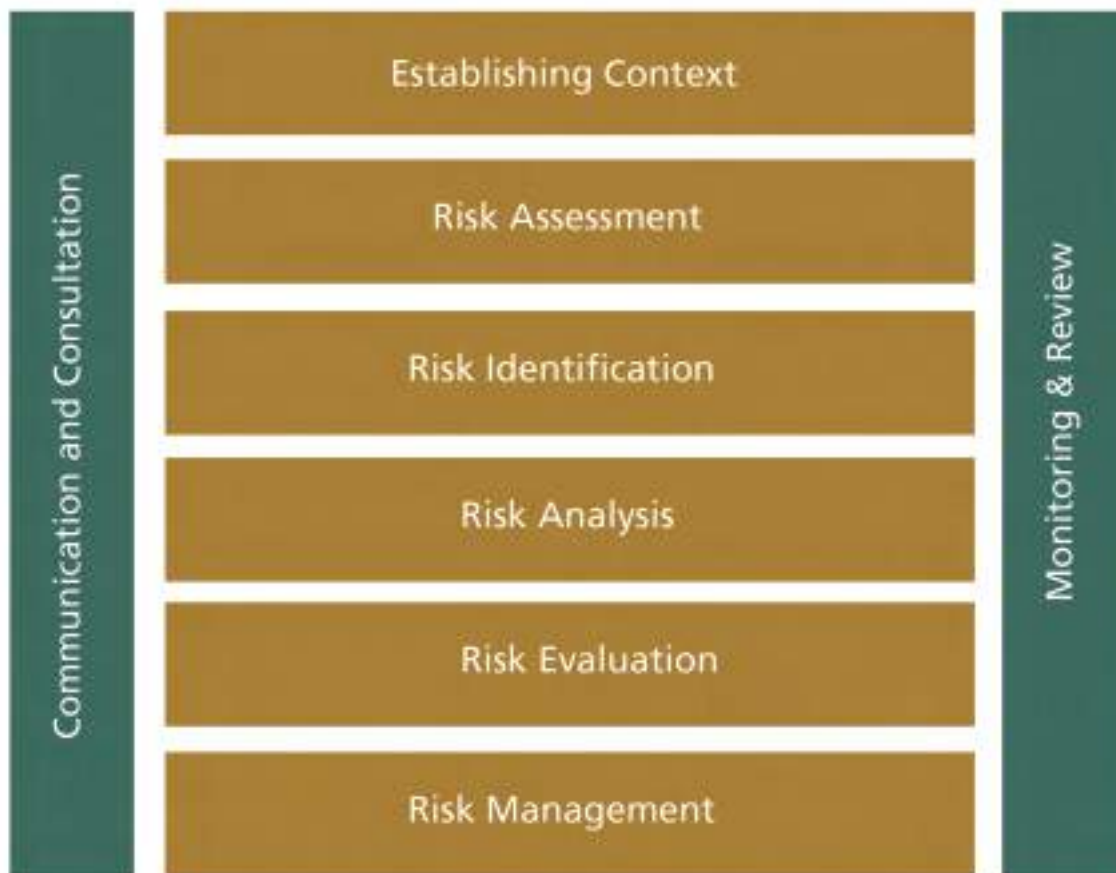




Risk Management

SAPTCO has developed an enterprise risk management system in accordance with the best global practices, aimed at supporting the company's success and achieving its strategic objectives.

The system is characterized by a collaborative environment focused on identifying, monitoring, and proactively mitigating risks. This framework has been designed to align with international standards and the latest risk management practices, including ISO 31000 standards, which enhances the company's ability to effectively address challenges and ensures sustainable growth.



SAPTCO strives to protect the interests of its stakeholders, reputation, and assets through a framework that focuses on designing procedures that align with business needs in the areas of strategic, financial, operational, legal, compliance, human resources, and information technology risks.

The Board of Directors, through the Audit Committee, oversees the risk management activities related to the assessment of key risks. The Governance, Risk, and Compliance Department prepares detailed risk assessment reports for the company and submits them to the Audit Committee to ensure the effectiveness of the system, along with providing appropriate recommendations to the Board of Directors regarding improving the measures taken to mitigate risks.



Risk Management Governance

SAPTCO aims to ensure a strong and effective governance model that supports the independence of roles and responsibilities within the company by applying the three lines of defense. The Board of Directors and the Executive Management form the cornerstone of these defenses, each playing a pivotal role in ensuring effective control and accountability across all levels of the company. These mechanisms are essential for maintaining transparency and implementing the highest standards of governance, enhancing the company's ability to manage risks proactively and effectively.



Nature of Risks and SAPTCO's Risk Management Policy

SAPTCO faces a diverse set of risks that arise from the nature of its operational activities in the land transportation sector. To ensure continued success and achieve its strategic objectives, the company adopts a comprehensive risk management policy that includes periodic risk assessments in accordance with the latest approved policies and procedures. The company also works on establishing appropriate control measures to mitigate these risks, while conducting continuous reviews to ensure the effectiveness of the implemented procedures.



Key Risks Faced by the Company

1. Strategic Risks:

Strategic risks are external variables that affect the company's ability to execute its strategic plans. The most prominent of these risks include:

- **Decrease in revenues due to the expiration of the intercity transportation concession contract:**
SAPTCO is working on diversifying its income sources by expanding in public transportation and educational transportation contracts, in addition to specialized service contracts. SAT Company (one of SAPTCO's subsidiaries) has also won the intercity transportation contract in the southern region. Furthermore, SAPTCO is investing in digital mobility solutions and restructuring its business units to enhance profitability through the shared technical services sector.
- **Decrease in the company's market share due to competition:**
SAPTCO continuously monitors the prices of alternative means of transportation and launches marketing programs and promotional offers to compete. Additionally, the company has established a specialized company in digital mobility solutions to diversify its service portfolio.

2. Operational Risks:

The company faces a range of risks that affect its operational and technical processes, most notably:

- **Increase in indirect costs:** SAPTCO continuously works on automating processes and reducing reliance on manual operations, in addition to implementing projects to improve and integrate internal systems.
- **Protecting data privacy in the event of breaches or disasters** SAPTCO takes multiple measures to protect its data by creating regular backups and updating protection software periodically.
- **Increase in maintenance costs of technical systems:** SAPTCO conducts ongoing studies to evaluate available technical systems in the market and replace high-cost systems with more efficient ones that have lower maintenance costs.

3. Compliance Risks

Compliance risks include risks related to compliance with applicable laws and regulations, such as:

- **Failure to obtain necessary licenses for locations:** SAPTCO works on qualifying its owned locations to meet government requirements.
- **Continuous changes in labor market legislation and regulations:** SAPTCO takes proactive steps to keep up with legislative changes by inventorying all regulations and laws issued by legislative authorities and verifying their application in internal regulations and bylaws.

4. Financial Risks:

The company is exposed to financial risks that may affect its financial position and ability to meet its obligations, most notably:

- **Impact on the financial position due to non-compliance of customers and debtors with payment:** To address this risk, SAPTCO has implemented a number of measures:
 - Applying credit limits to reduce defaults
 - Updating accounts receivable policies periodically
 - Forming a committee to manage accounts receivable and enhance control and collection
 - Opening financing facilities with commercial banks
 - Filing the company's defaulted claims from government agencies through the Etimad platform, in coordination with the Ministry of Finance

Through these measures, SAPTCO continues to enhance its ability to face risks and deal with them effectively, which strengthens its sustainability and ensures its ongoing success.

Operational Performance Summary





King Abdulaziz Project for Public Transport

مشروع الملك عبدالعزيز
للتنقل العام بمدينة الرياض



- On Wednesday, November 27, 2024, King Salman bin Abdulaziz inaugurated the Riyadh Metro project, which is a fundamental part of the public transportation network in the capital.
- The project is distinguished as the largest metro in the world to be built at one time, covering 176 kilometers with 84 stations, featuring 6 lines, and costing \$22.5 billion.
- Riyadh becomes more connected and efficient with each new line, and the Riyadh Metro is considered the backbone of the public transportation network in the city of Riyadh.
- The Riyadh Metro is considered the cornerstone for achieving Saudi Arabia's Vision 2030, as it contributes to providing sustainable public transportation solutions and boosting the local economy through creating new job opportunities.
- The project relies on the latest renewable energy technologies, making it one of the most efficient and effective transportation systems in the region.





Riyadh Metro



The Riyadh Metro is part of the King Abdulaziz Public Transport Project, which is one of the largest public transportation projects in the world. It was launched to provide integrated transportation solutions within the city of Riyadh and to achieve the objectives of Saudi Arabia's Vision 2030.

Project Overview



SAPTCO, in alliance with RATP DEV, established the CAMCO company to operate both the Blue

1. Blue Line (Line 1)

The Blue Line runs for 38 km and passes through the most important commercial and vital areas of the city.

This line serves thousands of passengers daily, connecting the north and south of the city, facilitating movement between neighborhoods and important commercial centers.

2. Red Line (Line 2)

The Red Line extends for 25.3 km and connects King Abdullah Road with the city center, contributing to reducing congestion and improving quality of life.



Riyadh Buses

Towards smart cities... innovative public transportation for a better life

King Abdulaziz Public Transport Project in Riyadh - Riyadh Buses

The King Abdulaziz Public Transport Project in Riyadh is one of the pioneering projects launched by the Royal Commission for Riyadh City in cooperation with SAPTCO, with the aim of providing integrated public transportation solutions that meet the city's needs now and in the future.

The project reflects Riyadh's commitment to developing an advanced public transportation infrastructure and provides the city with a fast and modern transportation network according to the latest global technologies, to enhance the local economy, reduce environmental pollution, and facilitate traffic movement.

Key Features of Project:

842

Buses equipped with the latest technological means

80

Bus routes that allow for easy mobility

3084

Bus stations distributed throughout the city for the widest coverage

4

Overnight parking and maintenance sites to ensure service continuity at the highest quality

Moreover, with a capacity of more than **500,000 passengers** per day, it enhances the system's ability to serve all segments of society. The project aspires to strengthen Riyadh's position as a smart, sustainable, and advanced city in the field of public transportation.

Riyadh Buses





Project Components

Riyadh Buses

Facts and Figures

Overnight Parking and Maintenance Sites

4



Parking sites

6



Track Length
1900 km



No. of stations
3084



Riyadh Buses



- Orange Line
- BRT
- Community Lines
- Feeder

58

Feeder bus routes
892 km

19

Regular bus routes
910 km

3

Dedicated Bus Rapid
Transit lanes
103 km



Riyadh Bus Fleet

The new Riyadh bus fleet comprises 842 buses, carefully selected to ensure the provision of the best public transportation services

The buses were manufactured by Mercedes and MAN companies, with the fleet characterized by its diversity and high quality. The fleet consists of three main types of buses, as illustrated in the following infographic



Operational Performance Results of the Riyadh Bus Project

Item	2024	2023	2022	2021	2020
Number of passengers	34,618,265	11,958,058	Trial period		Covid
Number of kilometers	54,151,774	26,365,788	9,778,465	3,287,598	

Public Transit Projects Performance





Public Transit Project in **Madinah**

Madinah Buses: Smooth Mobility, Sustainable Performance

Project Details

256	Total Distance Covered Kilometers	6	Number of routes Routes
30	Number of Buses Buses	136	Number of stops Stations

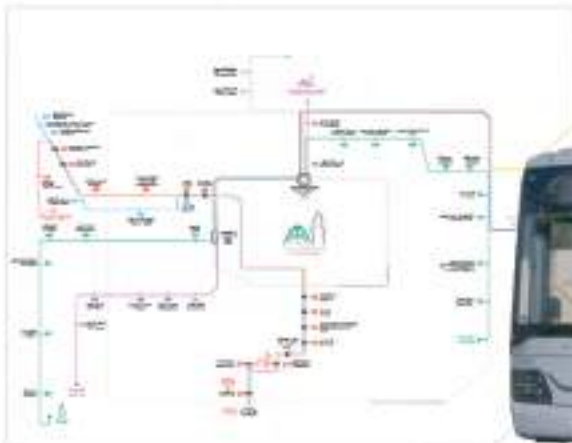
A five-year contract worth SR 57,497,680 was awarded in 2021

Project Objectives

- goals in 2030 Achieving Vision environmental sustainability
- Providing modern and comfortable transportation

Special Improvements for Ramadan Season

Raising the operational performance level during Ramadan season and providing 24-hour service for the route leading to Prince Mohammed bin Abdulaziz International Airport to serve those wishing to travel to and from the Prophet's Mosque and the central area.





Public Transit Project in Eastern Region

Eastern Region Buses: Comfortable Transportation, Connected Cities

Project Details



A five-year contract worth SR 149,609,462 was awarded in 2022

Project Objectives

- Providing sustainable transportation for citizens and visitors.
- Enhancing integration between the cities of the Eastern Region.





حافلات جدة
Jeddah Buses

Public Transit Project in
Jeddah City

Jeddah Buses: Comfortable Transportation for a Vibrant City

Project Details



A five-year contract worth SR 127,801,800 was awarded in 2024

Project Objectives

- Enhancing sustainability in public transit services
- Improving transportation efficiency in Jeddah.





Public Transit Project in **Taif City**

Taif Buses: Comfortable Mobility and Seamless Access

Project Details



A five-year contract worth SR 88,000,000 was awarded in 2022

Project Objectives

- Reducing congestion and improving traffic flow
- Enhancing public transit options





Public Transit Project in Qassim Region

Qassim Buses... Every Place is Closer

Project Details



A five-year contract worth SR 115,000,000 was awarded in 2022

Project Objectives

- Enhancing public transit means
- Improving quality of life





Public Transit Project in **Jazan Region**

Jazan Buses: Shortening Distances

Project Details



A five-year contract worth SR 93,000,000 was awarded in 2023

Project Objectives

- Providing fast and efficient public transportation.
- Reducing congestion and facilitating mobility.





Awarding of Transportation Projects

Al-Ahsa City

Tabuk Buses: Better quality of life with easier transportation

Abha City

Asir Buses: Greater coverage for faster access

Tabuk City

Al-Ahsa Buses: Organized transport, more comfortable travel

Project Details - Tabuk

141 Total Distance Covered
Kilometers

30 Number of Buses
Buses

4 Number of routes
Routes

106 Number of stops
Stations

A five-year contract worth SR 83,999,999 was awarded in 2023

Project Details - Abha

337 Total Distance Covered
Kilometers

55 Number of Buses
Buses

13 Number of routes
Routes

196 Number of stops
Stations

A five-year contract worth SR 112,999,999 was awarded in 2024

Project Details - Al-Ahsa

223 Total Distance Covered
Kilometers

41 Number of Buses
Buses

7 Number of routes
Routes

132 Number of stops
Stations

A five-year contract worth SR 92,999,999 was awarded in 2024



Operational Performance Results of Public Transit Projects During the Last Five Years



Number of Kilometers

Item — 1000



Number of Passengers

Item — 1000

2020		2021		2022		2023		2024	
8.332		8.829		11.903		9.122		10,097	
13.66		16.958		24.019		26.607		37,872	

These results include all public transit projects within the Kingdom, with the exception of the Riyadh Bus Project

Operational Performance Analysis

Public transit projects across various regions of the Kingdom have witnessed notable growth in operational performance during the past five years, with service scope expansion and improved operational efficiency to meet the increasing mobility needs of citizens and residents. These projects have contributed to raising reliability levels, enhancing environmental sustainability, and reducing traffic congestion in many major cities.

Annual Passenger Count

- The past years have seen an increase in the number of passengers, reflecting a higher level of confidence in public transit services and increased reliance on buses as a primary means of transportation within cities. The number of passengers rose from 8.3 million in 2020 to more than 10 million in 2024, demonstrating tangible progress in service efficiency and coverage.

Total Distance Covered (in Kilometers):

- Operational scope expanded to reach 37 million kilometers in 2024 compared to 13.6 million kilometers in 2020, reflecting network expansion and an increase in the number of routes and services provided.
- This was supported through the introduction of modern buses, increasing the number of stations, and improving schedules to ensure more efficient service.

Key Operational Improvements

- Increasing the number of routes to include more neighborhoods and vital areas within cities.
- Developing smart services such as bus tracking and integration with modern transportation applications.
- Enhancing sustainability through the introduction of electric and hydrogen buses in some cities, contributing to emissions reduction and air quality improvement.
- Improving passenger experience by providing buses equipped with the latest safety and comfort technologies.

International Transport

الإمارات العربية المتحدة UAE

قطر Qatar

البحرين Bahrain

مصر Egypt





International Transport

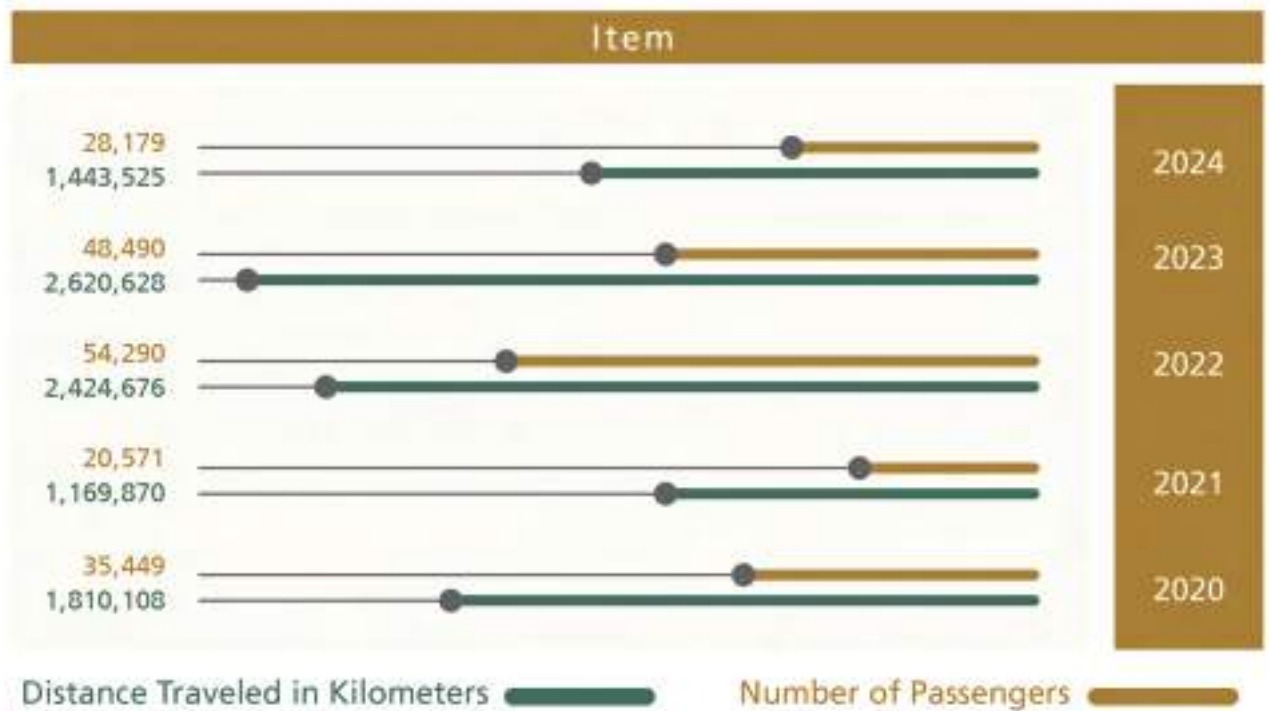
SAPTCO: The Leader in Passenger Transport, from Domestic to International Expansion

Intercity Transport Connecting Cities with a Comfortable and Sustainable Travel Experience

Leveraging over 45 years of expertise in intercity bus services throughout Saudi Arabia, SAPTCO has established a strategic partnership with Spain's ALSA—a global leader in passenger transportation.

This partnership combines SAPTCO's operational excellence and deep knowledge of the Saudi market with ALSA's century-long experience of international innovation backed by more than a century of experience. Together, they formed SAT Transport to execute the Public Transport Authority contract for managing the intercity bus network across the southern concession region.

SAT is committed to becoming the premier choice for intercity travel, delivering exceptional journey experiences that prioritize passenger comfort, safety, and reliability on every route.



Intercity Transport





Intercity Transport

Connecting Cities with a Comfortable and Sustainable Travel Experience

- SAT Company strives to provide the best travel experience between the Kingdom's cities through:
- Strategic partnership between SAPTCO and Spanish ALSA, which has over 100 years of experience in the field of international transport.
 - Implementing the highest standards in operating the intercity passenger transport network, with a focus on comfort and safety

SAT's Key Milestones in 2024

Building new stations and improving existing ones

Launching more than 58,000 trips annually.

Owning 40% of the market share according to Public Transport Authority reports.

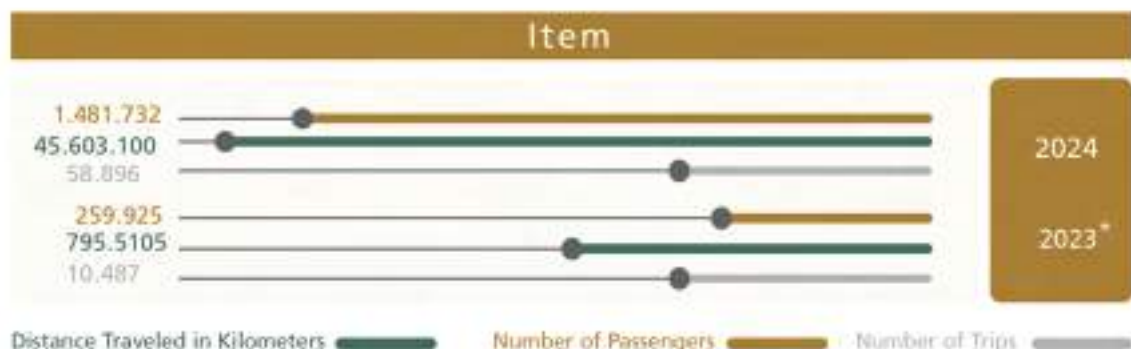
Transporting more than 1.4 million passengers.

Adding 9 new routes such as Dammam - Najran, and a special VIP line between Riyadh and Khobar.

Our fleet has exceeded 45.6 million kilometers.

Sustainable Expansion:

SAT Company uses hydrogen buses in its fleet in collaboration with companies specialized in clean energy.



* Operations beginning from October 16, 2023

Technical Shared Services





Maintenance

Our Fleet in Safe Hands: Unparalleled Quality, Efficiency, and Readiness

The Maintenance and Logistics Department at SAPTCO assumes complete supervision of all tasks related to the maintenance and engineering of the company's fleet, with the aim of ensuring the highest levels of operational readiness for all vehicles. We are committed to achieving excellence in providing services to our customers internally and externally, ensuring the comfort and safety of everyone at all times.

Our integrated services include:

- **Comprehensive Maintenance Services:** Periodic and sustainable maintenance for all buses to ensure optimal performance.
- **Mobile Workshop Service:** Providing immediate support for vehicles at different locations through mobile maintenance workshops.
- **Renovation and Modification Workshop Services:** Updating and improving buses in line with modern requirements and international standards.
- **Vehicle Cleaning Service for All Types:** Includes vehicle washing to ensure a high level of comfort for passengers.

SAPTCO is committed to providing high-quality services that keep pace with the latest standards, where the Maintenance and Logistics Department ensures the highest level of readiness and efficiency in serving our customers.

Facts & Figures



Number of Vehicles Maintained: **141,014** vehicles

Number of external maintenance customers: **34** companies



- 11** Maintenance workshops
- 85** Mobile service workshops
- 65** Small workshops
- 4** Large workshops
- 2** Small cranes
- 17** Large cranes
- 6** Mobile fuel tanks



500+ Technicians

100+ Maintenance drivers





SAPTCO Training Academy

Building Qualified Personnel for the Future of Transportation

The SAPTCO Training Academy is a fundamental pillar in enhancing the productive efficiency of employees, through innovative and sustainable training programs aimed at preparing professionally qualified personnel both academically and practically.

The Academy strives to be the leading reference in land transportation sciences at the Kingdom level, with a focus on improving traffic safety by enhancing drivers' skills and developing their behaviors.

Academy Objectives:

- Teaching driving and vehicle maintenance: Developing the skills of drivers and technicians.
- Advanced training for technicians: To ensure efficient bus maintenance.
- Providing specialized training programs: Meeting market needs and enhancing the Academy's position as a leading training center in the region.

Description	2024	2023	2022	2021	2020
Number of Courses Offered	68	61	53	45	38
Number of Training Curricula	195	797	476	238	243
Number of Trainees	780	8852	4453	1977	2359
Number of Tests	1172	439	363	40	There are no tests.



Specialized Services





Specialized Services

1- Rental

This is a bus rental service for direct beneficiaries or organizers of special programs, transporting local and international Umrah performers and visitors between Umrah areas and visitation sites in both Makkah and Madinah, and renting special trips to tourist and archaeological sites within and between cities through daily or hourly rental systems.



Types of Services



Rental for tourist, tours and school and university trips.



Rental for tourist, tours and school and university trips.



Transport of Umrah performers and visitors of Makkah Grand Mosque.



Bus rental for inter-city transportation.



Hourly and daily rental.

2- Rental Services for the Holy Sites

This is a service for transporting pilgrims to the Hajj sites in Makkah (Haram - Mina - Arafat - Muzdali-fah) where the company plays an important and influential role in transporting pilgrims through all stages to facilitate their movement and ease the performance of their rituals.

Types of Services



Transporting pilgrims arriving from Jeddah airport and Madinah to Makkah and then to the Holy Sites.



Rental during the days of asssion and ihram.





3. Prayer Services

This is a service for transporting Umrah performers, pilgrims, and guests from hotels and residential buildings to the Holy Mosque in Makkah to perform prayers and rituals and return according to the procedures organized for the service by the concerned authorities.

Types of Services



Hajj
prayers



4. Rental for International Transport

Providing transportation services for Umrah performers and visitors from Gulf Arab countries to within the Kingdom and vice versa.

Types of Services

Pilgrim transpor-
tation



International
Umrah and
visitation sites



Special and
tourist trips





5. General Automobile Syndicate

Providing Hajj and Umrah services according to the number of seats registered with the General Automobile Syndicate.

Types of Services



Umrah services (Rotation - Prayers)



Hajj services (Rotation - Ascension - Prayers - Shuttle transportation at the Holy Sites)



6. Continuous Contracts

Contracting with government entities, companies, and universities on an ongoing basis to transport their personnel.

Types of Services



Worker transportation services for all sectors



Employee transportation service



Educational transportation service





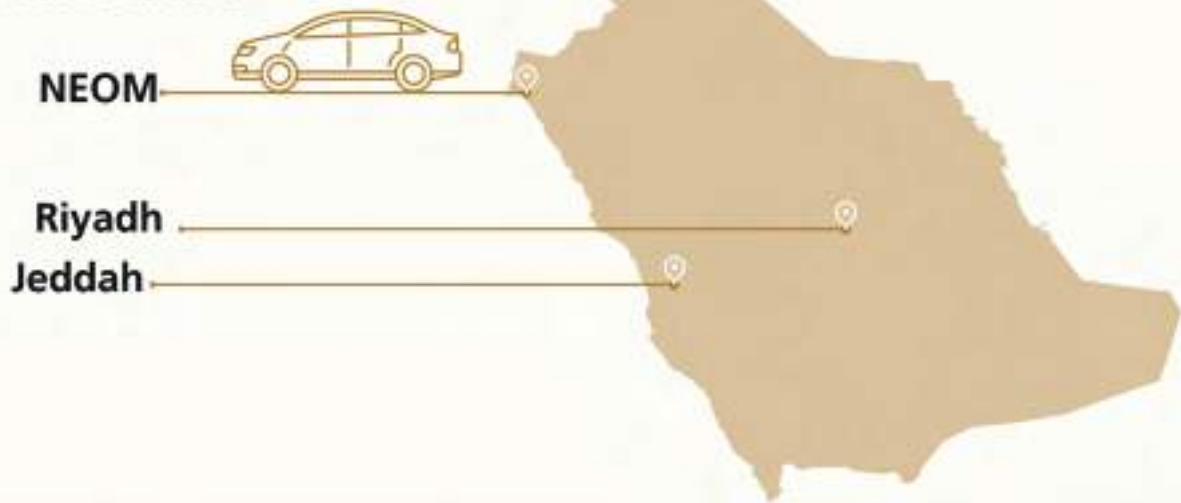
7. Limo Services

Providing luxury limousine service with a driver at the highest levels of comfort, luxury, and safety with a diverse fleet of luxury, family, and economy cars through long-term contracts for the business sector.

Types of Services



Service Locations



8. Self-Driving Vehicles

Expansion of self-driving vehicle services within KAUST (King Abdullah University of Science and Technology).





Key Customers



Educational Transport





Educational Transport

Safe and Reliable Transportation for Future Generations

At SAPTCO, through SEITCO company, we provide distinguished school transportation services that cover various educational levels, starting from public schools. Our services include a range of flexible solutions that meet the needs of students in the regions of Riyadh, Madinah, Tabuk, and Hail, where we are committed to providing a safe, reliable, and comfortable transportation experience.

Hail Region	Tabuk Region	Madinah Region	Riyadh Region
Education Departments 1	Education Departments 1	Education Departments 2	Education Departments 9
Schools 500	Schools 459	Schools 368	Schools 1,450
Buses 494	Buses 568	Buses 536	Buses 1,342
Employees 14	Employees 22	Employees 24	Employees 63
Students 20,962	Students 23,916	Students 25,819	Students 65,395

Description	2024	2023	2022	2021	2020
Number of students	141,426	133,461	162,168	69,468	Covid
Number of kilometers	7-8K	7-10K	7-15K	3-6K	



2,632

Number of drivers



2,912

Number of buses



Digital Mobility Solutions (DMS)





Digital Mobility Solutions Investment Company



An investment company with venture capital focusing on meeting the increasing demand in line with modern lifestyle through creating platforms to enable and provide services with advanced digital solutions to meet the needs of businesses and individuals for mobility services and their sustainability, and to keep pace with the Kingdom's Vision 2030 to improve quality of life.

Rekab Solutions Company

1- Smart Shared Mobility Service (Rekab Solutions)

"Rekab" is an innovative service for mobility within cities with a new and advanced sharing concept through vehicles equipped with the latest comfort and safety technologies. The "Rekab" service provides an on-demand car that reaches you whenever you want and takes you wherever you desire.

Rekab in Numbers



2- eJourney

eJourney

eJourney is the first electronic platform in the region that serves the individual and business sectors by providing integrated packages to meet the needs of visitors to Makkah and Madinah. The package includes travel on luxury buses and accommodation in the finest hotels in Makkah and Madinah, including breakfast. eJourney focuses on the customer experience to enrich their experience, which is characterized by ease and flexibility.

eJourney Achievements in 2024



3- Intelligent Transportation System

ITS

- Established a dedicated Intelligent Transportation Systems Business Unit within our Smart Vehicles.
- Inked a strategic agency partnership with Streamax.
- Successfully implemented advanced intelligent transportation systems across 700 buses in our public transportation fleet.
- Deployed integrated smart transportation systems with mobile applications on 550 school buses.
- Installed cutting-edge transportation systems in 545 buses under specialized service contracts.
- Developed a seamless integration framework connecting our public transportation fleet with the national "Wasel" platform operated by the Public Transport Authority, ensuring full regulatory compliance and issuing operational cards.



Financial Performance Summary





Financial Performance Summary

Sales:

SAPTCO's sales for the year 2024 recorded a value of 1,46 Billion , compared to 1,570 Billion riyals for the year 2023 (-7%).The decrease in revenues in 2024 compared to 2023 is due to decreased in public transport operations as result of the end concession contract.

The company's revenues are generated from the following main activities:

1- Public Transport Sector: This includes scheduled transport services represented in passenger transport services. Its revenues amount to 133 million riyals, and this activity contributes 9% to the company's revenues.

2- Specialized Services Sector: This includes transport services under rental contracts concluded by the company with others, whether governmental or non-governmental, both inside and outside the Kingdom, in addition to limousine services. Its revenues amount to 454 million riyals, and this activity contributes 31% to the company's revenues.

3- Technical Shared Services: This includes support units and strategic projects. Its revenues amount to 43 million riyals and contribute 3% to the company's revenues.

4- Subsidiaries:

A- Public Transportation Company (PTC): A subsidiary whose main activity is the supply, operation, and maintenance of buses in Riyadh city under the General Investment Authority license No. 10608351147347 to implement the King Abdulaziz Public Transport Project in Riyadh city dated 8/11/1435H. Its revenues reached 610 million riyals and contribute 42% to the company's revenues.

B. Digital Mobility Solutions Investment Company (DMS): A company specialized in building pioneering companies in the field of smart mobility and logistics services. DMS also enhances investment opportunities to attract investors from inside and outside the Kingdom of Saudi Arabia. Today, DMS contributes to driving social and economic development in the Kingdom of Saudi Arabia, thus achieving the strategic objectives of Vision 2030 through innovation, sustainability, and smart solutions in transportation and logistics services. DMS Company was established in mid-2021, with revenues amounting to 56 million riyals, contributing 4% of the company's revenues.

C. SAT Transport Company: A limited liability company registered in Riyadh, Saudi Arabia, under Commercial Registration No. 1010919499 dated 26 Safar 1445H (corresponding to September 11, 2023). It is owned 85% by the Saudi Public Transport Company and 15% by NEX Continental Holdings (a Spanish company). The company's activity is the purchase, operation, and maintenance of intercity bus services throughout the Kingdom of Saudi Arabia with revenues amounting to 163 million riyals, contributing 11% to the company's revenues.

Geographical Analysis:

Item x1000	Total Revenues of the Central Region	Total Revenues of the Eastern Province	Total Revenues of the Western Region	Total Revenues of the Southern Region	Total Public Transportatio n Company (PTC)	Total Digital Mobility Solutions (DMS)	Revenues of SAT Transport Company	Total Company Revenues
Total Revenue	103,518	87,461	453,748	20,466	610,456	55,855	163,417	1,494,921

The revenue included finance income and other income



Net Profits :

SAPTCO achieved net profits of 15 riyals by the end of 2024, compared to losses of 24 million riyals recorded by SAPTCO during 2023, as shown in the following table.

(Amounts in Thousands of Riyals)

Item x1000	2024	2023
Net Profit/Loss (Riyals)	15,116	(24,177)
Number of shares	125,000	125,000

Statement of Financial Position for Five Years

(Amounts in Thousands of Riyals)

Statement (Amounts in Thousands of Riyals)	2024	2023	2022	2021	2020
Current Assets	1,729,775	1,843,336	2,638,362	2,721,602	1,171,876
Non-current Assets	2,125,859	2,192,881	2,035,706	2,059,455	3,525,834
Total Assets	3,855,634	4,036,217	4,674,068	4,781,057	4,697,710
Current Liabilities	1,372,957	1,186,425	1,407,977	1,114,404	859,921
Murabaha Financing - Non-current Portion	646,879	854,754	1,035,376	1,317,872	943,763
Employee Defined Benefit Obligations	124,203	145,143	175,337	156,750	145,612
Contract Liabilities (Deferred Revenue - Non-current Portion)	733,196	897,857	1,053,531	1,105,574	1,442,625
Lease Liabilities - Non-current Portion	27,076	30,348	62,178	36,947	31,041
Total Non-current Liabilities	1,531,354	1,928,102	2,326,422	2,617,143	2,563,041
Total Liabilities	2,904,311	3,114,527	3,734,399	3,731,547	3,422,962
Share capital	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
General Reserve	-	-	-	-	42,730
Accumulated Losses	(328,119)	(335,915)	(304,915)	(200,350)	(22,067)
Non-controlling interests	29,442	7,605	(5,416)	(140)	4,085
Total Equity	951,323	921,690	939,669	1,049,510	1,274,748
Total Liabilities and Equity	3,855,634	4,036,217	4,674,068	4,781,057	4,697,710



Statement of Income for Five Years

(Amounts in Thousands of Riyals)

Item	2024	2023	2022	2021	2020
Revenue from Main Operations	1,459,637	1,569,656	1,319,467	960,573	1,169,662
Total Costs	(1,483,494)	(1,627,862)	(1,441,801)	(1,185,708)	(1,543,485)
Other Income	17,877	36,747	40,110	24,511	12,683
Share in profit /(Loss) in associates	10,226	(1,669)	(2,801)	517	244
Non-controlling interest Share in Net profit /(Loss) of Subsidiary	24,744	11,407	(5,482)	(4,278)	(2,555)
Zakat	(13,874)	(12,456)	(5,847)	(16,081)	(14,264)
Net Profit /(Loss) for the Year	15,116	(24,177)	(96,354)	(220,466)	(377,715)

Explanation of Differences in Operating Results:

The most notable changes in the company's operating results for the fiscal year 2024 compared to the previous year are summarized as follows:

- Operating revenues decreased by SAR 110 million in 2024 compared to the previous year, a 7% decrease.
- Operating expenses decreased by SAR 138 million in 2024 compared to the previous year, a 11% decrease.
- Operating profit increased by SAR 28 million in 2024 compared to the previous year, a 10% increase.
- The group's net profit during 2024 amounted to SAR 15 million, compared to a net loss of (24) million SAR for the previous year, a change of SAR 39 million, or 163% of the previous year.

Table showing the Group's operating results for 2024 compared with the previous year 2023:

(Amounts in Thousands of Riyals)

Item	2024	2023	Changes + or (-)	Percentage Change %
Operating Revenue	1,459,637	1,569,656	(110,019)	-7%
Operating Expenses	(1,156,072)	(1,294,483)	(138,411)	-11%
Gross Profit from Operations	303,565	275,173	28,392	+10%
Main Operating Expenses	176,784	206,980	(30,196)	-15%
Profit from Main Operations	126,781	68,193	58,588	+86%
Other Income/Expenses	(97,791)	(79,914)	(17,877)	-22%
Less: Zakat or Tax	13,874	12,456	1,418	+11%
Net Profit (Loss)	15,116	(24,177)	39,293	+163%



Explanation of Deviation from Accounting Standards

The financial statements of SAPTCO for the fiscal year ending December 31, 2024, were prepared in accordance with International Financial Reporting Standards (IFRS) adopted in the Kingdom of Saudi Arabia, issued by the company's auditor (KPMG Professional Consulting).

SAPTCO is committed to applying the accounting standards issued by the Saudi Organization for Certified Public Accountants, and there is no deviation in the application of these standards. Additionally, there are no material observations or reservations by the auditors on SAPTCO's quarterly and annual financial statements during the fiscal year 2024.

Banking Facilities

Credit facilities from local banks were approved through Islamic Murabaha to meet SAPTCO's capital and operational expenses. The total approved facilities available for use amounted to 355,762 million Saudi riyals. The credit facilities carry a special commission according to SAIBOR rates plus a certain margin, as SAPTCO uses the facilities to support working capital.

(Amounts in Thousands of Riyah)

Bank Name	Date of Borrowing	Loan Value as of 31 Dec. 2024
Saudi National Bank	01 - 08 - 2024	201,525
Al-Rajhi Bank	07 - 10 - 2024	101,505
Saudi National Bank	10 - 11 - 2024	50,459
Valuation of financial derivative liabilities	-	2,273
Total		355,762

Long-Term Loans

These contracts represent Islamic Murabaha contracts from some local banks for the purchase of company vehicles to be repaid in monthly installments over five years. The loan repayment guarantees consist of the company signing promissory notes delivered to the bank. The company has entered into Islamic Murabaha financing agreements with Al Rajhi Bank, Saudi National Bank, and Riyadh Bank to purchase buses, as follows:

- An Islamic Murabaha agreement was signed with Saudi National Bank on 17/06/2019 to purchase (200) King Long buses (YMQ6128YS) 2020 model for intercity transport. The principal loan amount was (83) million riyals, and the loan is repaid over five years from the date of receiving the buses. The first installment was paid on 13/08/2019, and the last installment was paid on 07/07/2024.
- An Islamic Murabaha agreement was signed with Al Rajhi Bank on 26/08/2020 to purchase (448) King Long buses 2021 model. The principal loan amount was (101) million riyals, and the loan is repaid over five years from the date of receiving the buses. The first installment was paid on 27/09/2020, and the last installment will be paid on 26/08/2025.
- An Islamic Murabaha agreement was signed with Al Rajhi Bank on 23/06/2022 to purchase (260) King Long buses 2023 model. The principal loan amount was (148.9) million riyals, and the loan is repaid over five years from the date of receiving the buses. The first installment was paid on 24/07/2022, and the last installment will be paid on 23/06/2027.
- An Islamic Murabaha agreement was signed with Riyadh Bank on 06/04/2023 to purchase (300) Yutong buses 2024 model. The principal loan amount was (196) million riyals, and the loan is repaid over five years from the date of receiving the buses. The first installment was paid on 07/05/2023, and the last installment will be paid on 06/04/2028.
- An Islamic Murabaha agreement was signed with Riyadh Bank on 27/07/2023 to purchase (250) Yutong buses 2023 model. The principal loan amount was (159.9) million riyals, and the loan is repaid over five years from the date of receiving the buses. The first installment was paid on 23/08/2023, and the last installment will be paid on 28/06/2028.
- An Islamic Murabaha agreement was signed with Riyadh Bank on 04/04/2024 to purchase (120) Yutong buses 2024 model. The principal loan amount was (62.9) million riyals, and the loan is repaid over five years from the date of receiving the buses. The first installment was paid on 05/05/2024, and the last installment will be paid on 04/04/2029.



Table showing the outstanding position(s) of the parent company as at 31 December 2024

(Amounts in Thousands of Riyals)

Bank Name	loan amount	Loan term	Paid during 2024	Remaining until December 2024 31	Total debt
Saudi National Bank	83,000	Five Years	9,705	-	-
Al-Rajhi Bank	101,000	Five Years	20,903	14,259	14,259
Al-Rajhi Bank	148,902	Five Years	29,025	79,307	79,307
Riyad Bank	195,950	Five Years	39,190	130,961	130,961
Riyad Bank	159,850	Five Years	32,450	116,565	116,565
Riyad Bank	62,900	Five Years	8,322	54,645	54,645
Total Loans	751,602	-	139,595	395,737	395,737

Note: This Table does not include the financing cost of the loan.

Outstanding Loans for Subsidiaries

Outstanding Loans (Islamic Murabaha) for the Subsidiary Company (Public Transportation Company) as of 31/12/2024

(Amounts in Thousands of Riyals)

Bank Name	Value in 2023	New Loan Added During 2024	Amount Repaid During 2024	Outstanding as of 31/12/2024
Arab National Bank	522,000	0	100,000	422,000
Arab National Bank	60,000	0	60,000	0
Total loans	582,000	0	160,000	422,000

Outstanding loans (Islamic Murabaha) of the subsidiary company (SAT) as of 31/12/2024.

Bank Name	Value in 2023	New Loan Added During 2024	Amount Repaid During 2024	Outstanding as of 31/12/2024
Arab National Bank	90,000	0	13,500	76,500
Total loans	90,000	0	13,500	76,500

(Amounts in Thousands of Riyals)

Total loans of Parent & Subsidiaries

1,249,999



Statutory Payments

Description	Due Until the End of the Annual Financial Period and Not Paid for 2024	Paid During 2024
Zakat and Tax	5,046	63,194
General Organization for Social Insurance	0	15,189
Visa and Passport Costs	0	5,594
Labor Office Fees	0	33,580
Total	5,046	131,289

The amounts shown in the table represent the following:

Social Insurance:

Social insurance fees paid for the year 2024.

Visas, Passports, and Labor Office Fees:

Fees for renewing visas and work permits for company employees paid during 2024

Zakat and Tax:

The company submitted Zakat returns up to 2023 and obtained the necessary Zakat certificates until the end of 2025. The Zakat, Tax and Customs Authority has also issued its final assessment up to 2020.

Penalties and Sanctions Imposed

The company continuously complies with the regulations, bylaws, and instructions issued by the competent regulatory authorities. Due to the nature of the company's operational activities throughout the Kingdom and the high operational rates during 2024, including Ramadan and Hajj seasonal operations, financial penalties of approximately 2.4 million riyals were recorded by the Public Transport Authority related to operational aspects. The company's management is working on studying these penalties and developing improvement plans and programs to address them in coordination with the competent authorities and related parties.

Details of Shares and Debt Instruments Issued for Each Subsidiary:

1- Public Transportation Company Limited (PTC):

The capital of Public Transportation Company Limited consists of (1,000,000) cash shares with a value of ten Saudi riyals per share. The Saudi Public Transport Company owns (800,000) cash shares valued at (8,000,000) Saudi riyals, representing (80%) of the capital of Public Transportation Company Limited. There are no debt instruments issued for Public Transportation Company Limited.

2- Digital Mobility Solutions Investment Company - Single Person Company (DMS):

The capital of Digital Mobility Solutions Investment Company consists of (500,000) cash shares with a value of (10) Saudi riyals per share. The Saudi Public Transport Company owns (500,000) cash shares amounting to (5,000,000) riyals, representing (100%) of the capital of Digital Mobility Solutions Investment Company.

3- SAT Company: The capital of SAT Company consists of (100,000) cash shares with a value of (100) Saudi riyals per share. The Saudi Public Transport Company owns (85,000) cash shares amounting to (8,500,000) riyals, representing (85%).



4- Capital Metro Limited Company - CAMCO: The capital of Capital Metro Limited Company - CAMCO consists of (18,000) cash shares with a value of (1000) Saudi riyals per share. The Saudi Public Transport Company owns (3,600) cash shares amounting to (3,600,000) riyals, representing (20%) of the capital of Capital Metro Limited Company - CAMCO. There are no debt instruments issued for Capital Metro Limited Company.

5- Saudi Emirates Integrated Transport Company Limited - SEITCO: The capital of Saudi Emirates Integrated Transport Company Limited consists of one hundred cash shares, with a value of (1,000) Saudi riyals per share. The Saudi Public Transport Company owns fifty cash shares valued at (50,000) Saudi riyals, representing (50%) of the capital of Saudi Emirates Integrated Transport Company Limited. There are no debt instruments issued for Saudi Emirates Integrated Transport Company.

6- Alam Al-Riyada Training Company:

Alam Al-Riyada Training Company's capital consists of one hundred cash shares, each valued at 1,000 Saudi riyals. The Saudi Public Transport Company owns one hundred cash shares worth 100,000 Saudi riyals, representing 100% of Alam Al-Riyada Training Company's capital. Alam Al-Riyada Training Company has no debt instruments issued.

7- Saudi-Bahraini Company: The capital of Saudi-Bahraini Transport Company consists of ten thousand cash shares, with a value of one thousand Saudi riyals per share. The Saudi Public Transport Company owns (4,000) shares valued at (4) million Saudi riyals, representing (40%) of the capital of Saudi-Bahraini Transport Company which amounts to (10,000,000) Saudi riyals (ten million Saudi riyals). There are no debt instruments issued for the Saudi-Bahraini Company.

The Extraordinary General Assembly of partners of the Saudi-Bahraini Transport Company Limited, at its meeting held on 31/12/2015, agreed to dissolve and liquidate the company and appoint a liquidator. The company does not expect the liquidation to have a material impact on the financial statements.

Transaction between the Company and any Related Party

During the fiscal year 2024, certain transactions were concluded between the Saudi Public Transport Company (SAPTCO) and the related parties, as shown in the table below. These transactions included providing technical services, site rentals, and housing, in accordance with the principles generally accepted with third parties, without any preferences.

S.r	Related Party	Type of Relationship with the Company	Type of Transaction	Duration	Value (in millions)
1	Digital Mobility Solutions Company	owned subsidiary 100%	Working capital support	2024	43.6
2	Saudi Emirates Integrated Transport Company-SEITCO	Joint Venture	Site rental	2024	5.4
			Bus maintenance and repair		25.7
3	SAT Company	owned subsidiary 85%	Site rental	2024	5.4
			Bus maintenance and repair		37

Some business and contracts were concluded between the Saudi Public Transport Company and related parties, in accordance with the standards and conditions followed with third parties within the normal course of business during the fiscal year ending on 12/31/2024 AD, and the members mentioned below have no interest in them, as follows:



Nature of Work or Contract	Amount of Transaction or Contract	Duration of Work or Contract Term	Name of Member / Senior Executives or Related Person
<p>Digital Mobility Solutions Investment Company: A. Providing financial amounts to support working capital</p>	<p>43.6 Millions of Riyals</p>	<p>Fiscal Year 2024</p>	<p>Eng. Khalid bin Abdullah Al-Hageel, Board Member (Executive) and Board Member of Digital Mobility Solutions Investment Company, which the Company owns 100% of its capital.</p> <p>Mr. Ahmed bin Ayed Al-Juhani, Chief Executive Officer for Specialized Transport (Senior Executives) and is a Board Member and Chief Executive Officer of Digital Mobility Solutions Investment Company, which the Company owns 100% of its capital</p>
<p>Contract and Service Agreement with SITCO:</p> <p>A. Rental of accommodation and parking spaces for SEITCO buses at the company's garage in Riyadh branch through 2024.</p> <p>B. Bus maintenance and repair.</p>	<p>5.4 Millions of Riyals</p> <p>25.7 Millions of Riyals</p>	<p>Fiscal Year 2024</p>	<ul style="list-style-type: none"> - Eng. Khaled bin Abdullah Al-Hogail, Board Member (Executive), Chairman of the Board of Directors of the Saudi-Emirati Company (SETCO), in which the company owns a 50% stake. - Mr. Ahmed bin Ayed Al-Jahni, CEO of Specialized Transportation Solutions (Senior Executive), is a member of the Board of Directors of the Saudi-Emirati Company (SETCO), in which the company owns a 50% stake. - Mr. Khaled bin Abdullah Al-Zahrani, Executive Vice President of Finance and Support (Senior Executive), is a member of the Board of Directors of the Saudi-Emirati Company (SETCO), in which the company owns a 50% stake.
<p>Contract and Service Agreement with SAT Company:</p> <p>A. Rental of housing, offices, and parking spaces for SAT Company buses in Riyadh and some of the company's branches. An annual contract starting January 1, 2024, and continuing until December 31, 2024, subject to renewal.</p> <p>B. Provision of bus maintenance services for one year, starting January 1, 2024, and continuing until December 31, 2024, subject to renewal.</p>	<p>5.4 Millions of Riyals</p> <p>37 Millions of Riyals</p>	<p>Fiscal Year 2024</p>	<ul style="list-style-type: none"> - Eng. Khalid bin Abdullah Al-Hogail, Board Member (Executive), Chairman of the Board of Directors of SAT, in which the company owns 85% of its capital. - Mr. Turki bin Ibrahim Al-Subaihi, CEO of Public Transport (Senior Executive), is a Board Member of SAT, in which the company owns 85% of its capital.

These transactions will be presented to the General Assembly of Shareholders for voting.

Share Capital and Ownership Disclosures





Share Capital and Ownership Disclosures

Share Capital

The following table shows information about SAPTCO's share capital and number of shares as of December 31, 2024.

Description	Value
Authorized Capital (SR)	1,250,000,000
* Number of Issued Shares	125,000,000
Paid-up Capital	1,250,000,000
Nominal Value per Share (SR)	10
Paid Nominal Value per Share (SR)	10
Financial Market in which the Share is Traded	Tadawul All-Share Index (TASI)
Stock Symbol	4040
International Symbol (ISIN)	SA0007870062

* All SAPTCO's issued shares are ordinary shares, and it has no preferred shares or treasury shares.

Investment Restrictions

SAPTCO shares face no restrictions under both the Rules Governing Qualified Foreign Financial Institutions' Investment in Listed Securities and the Instructions Regulating Foreign Strategic Investors' Ownership of Strategic Stakes in Listed Companies. This aligns with SAPTCO's Articles of Association and complies with all directives from the regulatory authorities overseeing the company.

Company Ownership Structure as of 31/12/2024

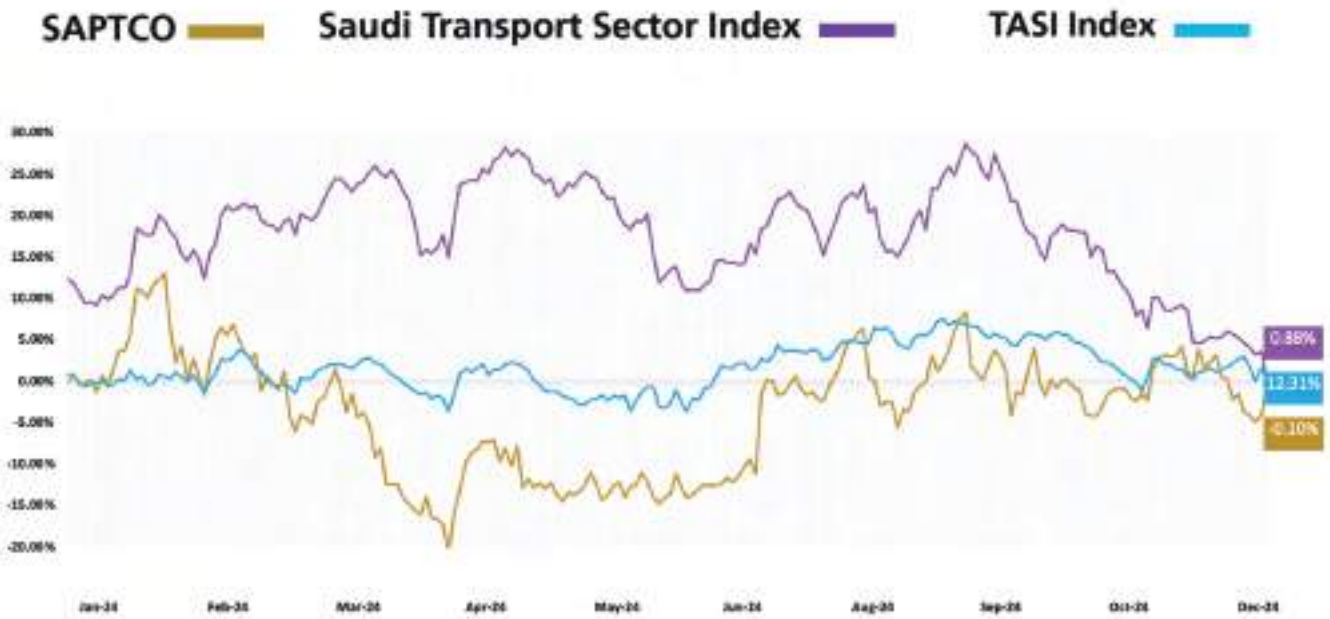
Shareholders	Number of Shares	Percentage
Public Investment Fund	19,656,250	% 15.72
Individuals	97,059,148	% 77.65
Foreign Ownership	8,284,602	% 6.63
Total	125,000,000	% 100



Stock Price

Share Price December 31, 2024	Share Price One Year Ago	Share Price Three Years Ago	Highest Price During 52 Weeks	Lowest Price During 52 Weeks	Percentage Change Between 2024 - 2023
20.6	20.5	23.06	23.8	16	0.01-%

Comparative Analytical Chart of Share Performance vs. Sector Performance vs. Market Index Performance





Ownership of Board Members and Senior Executives

As of December 31, 2024, the ownership of Board members, senior executives, their spouses, and minor children in the company's shares is as follows:

Name	Entity Represented	Shares at Beginning of Year	Shares at End of Year	Change During the Year	
		Number of Shares	Number of Shares	Number of Shares	Percentage
Ownership of Board Members					
H.E. Eng. Khalid bin Saleh Al-Mudalfer*	Direct Ownership	0	0	--	--
H.E. Mr. MUSAED bin Abdulaziz Aldawood	Direct Ownership	0	0	--	--
H.E. Lt. Gen. Mohammed bin Abdullah Al-Bassam*	Direct Ownership	0	0	--	--
Mr. Abdulaziz bin MUSAAD *Al-MUSAAD	Direct Ownership	0	0	--	--
Dr. Saud bin Mohammed Alnimir	Direct Ownership	0	0	--	--
Mr. Yasser bin Suleiman Al-Dawood	Public Investment Fund	19,656,250	19,656,250	--	--
	Direct Ownership	0	0	--	--
Mr. Abdullah bin Ibrahim Al-Saleh*	Direct Ownership	0	0	--	--
Mr. Turki bin MUSAED AlMubarak	Direct Ownership	100	100	--	--
Eng. Khalid bin Abdullah Alhogail	Direct Ownership	1000	1000	--	--
Mr. Walid Abdurrahman Alhabib	Direct Ownership	194,600	194,600	--	--
Ownership of Senior Executives					
Eng. Khalid bin Abdullah Alhogail	Direct Ownership	1000	1000	--	--
Mr. Ahmed bin Ayed Al-Juhani	Direct Ownership	0	0	--	--
Mr. Khalid bin Abdullah Al-Zahrani	Direct Ownership	0	0	--	--
Mr. Turki bin Ibrahim Al-Subaihi	Direct Ownership	0	0	--	--
Mr. Faisal bin Mohammed Al-Obaid	Direct Ownership	0	0	--	--

* His membership ended on January 12, 2024.

In 2024, no board members, senior executives, or their relatives held any interests, contractual securities, subscription rights, or debt instruments related to the company.

SAPTCO Governance





SAPTCO Governance

Effective governance to ensure excellence and sustainability



SAPTCO remains dedicated to implementing governance best practices that ensure maximum transparency and sustainability across all operations. The company considers adherence to effective governance frameworks and sound management principles as vital for safeguarding against both internal and external potential risks.

SAPTCO has developed a comprehensive governance structure that clearly defines roles and responsibilities for all stakeholders, while establishing decision-making processes designed to maximize long-term shareholder value.

This framework demonstrates the company's unwavering commitment to upholding the highest corporate governance standards through complete compliance with the Capital Market Authority's Corporate Governance Regulations, while utilizing certain permitted exceptions.

SAPTCO's governance policies apply to all managers and employees without exception and can only be amended through Board of Directors' decisions. This requirement guarantees strict adherence to fundamental principles throughout all operational stages and strengthens transparency and accountability across the organization.



Implemented and Non-Implemented Provisions of the Corporate Governance Regulations, and Reasons for Non-Implementation

SAPTCO is committed to implementing the provisions contained in the Corporate Governance Regulations issued by the Capital Market Authority Board. The company has prepared its governance regulations and secured approval from the General Assembly of Shareholders. SAPTCO has implemented all provisions within the Corporate Governance Regulations with the exception of certain guiding provisions as detailed in the table below:

Sr.	Article/Paragraph Number	Paragraph Status	Article/Paragraph Text	Reasons for Non-Implementation
1	Article (39) Paragraph (e)	Guidance	The Board of Directors shall make necessary arrangements to obtain an evaluation from a competent external entity for its performance every three years.	The Board is evaluated internally and will work on coordinating with a competent external entity if necessary.
2	Article (51) Paragraph (b)	Guidance	The chairman of the Audit Committee must be an independent member.	The chairman of the Audit Committee, Mr. Alaa bin Abdullah Al-Fada, is a member from outside the Board.
3	Article (51) Paragraph (e)	Guidance	Half of the Audit Committee members must be independent members or persons, who do not have independence impediments mentioned in Article Nineteen of these Regulations.	An independent Board member has been appointed and independent members from outside the Board have been appointed.
4	Article (70)	Guidance	A committee called the Risk Management Committee shall be formed by the decision of the Board of Directors.	The company's Board of Directors sees the importance of considering the committee mentioned. Risk Management department is responsible for carrying out the risk functions and competencies of the company and submitting them to the Audit Committee.
5	Articles (72) & (71)	Guidance	Competencies of the Risk Committee and meetings of the Risk Committee.	Not applicable due to the absence of a Risk Management Committee. The Audit Committee currently handles the responsibilities of the Risk Committee.
6	Article (82)	Guidance	The company shall establish programs for developing and incentivizing the participation and performance of the company's employees.	The company has established programs enabling employees to share opinions and participate in discussions, along with an annual employee incentive program. Further studies regarding the establishment of social institutions for employees will be conducted if necessary.
7	Article (84)	Guidance	The Ordinary General Assembly, based on a proposal from the Board of Directors, shall establish a policy that ensures a balance between its objectives and the objectives that society aspires to achieve.	The company gives special importance to the topic of social responsibility. On this basis, SAPTCO has developed a special policy for social responsibility that is in the process of being approved.
8	Article (85)	Guidance	The Board of Directors shall establish programs and determine the necessary means to launch the company's initiatives in the field of social work.	Work will be undertaken to develop performance indicators for the company's social initiatives following policy approval by the General Assembly of Shareholders.
9	Article (92)	Guidance	Formation of a Corporate Governance Committee	An independent committee has not been formed, and the Governance Department is responsible for carrying out these tasks



BOARD MEMBERS' BIOGRAPHIES

SAPTCO's Board of Directors comprises distinguished leaders with extensive experience across various fields. Each board member brings an impressive track record of achievements and contributions from different industries, demonstrating their deep commitment to company management and the realization of its future vision.

This page presents a comprehensive overview of the biographies of board members who guide SAPTCO toward its strategic objectives and oversee the implementation of its vision for leadership in the transportation and logistics industry.



H.E.
Musaed bin Abdulaziz Aldawood ●

Current Positions

- Mayor of the Holy Capital (Makkah)
- Chairman of the Board

Previous Positions

- Chief Executive Officer of Riyadh Airports Company

Qualifications

- Bachelor of Computer Science in Information Systems

Experience

- Director of Knowledge Management Center, Saudi Commission for Tourism and Antiquities, Kingdom of Saudi Arabia from 2003 to 2008.
- Chief Executive Officer of Najm Insurance Services from 2008 to 2011.
- Chief Executive Officer of Tamam for Facility Maintenance and Cleaning Services, Kingdom of Saudi Arabia from 2011 to 2017.
- Vice President for Operations Sector, Riyadh Airports Company.
- Deputy Minister for Support Services - Ministry of Human Resources and Social Development.
- Deputy Minister for Mining Development - Ministry of Industry and Mineral Resources.

● Member of the Investment and Strategy Committee

● Member of the Remuneration and Nominations Committee



M.r
Turki bin Musaed Almubarak ●●

Current Positions

- Private business
- Vice Chairman of the Board

Previous Positions

- Part-time financial advisor at Al-Yamani Holding Group

Qualifications

- Bachelor of Accounting, King Saud University

Experience

- Assistant Manager in Investment Department, Samba Financial Group from 2003 to 2004.
- Department Manager in Investment Department, Samba Financial Group from 2004 to 2006.
- Part-time financial consultant at Al-Yamani Holding Group.
- Partner and Administrator at Alasenah Trading Company.

● Member of the Audit Committee



Eng. Khalid bin Abdullah Alhogail

Current Positions

- Managing Director
- Chief Executive Officer of the Saudi Public Transport Company.
- Chairman of the Board Directors of the Saudi-French Public Transport Company – PTC.
- Chairman of the Board Directors of Saudi Emirates Integrated Transport Company – (SEITCO).
- Vic-chairman of the Board Directors of Capital Metro Company – (CAMCO).
- Vic-chairman of the Board Directors of Digital Mobility Solutions Investment Company (DMS).

Previous Positions

- General Manager of the Saudi Public Transport Company

Qualifications

- Bachelor of Civil Engineering from King Saud University.

Experience

- CEO – Managing Director of the Saudi Public Transport Company (SAPTCO) from 2006 until present.
- President of the International Association of Public Transport in Brussels (UITP) from 2021 until present.
- Chairman of the Arab Union for Land Transport at the League of Arab States (AULT) from 2021 until present.
- Chairman of the Saudi-French Public Transport Company (PTC) from 2014 until present.
- Chairman of the Saudi Emirates Integrated Transport Company (SEITCO) from 2014 until present.
- Vice Chairman of Digital Mobility Solutions (DMS) from 2021 until present.
- Board Member of Capital Metro Company (CAMCO) from 2019 until present.
- Board Member of the Saudi Center for Economic Business from 2022 until present
- Member of the Strategic Logistics Partnership Council (MOTLS) from 2021 until present.
- Board Member of Hamad Mohammed Al-Drees & Partners for Industry and Mining from 2022 until present.
- Member of the National Logistics Committee at the Federation of Saudi Chambers (FSC) from 2020 until present.
- Member of the Saudi-Spanish Business Council from 2022 until present.
- CEO – Managing Director of the Saudi Public Transport Company (SAPTCO) from 2006 until present.
- President of the International Association of Public Transport in Brussels (UITP) from 2021 until present.
- Chairman of the Arab Union for Land Transport at the League of Arab States (AULT) from 2021 until present.
- Chairman of the Saudi-French Public Transport Company (PTC) from 2014 until present.
- Chairman of the Saudi Emirates Integrated Transport Company (SEITCO) from 2014 until present.
- Vice Chairman of Digital Mobility Solutions (DMS) from 2021 until present.
- Board Member of Capital Metro Company (CAMCO) from 2019 until present.
- Board Member of the Saudi Center for Economic Business from 2022 until present.
- Member of the Strategic Logistics Partnership Council (MOTLS) from 2021 until present.
- Board Member of Hamad Mohammed Al-Drees & Partners for Industry and Mining from 2022 until present.
- Member of the National Logistics Committee at the Federation of Saudi Chambers (FSC) from 2020 until present.
- Member of the Saudi-Spanish Business Council from 2022 until present.
- Member of the Saudi-French Business Council from 2012 until present.
- Member of the Saudi Management Association from 2002 until present.
- Member of the Saudi Council of Engineers from 2000 until present.

• Member of the Investment and Strategy Committee

• Member of the Remuneration and Nominations Committee

• Member of the Audit Committee



Dr. Saud bin Mohammed Alnimir

Current Positions

- Board Member
- Chairman of the Investment and Strategy Committee

Previous Positions

- Professor in the Department of Public Administration and Dean of the Faculty of Administrative Sciences at King Saud University.

Qualifications

- PhD in Public Administration from the University of Florida, United States of America.
- Master's in Public Administration from the University of Missouri, United States of America.
- Bachelor's in Accounting and Business Administration from King Saud University.

Experience

- Board Member of Saudi Electricity Company
- Board Member of Solidarity Saudi Takaful Company.
- Teaching Assistant in the Business Administration Department, King Saud University, 1393 AH.
- Assistant Professor in the Business Administration Department, King Saud University, 1401 AH.
- Associate Professor in the Business Administration Department, King Saud University, 1409 AH.
- Professor in the Business Administration Department (with distinction), King Saud University from 1416 AH to 1429 AH.
- Retired University Professor, King Saud University starting from 01/07/1429 AH.



Mr. Walid Abdurrahman Alhabib

Current Positions

- Management of real estate and contracting establishments and companies.

Previous Positions

- Management of real estate and contracting establishments and companies.

Qualifications

- Management of real estate and contracting establishments and companies.

Experience

- Management of real estate and contracting establishments and companies.

• Member of the Investment and Strategy Committee

• Member of the Remuneration and Nominations Committee

• Member of the Audit Committee



Mr. Yasser bin Suleiman Al-Dawood

Current Positions

- Chief Executive Officer of the Development Authorities Support Center.
- Board Member of Pharmaceutical Investments Company
- Board Member of Tourism Investment Company.

Previous Positions

- Head of Planning and Operations for Middle East and North Africa Investments at the Public Investment Fund.

Qualifications

- Bachelor's in Industrial Engineering from King Saud University.
- Master's in Business Administration from the University of Portsmouth in the United Kingdom.

Experience

- Materials Planner and Financial Controller at Advanced Electronics Company from 2007 to 2009.
- Consultant at PricewaterhouseCoopers (United Kingdom) 2010.
- Project Manager at the Saudi Food and Drug Authority from 2011 to 2012.
- Senior Project Manager at the Ministry of Health from 2012 to 2013.
- Manager at PricewaterhouseCoppers from 2013 to 2014.
- General Manager of Al-Ayalah Contracting Company 2015.
- Strategy Director – Ministry of Commerce and Investment from 2015 to 2016.
- Vision Realization Office Director – Ministry of Transport from 2016 to 2017.
- Deputy Minister for Implementation Support – Ministry of Transport from 2017 to 2018.
- Deputy Minister for Planning and Information – Ministry of Transport from 2018 to 2019.
- Head of Project Management Office – Public Investment Fund from 2020 to 2021.
- Board Member of the King Fahd Causeway Authority (Saudi Arabia – Bahrain).
- Board Member of the General Customs Authority.
- Board Member of the General Authority of Civil Aviation.
- Board Member of Riyadh Airports Company.



H.E. Eng. Khalid bin bin Saleh Al-Mudaifer*

Current Positions

- Deputy Minister of Industry and Mineral Resources for Mining Affairs.
- Board Member of Saudi Arabian Mining Company (Ma'aden).
- Board Member of Digital Mobility Solutions Investment Company.

Previous Positions

- Chief Executive Officer of Saudi Arabian Mining Company (Ma'aden).

Qualifications

- Bachelor's in Civil Engineering from King Fahd University of Petroleum and Minerals.
- Master's in Civil Engineering from King Fahd University of Petroleum and Minerals.
- Postgraduate Diploma in Global Business from Oxford University.

Experience

- Vice President of Finance / Sector Manager for Financial Management at Eastern Petrochemicals Company, one of SABIC's companies.
- Board Member of Al-Qassm Company.
- President and Chief Executive Officer of Saudi Arabian Mining Company (Ma'aden).
- Vice President of Phosphate Unit and Vice President of Business Development – Ma'aden.
- Board Member of Saudi Arabian Railway Company (SAR).
- Board Member of Gulf Arab Bank (within the Kingdom).

* His membership ended on January 12, 2024

● Member of the Investment and Strategy Committee

● Member of the Remuneration and Nominations Committee

● Member of the Audit Committee



**H.E. Lt. Gen.
Mohammed bin Abdullah Al-Bassami***

Current Positions

Previous Positions

- Director of Public Security

Qualifications

- Director of Public Security

Experience

- Commander of Special Forces for Hajj and Umrah Security 2021-2022.
- Director of the General Traffic Department 2017-2021.
- Director of the General Department for Hajj and Umrah Affairs at the Ministry of Interior 2016-2017.
- Director of the Traffic Plans Division in the Traffic Administration at the General Traffic Department 2015-2017.
- Work in Operations Affairs at the Ministry of Interior 2014-2015.
- Assistant Director of Hajj and Umrah Department at Public Security 2011-2014.
- Commander of the Processions Security Force 2000-2011.
- Participated in many memberships and committees (Board Member of the Transport Authority - Coordinator of the Transport Executive Committee in the Programs for Serving the Guests of Rahman - Member of the Executive Committee for Traffic Safety).

* His membership ended on January 12, 2024.



**Mr.
Abdulaziz bin Musaad Al-Musaad***

Current Positions

- Assistant Deputy Minister for Budget Performance and General Director of the Permanent Working Team at the Ministry of Finance.

Previous Positions

- Head of the Vision Realization Office at the Ministry of Labor and Social Development

Qualifications

- Bachelor's in Food Science and Nutrition from King Saud University.
- Master's in Business Administration from Suffolk University in Boston, United States of America.

Experience

- Head of Vision Realization Office (Ministry of Labor and Social Development) 2017-2018.
- General Manager of Strategic Transformation Office (Ministry of Labor and Social Development) 2016-2018.
- President of Al-Emar International Company - Arab Company for Agricultural Services 2013-2016.
- General Manager of Strategic Management Office (Arab Company for Agricultural Services) 2010-2015.
- Strategic Management Office Specialist (Arab Company for Agricultural Services) 2009-2010.
- General Manager of Materials General Administration (Saudi Al-Rabea Food Company) 2003-2005.
- Production Process Supervisor (Saudi Al-Rabea Food Company) 2002-2003.
- Automated Operations Operator (Saudi Al-Rabea Food Company) February 2002 - August 2002.

* His membership on the Board of Directors ended on January 12, 2024

• Member of the Investment and Strategy Committee

• Member of the Remuneration and Nominations Committee

• Member of the Audit Committee



**Mr.
Abdullah bin Ibrahim Al-Saleh***

Current Positions

- Deputy Governor for Digital Transformation at the Saudi Central Bank

Previous Positions

- Assistant Deputy Minister for Planning and Development and Advisor to His Excellency the Minister of Commerce – Ministry of Commerce.

Qualifications

- Bachelor's in Information Systems from King Saud University.
- Master's in Information Systems from King Saud University.

Experience

- Business Analyst and Developer at Prince Sultan bin Abdulaziz Humanitarian City 2008-2012.
- Project Portfolio Manager at Thiqah Business Services 2012-2017.
- Head of the Founding Team of the Saudi Authority for Intellectual Property (SAIP) 2017-2018.
- Head of the Founding Team of the Saudi Center for Economic Business 2018-2019.
- Assistant Deputy Minister of Commerce for Planning and Development - from May 2019 until present, And Advisor to His Excellency the Minister of Commerce from October 2017 until present.
- Board Member of King Abdullah City for Atomic and Renewable Energy.
- Board Member of the E-Commerce Council
- Board Member of Digital Mobility Solutions Investment Company.
- Head of the Founding Team of the Saudi Center for Economic Business.

* His membership ended on January 12, 2024

● Member of the Investment and Strategy Committee

● Member of the Remuneration and Nominations Committee

● Member of the Audit Committee



Table Showing Names of Companies Inside or Outside the Kingdom where a member of the company's Board of Directors has served on current and previous Boards of Directors or held a managerial position as of 31/12/2024

S/N	Name of Member	Names of Companies in which the Listed Member is a Member of their Current Boards of Directors or Managerial Positions of Companies in which the Board Member is a Member of their Current Boards of Directors or Managers	Inside/Outside the Kingdom	Legal Entity (Listed Joint Stock/Unlisted Joint Stock/Unlisted Liability)	Names of Companies in which the Board Member is a Member of their Previous Boards of Directors or Managers	Inside/Outside the Kingdom	Legal Entity (Listed Joint Stock/Unlisted Joint Stock/Unlisted Liability)
1	H.E. Eng. Khalid bin Saleh Al-Mudafer*	Saudi Arabian Mining Company (Ma'aden)	Inside the Kingdom	Saudi Arabian Mining Company (Ma'aden)	Al-Qasim Cement Company	Inside the Kingdom	Al-Qasim Cement Company
		Digital Mobility Solutions Company		Digital Mobility Solutions Company	Saudi Arabian Railway Company (SAR)		Saudi Arabian Railway Company (SAR)
				Gulf International Bank	Gulf International Bank		
2	H.E. Musaed bin Abdulaziz Aldawood	None	-	-	None	-	-
3	H.E. Lt. Gen. Mohammad bin Abdullah Al-Bazem*	None	-	-	None	-	-
4	Mr. Abdulkazim bin Mutaad Al-Musaed*	None	-	-	None	-	-
5	Dr. Saud bin Mohammed Alsimi	National Consulting House Company	Inside the Kingdom	Licensed Financial Company	United Saudi Electricity Company from 2009 to 2017	Inside the Kingdom	Licensed Financial Company
		Ainma Bank		Listed Public Joint-Stock Company	Listed Public Joint-Stock Company		Licensed Financial Company
6	Mr. Abdullah bin Ibrahim Al-Saleh*	King Abdullah City for Atomic and Renewable Energy	Inside the Kingdom	Government entity	-	-	-
		E-Commerce Council		Government entity	-	-	-
		Digital Mobility Solutions Company		LLC (a subsidiary of SAPTCO)	-	-	-
7	Mr Turki bin Musaed AlMubarak	Yanbu Cement Company	Inside the Kingdom	Listed Joint-Stock Company	None	-	-

* His membership ended on January 12, 2024



S/N	Name of Member	Names of Companies in which the Board Member is a Member of their Current Boards of Directors or Manages/Member of Companies in which the Board Member is a Member of their Current Board of Directors of Managers	Inside/Outside the Kingdom	Legal Entity (Limited Joint Stock/limited joint stock/limited liability...)	Names of Companies in which the Board Member is a Member of their Previous Boards of Directors or Managers	Inside/Outside the Kingdom	Legal Entity (Limited Joint Stock/limited joint stock/limited liability...)
8	H.E. Mr. Yasser bin Suleiman Al-Dawood	Pharmaceutical Investments Company	Inside the Kingdom	Closed joint-stock company	King Fahd Causeway Authority	Saudi Arabia - Bahrain	Government entity
		Tourism Investment Company			General Customs Authority 2018-2019		Government entity
					General Authority of Civil Aviation 2019		Government entity
					Riyadh Airports Company		LLC
9	H.E. Mr. Waleed Abdulrahman Alhabib	None	-	-	None	-	-
10	H.E. Eng. Khalid bin Abdullah Alhogail	Saudi-French Public Transport Company - PTC	Inside the Kingdom	LLC (a subsidiary of SAPTCO)	Saudi-Bahraini Mobility Company	Outside the Kingdom	Limited Liability Company (SAPTCO associate)
		Digital Mobility Solutions Investment Company		LLC (a subsidiary of SAPTCO)			
		Capital Metro Company (CAMCO)		Limited Liability Company (SAPTCO associate)			
		Saudi Emirates Integrated Transport Company (SEITCO)		LLC (SAPTCO joint venture)			
		Hamad Mohammed Al-Drees & Partners for Industry and Mining Company		Closed joint-stock company			
		SAPTCO ALSA for Transportation		LLC			

*His membership ended on January 12, 2024



Biographies of Audit Committee Members from Outside the Board



Mr. Alaa bin Abdullah Al-Fada (Audit Committee Chairman)

Current Positions

Undersecretary for Shared Services – Ministry of Industry and Mineral Resources.

Previous Positions

- Assistant Undersecretary for Budget Performance and Execution – Ministry of Finance.

Qualifications

- Bachelor of Administrative Sciences in Accounting, King Saud University.
- Master's in Applied Financial Sciences, Newcastle University – Australia.

Experience

- Financial Controller at the General Organization for Social Insurance from 2003 to 2009.
 - Internal Audit Management Director at Granada Investment Center from 2004 to 2006.
 - Director General of Financial Control at the General Organization for Social Insurance from 2010 to 2015.
 - Director General of Financial Affairs at the Communications and Information Technology Commission from 2015 to 2017.
 - Executive Advisor for Financial Planning and Budget at the Ministry of Finance from 2017 to December 2019.
 - Assistant Undersecretary for Budget Performance and Execution at the Ministry of Finance from January 2019 to 2020.
 - Serves on the boards of several government companies and institutions.
- Biographies of Audit Committee Members from Outside the Board



Biographies of Audit Committee Members from Outside the Board



**Mr.
Bakr Abdul Latif Al-Huboob**

Current Positions

- Undersecretary for Policies and Legislation - Ministry of Investment

Previous Positions

- General Manager of Governance, Risk, and Compliance (Saudi Arabian Mining Company), and Founding Secretary General of the Saudi Lawyers Association

Qualifications

- Bachelor's – Islamic Law – Imam Muhammad bin Saud Islamic University
- Master's – Judicial Studies – Higher Institute of Judiciary
- Master's – Law – University of Nottingham
- Executive Leadership Diploma, INSEAD Business School

Experience

- Practicing Lawyer from 2000 to 2005
- Legal Consultant who held various roles at the Capital Market Authority, most recently as Director of Studies for the Securities Disputes Appeals Committee from 2005 to 2012
- Founding Secretary General of the Saudi Lawyers Association from 2016 to 2019
- Legal Consultant who held multiple positions at Saudi Arabian Mining Company, with his last role being General Manager of Governance, Risk, and Compliance from 2012 to 2022
- Undersecretary for Policies and Legislation – Ministry of Investment in 2022



**Mr.
Mishal Mohammed Al-Muqrin**

Current Positions

- Chief Executive Officer of Diamond Concept Company.

Previous Positions

- Head of Internal Audit at Tawuniya Insurance Company.

Qualifications

- Bachelor's – Accounting – King Saud University
- Master's – Business Administration – Central Lancashire University (United Kingdom)

Experience

- Audit Committee Chairman – Deutsche Gulf Finance – Closed Joint Stock Company
- Board Member and Audit Committee Member at Zahra Al-Wahat Company – Public Joint Stock Company
- Audit Committee Member – Sajil Contract Registration – Closed Joint Stock Company
- 2002-2004: KPMG – Audit Supervisor
- 2007-2009: Gulf Company (Capital) – Head of Internal Audit
- 2009-2012: MEFIC (Capital) – Head of Internal Audit
- 2012-2017: Tawuniya Insurance – Head of Internal Audit
- 2017-Present: Diamond Concept Company – Chief Executive Officer



Biographies of Senior Executives



Mr.
Turki bin Ibrahim Al-Subaihi

Current Positions

- Executive Director of Public Transport at Saudi Public Transport Company

Previous Positions

- Administrative General Manager – Saudi French Public Transportation Company (PTC)

Qualifications

- Bachelor's in Accounting, King Saud University

Experience

- General Manager and Board Member – Saudi French Public Transportation Company (PTC) from 2019 to present
- Board Member of Capital Metro Company (CAMCO) from 2019 to present
- Administrative General Manager – Saudi French Public Transportation Company (PTC) from 2014 to 2019
- General Manager of Project Sector – Saudi Public Transport Company from 2014 to 2019
- General Manager of Strategic Planning – Saudi Public Transport Company from 2011 to 2014
- Member of the International Public Transport Union (UITP) from 2007 to present
- Member of the Saudi Organization of Auditors and Accountants since 2001



Mr.
Ahmed bin Ayed Al-Juhani

Current Positions

- Chief Executive Officer of Specialized Transport, Saudi Public Transport Company

Previous Positions

- Chief Commercial Officer of Saudi Public Transport Company

Qualifications

- Master of Computer Science in Information Systems from King Saud University

Experience

- Chief Executive Officer and Board Member of Digital Mobility Solutions Investment Company from August 2021 to present
- Chief Commercial Officer of Saudi Public Transport Company from April 2019 to December 2021
- Deputy Chief Executive Officer of Saudi Public Transport Company from 2016 to 2019
- Vice President of Support Services at Saudi Public Transport Company from 2012 to 2016
- Information Technology Sector Director at Saudi Public Transport Company from 2008 to 2012
- Board Member of Saudi-Emirates Integrated Transport Company (SEITCO) from March 2014 to present
- Board Member of Digital Transformation Leadership Club
- Executive Committee Chairman of Saudi-Emirates Integrated Transport Company (SEITCO) from August 2020 to present
- Board Member of Saudi-French Public Transportation Company (PTC) from April 2015 to December 2021



Biographies of Senior Executives



Mr.
Faisal bin Mohammed Al-Obaid

Current Positions

- Chief Executive officer of Strategy, Investment, and Excellence

Previous Positions

- General Manager of Growth and Investment

Qualifications

- Bachelor's in Accounting – King Saud University
- Master of Business Administration – Gulf University
- Economic Entities Evaluation Certificate (201,202,203) – International Business Valuation Institute (iBV) and Taqeen
- Fellow of the Saudi Organization of Auditors and Accountants (SOCPA)

Experience

- Investment Director – Al Rajhi Financial
- Deputy Executive Director of Investment – Saudi Public Transport Company
- Executive Director of Investment and Strategy – Saudi Public Transport Company
- Executive Director of Group Excellence – Saudi Public Transport Company



Mr.
Khalid bin Abdullah Al-Zahrani

Current Positions

- Chief Executive Officer of Shared Technical Services, and Deputy CEO for Finance and Support Services

Previous Positions

- Chief Executive Officer of Riyadh Exhibitions and Conferences Center

Qualifications

- Master of Business Administration – University of Wales, Bangor, United Kingdom
- Level 5 of British National Vocational Qualification (NVQ) – Bahrain Training Institute
- Member of the Association of Accounting Technicians (AAT)

Experience

- Senior Expert – Ministry of Economy and Planning
- General Manager – Modern Electronic Company – Al Faisaliah Group
- Financial Director – Modern Electronic Company – Al Faisaliah Group
- Accounts Manager for Central Region – Al Marai Company



Board of Directors

The SAPTCO Board of Directors exercises the broadest authorities and powers necessary to fulfill its leadership and oversight role, with the exception of powers specifically reserved for the General Assembly of Shareholders.

The Board undertakes key responsibilities that include setting strategic directions and defining the company's primary objectives, in addition to approving financial and administrative policies that ensure sustainable growth and development.

Key Responsibilities of the Board Include:

Establishing and monitoring internal control procedures to ensure effective implementation of governance policies.

Risk Management: Developing strategic plans to protect the company from potential risks and maximizing growth opportunities.

Approving Primary Budgets: Comprehensive oversight of financial resources and ensuring their optimal allocation to achieve company objectives.

Monitoring Company Performance: Supervising overall performance and tracking business execution through the executive management to ensure desired results are achieved.

The company's Articles of Association define the Board of Directors' composition, consisting of seven members elected by the General Assembly for a four-year term, ensuring prudent leadership and achieving the highest levels of transparency and accountability in all operations.

Board Meetings

The following table details the categories of Board members and their attendance at meetings for the fiscal year ended December 31, 2024, which comprised four meetings:

Sr.	Member Name	Category	1st Meeting 04/03/2024	2nd Meeting 19/05/2024	3rd Meeting 17/10/2024	4th Meeting 8/12/2024
1	H.E. Mr. Musaed bin Abdulaziz Aldawood	Independent	√	√	√	√
2	Mr. Turki bin Musaed Almubarak	Independent	√	√	√	√
3	Eng. Khalid bin Abdullah Alhogail	Executive	√	√	√	√
4	Dr. Saud bin Mohammed Alnimir	Independent	√	√	√	√
5	Mr. Walid Abdurrahman Alhabib	Independent	√	√	√	√
6	Mr. Yasser bin Suleiman Al-Dawood	Non-Executive	√	√	√	√



Board Committees

Audit Committee

The Audit Committee consists of at least three and no more than five members and is responsible for monitoring SAPTCO's operations and verifying the integrity and soundness of financial reports and internal control systems. The committee's scope includes the following:

A- Financial Reports:

- Reviewing the company's preliminary and annual financial statements before presenting them to the Board of Directors, offering an opinion and recommendation to ensure their integrity, fairness, and transparency.
- Providing a technical opinion – upon the Board of Directors' request – on whether the Board's report and financial statements are fair, balanced, comprehensible, and include information that enables shareholders and investors to evaluate the company's financial position, performance, business model, and strategy.
- Reviewing any significant or unusual matters contained in financial reports.
- Thoroughly investigating any issues raised by the company's financial director or their equivalent, compliance officer, or external auditor.
- Verifying accounting estimates in material matters included in financial reports.
- Reviewing the accounting policies followed by the company and offering an opinion and recommendation to the Board of Directors.

B- Internal Audit:

- Assessing and reviewing internal control, financial, and risk management systems in the company.
- Examining internal audit reports and following up on the implementation of corrective actions for noted observations.
- Monitoring and supervising the internal audit performance to ensure adequate resources and effectiveness in performing assigned tasks and responsibilities.
- Recommending to the Board of Directors the appointment of the internal audit director and proposing their remuneration.

C- External Auditors:

- Recommending to the Board of Directors the nomination, dismissal, and determination of fees for external auditors, and evaluating their performance after verifying their independence and reviewing their scope of work and contract terms.
- Verifying the independence, objectivity, and fairness of the external auditor, and the effectiveness of audit work, considering relevant rules and standards.
- Reviewing the company's external auditor's plan and work and ensuring they do not provide technical or administrative services outside the audit scope, and expressing views on this matter.
- Responding to inquiries from the company's external auditor.
- Reviewing the external auditor's report and observations on financial statements and following up on actions taken.

D- Compliance Assurance:

- Reviewing results of regulatory body reports and verifying the company's implementation of necessary actions.
- Ensuring the company's compliance with relevant regulations, bylaws, policies, and instructions.
- Reviewing proposed contracts and transactions between the company and related parties, and presenting observations to the Board of Directors.
- Escalating matters requiring action to the Board of Directors and proposing recommended actions.



During the period from January 1, 2024, to December 31, 2024, the Audit Committee held seven meetings, with the following member attendance details:

Sr.	Name	category	Audit Committee Meetings						
			1st meeting 11/2/2024	2nd meeting 4/3/2024	3rd meeting 13/5/2024	4th meeting 2/6/2024	5th meeting 31/7/2024	6th meeting 4/11/2024	7th meeting 8/12/2024
1	Mr. Alaa bin Abdullah Al-Fada	Chairman	✓	✓	✓	✓	✓	✓	✓
2	Mr. Abdulaziz bin MUSAAD Al-MUSAAD	Member	✓	✓	✓	✓	✓	✓	✓
3	Mr. Bakur Abdulatif Alhuboob	Member	✓	✓	✓	✓	✓	✓	✓
4	Mr. Mishal Mohammed Al-Muqrin	Member	✓	✓	✓	✓	✓	✓	✓
5	Mr. Turki bin MUSAED Almubarak	Member	Did not joined	Did not joined	✓	✓	✓	✓	✓

* Membership began on March 5, 2024

Investment and Strategy Committee

Established by a Board of Directors resolution, comprising members from the Board or external experts, with operational guidelines, responsibilities, and procedures defined by a regulation issued by the Board of Directors.

The Investment and Strategy Committee is responsible for the following:

- Investing excess cash liquidity and continuously reviewing liquidity status according to the following guidelines:
 - Compliance with Islamic Sharia principles.
 - Quickly liquidatable when needed.
 - Low-risk investments.
 - Investment in the local market and in Saudi Riyals.
 - Investment managed by a financially licensed professional institution.
 - Investment as part of available liquidity.
- Searching for available investment opportunities in the local market to invest the company's assets.
- Evaluating existing investments: conducting periodic assessments and presenting appropriate recommendations to the Board.
- Full disclosure: revealing related parties if the investment is associated with any of them.
- Recommending new projects: presenting recommendations to the Board for entering new investment projects and diversifying income sources in line with the company's strategies.
- Monitoring investment portfolio performance: conducting evaluation studies and providing necessary recommendations.
- Following up on strategic plan implementation: tracking the implementation of the company's various strategic plans.

The Investment and Strategy Committee held three meetings from January 1, 2024, to December 31, 2024, with the following member attendance details:

Sr.	Name	Category	Investment and Strategy Committee Meetings		
			1st Meeting 12/5/2024	2nd Meeting 2/6/2024	3rd Meeting 25/11/2024
1	Dr. Saud bin Mohammed Alnimir	Chairman	✓	✓	✓
2	Mr. Turki bin MUSAED Almubarak	Member	✓	✓	✓
3	Eng. Khalid bin Abdullah Alhogail	Member	✓	✓	✓



Nominations and Remuneration Committee

Established by a Board of Directors resolution, composed of non-executive members, with operational controls, responsibilities, procedures, and member selection criteria defined by a regulation proposed by the Board of Directors and approved by the Shareholders' General Assembly.

The Nominations and Remuneration Committee is responsible for the following:

1. Develop a clear policy for remunerating Board Members, Board-derived Committees, and Executive Management, submitting it to the Board for review prior to General Assembly approval, ensuring performance-linked criteria, disclosure, and implementation verification.
2. Clarifying the relationship between granted remunerations and the existing remuneration policy and identifying any significant deviations.
3. Periodically reviewing the remuneration policy and evaluating its effectiveness in achieving intended objectives.
4. Recommending Board Members, Committee, and Senior Executive remunerations to the Board according to the approved policy.
5. Proposing clear policies and standards for Board and Executive Management membership.
6. Recommending Board member nominations and re-nominations according to approved standards, ensuring no person previously convicted of an integrity-related crime is nominated.
7. Preparing descriptions of capabilities and qualifications required for Board membership and Executive Management positions.
8. Determining the time members should dedicate to Board activities.
9. Conducting annual reviews of skill and experience requirements for Board and Executive Management positions.
10. Reviewing the Board and Executive Management structure and recommending potential changes.
11. Annually verifying the independence of independent members and checking for potential conflicts of interest.
12. Developing job descriptions for executive, non-executive, independent members, and senior executives.
13. Establishing procedures for Board or Senior Executive position vacancies.
14. Identifying Board strengths and weaknesses, and proposing solutions aligned with company interests.
15. Considering additional remuneration for Board or Committee members for extra efforts or consulting/technical services.
16. Determining and applying appropriate performance measurement for remuneration, including setting performance bonus budgets based on strategic company objectives.
17. When establishing compensation policies, the committee must follow performance criteria, including:
 - Providing competitive remunerations to attract and motivate high-skilled managers
 - Implementing ambitious performance indicators, including financial and non-financial metrics
18. The committee reviews and recommends:
 - Human resources policies and procedures
 - Management development programs and succession planning for executive directors
 - Performance evaluation objectives and indicators to be achieved within remuneration and incentive programs

The Nominations and Remuneration Committee held three meetings from January 1, 2024, to December 31, 2024, with the following member attendance details:

Sr.	Name	Category	Nominations and Remuneration Committee Meetings		
			1st Meeting 19/02/2024	2nd Meeting 21/07/2024	3rd Meeting 24/11/2024
1	Mr. Walid Abdurrahman Alhabib	Chairman	√	√	√
2	H.E. MUSAED bin Abdulaziz Aldawood	Member	X	X	√
3	Mr. Yasser bin Suleiman Al-Dawood	Member	√	√	√



— Dividends and Remuneration Policies

Dividends Policy

In accordance with Article Forty of the Articles of Association, the company may distribute interim dividends to its shareholders semi-annually or quarterly and may delegate this authority to the Board of Directors in compliance with regulations issued by the Capital Market Authority. The General Assembly may set aside any amount from the company's available cash dividends as a general reserve or to achieve social purposes for the company's employees – or its subsidiaries – or for other purposes related to the company as deemed by the Board of Directors to serve the company's interests.

No dividends were distributed during the fiscal year 2024

Remuneration for Board of Directors and Committees Drawn from the Board for 2024

- According to Article (19) of the Company's Articles of Association and the approved remuneration policy for Board Members and Senior Executives, the Board of Directors' remuneration is set as a lump sum annual fee for each session (attendance allowance) within the limits specified by the Companies' Regulations and its bylaws. This is represented by granting an annual remuneration of SR200,000 to each Board Member after approval by the Ordinary General Assembly of Shareholders.
- Regarding the annual remuneration for Board-derived committees, the maximum is SR150,000 for the Audit Committee, and SR130,000 for the Compensation, Nominations, Investment, and Strategy Committees, with full remuneration contingent on attending 70% or more of committee meetings.
- An attendance allowance of SR5,000 is granted to each member for each Board of Directors, committee, or General Assembly meeting.
- Members residing outside the meeting location are provided travel tickets for domestic and international trips, accompanied by a per diem allowance of SR1,125 for four-day assignments outside the Kingdom and two-day assignments within the Kingdom.
- Board or committee members receive a transportation allowance of SR500 per day.
- Accommodation allowance is SR1,000 per day within the Kingdom and SR1,500 per day outside the Kingdom.
- In all cases, the total financial or in-kind remuneration and benefits received by a Board Member shall not exceed SR500,000 annually.
- The granted remuneration aligns with the approved policy, taking into account the foundational principles and criteria for calculating and determining remuneration.

The remuneration granted to senior executives is divided as follows:

- An annual bonus approved by the Board of Directors based on the Remuneration and Nominations Committee's recommendation, disbursed according to the company's planned targets.
- An annual bonus stipulated in some senior executives' contracts and granted during the year.
- An annual bonus granted based on performance efforts, in accordance with the authorities delegated to the company's CEO by the Board of Directors and evaluated by senior management throughout the fiscal year.
- The granted remunerations comply with the approved policy, carefully considering the foundational principles and criteria for calculating and determining remunerations.



Remuneration for Board of Directors and Committees Drawn from the Board for 2024

Amounts in Thousands of Riyals

Name	Fixed Remuneration							Variable Remuneration							End of service Indemnity	Total	Expenses Allowance
	Specific Amount	Board Meeting Attendance Allowance	General Assembly Attendance Allowance	Total Committee Meeting Attendance Allowance	In-kind Benefits	Responsibilities for Individual, Administrative and Consultancy Work	Remuneration of the Chairman or Secretary if a Member	Total	Percentage of Profits	Periodic Remuneration	Short-term Incentive Plans	Short-term Incentive Plans	General Shares (unless endorsed)	Total			
Firstly: Independent Members																	
H.E. Mr. Musaed bin Abdulaziz Aldwood	200	20	10	5	-	-	-	235	-	-	-	-	-	-	-	235	-
H.E. Dr. Saud bin Mohammed Alnini	200	20	10	15	-	-	-	245	-	-	-	-	-	-	-	245	-
Mr. Turki bin Musaed Almubarak	200	20	10	40	-	-	-	270	-	-	-	-	-	-	-	270	-
Mr. Walid Abdurahman Alhabib	200	20	10	15	-	-	-	245	-	-	-	-	-	-	-	245	-
H.E. Lt. Gen. Mohammed bin Abdullah Al-Bazzani*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Abdulaziz bin Musaed Musaed*	-	-	-	30	-	-	-	30	-	-	-	-	-	-	-	30	-
Total	800	60	40	105	-	-	-	1,025	-	-	-	-	-	-	-	1,025	-
Secondly: Non-Executive Members																	
H.E. Eng. Khalid bin Saleh Al-Mudaifer*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Abdullah bin Ibrahim Al-Saleh*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Yasser bin Suleiman Al-Dawood	200	20	10	15	-	-	-	245	-	-	-	-	-	-	-	245	-
Total	200	20	10	15	-	-	-	245	-	-	-	-	-	-	-	245	-
Thirdly: Executive Members																	
Eng. Khalid bin Abdullah Albogail	200	20	10	15	-	-	-	245	-	-	-	-	-	-	-	245	-
Total	1,200	120	60	125	-	-	-	1,515	-	-	-	-	-	-	-	1,515	-

*Membership ended on January 12, 2024



Committee Members' Remuneration

Amounts in Thousands of Riyah

Sr.	Name	Fixed Remuneration Excluding Attendance) (Allowances)	Attendance Allowance	Total
Audit Committee Members Compensation				
1	Mr. Alaa bin Abdullah Al-Fada	150	45	195
2	Mr. Abdulaziz bin MUSAAD Al-MUSAAD	150	30	180
3	Mr. Bakur Abdulatif Alhuboob	150	35	185
4	Mr. Mishal Mohammed Al-Muqrin	150	35	185
5	Mr. Turki bin MUSAED AlMUBARAK	150	25	175
	Total	750	170	920
Nominations Committee Members				
1	Mr. Walid Abdurrahman Alhabib	130	15	145
2	H.E. MUSAED bin Abdulaziz Aldawood	43.33	5	48.33
3	Mr. Yasser bin Suleiman Al-Dawood	130	15	145
4	Mr. Abdullah bin Ibrahim Al-Saleh*	-	-	-
	Total	303.33	35	338.33
Investment and Strategy Committee Members				
1	Dr. Saud bin Mohammed Alnimir	130	15	145
2	Eng. Khalid bin Abdullah Alhogail	130	15	145
3	Mr. Turki bin MUSAED AlMUBARAK	130	15	145
4	H.E. Eng. Khalid bin bin Saleh Al-Mudaifer*	-	-	-
5	H.E. Lt. Gen. Mohammed bin Abdullah Al-Bassami*	-	-	-
	Total	390	45	435

* Membership ended on January 12, 2024



Senior Executives' Remuneration

The table below details the total remuneration and compensation received by the five highest-paid senior executives, including the Chief Executive Officer and the Financial Director.

Amounts in Thousands of Riyals

Description	Fixed Remuneration				Variable Remuneration						End-of-Service Benefits	Board Remuneration for Executives, if Applicable	Total
	Salaries	Allowances	In-kind Benefits	Total	Regular Remuneration	Profits	Short-term Incentive Plans	Long-term Incentive Plans	Gratuity Shares (Current Value)	Total			
Senior Executives 5	6,690	2,988	709	10,386	9,386	-	-	3,179	-	12,563	786	525	24,261

EVALUATION OF THE BOARD OF DIRECTORS' PERFORMANCE

In line with relevant regulations and bylaws, the Remuneration and Nominations Committee's charter was established by recommendation of the Board of Directors and submitted to the General Assembly, which approved it. This charter has designated the task of identifying the strengths and weaknesses of the Board of Directors and proposing solutions to address them in accordance with SAPTCO's interests as one of the most important tasks assigned to the Remuneration and Nominations Committee. Therefore, SAPTCO is keen on conducting internal evaluation of the Board through the preparation of a self-assessment for Board members using appropriate and effective mechanisms to detect errors, and it is continuously updating these mechanisms. A third party (external evaluation entity) may be consulted if necessary.



INTERNAL AUDIT AND CONTROL

During 2024, the Audit Committee reviewed the company's internal control systems (through the Internal Audit Department) and verified their effectiveness. It also studied and reviewed the main operational, financial, and administrative risks that the company might face, analyzed them, and developed the required solutions and treatments to ensure the proper management of these risks. In addition, it studied the weaknesses and strengths in internal controls, as audit operations are conducted periodically and continuously through the Audit Committee's review of the achievements of the company's Internal Audit Department. The examination covered all the company's operations and activities across its various sectors, and the results of the examination of the internal control systems showed that there are no material weaknesses in the company's internal control system. The external auditor also conducts an evaluation of this system as part of their audit of the final financial statements.

BOARD OF DIRECTORS' RESOLUTIONS

Based on SAPTCO's system and the auditor's report, the Board of Directors declares the following:

- The accounting records have been properly prepared.
- The internal control system has been properly prepared and effectively implemented.
- There is no significant doubt about SAPTCO's ability to continue its activities.
- There is no conflict between the Audit Committee's recommendations and the Board of Directors' decisions regarding the appointment, dismissal, fee determination, and performance evaluation of the company's auditor or the appointment of the internal auditor.
- There are no interests in voting-eligible shares belonging to Board members, senior executives, or their relatives who have notified the company of these rights under Article Eighty-Five of the Rules on the Offer of Securities and Continuing Obligations.
- There are no convertible debt instruments, contractual securities, subscription right notes, or similar rights issued or granted by the company during the fiscal year.
- There are no conversion or subscription rights under convertible debt instruments, contractual securities, subscription right notes, or similar rights issued or granted by the company during the fiscal year.
- There are no competing businesses that any of the members of the Board of Directors or its committees have in the SAPTCO's activities.
- There has been no redemption, purchase, or cancellation by the company of any redeemable debt instruments during the fiscal year.
- There are no arrangements or agreements under which a Board member or a senior executive has waived any remuneration.
- The Board of Directors has not recommended changing the auditor before the end of the period for which they were appointed.

BOARD OF DIRECTORS' CONFIRMATIONS

In accordance with the Corporate Governance Regulations issued by the Capital Market Authority and SAPTCO's Governance Regulations, the Board of Directors confirms the following:

- The company's commitment to working to protect shareholders' rights, not discriminating between shareholders who own the same class of shares, and not withholding any right from them in a manner of fair treatment for all shareholders.
- SAPTCO did not receive from shareholders who own 10% or more a request to convene a general assembly during the ended year that was not held.
- SAPTCO did not receive from shareholders who own 10% or more a request to add one or more topics to the general assembly meeting agenda when it was being prepared.
- SAPTCO did not put in place any procedure that might hinder a shareholder's use of their voting right.
- There are no material deviations from the remuneration policy for members of the Board of Directors, its committees, and executive management during the fiscal year 2024
- SAPTCO did not provide any cash loan of any kind to any of its board members, nor did it guarantee any loan contracted by one of its board members with third parties.
- SAPTCO's external auditor did not provide any consultative services during the 2024 fiscal year and did not receive any fees in this regard.
- The auditor's report on the annual financial statements for the 2024 fiscal year did not include any reservations or material observations.
- SAPTCO did not receive from the auditor a request to convene a general assembly during the fiscal year ended on 31/12/2024 that was not held.

INVESTOR RELATIONS





GENERAL ASSEMBLY OF SHAREHOLDERS

As SAPTCO's highest authority, the General Assembly of Shareholders holds exclusive powers. These include appointing and dismissing Board members, approving consolidated financial statements, appointing auditors and determining their fees, and approving regulations for the Audit and Remuneration & Nominations Committees. These regulations outline procedures, duties, member selection rules, nomination methods, membership duration, and compensation. Additionally, the Assembly approves dividend distribution as recommended by the Board and manages capital changes and amendments to the Articles of Association. To maximize shareholder participation, SAPTCO strategically selects the time and place for the Assembly and offers a remote electronic voting system for those unable to attend in person. The Articles of Association and SAPTCO's governance framework contain provisions ensuring all shareholders can exercise their statutory rights during the General Assembly.

The following table shows the meetings of the General Assembly of Shareholders and the attendance of members at Assembly meetings:

Sr.	Name	Extraordinary General Assembly dated 13/05/2024	Ordinary General Assembly dated 25/08/2024
1	H.E. MUSAED bin Abdulaziz Aldawood (Chairman)	✓	✓
2	Mr. Turki bin MUSAED Almubarak (Vice Chairman)	✓	✓
3	Eng. Khalid bin Abdullah Alhogail (Managing Director – CEO)	✓	✓
4	Dr. Saud bin Mohammed Alnimir (Board Member)	✓	✓
5	Mr. Yasser bin Suleiman Al-Dawood (Board Member)	✓	✓
6	Mr. Walid Abdurrahman Alhabib (Board Member)	✓	✓

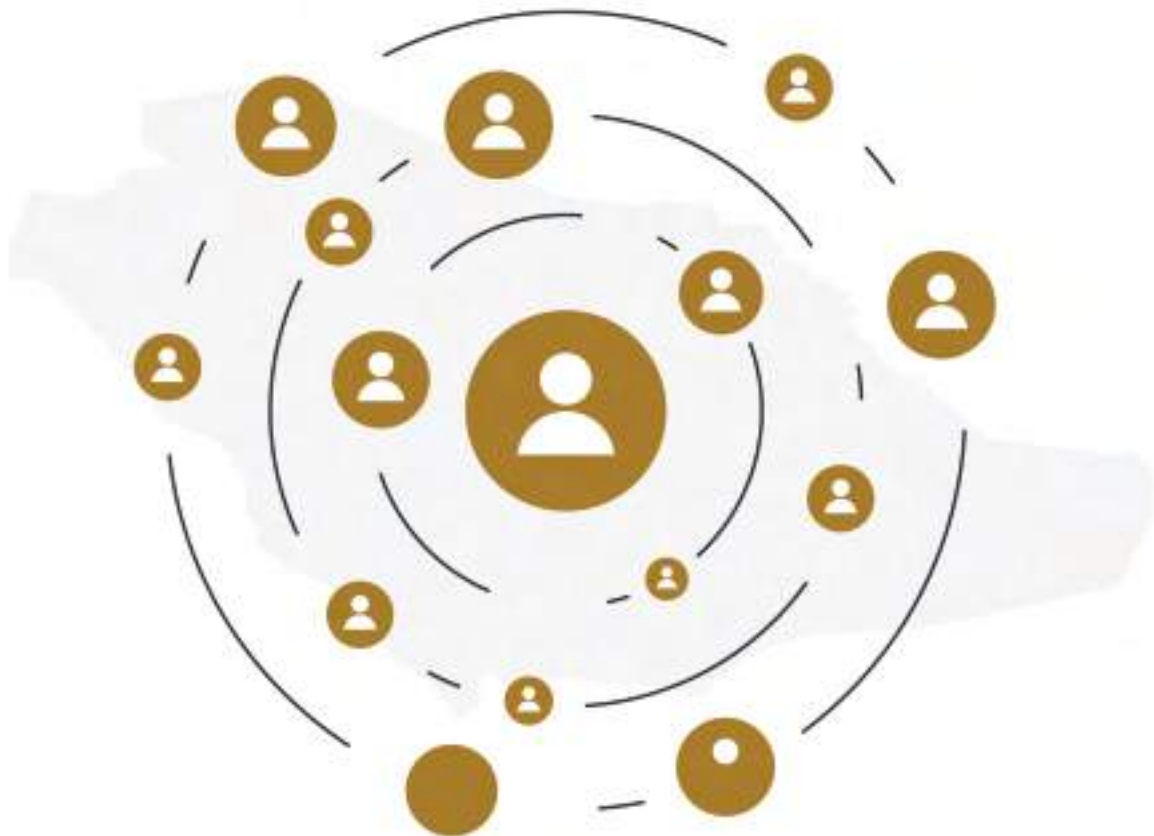


All shareholder rights are comprehensively detailed within the Articles of Association, Corporate Governance Regulations, and relevant internal policies. This is in accordance with SAPTCO's commitment to shareholder rights and the Board of Directors' recognition of its responsibility to foster clear communication and mutual understanding of strategic objectives.

Accordingly, SAPTCO has taken a number of measures to inform Board members, especially non-executives, of shareholders' proposals as follows:

- SAPTCO's management is keen to respond to shareholders' inquiries and receive their comments or complaints through available communication channels via phone, fax, or email.
- These inquiries are reviewed and classified then submitted to the Board of Directors during its periodic meetings.
- All Board members are encouraged to attend general assemblies to answer shareholders' questions and review their views and comments.
- Shareholders' questions and inquiries are recorded in the minutes of general assembly meetings and kept at the company's headquarters, and any shareholder can review them upon request.

SAPTCO is also always keen to provide all information to all shareholders with complete transparency and impartiality in a way that enables them to exercise their rights fully through general assemblies and keeps them constantly informed of developments in the company's business through its website and the Saudi Stock Exchange (Tadawul) website.





SAPTCO's Requests for the Shareholders' Register During 2024

The following table shows the dates of shareholders' register requests and their reasons:

Sr.	Request Date	Reasons for Request
1	٢٠٢٤/٠٤/٢٤	General Assembly
2	٢٠٢٤/٠٥/٠٩	General Assembly
3	٢٠٢٤/٠٥/٠٩	General Assembly
4	٢٠٢٤/٠٥/١٣	General Assembly
5	٢٠٢٤/٠٨/١٠	Company Procedures
6	٢٠٢٤/٠٨/٢٢	Other
7	٢٠٢٤/١١/٠٣	Other
8	٢٠٢٤/١٢/٣١	Company Procedures

SAPTCO's Regulatory Disclosures During the 2024 Fiscal Year

Sr.	Title	Date
1	The Saudi Public Transport Company - SAPTCO announces receiving a notification of awarding the operation of the public transport network project in the cities of (Abha-Khamis Mushait-Ahad Rafidah)	٢٠٢٤/٠٢/٢٦
2	The Saudi Public Transport Company (SAPTCO) announces the appointment of an Audit Committee member	٢٠٢٤/٠٣/٠٥
3	The Saudi Public Transport Company - SAPTCO announces the annual consolidated financial results for the period ended on 31/12/2023	٢٠٢٤/٠٣/٠٥
4	The Saudi Public Transport Company (SAPTCO) announces the reformation of the Chairman and Vice Chairman of the Board of Directors	٢٠٢٤/٠٣/٠٥
5	The Saudi Public Transport Company (SAPTCO) announces the Board of Directors' approval to establish a limited liability subsidiary company	٢٠٢٤/٠٣/٠٥
6	The Board of Directors of the Saudi Public Transport Company calls on shareholders to attend the Extraordinary General Assembly meeting (First Meeting)	٢٠٢٤/٠٤/٠٣



Statutory Disclosures by SAPTCO for the Fiscal Year 2024

Sr.	Title	Date
7	The Saudi Public Transport Company (SAPTCO) announces the start date of electronic voting on the Extraordinary General Assembly meeting (First Meeting) agenda through modern technology platforms	٢٠٢٤/٠٥/٠٩
8	The Saudi Public Transport Company - SAPTCO announces the consolidated preliminary financial results for the period ended on 31-03-2024 (three months)	٢٠٢٤/٠٥/١٤
9	Announcement by the Saudi Public Transport Company of the results of the Extraordinary General Assembly meeting (Second Meeting)	٢٠٢٤/٠٥/١٤
10	Announcement by the Saudi Public Transport Company about opening nominations for Board of Directors membership	٢٠٢٤/٠٥/١٥
11	Corrective announcement from the Saudi Public Transport Company (SAPTCO) regarding opening nominations for Board of Directors membership for the next term	٢٠٢٤/٠٥/١٥
12	Follow-up announcement from the Saudi Public Transport Company (SAPTCO) regarding extending the nomination period for Board of Directors membership for the next term	٢٠٢٤/٠٦/١٣
13	The Saudi Public Transport Company - SAPTCO announces receiving a notification of awarding the public bus transport network operation project in Al-Ahsa Governorate (Al-Mubarraz-Al-Hofuf-Al-Jafr-Al-Omran) with Al-Ahsa Municipality	٢٠٢٤/٠٧/١٨
14	The Board of Directors of the Saudi Public Transport Company invites shareholders to attend the Ordinary General Assembly meeting (First Meeting)	٢٠٢٤/٠٧/٢٥
15	The Saudi Public Transport Company - SAPTCO announces the consolidated preliminary financial results for the period ended on 30-06-2024 (six months)	٢٠٢٤/٠٨/٠١
16	The Saudi Public Transport Company announces receiving a notification of awarding the public bus transport service operation project in Jeddah Governorate	٢٠٢٤/٠٨/٠٦
17	The Saudi Public Transport Company (SAPTCO) announces the start date of electronic voting on the Ordinary General Assembly meeting (First Meeting) agenda through modern technology means	٢٠٢٤/٠٨/٢١
18	The Saudi Public Transport Company - SAPTCO announces signing the public bus transport project contract in Tabuk city with Tabuk Region Municipality	٢٠٢٤/٠٨/٢٥
19	Announcement by the Saudi Public Transport Company of the results of the Ordinary General Assembly meeting (First Meeting)	٢٠٢٤/٠٨/٢٦
20	The Saudi Public Transport Company - SAPTCO announces signing the contract for operating the public bus transport network in Al-Ahsa Governorate (Al-Mubarraz - Al-Hofuf - Al-Jafr - Al-Omran)	٢٠٢٤/١٠/٠١
21	The Saudi Public Transport Company - SAPTCO - announces the consolidated preliminary financial results for the period ended on 30-09-2024 (nine months)	٢٠٢٤/١١/٠٥
22	The Saudi Public Transport Company announces receiving a notification of awarding the shuttle transport project to serve the pilgrims in Madinah	٢٠٢٤/١٢/٠٨



Success Partners

Consolidated Financial Statements

Independent Auditor's Report to the Shareholders of SAPTCO

Consolidated Statement of Financial Position

Consolidated Statement of Profit or Loss

Consolidated Statement of Other Comprehensive Income

Consolidated Statement of Changes in Equity

Consolidated Statement of Cash Flows

Notes to the Consolidated Financial Statements



Quick Access to
the Consolidated
Financial Statements





KPMG Professional Services Company

Roshn Front, Airport Road
P. O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia
Commercial Registration No 1010425494

Headquarters in Riyadh

كي بي إم جي للاستشارات المهنية مساهمة مهنية

والجبة روشن، طريق المطار
مستوى بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

Independent Auditor's Report

To the Shareholders of Saudi Public Transport Company (A Saudi Joint Stock Company)

Opinion

We have audited the consolidated financial statements of Saudi Public Transport Company ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report (Continued)

To the Shareholders of Saudi Public Transport Company (A Saudi Joint Stock Company)

Key Audit Matter (continued)

Assessing potential impairment of Cash generating units (CGUs)

Assessing potential impairment of CGUs – See note (5.21) to the consolidated financial statements for the accounting policy relating to Impairment of non-financial assets and note (7) to the consolidated financial statements for the related disclosures.

The key audit matter	How the matter was addressed in our audit
<p>As at 31 December 2024, the management performed an impairment assessment by comparing the carrying value of the cash generating units (CGU) for buses, trucks and related assets amounting to SR 740 million, to their recoverable amount.</p> <p>The recoverable amount of the identified CGU was determined based on Value-In-Use ("VIU") calculations using discounted cash flows forecasts.</p> <p>Estimating the value in use includes projections of future discounted cash flows of the cash-generating units, estimations of growth rates and discount rates which are inherently subject to significant uncertainty due to changing economic conditions and trends.</p> <p>We considered the assessment of impairment of buses, trucks, and related assets as a key audit matter because the assessment includes certain significant assumptions, and involves an element of uncertainty.</p>	<p>Amongst the other, we performed the following procedures:</p> <ul style="list-style-type: none"> • Assessed the design and implementation of management's key internal controls which govern the process around assessing potential impairment of property, plant and equipment (Buses, trucks and related assets); • Assessed management's identification of the CGUs and the allocation of assets to the CGUs for the purposes of the impairment assessment; • Evaluated the assumptions adopted in the preparation of the discounted cash flow forecasts, including projected future growth rates for income and expenses and discount rate with reference to our understanding of the business, historical trends and available sector information; • We used our own valuation specialist to assess the weighted average cost of capital ("WACC") calculation methodology adopted by management in evaluating potential impairment of cash generating unit; • Performed sensitivity analyses on the key assumptions, including WACC, used in the discounted cash flow forecast and assessing whether there were any indicators of management bias in the selection of these assumptions; and • Considered the adequacy of the related disclosures made by the management in the Group's consolidated financial statements.



Independent Auditor's Report (Continued)

To the Shareholders of Saudi Public Transport Company (A Saudi Joint Stock Company)

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, when made available to us, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, the applicable requirements of the Regulations for Companies and Company's By-laws and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

Independent Auditor's Report (Continued)

To the Shareholders of Saudi Public Transport Company (A Saudi Joint Stock Company)

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

As part of an audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit of Saudi Public Transport Company ("the Company") and its subsidiaries ("the Group").

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

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

KPMG Professional Services


Fahad Mubark Al Dossari
License No.: 469



Riyadh, 18 Ramadan 1446H
Corresponding to: 18 March 2025

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES
(A Saudi Joint Stock Company)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2024
(Saudi Arabian Riyals in '000)

	<i>Note</i>	31 December <u>2024</u>	31 December <u>2023</u>
Assets			
Non-current assets			
Property and equipment, buses and trucks, net	7	1,073,657	1,149,457
Investment Properties	8	307,122	307,122
Intangible assets, net	9	622,914	624,657
Right-of-use assets, net	10	39,104	39,971
Due from related parties-non current portion	27	37,224	39,023
Equity Accounted investees	11	4,581	30,274
Deferred tax assets	29(c)	635	343
Other non-current assets	12	40,622	2,034
Total non-current assets		<u>2,125,859</u>	<u>2,192,881</u>
Current assets			
Inventories, net	13	29,772	27,819
Due from related parties – current portion	27	28,469	41,394
Trade receivables and unbilled receivables, net	14	1,010,844	1,210,117
Prepayments and other current assets	15	95,434	76,581
Other investments and derivative financial assets	16	1,336	13,877
Assets held for sale	36	14,177	39,300
Cash and cash equivalents	17	549,743	434,248
Total current assets		<u>1,729,775</u>	<u>1,843,336</u>
Total assets		<u>3,855,634</u>	<u>4,036,217</u>
EQUITY			
Share capital	18	1,250,000	1,250,000
Statutory reserve	19	-	-
General reserve	20	-	-
Accumulated losses		(328,119)	(335,915)
Equity attributable to shareholders of the Parent Company		<u>921,881</u>	<u>914,085</u>
Non-controlling interests	40	29,442	7,605
Total equity		<u>951,323</u>	<u>921,690</u>
Liabilities			
Non-current liabilities			
Murabaha financing-non current portion	21	646,879	854,754
Contract liabilities -non current portion	22	733,196	897,857
Employees' benefits liabilities	23	124,203	145,143
Lease liabilities- non current portion	24	27,076	30,348
Total Non-current liabilities		<u>1,531,354</u>	<u>1,928,102</u>
Current Liabilities			
Murabaha financing- current portion	21	248,250	289,677
Short-term Murabaha financing	21	355,762	151,846
Trade payables	26	70,557	61,722
Due to related parties	27	18,920	14,233
Lease liabilities- current portion	24	13,181	11,391
Accrued expenses and other current liabilities	28	400,639	404,221
Derivative financial liability	16(c)	5,829	-
Contract liabilities– current portion	22	235,672	234,832
Zakat and income tax payable	29	24,147	18,503
Total current liabilities		<u>1,372,957</u>	<u>1,186,425</u>
Total liabilities		<u>2,904,311</u>	<u>3,114,527</u>
Total equity and liabilities		<u>3,855,634</u>	<u>4,036,217</u>

Authorized board member

Chief Financial Officer

The accompanying notes 1 through 44 form an integral part of these consolidated financial statements.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES
(A Saudi Joint Stock Company)
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the year end 31 December 2024
(Saudi Arabian Riyals in '000)

	<i>Note</i>	31 December 2024	31 December 2023
Revenues	31	1,459,637	1,569,656
Cost of revenues	32	(1,156,072)	(1,294,483)
Gross profit		303,565	275,173
Selling and distribution expenses	33	(15,987)	(36,353)
General and administrative expenses	34	(141,961)	(141,387)
Reversal/(impairment) on assets held for sale	36	2,959	(17,309)
Write off of intangible assets	9	(6,422)	(6,577)
Impairment loss on trade receivables and other current assets	14&15	(13,328)	(13,738)
Other income	37	17,877	36,747
Operating Profit for the year		146,703	96,556
Finance income	35	17,407	12,124
Finance cost	35	(115,198)	(92,038)
Net finance costs		(97,791)	(79,914)
Share in loss of a joint venture	11	(30,148)	(26,694)
Share in profit/(loss) in an associates	11	10,226	(1,669)
Profit/(loss) before zakat and income tax		28,990	(11,721)
Zakat and income tax	29	(13,874)	(12,456)
Net profit/(loss) for the year		15,116	(24,177)
Profit/(Loss) for the year attributable to:			
Shareholders of the Parent Company		(9,628)	(35,584)
Non-controlling interests	40	24,744	11,407
Net profit/(loss) for the year		15,116	(24,177)
Loss per share (in Saudi Riyal):			
Basic and diluted, from the loss for the year attributable to shareholders of the parent company	38	(0.08)	(0.28)

Authorized board member

Chief Financial Officer

The accompanying notes 1 through 44 form an integral part of these consolidated financial statements.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES
(A Saudi Joint Stock Company)
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
For the year end 31 December 2024
(Saudi Arabian Riyals in '000)

	31 December	31 December
	<u>2024</u>	<u>2023</u>
Net profit/(loss) for the year	15,116	(24,177)
Other comprehensive profit / (Loss):		
Items that will not be reclassified subsequently to the consolidated statement of profit or loss:		
Re-measurement profit of defined benefit obligation	23 17,216	4,698
Total items that will not be reclassified subsequently to the consolidated statement of profit or loss:	<u>17,216</u>	<u>4,698</u>
Total comprehensive profit /(loss) for the year	<u>32,332</u>	<u>(19,479)</u>
Total comprehensive profit /(loss) for the year relating to:		
Shareholders of the Parent Company	7,796	(31,000)
Non-controlling interests	<u>24,536</u>	<u>11,521</u>
Total comprehensive profit /(loss) for the year	<u>32,332</u>	<u>(19,479)</u>



Authorized board member



Chief Financial Officer

The accompanying notes 1 through 44 form an integral part of these consolidated financial statements.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year end 31 December 2024

(Saudi Arabian Riyals in '000)

	Equity attributable to parent company (Saudi Shareholders)				Non-controlling interests (Non-Saudi Shareholders)	Total equity
	Share capital	Statutory reserve	General reserve	Accumulated losses		
As at 1 January 2024	1,250,000	-	-	(335,915)	7,605	921,690
(Loss)/Profit before Zakat and income tax	-	-	-	(2,228)	31,218	28,990
Income tax expenses	-	-	-	-	(6,766)	(6,766)
Zakat	-	-	-	(7,400)	-	(7,400)
Deferred tax credit	-	-	-	-	292	292
(Loss)/profit for the year	-	-	-	(9,628)	24,744	15,116
Other comprehensive profit/ (loss) for the year	-	-	-	17,424	(208)	17,216
Total comprehensive Profit for the year	-	-	-	7,796	24,536	32,332
Dividends paid to NCI (Note - 42)	-	-	-	-	(2,699)	(2,699)
As at 31 December 2024	1,250,000	-	-	(328,119)	29,442	951,323
As at 1 January 2023	1,250,000	-	-	(304,915)	(5,416)	939,669
Loss before Zakat and income tax	-	-	-	(26,141)	14,420	(11,721)
Income tax expenses	-	-	-	-	(3,053)	(3,053)
Zakat	-	-	-	(9,443)	-	(9,443)
Deferred tax credit	-	-	-	-	40	40
(Loss)/profit for the year	-	-	-	(35,584)	11,407	(24,177)
Other comprehensive profit for the year	-	-	-	4,584	114	4,698
Total comprehensive (Loss) / profit for the year	-	-	-	(31,000)	11,521	(19,479)
Establishment of a subsidiary with NCI	-	-	-	-	1,500	1,500
As at 31 December 2023	1,250,000	-	-	(335,915)	7,605	921,690

Authorized board member

Chief Financial Officer

The accompanying notes 1 through 44 form an integral part of these consolidated financial statements

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year end 31 December 2024

(Saudi Arabian Riyals in '000)

	Note	31 December 2024	31 December 2023
Operating activities			
Profit/(loss) before Zakat and income tax		28,990	(11,721)
<i>Adjustments to reconcile loss before Zakat and income tax to net cash flows:</i>			
Depreciation of property and equipment, buses and trucks	7	176,535	170,522
Amortization right-of-use of assets	10	12,768	15,330
Amortization of intangible assets	9	11,102	10,790
Write off intangible assets	9	6,422	6,577
Impairment loss on trade receivables and other current assets	14 & 15	13,328	13,738
Reverse of Zakat provision	29	-	(12,804)
Reversal of inventories	13	(12,194)	(253)
Share in loss of a joint venture	11	30,148	26,694
(Reversal)/impairment of assets held for sale	36	(2,959)	17,309
Share in (profit)/loss of associates	11	(10,226)	1,669
Finance cost	35	95,951	82,331
Finance income	35	(5,214)	(8,000)
Provision for employees benefits liabilities	23	20,469	24,737
(Gain)/Loss from sale of property and equipment		(3,897)	141
Gain on termination of lease		(530)	300
Interest on lease liabilities	35	2,079	2,165
Change in Investments in equity instruments through FVTPL		6,914	(1,014)
Cash flow after adjustments for non-cash items		369,686	338,511
Changes in:			
Inventories, net	13	10,241	(2,152)
Trade receivables and unbilled receivables	14	187,288	297,367
Amounts due from related parties	27	11,523	1,103
Prepayments and other current assets	15	(20,353)	(26,732)
Trade payables	26	8,835	(119,423)
Amounts due to related parties	27	4,687	(7,790)
Contract liabilities	22	(163,821)	(171,827)
Accrued expenses and other current liabilities	28	3,417	89,486
Cash flows generated from operating activities		411,503	398,543
Zakat and income tax paid	29(a & b)	(8,522)	(4,956)
Proceeds from Finance income		7,531	-
Employees' defined benefits liabilities paid	23	(24,891)	(50,578)
Net cash flows generated from operating activities		385,621	343,009
Investing activities			
Investments in equity instruments through FVTPL	16	-	(588)
Disposals investments in equity instruments through FVTPL	16	11,456	-
Proceeds from sale of property and equipment and assets held for sale	36	37,337	-
Other non-current assets	12	(38,588)	818
Proceeds of property and equipment, buses and trucks		4,110	655
Purchase of property and equipment, buses and trucks	7	(111,194)	(458,081)
Purchase of intangible assets	9	(15,781)	(10,641)
Net cash used in investing activities		(112,660)	(467,837)
FINANCING ACTIVITIES			
Proceeds from Murabaha financing	21	1,471,412	813,469
Payment of Murabaha financing	21	(1,517,241)	(1,148,706)
Proceeds from issuance of shares to NCI by a subsidiary		-	1,500
Payment of Dividends of shares to NCI by a subsidiary		(2,699)	-
Payment of lease liabilities		(12,648)	(17,668)
Repayment of finance costs		(94,211)	(81,378)
Repayment of interest lease liabilities		(2,079)	-
Net cash used in financing activities		(157,466)	(432,783)
Net Increase / (Decrease) in cash and cash equivalents		115,495	(557,611)
Cash and cash equivalents at 1 January	17	434,248	991,859
Cash and cash equivalents at 31 December	17	549,743	434,248
Significant non-cash transaction			
Right-of-use assets		16,087	1,547
Lease liability on right-of-use assets		16,123	1,547
Transferred from property and equipment to assets held for sale		9,245	39,300
Discounting impact of due from related party loan		3,201	9,900
Derivative financial asset interest rate SWAP		1,336	4,752
Derivative financial Liabilities- Callable Range		5,453	-

Authorized board member

Chief Financial Officer



 The accompanying notes 1 through 44 form an integral part of these consolidated financial statements.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year end 31 December 2024

(Saudi Arabian Riyals in '000)

	Note	31 December 2024	31 December 2023
Operating activities			
Profit/(loss) before Zakat and income tax		28,990	(11,721)
<i>Adjustments to reconcile loss before Zakat and income tax to net cash flows:</i>			
Depreciation of property and equipment, buses and trucks	7	176,535	170,522
Amortization right-of-use of assets	10	12,768	15,330
Amortization of intangible assets	9	11,102	10,790
Write off intangible assets	9	6,422	6,577
Impairment loss on trade receivables and other current assets	14 & 15	13,328	13,738
Reverse of Zakat provision	29	-	(12,804)
Reversal of inventories	13	(12,194)	(253)
Share in loss of a joint venture	11	30,148	26,694
(Reversal)/impairment of assets held for sale	36	(2,959)	17,309
Share in (profit)/loss of associates	11	(10,226)	1,669
Finance cost	35	95,951	82,331
Finance income	35	(5,214)	(8,000)
Provision for employees benefits liabilities	23	20,469	24,737
(Gain)/Loss from sale of property and equipment		(3,897)	141
Gain on termination of lease		(530)	300
Interest on lease liabilities	35	2,079	2,165
Change in Investments in equity instruments through FVTPL		6,914	(1,014)
Cash flow after adjustments for non-cash items		369,686	338,511
Changes in:			
Inventories, net	13	10,241	(2,152)
Trade receivables and unbilled receivables	14	187,288	297,367
Amounts due from related parties	27	11,523	1,103
Prepayments and other current assets	15	(20,353)	(26,732)
Trade payables	26	8,835	(119,423)
Amounts due to related parties	27	4,687	(7,790)
Contract liabilities	22	(163,821)	(171,827)
Accrued expenses and other current liabilities	28	3,417	89,486
Cash flows generated from operating activities		411,503	398,543
Zakat and income tax paid	29(a & b)	(8,522)	(4,956)
Proceeds from Finance income		7,531	-
Employees' defined benefits liabilities paid	23	(24,891)	(50,578)
Net cash flows generated from operating activities		385,621	343,009
Investing activities			
Investments in equity instruments through FVTPL	16	-	(588)
Disposals investments in equity instruments through FVTPL	16	11,456	-
Proceeds from sale of property and equipment and assets held for sale	36	37,337	-
Other non-current assets	12	(38,588)	818
Proceeds of property and equipment, buses and trucks		4,110	655
Purchase of property and equipment, buses and trucks	7	(111,194)	(458,081)
Purchase of intangible assets	9	(15,781)	(10,641)
Net cash used in investing activities		(112,660)	(467,837)
FINANCING ACTIVITIES			
Proceeds from Murabaha financing	21	1,471,412	813,469
Payment of Murabaha financing	21	(1,517,241)	(1,148,706)
Proceeds from issuance of shares to NCI by a subsidiary		-	1,500
Payment of Dividends of shares to NCI by a subsidiary		(2,699)	-
Payment of lease liabilities		(12,648)	(17,668)
Repayment of finance costs		(94,211)	(81,378)
Repayment of interest lease liabilities		(2,079)	-
Net cash used in financing activities		(157,466)	(432,783)
Net Increase / (Decrease) in cash and cash equivalents		115,495	(557,611)
Cash and cash equivalents at 1 January	17	434,248	991,859
Cash and cash equivalents at 31 December	17	549,743	434,248
Significant non-cash transaction			
Right-of-use assets		16,087	1,547
Lease liability on right-of-use assets		16,123	1,547
Transferred from property and equipment to assets held for sale		9,245	39,300
Discounting impact of due from related party loan		3,201	9,900
Derivative financial asset interest rate SWAP		1,336	4,752
Derivative financial Liabilities- Callable Range		5,453	-

Authorized board member

Chief Financial Officer



 The accompanying notes 1 through 44 form an integral part of these consolidated financial statements.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

(Saudi Arabian Riyals in '000)

1. REPORTING ENTITY

Saudi Public Transport Company ("SAPTCO", the "Parent Company", or the "Group") is a Saudi Joint Stock Company, registered in Riyadh, Kingdom of Saudi Arabia and formed under the Royal Decree No. M/11 dated on 7 Rabi' 1 1399H (corresponding to 5 February 1979) whose shares are publicly traded on the Saudi Stock Exchange. The formation was declared pursuant to the resolution of his Excellency, The Minister of Commerce, No. 254 dated 14 Sha'aban 1399H (corresponding to 9 July 1979). The Company operates under Commercial Registration number 1010024335 issued on 5 Ramadan 1399H (corresponding to 29 July 1979). The Parent Company's head office's address is Al-Nakheel neighborhood, Al-Takhasusi Street, Building No. 7995, P.O. Box 10667 Riyadh 11443, KSA.

The principal activities of the Group are passenger's buses transport both intra and inter-city throughout and outside the Kingdom of Saudi Arabia, as well as transfer of non-postal parcels, cargo, school transport, teachers transport, car rental and private transport, operating and maintaining of trains, metros, motor vehicles and trucks, organizing tours, transporting pilgrims and visitors inside and outside of the Kingdom of Saudi Arabia and importing spare parts and chemical detergents of vehicles. The concession to provide intercity bus transportation services by SAPTCO in the Kingdom of Saudi Arabia has ended on 15 October 2023. The new intercity service concessions has become effective on the said date. The Group won the intercity concession for Southern region of the Kingdom of Saudi Arabia to transport passengers by buses. The contract with the Transport General Authority for said concession was signed on 15 February 2023 for a period of ten years by the consortium of SAPTCO and NEX Continental Holdings, the operations started on 15 October 2023. The concession operated through a separate Company called SAT Transport Company (Subsidiary Company).

The Parent company has invested in the following subsidiaries, which are included in these consolidated financial statements:

Subsidiaries	Year of incorporation	Shareholding		Principal activity	Country of incorporation
		31 December 2024	31 December 2023		
Public Transportation Company (PTC)	2014	80%	80%	Executing King Abdulaziz Project for Public Transport in Riyadh	Kingdom of Saudi Arabia
Digital Mobility Solutions Company for Investments * (DMS)	2021	100%	100%	Systems analysis and self-mobility technologies	Kingdom of Saudi Arabia
SAT Transport company	2023	85%	85%	Intercity Transportation Services	Kingdom of Saudi Arabia
Al-Riyadah World Training Company	2024	100%	-	Driver training	Kingdom of Saudi Arabia

Public Transportation Company ("PTC") (20% owned by RATP Development (French company)) is a Limited Liability Company registered in Riyadh, the Kingdom of Saudi Arabia under commercial registration number 1010429250 dated 8 Rabi' 1 1436H (corresponding to 31 December 2014). The Company is engaged in importing, operating and maintaining of buses in Riyadh according to license issued by the Ministry of Investment No. 10608351147347 dated on 8 Dhul-Qi'dah 1435H (corresponding to 4 September 2014).

The paid up capital of the Company is SR 10 million. The principal activity of the company is executing King Abdulaziz Project for Public Transport in Riyadh.

Digital Mobility Solutions Company for Investments which is 100% owned by Saudi Public Transport Company is a limited liability company registered in Riyadh, Kingdom of Saudi Arabia under commercial registration number 1010732875 dated 1 Muharram 1443H (corresponding to 10 August 2021). The paid up capital of the Company is SR 5 million. The Company is engaged in the activities of systems analysis and mobility technologies.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

(Saudi Arabian Riyals in '000)

1. REPORTING ENTITY (CONTINUED)

* Rekab Solutions for transportation services Company which is 100% owned by Digital Mobility Solutions Company for Investments is a limited liability company registered in Riyadh, Kingdom of Saudi Arabia under commercial registration number 1010795911 dated 16 Ramadhan 1443H (corresponding to 17 April 2022). The paid up capital of the Company is SR 10,000. The Company is engaged in the activities of shared rides transportation services.

** Fast mile company is 100% owned by Digital Mobility Solutions Company for Investments is a limited liability company registered in Riyadh, Kingdom of Saudi Arabia under commercial registration number 1010840763 dated 22 Rabi ul Awal 1444H (corresponding to 18 October 2022). The paid up capital of the Company is SR 10,000. The Company is engaged in logistic services.

***Rahlati Lahloul Raqmiyah is 100% owned by Digital Mobility Solutions Company for Investments, a limited liability company registered in Riyadh, Kingdom of Saudi Arabia, under commercial registration number 1010888366, dated 24 Dhu al-Qadah 1444 (corresponding to 13 June 2023). The Company's paid-up capital amounts to SR 10,000 SAR. The Company specializes in providing religious transportation and facilitation services.

SAT Transport Company ("SAT") (15% owned by Nex Continental Holdings (Spain Company)) is a Limited Liability Company registered in Riyadh, the Kingdom of Saudi Arabia under commercial registration number 1010919499 dated 26 Safar' 1445H (corresponding to 11 September 2023). The Company is engaged for the procurement, operation, and maintenance of intercity bus services across the Kingdom of Saudi Arabia. The paid up capital of the Company is SAR 10 million.

Al-Riyadah World Training Company is a single limited liability company registered in the Kingdom of Saudi Arabia under commercial registration number 1009023001 with a share capital of SAR 100,000. The Company is primary engaged in the activities of driver training.

The Company has the following equity account investees:

Equity account investees	Relationship	Shareholding		Principal activity	Country of incorporation
		31 December 2024	31 December 2023		
Saudi Bahraini Transport Company (*)	Associate	40%	40%	Transportation activities	Kingdom of Saudi Arabia
Capital Metro Company Limited (CAMCO)	Associate	20%	20%	Road construction works and maintenance	Kingdom of Saudi Arabia
Saudi Emirates Integrated Transport Limited Company (SEITCO)	Joint Venture	50%	50%	Educational transportation services	Kingdom of Saudi Arabia

* The Saudi Bahraini Transport Company is under liquidation since 31 December 2015.

2. BASIS OF PREPARATION

a) Statement of compliance

The accompanying consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") (her and after referred to as "IFRS as endorsed in Saudi Arabia").

b) Preparation of the Consolidated Financial Statements

These Consolidated Financial Statements have been prepared on the historical cost basis except for the following material items in the Consolidated Statement of Financial Position:

- Derivative financial instrument- interest rate SWAP and Callable SWAP is measured at fair value
- The employee retirement benefit is recognised at the present value of future obligations using the Projected Unit Credit Method.

2. BASIS OF PREPARATION (CONTINUED)

c) New Standards, Amendment to Standards and Interpretations:

Amendments to IFRS 16 – Leases on sale and leaseback:

These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

Amendments IAS 1 – Non-current liabilities with covenants and Classification of Liabilities as Current or Noncurrent Amendments:

These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.

Amendments to IAS 7 and IFRS 7 – Supplier finance arrangements:

These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk.

The Group has not applied the above new amendments as those were not applicable.

d) Standards issued but not yet effective

Following are the new standards and amendments to standards which are effective for annual periods beginning on or after 1 January 2025 and earlier application is permitted for certain new standards and amendments; however, the Group has not early adopted them in preparing these Consolidated Financial Statements. The Group is currently evaluating the impact of the adoption of these standards on the Consolidated Financial Statements.

Amendments to IAS 21 – Lack of exchangeability

An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose.

Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments:

These amendments:

- Clarify the requirements for the timing of recognition and de-recognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- Make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

IFRS 18, 'Presentation and Disclosure in Financial Statements'

This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- The structure of the statement of profit or loss;
- Required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- Enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

e) Going Concern

The consolidated financial statements have been prepared on a going concern basis.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

(Saudi Arabian Riyals in '000)

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

Use of estimates and judgments

The preparation of Group's consolidated financial statements in accordance with IFRS as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements as endorsed by SOCPA require management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, costs, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. Actual results may differ from these estimates.

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes

Information about assumptions and estimation uncertainties at 31 December 2024 that have a significant risk that may lead to a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Note 14/ policy 5.5: measurement of impairment loss on trade and unbilled receivables and contract assets: key assumptions in determining the weighted-average loss rate; and.
- Note 7.1/ policy 5.21: impairment test on cash generating units; key assumptions underlying recoverable amounts;
- Note 23/ policy 5.17: measurement of defined benefit obligations: key actuarial assumptions.
- Note 31 The application of IFRS 15 has required management to make the following judgements.

Estimate over cost to complete the project

As part of application of over time method on contract accounting, the cost to complete the project is estimated by the management. These estimates include, amongst other items, the mobilization costs, procurement costs, construction costs, operation costs, variation orders by the Grantor and the cost of meeting other contractual obligations to the Grantor. Such estimates are reviewed at regular intervals. Any subsequent changes in the estimated cost to complete may affect the results of the subsequent periods.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair value, for both financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values for financial assets and liabilities. This includes a team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The team regularly reviews significant unobservable input and adjustments to the evaluation. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Standards, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Group's audit committee.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

(Saudi Arabian Riyals in '000)

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active financial markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data. (Unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

4. FUNCTIONAL AND PRESENTATION CURRENCY

The consolidated financial statements are presented in Saudi Riyals ("SR"), which is also the company's functional currency. All amounts have been rounded to the nearest thousand ("SR'000"), unless otherwise indicated.

5. MATERIAL ACCOUNTING POLICIES

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except stated otherwise.

5.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2024 and collectively referred to as ("the Group"). Control is achieved when the Group is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of Other Comprehensive Income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

(Saudi Arabian Riyals in '000)

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

5.1 Basis of consolidation (continued)

All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognized at fair value. The non-controlling interest is measured at its proportional share of the acquiree's net assets.

5.2 Equity accounting in investee

An associate is an entity over which the Group has significant influence. Significant influence is defined as the ability to participate in the financial and operating policies and decisions of the investee but is not 'control' or 'joint control' of those policies.

A joint venture is a form of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations established to ensure whether there is a significant influence or joint control are similar to those necessary considerations to determine control over the subsidiaries.

The Group's investments in its associates and joint venture are accounted according to the equity method.

Under the equity method, the investment in an associate or joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not nor individually tested for impairment. The consolidated statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there is any change that is directly recognized in the equity of the associate or joint venture, the Group recognizes its share of any changes, when applicable, in the consolidated statement of changes in equity.

The aggregate of the Group's share of profit or loss of the associate or joint venture is shown in the consolidated statement of Profit or loss outside operations profit and represents the income or loss after tax and the non-controlling interest in the subsidiaries of the associate or joint venture.

The financial statements of the associates or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After applying the equity method, the Group determines whether it is necessary to recognize any impairment loss in the value of its investment in its associate or joint venture. At the date of the preparation of each consolidated financial statements, the Group ensures that there is objective evidence that the investment in an associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, then recognizes the loss as "share in earnings of an associate or joint venture" in the consolidated statement of Profit or loss.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

(Saudi Arabian Riyals in '000)

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

5.2 Equity accounting in investee (continued)

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognizes the retained investment at fair value. The difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retaining investment and disposal proceeds is recognized in the consolidated statement of Profit or loss.

5.3 Classification of assets and liabilities as "current" and "non-current"

The Group presents assets and liabilities in the consolidated statement of financial position as current/non-current.

Assets are current when they are:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle.
- If it is acquired mainly for trading purposes.
- Expected to be realized within twelve months after the reporting period, or Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- When it is expected to be settled in the normal operating cycle.
- If it is acquired mainly for trading purposes.
- It is due to be settled within twelve months after the reporting period, or
- There is no right to defer the settlement of the liability for at least twelve months after the financial period.

The Group classifies all other liabilities as "non-current".

5.4 Revenue from contracts with customer

The Group provides transportation services within and outside the Kingdom of Saudi Arabia, as well as the related services. If the services under a single arrangement are rendered during different financial periods, then it is allocated on standalone selling price basis between the different services.

Some tickets are neither used for travel and nor refundable. This is often referred to as "tickets breakage".

In cases in which the Group is expected to be entitled to breakage, the estimated amount is recognized as revenue to the extent it is highly probable that there will be no significant revenue reversal. Where the Group cannot accurately estimate the breakage that there will be no significant revenue reversal, then the respective revenue is recognized only when the likelihood of the customer exercising its remaining rights becomes remote.

Revenue is recognized upon when services are rendered to customers.

The Group generates revenue from the following areas:

- a) Revenue from Passenger transport
- b) Revenue from specialized services
- c) Revenue from urban services
- d) Revenue from Technical Shared Services
- e) Service concession arrangements with third parties
- f) Revenue from digital mobility solution

A contract modification exists when the parties to a contract approve a modification that creates new or changes enforceable rights and obligations of the parties to the contract. Revenue recognition under the existing contract should continue until the contract modification is approved.

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

5.4 Revenue from contracts with customer (Continued)

(a) Revenue form passenger transport

Revenue from passenger transport represent inside city, intercity and international transportation services is recognized when the customer obtains transportation service which occurs upon completion of trip.

(b) Revenue from specialized services

The key services provided through specialized services are as follows: -

Short period contracts to provide transport specialized services to direct beneficiaries or special programs organizers.

Continuous contract services represented in contracting with government authorities, companies and universities to transfer their employees and students.

Revenue is recognized when the customer obtains the transportation service which occurs upon completion of trip.

(c) Revenue from urban services

This represents contract revenues with municipalities and Royal commissions for public transport services inside cities the revenue is recognized over time since municipalities and Royal commissions receive and consume the benefits provided by the company's performance.

(d) Revenue from Technical Shared Services

Technical shared services encompass maintenance and repair services offered to customers in transport sector, the revenue is recognized over time since customers receive and consume the benefits provided by the company's performance.

(e) Service concession arrangements

The subsidiary (Public Transportation Company "PTC", "the Operator") entered into a contract with Royal Commission for Riyadh City ("RCRC" or the "Grantor") on 20 November 2014 for executing King Abdul-Aziz Project for public transport in Riyadh. The original contract period was twelve years, which is extended to 22 December 2028 through the last variation order (Variation Order# 3). Under the arrangement, the Company will procure buses, construct depots and manage operations (i.e., running of buses - transporting public in various transport lines) and management of transport lines for RCRC. The contract is divided into two phases, i.e., mobilization phase and operational phase. At the end of the contract period, the Grantor has an option either to purchase the infrastructure (buses and depots) along with other assets or transfer the legal right to the Company. The rights of the Grantor to terminate the agreement include termination for cause and optional termination.

Based on the arrangement with RCRC, the Company has an unconditional right to receive cash during the mobilization and operational period and it does not have any right to use the infrastructure to recover cash from public. The Company recognizes a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash from the Grantor for the construction or upgrade services provided.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES
(A Saudi Joint Stock Company)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2024
(Saudi Arabian Riyals in '000)

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

5.4 Revenue from contracts with customer (Continued)

Below table summarizes the type of projects and their revenue recognition.

<u>Type of Project</u>	<u>Nature and timing of satisfaction of performance obligations, including significant payment terms</u>	<u>Revenue recognition</u>
King Abdulaziz Project for Public Transport in Riyadh	<p>The Company recognizes revenue from the services over time when costs relevant to the project are incurred on each of the six separately identified performance obligations by adopting the cost plus basis.</p> <p>The Company has the following performance obligations:</p> <ul style="list-style-type: none"> i. Bus procurement ii. Depot construction iii. Bus operation iv. Facility management v. Traffic control center <p>Invoices are raised to the customer based on the payment milestones agreed in the contract and the monthly invoicing mechanism.</p> <p>The customer acknowledges the work performed prior to the invoices being generated. Invoices are payable within 60 days. Amounts not billed are presented as unbilled revenue</p> <p>The Company recognizes revenue from ridership based on number of riders. Invoices are raised on monthly and yearly basis to the customer based on agreed ridership rate in the contract.</p>	<p>Revenue is recognized over time based on the percentage of completion method</p> <p>Revenue is recognized at point in time as per the contractual terms agreed.</p>

(f) Revenue from digital mobility solution

The Company is engaged in the activities of systems analysis and mobility technologies. The company provide on-demand services, shared ride service that picks up multiple passengers heading in the same direction with a click of a button. Revenue is recognized when the customer obtains the service which occurs upon completion of trip. The performance obligations are represented in providing a passenger service to the customer.

5.5 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of an entity and a financial liability or equity instrument of another entity.

IFRS 9 introduces requirements for the presentation and measurement of financial assets and financial liabilities, impairment and hedge accounting. IFRS 9 requires all financial assets to be measured at amortized cost or fair value in subsequent financial periods following initial recognition.

Recognition

Financial assets and liabilities are recognized on the consolidated statement of financial position when the Group becomes a party to the financial instrument.

Classification

The Group classifies its financial assets and liabilities in the following measurement categories: 1) those to be measured subsequently at fair value either through other comprehensive income, or through profit or loss, and
2) Those to be measured at amortized cost.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

(Saudi Arabian Riyals in '000)

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

5.5 Financial instruments (continued)

The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those measured at amortized cost unless designated as liabilities subsequently measured at FVTPL. For assets and liabilities measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income ("OCI").

The Group reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

The Group has implemented the following classifications:

<u>Financial statements item</u>	<u>Classification under IFRS 9</u>
Investments at fair value through Profit or loss	Fair value through profit or loss (FVTPL)
Derivative financial instruments – Interest Rate SWAP and Callable SWAP	Fair value through profit or loss (FVTPL)
Investments in Murabaha deposits	Amortized cost
Trade receivables, unbilled receivables and other receivables	Amortized cost
Cash and cash equivalents	Amortized cost
Amounts due from a related party	Amortized cost
Murabaha financing	Amortized cost
Lease liabilities	Amortized cost
Trade and other payables	Amortized cost

Financial assets

Initial recognition and measurement

Financial assets are initially measured at their fair values. The subsequent measurement of financial asset depends on its classification either at amortized cost, at fair value through other comprehensive income (FVOCI) or at fair value through profit or loss (FVTPL). Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognised in profit or loss.

The classification of financial assets at initial recognition depends on the contractual cash flow characteristics of the financial asset and the Group's business model for managing them. With the exception of Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI) on the principal amount outstanding". This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

(Saudi Arabian Riyals in '000)

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

5.5 Financial instruments (continued)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories:

Financial assets carried at fair value through profit or loss	These assets are subsequently measured at fair value. Net gains and losses, including any interest revenue or dividend income, are recognized in profit or loss.
Financial assets amortised cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest revenue, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.
Equity investment at fair value through other comprehensive income	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of income. Dividends are recognized as other income in the consolidated statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at FVTPL:

Financial assets at fair value through the consolidated statement of financial position at fair value with net changes in fair value recognized in the consolidated statement of profit or loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either: (a) the Group has transferred substantially all the risks and rewards of the asset;
- or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognized to the extent of the Group continuing involvement. In that case, the Group also continues to recognize the associated liabilities. The transferred asset and the associated liabilities are measured on a basis that reflects the rights and liabilities the Group has retained.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

(Saudi Arabian Riyals in '000)

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

5.5 Financial instruments (continued)

Impairment

The Group recognizes loss allowances for Expected Credit Losses (ECLs) on:

- Financial assets that are measured at amortised cost; and
- Contract assets (as defined in IFRS 15).

Receivable balances for which credit risk has not increased significantly since initial recognition are measured at 12-month ECLs (i.e. the risk of default occurring over the expected life of the financial instrument).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the group considers reasonable and supportable information that is relevant and available without undue cost or effort.

This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract, including default or overdue payments exceeding 360 days.
- It is probable that the borrower will enter bankruptcy or other financial reorganization; or the disappearance of the active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

5.5 Financial instruments (continued)

Financial Liabilities

Initial recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans or borrowings, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans, other payables and borrowings, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost (long-term payables and lease liabilities).

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities identified upon initial recognition at fair value through profit or loss.

Financial liabilities are classified as held for trading when they are acquired for the purpose of repurchasing in the near future. This category also includes derivative financial instruments used by the Group that are designated as hedging instruments in hedge relationships as defined by IFRS 9 (Financial Instruments). Separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the consolidated statement of income.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not determined any financial obligation at fair value through profit or loss.

Financial liabilities at amortized cost

This category is relevant to the Group. After initial recognition, liabilities and interest-bearing loans, and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit or loss. This category applies to all interest-bearing loans.

De-recognition

A financial liability is derecognized when it is fulfilled, cancelled or expires. When an existing financial liability is replaced by another from the same lender on entirely different terms, or substantially the terms of an existing liability, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of income.

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

5.5 Financial instruments (continued)

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written-off could still be subject to enforcement activities to comply with the Group's procedures for recovery of amounts due.

5.6 Cash and cash equivalents

Cash and cash equivalents shown in the consolidated statement of financial position include cash at banks, cash on hand and short-term deposits with an original maturity of three months or less and are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents include of cash on hand and short-term deposits, as defined above, less bank overdrafts, if any as they are considered as an integral part of the Group's cash management.

5.7 Dividends Payable

The Group recognizes a liability to make cash or non-cash distributions to the shareholders when the distribution is approved and the distribution is no longer at the discretion of the Group.

5.8 Provisions

General

Provisions are recognized when the Group has a legal present or expected obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

5.9 Assets held for sale

The Group classifies non current assets as held for sale if their carrying amounts will be recovered principally through sale rather than through continuing use. Non - current assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

The criteria for classification of assets held for sale are met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be cancelled. The Management must be committed to the plan to sell the asset and which is expected take place within one year from the date of the classification

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

5.10 Inventories

Inventory includes service materials and spare parts that are recorded at the lower of cost or net realizable value. Costs are assigned to the items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is considered as the estimated selling price in ordinary course of business, less estimated costs to completion and the estimated costs necessary to complete the sale.

5.11 Property and equipment, buses and trucks

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any. This cost includes the cost of replacing part of property and equipment and borrowing costs relating to long-term construction projects if the recognition criteria are met. If replacement of important parts of equipment is required in stages, the Group depreciate these parts separately over their useful lives. In contrast, when a major test is performed, its cost is recognized in the carrying amount of equipment as a replacement if its recognition criteria are met. All other repairs and maintenance costs are recognized in the consolidated statement of profit or loss when incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

<u>Asset categories</u>	<u>Estimated lives</u>
Buildings and lease hold improvements	3 – 33 years
Buses, trucks and trailers	5 – 12 years
Machines and equipment	2 - 20 years
Furniture and Fixture	3 - 10 years
Motor Vehicles	3 - 6 years

Depreciation is not calculated on lands.

An item of property and equipment, buses, trucks and any significant part that is initially recognized on derecognition or where there are no future benefits expected from use or disposal. Any gain or loss arising on derecognition of an asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the consolidated statement of income in the year the asset is derecognized

The residual values, useful lives and methods of depreciation of property and equipment, buses and trucks are reviewed at each financial year end and adjusted prospectively, if appropriate.

Projects under construction are stated at incurred cost until the assets are prepared for its intended purpose. Then, such cost is capitalized on the relevant assets. This includes the cost of contractors, materials, services.

5.12 Advances to customers against the property and equipment

Advances paid to customers for the procurement of buses and other non-current assets are classified as long-term capital advances.

5.13 Leases

The Group shall assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

5.13 Leases (continued)

5.13.1 Group as a lessee

The Group applies a single recognition and measurement model for all leases, except for short-term leases and leases of low-value assets. The Group recognizes a lease liability to make lease payments and right-of-use assets represents the right to use the right-of-use assets.

a) Right-of-use assets

The Group recognizes right-of-use assets at the lease commencement date (i.e., the date of availability of right-of-use asset). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

b) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid against residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease terms give the Group right to terminate the lease. Variable lease payments that depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition of payment occurs.

5.13.2 Group as a lessor

Leases in which substantially all the risk and rewards of ownership are transferred to the Group are classified as operating lease. The arising rental income is calculated on a straight-line basis over the term of the lease and recognized under income in the consolidated statement of profit or loss due to its operating nature. Initial direct costs resulting from negotiating and arranging an operating lease are charged to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rental income are included as revenue in the period in which they are earned.

5.14 Investment properties

Investments held to earn rentals or capital appreciation are classified as investment properties. Investment properties are measured initially at cost including transaction costs less any accumulated depreciation and accumulated impairment losses, if any.

Depreciation is calculated on a straight-line basis over the estimated useful lives. Depreciation is not calculated on lands. Investment properties are derecognized either when it has been disposed of or when it is permanently withdrawn from use and no future economic benefits is expected from it. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the consolidated statement of income in the year of de-recognition.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment properties to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investments property, the Group accounts for this property in accordance with the policy stated under Property and equipment up to the date of change in use.

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

5.15 Intangible assets

On initial recognition, intangible assets acquired separately are measured at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is charged to consolidated statement of income in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. Amortization expenses of intangible assets with finite lives are included in the consolidated statement of income as an expense and in line with the function of intangible assets.

Intangible assets with indefinite useful lives are not amortized but are tested annually for impairment either individually or at the cash-generating unit level. The assessment of indefinite useful life is reviewed annually to ensure that the assessment made for the indefinite useful life is still supported, otherwise the change from "indefinite useful life" to "definite useful life" is made prospectively.

Gain or losses arising on de-recognition of intangible assets are measured as a difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of income when the asset is derecognized.

Software

Computer software are recognized at cost less accumulated amortization and accumulated impairment losses. Historical cost comprises all costs attributable directly to the acquisition of the items.

Research and development

Expenditure on research activities is recognised in profit or loss as incurred.

Development expenditure is capitalised only if the expenditure can be measured reliably, the product of process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortization and any accumulated impairment loss.

Amortization is charged to consolidated statement of income using the straight-line method in order to allocate the costs over the respective assets less the residual value over their estimated useful lives, as following:

Computer software 3 -10 years
DMS application system 5 years

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

5.16 Foreign currencies

Foreign currency translation

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

Foreign operations

Foreign operations are translated into Saudi Riyal (SAR) at the relevant exchange rates. The income and expenses of foreign operations are translated into SAR at the average exchange rates for the relevant period.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant portion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate while retaining significant influence, the relevant proportion of the cumulative amount is reclassified to profit or loss.

5.17 Employee benefits

The Group has defined contribution plan with General Organization for Social Insurance ("GOSI") where the Group and the employees contribute fixed percentage of their salary towards the retirement of its employees. The Group implements defined benefit plans under the Saudi Arabian Labor Law applicable based on employees' accumulated periods of service at the date of the consolidated statement of financial position.

The cost of providing the benefits under the identified benefits programs separately for each program using the projected unit credit method.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment.
- The date that the Group recognizes restructuring-related costs.

Net interest is calculated by applying the discount rate to the net benefits obligations or assets. The Group recognizes the following changes in the net defined benefit obligation under "cost of revenue and administrative expenses" in the consolidated statement of income:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

5.17 Employee benefits (Continued)

- Net interest expense or income.
- Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the consolidated statement of financial position with a corresponding deduction or entry to retained earnings through OCI in the year end in which they occur. Re-measurement is not reclassified to profit or loss in subsequent periods

5.18 Finance costs

General and specific loan costs and Murabaha financing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized over the period of time required to complete and prepare the asset for use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. The finance cost consists of other bank commissions that an entity incurs in connection with issuing letters of guarantee and credit transactions, along with other financial transactions, interest expenses related to lease liabilities, changes in the fair value of derivative instruments, and interest incurred in relation to derivative instruments.

5.19 Zakat and income tax

Zakat

The Group are subject to Zakat in accordance with the regulations of the Zakat, Tax and Customs Authority ("ZATCA") in the Kingdom of Saudi Arabia. Zakat provision is calculated according to the consolidated Zakat base of the Group and its directly or indirectly wholly owned subsidiaries. Any differences between the provision and the final assessment are recorded when the final assessment is approved. Provision for zakat is charged to consolidated statement of profit or loss.

Income tax

Non-Saudi partner of the subsidiary is subject to corporate income tax in the Kingdom of Saudi Arabia based on his share of the results, which is included as an expense in the consolidated statement of income.

Deferred tax is calculated using the liability method on temporary differences between the tax bases and liabilities and their carrying amounts for the consolidated financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except for:

- Where the deferred tax liabilities arise from the initial recognition of goodwill or of assets or liabilities in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting profit nor taxable income or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

5.19 Zakat and income tax (continued)

Income tax (continued)

Deferred tax assets are recognized on all deductible temporary differences, carry forward of unused taxes and unused tax losses only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax assets relating to the deductible temporary difference arise from the initial recognition of assets or liabilities in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable income.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it is likely to result in future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax regulations) that have been issued and effective on the date of the consolidated financial statements preparation.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes related to the same taxable entity and the same taxation authority.

Deferred tax

The assessment of deferred tax assets and liabilities is based on management judgment. Deferred tax assets are only recognized if they can be utilized. Whether or not they can be used depends on whether the carry forward tax losses can be offset against future taxable profits. In order to assess the probability of their use future use, estimates are made of various factors such as future operating results etc. If actual values differ from the estimates, this can lead to a change in the assessment of recoverability of the deferred tax assets.

Additional Zakat liability, if any, related to prior years' assessments by ZATCA is accounted for in the year in which the assessments are finalized.

Value Added Tax (VAT)

Revenues, expenses and assets are recognized net of the amount of VAT, except:

- Where VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- Receivables and payables are stated with the amount of VAT included.

The net amount of value added tax (VAT) recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

5.19 Zakat and income tax (continued)

Withholding Tax

The Group withholds taxes on some transactions with non-resident parties in the Kingdom of Saudi Arabia in accordance with the income tax law in force in the Kingdom of Saudi Arabia.

5.20 Earnings per share

Basic and diluted earnings per share is calculated by dividing:

- The profit attributable to the shareholders of the Group;
- By the weighted average number of ordinary shares outstanding during the financial period.

The Group has not issued any potential ordinary shares; therefore, the basic and diluted earnings per share are the same.

5.21 Impairment of non-financial assets

The Group assesses at each reporting date, whether there is an indication of impairment. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or CGU's fair value less costs of disposal and value in use. The recoverable amount is determined for an individual asset, unless the asset does generate cash inflows into the Group that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In the context of assessing value in use, the estimated future cash flows are discounted to arrive at their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks of the asset. In the context of determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, a valuation model appropriate for this purpose is used.

Impairment losses of continuing operations are included in the consolidated statement of income or in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, the Group assesses at each reporting date to determine the extent to which previously recognized impairment losses continue to exist or have decreased. If any such indication exists, the Group estimates the assets or CGU's recoverable amount. A previously recognized impairment loss is reversed, except for impairment losses relating to goodwill, only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that have been previously determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is included in the consolidated statement of profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as an increase in the revaluation.

5.22 Finance income

Finance income is recognized using effective commission rate method which represents the rate under which the estimated future cash receipts are discounted over the expected life of a financial instrument (or a shorter period, whichever is more appropriate, for the net book value of the financial asset) including interest on derivative financial instruments, interest on short term deposits and loans on advances recognised on amortised cost basis.

5.23 Dividends receivable

Dividends are recognized when the Group's right to receive the payment is established, which is generally when the shareholders approve the dividends.

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

5.24 Borrowings

Borrowings are recognised initially at the transaction price (that is, the present value of cash payable to the bank, including transaction costs). Borrowings are subsequently stated at amortised cost. Commission expense is recognised on the basis of the effective interest method and is included in finance costs.

Borrowing are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. All borrowing costs including commission expense are recognised in profit or loss in the period in which they are incurred.

5.25 Operating profit

Operating profit is the profit from core business activities, calculated as revenue minus operating expenses, excluding financing costs, zakat and income tax, and non-operating items.

5.26 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of finance and other costs that an entity incurs in connection with the borrowing of funds.

The interest capitalized is calculated using the Group's weighted average cost of borrowings after adjusting for borrowings associated with specific developments. Where borrowings are associated with specific developments, the amount capitalized is the gross interest incurred on those borrowings less any investment income arising on their temporary investment. Interest is capitalized as from the commencement of the development work until the date of practical completion, when substantially all of the development work is completed. The capitalization of borrowing costs is suspended if there are prolonged periods when development activity is interrupted. Borrowing costs is also capitalized on the purchase cost of a site of property acquired specifically for redevelopment, but only where activities necessary to prepare the asset for redevelopment are in progress.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

(Saudi Arabian Riyals in '000)

6. OPERATING SEGMENTS

The Group Chief Executive Officer (CEO) monitor the results of the Group's operations for the purpose of making decisions about resource allocation and performance assessment and is the Chief Operating Decision Makers (CODM) for the Group.

For management purposes, the Group is organized into business units based on their operations and has the following reportable segments:

- Passenger Transport - It includes scheduled transport services, representing passenger transport services inside cities and inter cities including urban contracts revenue as well as international transport services.
- Specialized Services - It includes transport services agreements entered into by the Group with third parties, whether government or non-government parties, inside or outside the Kingdom of Saudi Arabia. It also includes Limo services.
- Revenues from the concession arrangements for the King Abdul-Aziz Project for Public Transport in Riyadh - It includes the financial results of the Public Transportation Company, which is engaged in execution of King Abdul-Aziz Project for Public Transport in Riyadh.
- Digital mobility solutions provides technologies based mobility solutions such as on demand services and shared ride services.
- Technical shared services encompass maintenance and repair services offered to both internal and external customers.

These operating segments are identified based on internal reports that the entity regularly reviews for allocating resources to segments and assessing their performance "management method". The management method is based on how the management organizes the segments within the entity for making operating decisions and assessing performance. The management of SAPTCO, at the end of every reporting period, reviews the above segments for setting quantitative thresholds as well as criteria for presenting the revenues and expenses of each segment.

The activities of the Company and its subsidiaries are primarily conducted in the Kingdom of Saudi Arabia.

Inter-segment and inter business units' revenues are eliminated upon consolidation and reflected in the "adjustments and eliminations" column.

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

The Group's revenues are affected by seasons with high operating rates. These seasons are during the period of Hajj, summer vacation, holy month of Ramadan and public holidays. Up to 31 December 2024, total revenues amounted to SR 1,460 million, comprised of SR 877 million from government entities and SR 583 million from private entities (total revenues up to 31 December 2023 were SR 1,570 million, with SR 670 million from government entities and SR 900 million from private entities).

As of 31 December 2024, total receivables amounted to SR 1,010 million, including SR 935 million from government entities and SR 75 million from private entities. (31 December 2023: SR 1,210 million, which included SR 1,127 million from government entities and SR 83 million from private entities).

For geographical distribution of revenue refer to Note 31.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES
(A Saudi Joint Stock Company)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2024
(Saudi Arabian Riyals in '000)

6. OPERATING SEGMENTS (CONTINUED)

Information on reportable segments (continued)

As at 31 December 2024	Concession for the King Abdul-Aziz Project for Public Transport in Riyadh						Total segments	Adjustments and eliminations	Total
	Passenger transport	Specialized services	Technical Shared Services	Digital mobility solutions	Transport in Riyadh	Total segments			
	SR'000	SR'000	SR'000	SR'000	SR'000	SR'000	SR'000	SR'000	SR'000
Property and equipment, buses and trucks	216,866	599,825	145,552	2,872	14,288	979,403	94,254	1,073,657	
Current assets	146,313	190,685	173,818	40,154	1,115,148	1,666,118	49,480	1,715,598	
Equity accounted investees	3,937	644	-	-	-	4,581	-	4,581	
Assets held for sales	14,177	-	-	-	-	14,177	-	14,177	
Other Assets	132,117	266,925	95,836	24,261	591,507	1,110,646	(63,025)	1,047,621	
Total liabilities	222,670	305,365	2,103	2800	692,611	1,225,549	25,342	1,250,891	
Loans	16,081	31,782	27,458	1,100	768,351	844,772	34,504	879,276	
Other long-term liability	46,385	85,114	97,154	247,421	92,398	568,472	205,672	774,144	

As at 31 December 2023	Concession for the King Abdul-Aziz Project for Public Transport in Riyadh						Total segments	Adjustments and eliminations	Total
	Passenger transport	Specialized services	Technical Shared Services	Digital mobility solutions	Transport in Riyadh	Total segments			
	SR'000	SR'000	SR'000	SR'000	SR'000	SR'000	SR'000	SR'000	
Property and equipment, buses and trucks	272,574	707,671	155,467	4,035	9,710	1,149,457	-	1,149,457	
Current assets	414,888	340,321	18,698	18,333	1,245,479	2,037,719	(190,945)	1,846,774	
Equity accounted investees	(6,469)	30,274	-	-	-	23,805	-	23,805	
Assets held for sales	39,300	-	-	-	-	39,300	-	39,300	
Other Assets	197,885	164,867	2,777	28,031	592,130	985,690	(8,809)	976,881	
Total liabilities	265,320	575,647	2,803	9,416	443,091	1,296,277	-	1,296,277	
Loans	58,413	60,485	44,531	675	909,244	1,073,348	-	1,073,348	
Other long-term liability	192,973	151,089	62,542	206,013	470,695	1,083,312	(338,410)	744,902	

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES
(A Saudi Joint Stock Company)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2024
(Saudi Arabian Riyals in '000)

7. PROPERTY AND EQUIPMENT, BUSES AND TRUCK, NET

	Land SR'000	Buildings and lease hold improvements SR'000	Buses, trucks and trailers SR'000	Furniture & Fixture SR'000	Motor vehicles SR'000	Machines and equipment SR'000	Total SR'000
Cost							
Balance as at 1 January 2023	90,264	558,067	1,815,561	22,796	74,243	116,287	2,677,218
Additions during the year	-	1,621	400,367	3,016	5,403	19,196	429,603
Disposal during the year	-	-	(16,095)	(779)	(11,169)	-	(28,043)
Transfers from projects in progress	-	1,087	(622)	-	622	-	1,087
Transfer to assets held for sale (note 36)	-	-	(760,442)	-	-	-	(760,442)
Balance as at 31 December 2023	90,264	560,775	1,438,769	25,033	69,099	135,483	2,319,423
Additions during the year	-	222	59,701	5,648	-	8,417	73,988
Transfers from projects in progress	-	57,349	(172)	-	172	8,898	66,247
Transfer to assets held for sale (note 36)	-	-	(30,020)	-	-	-	(30,020)
Disposal during the year	-	(21,292)	(5,121)	(6,862)	(6,234)	(27,778)	(67,287)
Balance as at 31 December 2024	90,264	597,054	1,463,157	23,819	63,037	125,020	2,362,351
Accumulated depreciation and impairment							
Balance as at 1 January 2023	-	428,911	1,191,679	17,753	62,186	86,837	1,787,366
Depreciation during the year	-	9,865	144,905	1,542	5,823	8,387	170,522
Transfer to assets held for sale (note 36)	-	-	(703,833)	-	-	-	(703,833)
Disposal during the year	-	-	(15,474)	(703)	(11,071)	-	(27,248)
Balance as at 31 December 2023	-	438,776	617,277	18,592	56,938	95,224	1,226,807
Depreciation during the year	-	13,040	146,973	2,081	3,752	10,689	176,535
Transfer to assets held for sale (note 36)	-	-	(20,775)	-	-	-	(20,775)
Disposal during the year	-	(20,598)	(5,105)	(6,707)	(6,143)	(27,520)	(66,073)
Balance as at 31 December 2024	-	431,218	738,370	13,966	54,547	78,393	1,316,494
Net book value							
As at 31 December 2024	90,264	165,836	724,787	9,853	8,490	46,627	1,045,857
As at 31 December 2023	90,264	121,999	821,492	6,441	12,161	40,259	1,092,616

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**For the year ended 31 December 2024**

(Saudi Arabian Riyals in '000)

7. PROPERTY AND EQUIPMENT, BUSES AND TRUCKS, NET (CONTINUED)

	31 December 2024 <u>SR'000</u>	31 December 2023 <u>SR'000</u>
Property and equipment, buses and trucks	1,045,857	1,092,616
Projects in progress	(7.2) <u>27,800</u>	<u>56,841</u>
	<u>1,073,657</u>	<u>1,149,457</u>

The items classified under property and equipment (PPE) are not encumbered or pledged as collateral for any financial obligations or financing arrangements. These assets remain unassociated with loans, ensuring that they are free from claims by creditors or lenders.

7.1 Impairment test of cash generating units (CGUs)

Management performs impairment assessment of all of its operating cash generating units and associated assets to identify that any impairment may exist at the end of the financial year. During the year ended 31 December 2024, management tested the buses and trucks and associated assets to determine whether impairment exists or not. Based on assessment of management, the recoverable amount of the assets subject to impairment exceeded the carrying value of the related assets therefore, no impairment was recorded during the year 2024: Nil (2023: Nil). In the absence of a binding agreement to sell the buses and an active reference market to determine fair value, the recoverable amount of the Cash Generating Units has been assessed using the value in use method.

7.2 Projects and buses under progress/ preparation

Projects under progress include development of buildings and stations.

Movement in projects under progress during the year is as follows:

	31 December 2024 <u>SR'000</u>	31 December 2023 <u>SR'000</u>
At the beginning of the year	56,841	29,457
Additions during the year	37,206	28,471
Transfers during the year	(66,247)	(1,087)
At the end of the year	<u>27,800</u>	<u>56,841</u>

The company expects to complete the projects in progress during the year ended on 31 December 2025.

8. INVESTMENT PROPERTIES

Investment properties of the Group comprise of lands in the Kingdom of Saudi Arabia amounting to SR 307 million as at 31 December 2024 and 31 December 2023. This balance represent parcels of land located in various cities across the Kingdom of Saudi Arabia. The Group intends to hold these lands for the purposes of appreciation in value. Such lands are carried at cost less impairment, if any.

The fair value of investment properties have been determined by external and independent property valuers. The lands were assessed by "Indicator for real estate Valuation Company", license number (1210001175) at the Saudi Authority for Accredited Valuers, having appropriate recognized professional qualifications and recent experience in the location and category of the property being valued. The independent valuator determine the fair value of the Group's investment properties portfolio on an annual basis or upon request by the management. The recent fair valuation was performed as at 31 December 2024, and the fair value determined at SR 457million (2023: SR 445 million).

The Fair Value Measurement in its entry is classified into Level 2 based on the valuation techniques used in estimating the fair value and related inputs.

The cost of the land was assessed using a market comparison approach, where the valuation was based on the prices of observable similar pieces of land in the relevant market.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**For the year ended 31 December 2024**

(Saudi Arabian Riyals in '000)

8. INVESTMENT PROPERTIES (CONTINUED)

This method involves analyzing recent transactions of comparable land parcels to establish a reasonable and accurate value. By considering the characteristics, location, size, frontage/visibility, view. The Key inputs under this approach are the price per square meter from Current year sales of comparable lots of the land in the area.

31 December 2024

Property	Fair value	Valuation Technique	Significant unobservable input	Range
Owned lands	456,567	Market comparable	Average price per Square Meter	521- 9,287

31 December 2023

Property	Fair value	Valuation Technique	Significant unobservable input	Range
Owned lands	444,673	Market comparable	Average price per Square Meter	498 - 9,076

The sensitivity analysis of changes in the per square meter market price assumption will have the following impact on the property valuation:

Property	Increase	Decrease	Increase in valuation	Decrease in valuation
Owned lands - 2024	1%	1%	4,566	(4,566)
Owned lands – 2023	1%	1%	4,447	(4,447)

9. INTANGIBLE ASSETS, NET

	31 December 2024 SR'000	31 December 2023 SR'000
Software, applications and licenses (a)	36,682	39,890
Other intangible assets (b)	586,232	584,767
	622,914	624,657

a) Software, applications and licenses

	SR'000
Cost	
Balance as at 1 January 2023	121,599
Additions	10,641
Balance as at 31 December 2023	132,240
Additions	14,316
Balance as at 31 December 2024	146,556
Accumulated amortization	
Balance as at 1 January 2023	74,983
Additions	10,790
Write off during the year	6,577
Balance as at 31 December 2023	92,350
Additions	11,102
Write off during the year	6,422
Balance as at 31 December 2024	109,874
Net book value	
As at 31 December 2024	36,682
As at 31 December 2023	39,890

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**For the year ended 31 December 2024**

(Saudi Arabian Riyals in '000)

9. INTANGIBLE ASSETS, NET (CONTINUED)**b) Other intangible assets (continued)**

The intangible assets represent PTC's right in the residual value of the project's buses, Demand Responsive Transport (DRTs) and depots after the end of the project. As per the contract, the Grantor (Royal Commission of Riyadh City) has an option to purchase the buses and depots. At their residual value, if this option is not exercised, PTC has the right to retain the buses and depots.

During the year 2024, the Company bought 77 DRT Vans as part of the contract. The residual value of these vehicles are recorded as intangible assets amounting to SAR 1.464 Million.

10. RIGHT-OF-USE ASSETS, NET

The Group has leases for buildings (office premises, workshops, and sites) and Cars. The lease terms range from 2 to 10 years. The Group depreciates these contracts over the lease term on a straight-line basis. The Group also has some leases for residential buildings of 12 months or less and low-value leases. The Group applies for an exemption from recognition for these short-term leases and leases of low-value assets. The Group has recognized a rental expense for these contracts of SR 17.9 million for the year ended 31 December 2024 (31 December 2023: SR 16 million). The group has been written off SR 3.75 million (2023: Nil) for leases contract that has been fully depreciated.

	<u>Buildings</u>	<u>Cars</u>	<u>Total</u>
Cost			
Balance as at 1 January 2023	45,419	68,591	114,010
Additions	-	1,547	1,547
Disposals during the year	-	(27,637)	(27,637)
Balance as at 31 December 2023	<u>45,419</u>	<u>42,501</u>	<u>87,920</u>
Additions	15,968	119	16,087
Disposal during the year	(4,764)	-	(4,764)
Written off	(3,750)	-	(3,750)
Transfers during the year	(7,534)	-	(7,534)
Balance as at 31 December 2024	<u>45,339</u>	<u>42,620</u>	<u>87,959</u>
Accumulated depreciation			-
Balance as at 1 January 2023	10,582	22,037	32,619
Charge for the year	7,334	7,996	15,330
Balance as at 31 December 2023	<u>17,916</u>	<u>30,033</u>	<u>47,949</u>
Charge for the year	7,385	5,383	12,768
Written off	(3,750)	-	(3,750)
Disposal during the year	(1,737)	-	(1,737)
Transfers during the year	(6,375)	-	(6,375)
Balance as at 31 December 2024	<u>13,439</u>	<u>35,416</u>	<u>48,855</u>
<i>Net book value</i>			
As at 31 December 2024	<u>31,900</u>	<u>7,204</u>	<u>39,104</u>
As at 31 December 2023	<u>27,503</u>	<u>12,468</u>	<u>39,971</u>

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**For the year ended 31 December 2024**

(Saudi Arabian Riyals in '000)

11. EQUITY ACCOUNTED INVESTEEES

	31 December 2024 SR'000	31 December 2023 SR'000
Share in joint venture (SEITCO) (a)	644	30,274
Share in an associate (CAMCO) (b)	3,937	(6,469)
Share in an associate (Saudi Bahraini Transport Company) (c)	-	-
Balance at the end of the year	4,581	23,805

The accumulated losses of CAMCO have been recognized as accrued liabilities. Consequently, the amount reflected in the statement of financial position for the year 2023 is SAR 30.27 million.

(a) Movement of investment in joint venture (SEITCO) during the year was as follows:

	31 December 2024 SR'000	31 December 2023 SR'000
Balance at beginning of the year	30,274	46,723
Share of losses	(30,148)	(26,694)
Share in comprehensive income	518	345
Discounting impact of loan	-	9,900
Balance at the end of the year	644	30,274

The investment balance in joint venture is as follows:

Saudi Emirates Integrated Transport Limited Company (SEITCO) is a joint venture in which the Group has joint control and a 50% ownership interest. SEITCO is engaged in providing school transport services, owning vehicles including buses, managing companies' vehicle fleet and providing transport by vehicles. SEITCO started its activities during the third quarter of 2014. In accordance with SEITCO's articles of association, the Group and the other investor in the joint venture have agreed to distribute dividends, net of the statutory reserve in accordance with their capital structure, which is currently 50% of each, respectively.

The Group's share in SEITCO is accounted for under the equity method in these consolidated financial statements based on SEITCO's financial statements.

The following table summarizes SEITCO's financial information:

	31 December 2024 SR'000	31 December 2023 SR'000
Statement of balance sheet		
Assets		
Cash and cash equivalents	20,146	44,473
Current assets	42,201	61,434
Non-current assets	169,201	201,785
Total assets	231,548	307,692
Liabilities		
Current financial liabilities	81,118	88,977
Other current liabilities	61,427	36,950
Non-current financial liabilities	74,448	108,879
Non-current other liabilities	13,268	12,339
Total liabilities	230,261	247,145
Net Equity	1,287	60,547
Group's share of investment	50%	50%
Share attributable to group	644	30,274

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES
(A Saudi Joint Stock Company)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2024
(Saudi Arabian Riyals in '000)

11. EQUITY ACCOUNT INVESTEEES (CONTINUED)

Continuation to the table of SEITCO's financial information:

	31 December	31 December
	2024	2023
Statement of Income	SR'000	SR'000
Revenues	214,593	214,300
Depreciation and amortization	(33,261)	(32,630)
Other operating expenses	(233,120)	(226,427)
Operating losses	(51,788)	(44,757)
Finance costs	(8,460)	(8,140)
Zakat	(48)	(491)
Loss after Zakat	(60,296)	(53,388)
Total loss attributable to the Group	(30,148)	(26,694)
Other comprehensive income	1,034	690
Total comprehensive loss	(59,261)	(52,698)
Total comprehensive loss attributable to the Group	<u>(29,630)</u>	<u>(26,349)</u>

No dividends were distributed by SEITCO during the years ended 31 December 2024 and 31 December 2023.

(b) Movement of investment in an associate (CAMCO) is as follows:

	31 December	31 December
	2024	2023
	SR'000	SR'000
Balance at beginning of the year	(6,469)	(4,800)
Share of profit/(losses) for the year	10,226	(1,669)
Share in other comprehensive income	180	-
Balance at the end of the year	<u>3,937</u>	<u>(6,469)</u>

On 2 Rabi' I 1439H (corresponding to 20 November 2017), the Saudi Public Transport Company has entered into as a new partner in the Capital Metro Company Limited ("CAMCO") through an acquisition of 3600 new shares issued by CAMCO amounting to SR 3.6million which represents 20% of the company's capital. The contribution to the Company's capital was made on 24 Rabi' II 1439H (corresponding to 11 January 2018).

CAMCO is an associate which was established in accordance with the Saudi Regulations with a share capital of SR 18 million divided into 18,000 shares of SR 1,000 each. The purpose of the company is construction works and road maintenance. The Group's share in CAMCO is accounted for using equity method. The credit balance until 2023, balance of instrument was negative and classified under current liabilities as provision against loss in the associate under accrued expenses (Note 28) as the Company has guaranteed the obligation of the associate.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**For the year ended 31 December 2024**

(Saudi Arabian Riyals in '000)

11. EQUITY ACCOUNTED INVESTEEES (CONTINUED)**The following table summarizes the financial information of CAMCO:**

	31 December 2024	31 December 2023
	<u>SR'000</u>	<u>SR'000</u>
Statement of balance sheet		
Assets		
Cash and cash equivalents	342,827	401,630
Current assets	191,915	204,073
Non-current assets	21,692	17,782
Total assets	<u>556,434</u>	<u>623,485</u>
Liabilities		
Current financial liabilities	73,935	282,769
Other current liabilities	349,936	166,148
Non-current financial liabilities	103,124	194,301
Non-current non - financial liabilities	14,621	9,491
Total liabilities	<u>541,616</u>	<u>652,709</u>
Net Equity	14,818	(29,224)
Group's share of investment	20%	20%
Share attributable to the Group	<u>3,937</u>	<u>(6,469)</u>

Continuation to the table of CAMCO's financial information

	31 December 2024	31 December 2023
	<u>SR'000</u>	<u>SR'000</u>
Statement of Income		
Revenues	706,553	322,042
Depreciation and amortization	(2,550)	(2,441)
Other expenses	(643,221)	(299,157)
Finance costs	(18,486)	(32,351)
Finance income	10,175	3,562
Net profit/(losses) before Zakat and income tax	52,471	(8,345)
Zakat and income tax	(8,862)	-
Net profit/(losses) after Zakat and income tax	43,609	(8,345)
Total profit/(loss) attributable to the Group	10,226	(1,669)
Other comprehensive income	899	-
Total comprehensive profit/(loss)	<u>44,508</u>	<u>(8,345)</u>
Total comprehensive loss attributable to the Group	<u>10,406</u>	<u>(1,669)</u>

(c) The balance of the investment in an associate (Saudi Bahraini Transport Company) is as follows:

	31 December 2024	31 December 2023
	<u>SR'000</u>	<u>SR'000</u>
Investment in associate (Saudi Bahraini Transport Company)	7,459	7,459
Less: impairment of investment	(7,459)	(7,459)
	<u>-</u>	<u>-</u>

The Group has 40% share in Saudi Bahraini Transport Company, a limited liability company registered in the Kingdom of Saudi Arabia. Group's share in associate is accounted for using the equity method in the consolidated financial statements. On 31 December 2015, the partners' extraordinary general assembly in Saudi Bahraini Transport Company decided to dissolve and liquidate the company and appoint a liquidator to liquidate it.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**For the year ended 31 December 2024**

(Saudi Arabian Riyals in '000)

11. EQUITY ACCOUNTED INVESTEEES (CONTINUED)

Accordingly, the entire value of the investment has been reduced as the Group is unable to determine the recoverable amount of such investment. The Group does not expect that no provision would be made as a result of liabilities on Saudi Bahraini Transport Company. The Company has no constructive or legal obligation to settle any liabilities of Saudi Bahraini Transport Company.

12. OTHER NON – CURRENT ASSETS

	31 December 2024 SR'000	31 December 2023 SR'000
Capital advance*	39,407	-
Other non – current assets	1,215	2,034
	<u>40,622</u>	<u>2,034</u>

* Capital advances represent payments made to suppliers for the procurement of buses and other items that will be subsequently classified under property and equipment, buses and trucks.

13. INVENTORIES, NET

	31 December 2024 SR'000	31 December 2023 SR'000
Spare parts inventory	38,892	76,264
Less: Expected adjustments of net realizable value	(9,120)	(48,445)
Net inventory	<u>29,772</u>	<u>27,819</u>

An analysis of the Movement in the expected adjustments of net movement in net realizable value the year ended is as follows:

	31 December 2024 SR'000	31 December 2023 SR'000
Balance at beginning of the year	48,445	48,698
Charged/(reversed) during the year	695	(253)
Write off during the year	(40,020)	-
Balance at the end of the year	<u>9,120</u>	<u>48,445</u>

14. TRADE RECEIVABLES AND UNBILLED RECEIVABLES, NET

	31 December 2024 SR '000	31 December 2023 SR'000
Trade and unbilled receivables:		
Government and semi-government institutions	255,030	338,649
Unbilled receivables*	679,081	848,762
Receivable from related parties	35,049	17,573
Private sector	115,397	67,175
Total trade and unbilled receivables	<u>1,084,557</u>	<u>1,272,159</u>
Less: Impairment loss	(73,713)	(62,042)
Trade and unbilled receivables, net	<u>1,010,844</u>	<u>1,210,117</u>

On 31 December 2024, the impaired trade receivables amounted to SR 73.7 million (31 December 2023: SR 62 million).

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**For the year ended 31 December 2024**

(Saudi Arabian Riyals in '000)

14. TRADE RECEIVABLES AND UNBILLED RECEIVABLES, NET (CONTINUED)**The movement of Impairment loss on trade receivables:**

	31 December	31 December
	2024	2023
	<u>SR'000</u>	<u>SR'000</u>
Balance at beginning of the year	62,042	64,516
Charge for the year	11,828	14,272
Amounts written off during the year	(157)	(16,746)
Balance at the end of the year	<u>73,713</u>	<u>62,042</u>

***Unbilled Receivables**

Movement summary unbilled receivable is as follows:

	31 December	31 December
	2024	2023
	<u>SR'000</u>	<u>SR'000</u>
Balance at the beginning of the year	848,762	1,278,217
Revenue recognized during the year	610,457	546,625
Revenue billed during the year	(780,138)	(976,080)
Balance at the end of the year	<u>679,081</u>	<u>848,762</u>

The unbilled receivables represent the revenue recognized and has not been billed yet. The Public Transport Company (PTC) will bill the customer as per the agreed billing schedule. The current unbilled receivable represents the amounts due to be billed within the next 12 months.

As per the payment schedule, during the year, the Company has received an amount of SAR 737 million (31 December 2023: SAR 814 million) from RCRC.

15. PREPAYMENTS AND OTHER CURRENT ASSETS

	31 December	31 December
	2024	2023
	<u>SR'000</u>	<u>SR'000</u>
Value added tax	23,416	29,624
Advances to suppliers	25,760	11,017
Prepaid insurance and prepaid short-term rents	18,033	11,146
Guarantee	2,350	2,350
Employees loans	11,417	12,094
Other receivables	20,529	14,921
	<u>101,505</u>	<u>81,152</u>
Less: Impairment loss on other current assets	(6,071)	(4,571)
	<u>95,434</u>	<u>76,581</u>

The movement of impairment loss on other current assets:

	31 December	31 December
	2024	2023
	<u>SR'000</u>	<u>SR'000</u>
Balance at beginning of the year	4,571	5,105
Additions/(reversal) for the year	1,500	(534)
Balance at the end of the year	<u>6,071</u>	<u>4,571</u>

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**For the year ended 31 December 2024**

(Saudi Arabian Riyals in '000)

16. OTHER INVESTMENTS AND DERIVATIVE FINANCIAL ASSETS

	31 December 2024 <u>SR'000</u>	31 December 2023 <u>SR'000</u>
Financial assets at fair value through profit or loss	-	9,125
Derivative financial asset – interest rate SWAP	1,336	4,752
	<u>1,336</u>	<u>13,877</u>

a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include investments in listed equity shares. Fair values of these equity shares are determined by reference to published price quotations in an active market. Movement in fair values of investment through profit and loss

	31 December 2024 <u>SR'000</u>	31 December 2023 <u>SR'000</u>
Balance at the beginning of the year	9,125	7,523
Addition	-	588
Disposal	(11,456)	-
Movements due to changes in fair value	2,331	1,014
Balance at the end of the year	<u>-</u>	<u>9,125</u>

b) Derivative financial asset – interest rate SWAP

As at 31 December 2024, the Company had three profit rate swap agreements in place with a local bank with a notional amount of SR 195.9 million, SR 159.9 million and SR 62.9 million respectively (31 December 2023: SR 355.9 million) whereby the Company pays fixed profit rate of approximately 5.75%, 6.38% and 6.36% respectively and receives floating profit rate equal to 1 months SAIBOR plus 1% on the notional amount. These profit rate swaps are classified as derivative instruments and not designated as hedging instruments, but are, nevertheless, intended to reduce the level of interest rate risk for expected interest payment on interest-bearing long- term loans. The carrying amount of the derivative asset was SR 1,336K as at 31 December 2024 (2023 Gain of SR 4,752K). The change in fair value gain was recognized in statement of profit and loss as part of the finance cost during the year ended 31 December 2024 SR 3,272 (31 December 2023: 4,752K).The valuation is done by the bank according to predetermined and market established practices.

	31 December 2024 <u>SR'000</u>	31 December 2023 <u>SR'000</u>
Balance at the beginning of the year	4,752	-
Movements due to changes in fair value	(3,416)	4,752
Balance at the end of the year	<u>1,336</u>	<u>4,752</u>

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**For the year ended 31 December 2024**

(Saudi Arabian Riyals in '000)

16. OTHER INVESTMENTS AND DERIVATIVE FINANCIAL ASSETS (CONTINUED)**c) Derivative financial Liability**

During the year ended 31 December 2024, PTC has entered into Callable Range Accrual Swap agreement and Profit Swap agreement with a notional amount of SAR 500 million and SAR 472 million respectively.

In Callable Range Accrual Swap agreement, the Company is to pay when the floating profit rate is higher than the floating profit rate plus spread (subject to range) for the applicable period and receive when floating profit rate plus spread (subject to range) is lower than the higher limit of the range as per the agreement. The subjected range as per the agreement is 0%-7%.

In Profit Swap agreement, the Company is to pay fixed rate of 5.2% and receives floating profit rate equal to 1 months SAIBOR plus 1% on the notional amount.

The Callable Range Accrual swap and Profit Swap agreement are classified as derivative instruments (fair value through profit or loss 'FVTPL') and not designated as hedging instruments, but are, nevertheless, intended to reduce the level of interest rate risk for expected interest payment on interest-bearing long-term loans. The carrying amount as at 31 December 2024 and change in fair value loss of the derivative liability is SR 4.9 million (2023: Nil). The valuation is done by the bank according to predetermined and market established practices.

During the year ended 31 December 2024, SAT (one of the other subsidiary) has entered into Callable Range Accrual Swap agreement and Profit Swap agreement with a notional amount of SAR 100 million and SAR 90 million respectively.

In Callable Range Accrual Swap agreement, the Company is to pay when the floating profit rate is higher than the floating profit rate plus spread (subject to range) for the applicable period and receive when floating profit rate plus spread (subject to range) is lower than the higher limit of the range as per the agreement. The subjected range as per the agreement is 0%-7%.

In Profit Swap agreement, the Company is to pay fixed rate of 4.8% and receives floating profit rate equal to 1 months SAIBOR plus 1% on the notional amount.

The Callable Range Accrual swap and Profit Swap agreement are classified as derivative instruments (fair value through profit or loss 'FVTPL') and not designated as hedging instruments, but are, nevertheless, intended to reduce the level of interest rate risk for expected interest payment on interest-bearing long-term loans. The carrying amount as at 31 December 2024 and change in fair value loss of the derivative liability is SR 929K (2023: NIL). The valuation is done by the bank according to predetermined and market established practices.

	31 December 2024 <u>SR'000</u>	31 December 2023 <u>SR'000</u>
Balance at the beginning of the year	-	-
Movements due to changes in fair value	<u>5,829</u>	-
Balance at the end of the year	<u>5,829</u>	-

17. CASH AND CASH EQUIVALENTS

	31 December 2024 <u>SR'000</u>	31 December 2023 <u>SR'000</u>
Cash on hand	876	711
Cash at bank	420,843	330,862
Short-term deposits	<u>128,024</u>	<u>102,675</u>
	<u>549,743</u>	<u>434,248</u>

As of 31 December 2024, the Group holds a designated bank balance of SR 90 million (2023: SR 88 million). This balance is for specific purposes, including distribution to shareholders and serving as collateral for Contractors and agent's deposits.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

(Saudi Arabian Riyals in '000)

17. CASH AND CASH EQUIVALENTS (CONTINUED)

The average rate on Short-term deposits during 2024 is 5% (2023: 4.5%) per annum with an average maturity of less than month.

18. SHARE CAPITAL

As at 31 December 2024, authorized and fully paid-up share capital of the Company is SR 1,250 million (31 December 2023: SR 1,250 million) divided into 125 million shares (31 December 2023: 125 million shares) of SR 10 each.

19. STATUTORY RESERVE

With the enforcement of the new Companies Law in the Kingdom of Saudi Arabia effective 19 January 2023, the accumulation of profits as statutory reserve is no longer required. Pursuant to that, the Company's shareholders, in the Ordinary General Assembly meeting held on 14 May 2024, decided to amend the Company's bylaws to be in line with the provisions of the new Companies' Law and removed the requirements related to the creation of a statutory reserve. These legal formalities for amending the Company's bylaws have been finalized on 10 June 2024.

20. GENERAL RESERVE

In accordance with the Company's by-law, the Ordinary General Assembly held on 14 May 2024, based on the recommendation of the Board of Directors, approved that the management of the Company may set aside any amount of the Company's available funds, for distributions to shareholders, as a general reserve. The objective of creation of general reserve includes, providing social benefits to the Company's employees, its subsidiaries, or for other purposes related to the Company as the Board of Directors may deem appropriate and in the interest of the Company.

21. MURABAHA FINANCING

The Group has entered into Murabaha arrangements with banks to obtain Murabaha facilities. These loans have a maturity of up to five years from the date of the Murabaha financing agreement bearing prevailing commission rates ranging between 1%-2% plus SIBOR, however, in order to cover the uncertainties associated with the SAIBOR, The Group entered into a profit rate swap and Callable agreement as detailed in Note 16 (b & c). The Group has obtained these loans in order to finance the procurement of buses.

Short-term Murabaha financing

During current year, the Group obtained short-term bank facilities from local banks amounted to SR 450 million in the form of Murabaha to finance operating activities. These financing are repayable within 3 months from the date of drawdown and are renewable for another 3 months at the end of each maturity date. The entire facility period is less than 360 days.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

(Saudi Arabian Riyals in '000)

21. MURABAHA FINANCING (CONTINUED)

Murabaha financing, including short term financing.

The Group has availed a total of SR 1,251 million Murabaha financing, including short term financing, from various local bank as at 31 December 2024 (31 December 2023: SR 1,296 million).

Murabaha and long-term financing are as follows:

	<u>Currency of the loan</u>	<u>Maturity date</u>	<u>Credit limit</u>	<u>31 December 2024 SR'000</u>	<u>31 December 2023 SR'000</u>
Local Bank 1	SR	2028	512,000	499,392	672,000
Local Bank 5	SR	2024	83,000	-	9,721
Local Bank 4	SR	2025	101,000	14,244	35,180
Local Bank 2	SR	2027	250,000	79,300	108,314
Local Bank 6	SR	2028	195,950	130,967	170,181
Local Bank 6	SR	2028	159,850	116,573	149,035
Local Bank 6	SR	2029	62,900	54,653	-
Total value				895,129	1,144,431
Less: Current portion of long-term Murabaha				(248,250)	(289,677)
Non-current portion of long-term Murabaha				646,879	854,754

The short-term current Murabaha financing and current portion of long-term Murabaha are as follows:

	<u>Currency of the loan</u>	<u>Credit limit</u>	<u>31 December 2024 SR'000</u>	<u>31 December 2023 SR'000</u>
Bank 1 - Current balance of long-term Murabaha	SR	512,000	118,892	158,000
Bank 5 - Current balance of long-term Murabaha	SR	83,000	-	9,721
Bank 4 - Current balance of long-term Murabaha	SR	101,000	14,244	20,950
Bank 2 - Current balance of long-term Murabaha	SR	250,000	30,588	29,091
Bank 6 - Current balance of long-term Murabaha	SR	195,950	39,333	39,341
Bank 6 - Current balance of long-term Murabaha	SR	159,850	32,567	32,574
Bank 6 - Current balance of long-term Murabaha	SR	62,900	12,626	-
Short-term Murabaha financing from local banks	SR	450,000	355,762	151,846
Total short-term Murabaha financing and current portion of long-term Murabaha			604,012	441,523

A summary of the Murabaha transaction is as follows:

	<u>31 December 2024 SR'000</u>	<u>31 December 2023 SR'000</u>
Balance at beginning of the year	1,296,277	1,631,514
Proceeds during the year	1,471,412	813,469
Interest cost incurred	94,654	82,331
Re-payments during the year	(1,517,241)	(1,149,659)
Interest cost paid	(94,211)	(81,378)
Balance at the end of the year	1,250,891	1,296,277

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES
(A Saudi Joint Stock Company)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2024
(Saudi Arabian Riyals in '000)

21. MURABAHA FINANCING (CONTINUED)

The balance of Murabaha was presented in the consolidated statement of financial position as follows:

	31 December 2024 <u>SR'000</u>	31 December 2023 <u>SR'000</u>
Short-term Murabaha financing	355,762	151,846
Current portion of Murabaha financing	248,250	289,677
Non-current portion recognized under non-current liabilities	<u>646,879</u>	<u>854,754</u>
	<u>1,250,891</u>	<u>1,296,277</u>

Murabaha financing terms.

The Group Murabaha is secured by way of promissory notes and carries no restrictive covenants.

22. CONTRACT LIABILITIES

The advance from customer has three advance payments received and represents 20% of the total contract value.

During 2020, the Public Transport Company (PTC) received the third advance payment for executing King Abdulaziz Project for public transport in Riyadh amounting to SAR 549 million (2019: second advance payment of SAR 549 million, 2015: first advance payment of SAR 471 million).

	31 December 2024 <u>SR'000</u>	31 December 2023 <u>SR'000</u>
Contract liabilities government related (a)	944,078	1,123,147
Contract liabilities non - government related (Note 25)	<u>24,790</u>	<u>9,542</u>
	<u>968,868</u>	<u>1,132,689</u>

	31 December 2024 <u>SR'000</u>	31 December 2023 <u>SR'000</u>
Current portion	235,672	234,832
Non-current portion	<u>733,196</u>	<u>897,857</u>
	<u>968,868</u>	<u>1,132,689</u>

(a) Movement in government related contract liabilities:

	31 December 2024 <u>SR'000</u>	31 December 2023 <u>SR'000</u>
Balance at the beginning of the year	1,123,147	1,294,584
Recognized during the year	<u>(179,069)</u>	<u>(171,437)</u>
	<u>944,078</u>	<u>1,123,147</u>

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**For the year ended 31 December 2024**

(Saudi Arabian Riyals in '000)

23. EMPLOYEES' BENEFITS LIABILITIES

	31 December 2024 <u>SR'000</u>	31 December 2023 <u>SR'000</u>
Balance at the beginning of the year	145,143	175,337
Current service cost	19,846	23,221
Interest cost	6,127	5,931
Benefits paid	(24,891)	(50,578)
Re-measurement of defined benefits obligations	(16,518)	(4,353)
Curtailment gains –net	(5,504)	(4,415)
Balance at the end of the year	<u>124,203</u>	<u>145,143</u>

Employees' benefits liabilities

	31 December 2024 <u>SR'000</u>	31 December 2023 <u>SR'000</u>
Current service cost	19,846	23,221
Interest cost incurred	6,127	5,931
Curtailment gains –net	(5,504)	(4,415)
Total employee benefit liabilities recognized in profit or loss	<u>20,469</u>	<u>24,737</u>

Curtailment gains reflects the redundancies as a result of end of concession during last quarter of 2023 as detailed in Note 1 to the financial statements.

Gains on revaluation recognized in OCI:

	31 December 2024 <u>SR'000</u>	31 December 2023 <u>SR'000</u>
Gains on revaluation in defined benefit scheme:		
Financial assumptions	(6,890)	3,481
Demographic assumptions	(1,518)	(8,245)
experience adjustments	(8,110)	411
Total re-measurement recognized in OCI	<u>(16,518)</u>	<u>(4,353)</u>

The re-measurement gains on defined benefit liabilities account appears in the statement of other comprehensive income is the amount of SR 17,216 (2023: 4,698) after adding / deducting the Group's share in the equity accounted investees which is as follows:

	31 December 2024 <u>SR'000</u>	31 December 2023 <u>SR'000</u>
Groups share of gain	(16,518)	(4,353)
Share of gain of equity accounted investees in the re-measurement of end of service liability	(698)	(345)
Total re-measurement recognized in OCI	<u>(17,216)</u>	<u>(4,698)</u>

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES
(A Saudi Joint Stock Company)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2024
(Saudi Arabian Riyals in '000)

23. EMPLOYEES' BENEFITS LIABILITIES (CONTINUED)

The weighted average duration of the defined benefit obligation as at 31 December 2024 is 3.90 years (2023: 6.77 years). An analysis of the maturity of the undiscounted benefit payments is as follow:

	31 December 2024	31 December 2023
	SR'000	SR'000
Within one year	32,342	27,013
After one year but not more than five years	55,524	52,281
More than five years	76,921	123,656
	164,787	202,950

The significant assumptions used in determining the defined benefits obligations are as follows:

Key actuarial assumption	31 December 2024	31 December 2023
Financial assumptions:		
- Discount rate - present value of the defined benefit obligation	5.10%	4.70%
- Future salary increases	4.80%	4.50%
- Withdrawal rate	High	Moderate
Demographic assumptions:		
- Retirement age	60 years	60 years
- Employee turnover rates:		
a. Service up to 6 years	30%	12%
b. Service from 7 to 25 years	11%	9%
c. Service more than 25 years	6%	4%

The mortality rate used is the Group's reinsurance mortality rate. The average rate for the next year is 0.36%.

A quantitative sensitivity analysis for significant assumptions on the employees' benefits are shown below:

	31 December 2024	31 December 2023
	Impact on defined benefit scheme	Impact on defined benefit scheme
Discount rate		
Increase by 1%	6,416	9,691
Decrease by 1%	(4,554)	(10,046)
Future salary increase		
Increase by 1%	(4,856)	(10,253)
Decrease by 1%	6,792	10,056
Withdrawal rate		
Increase by 1%	1,689	2,552
Decrease by 1%	680	(1,729)
Mortality rate		
Increase by 1%	1,505	426
Decrease by 1%	893	513

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES
(A Saudi Joint Stock Company)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2024
(Saudi Arabian Riyals in '000)

24. LEASE LIABILITIES

	31 December 2024	31 December 2023
	<u>SR'000</u>	<u>SR'000</u>
Balance as at beginning of the year	41,739	83,031
Additions during the year	16,123	1,547
Transfer during the year	(1,400)	-
Disposal during the year	(3,557)	(27,336)
Paid during the year	(14,727)	(17,668)
Annual interest cost	2,079	2,165
Balance as at the end of the year	<u>40,257</u>	<u>41,739</u>

	31 December 2024	31 December 2023
	<u>SR'000</u>	<u>SR'000</u>
Current portion	13,181	11,391
Non-current portion	27,076	30,348
Total	<u>40,257</u>	<u>41,739</u>

	Future lease payments	Interest	Present value of the minimum lease payments
Future minimum lease payments 2024			
Within one year	15,372	1,736	13,636
Two to five years	24,005	3,678	20,327
Later than 5 years	7,024	730	6,294
Total	<u>46,401</u>	<u>6,144</u>	<u>40,257</u>

	Future lease payments	Interest	Present value of the minimum lease payments
Future minimum lease payments 2023			
Within one year	12,948	1,560	11,388
Two to five years	27,453	2,899	24,554
Later than five years	6,250	453	5,797
Total	<u>46,651</u>	<u>4,912</u>	<u>41,739</u>

25. CONTRACT LIABILITIES OTHERS

Following is the movement in the non-government related contract liabilities

	31 December 2024	31 December 2023
	<u>SR'000</u>	<u>SR'000</u>
Balance at the beginning of the year	9,542	9,932
Cash collected from customers	337,553	520,557
Revenue recognized during the year	(322,305)	(520,947)
	<u>24,790</u>	<u>9,542</u>

Revenue recognised during current year included contract liabilities pertaining to the prior year amounting to SR 9.5 million (2023: 9.9 million).

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**For the year ended 31 December 2024**

(Saudi Arabian Riyals in '000)

26. TRADE PAYABLES

	31 December 2024 SR'000	31 December 2023 SR'000
Trade payables	61,447	53,850
Contractors and agents deposits	9,110	7,872
	70,557	61,722

27. RELATED PARTIES

Related parties of the Group comprise of shareholders having control, joint control, or significant influence over the entity, key management personnel and companies where shareholders have control, joint control, or significant influence. The transactions with related parties are made on terms approved by the Board of the Directors of the Group. The Group and its related parties engage in transactions with one another in the normal course of business. The key transactions and balances between the Group and its related parties are outlined as follows:

Significant balances resulted from the above transactions the Group and its related parties are as follows:

	Relationship	Nature of Transactions	31 December 2024 SR'000	31 December 2023 SR'000
<u>Related party</u>				
Saudi Emirates Integrated Transport Limited Company (SEITCO)	Joint Venture	Finance income (note-35b)	3,201	2,295
		Services received	(3,166)	(139)
		Services rendered	31,173	11,616
Capital Metro Company Ltd (CAMCO)	Associate	Services rendered	806	806
RATP Development (French company)	Companies with significant influence over subsidiary	Services rendered	8,055	8,307
RATP Dev Saudi Arabia (LLC)	Companies with significant influence over subsidiary	Services rendered	30,504	40,499
NEX Continental Holdings	Companies with significant influence over subsidiary	Services rendered	4,284	-

A- Due from related parties

	31 December 2024 SR'000	31 December 2023 SR'000
<u>Non-current portion</u>		
Saudi Emirates Integrated Transport Limited Company*	37,224	39,023
<u>Current portion</u>		
Saudi Emirates Integrated Transport Limited Company**	26,119	39,849
Capital Metro Company Ltd (CAMCO)	2,350	1,545
Total current receivable	28,469	41,394
Total due from related parties	65,693	80,417

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**For the year ended 31 December 2024**

(Saudi Arabian Riyals in '000)

27. RELATED PARTIES (CONTINUED)**B- Due to related parties**

	31 December 2024	31 December 2023
	<u>SR'000</u>	<u>SR'000</u>
<u>Current portion</u>		
RATP Development (French company)	2,747	5,634
RATP Dev Saudi Arabia (LLC)	14,012	7,618
NEX Continental Holdings	2,161	981
Total due to related parties	<u>18,920</u>	<u>14,233</u>

The joint venture

* During 2014, the Company has funded the operating activities of SEITCO by an amount of SR 30 million. This amount is not subject to any interest and SR 20 million from the value of the loan has been repaid during prior years and management expects to recover the remaining amount of SR 10 million during 2025, 2026 and 2027. The loan has been recognized at the present value. In addition, during 2016, the Company has provided two additional finances totaling to SR 40 million to finance operations for the implementation of government school transport contracts. The loan has been recognized at the present value. Management expects to receive the remaining amount during 2025, 2026 and 2027.

**In 2019, the Company sold 350 buses for a total of SR 33.6 million to Saudi Emirates Integrated Transport Limited Company (SEITCO). In 2024, the Company collected SR 27 million and expects to receive the remaining balance in 2025. Additionally, the current balance includes amounts related to technical services provided, as well as rental and employee expenses incurred on behalf of the joint venture.

The Group is a government related entity since Public Investment Fund (PIF), being the sovereign wealth fund of the Kingdom of Saudi Arabia has significant influence on the Group. The Group transacts business with related parties which include transactions with entities which are either controlled or jointly controlled by PIF. The Group has used the exemptions in respect of related party disclosures for government-related entities in IAS 24 "Related Party Disclosures"

The company during the year ended 31 December 2024 had recorded revenue by SR 877 million from government entities (2023: SR 670 million). As of 31 December 2024 receivables included SR 935 million from government entities (2023: SR 1,127 million).

The significant transactions between the Group and key management personnel are as follows:

Transactions with key management personnel:

	31 December	31 December
	2024	2023
	<u>SR'000</u>	<u>SR'000</u>
Board expenses and allowances	5,393	4,913
Compensations of the key management personnel (*)	24,261	19,465

(*) Compensations of the key management personnel:

	31 December	31 December
	2024	2023
	<u>SR'000</u>	<u>SR'000</u>
Short-term employees' benefits	23,475	18,744
Long-term benefits	786	721
	<u>24,261</u>	<u>19,465</u>

Key management personnel compensation includes salaries and employees' defined benefit liabilities.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**For the year ended 31 December 2024**

(Saudi Arabian Riyals in '000)

28. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	31 December 2024	31 December 2023
	SR'000	SR'000
Accrued expenses	105,424	164,763
VAT payable	90,534	45,525
Employee accruals	89,888	94,350
Advance from customers	2,206	-
Dividends payable	81,419	81,564
Other payables	31,168	18,019
	<u>400,639</u>	<u>404,221</u>

29. ZAKAT AND INCOME TAX**a. Zakat**

The Zakat charge for the year amounts to SR 7.4 million (31 December 2023: SR 9.4 million).

Movement in Zakat Provision

The movement in the provision for zakat is as follows:

	31 December 2024	31 December 2023
	SR'000	SR'000
Balance at the beginning of the year	15,552	23,435
Reversal of zakat provision no longer required	-	(12,804)
Zakat provision for the year	7,400	9,443
Paid during the year	(5,721)	(4,522)
Balance at the end of the year (a)	<u>17,231</u>	<u>15,552</u>

Zakat is calculated based on the zakat base of the Company and its subsidiaries separately. The Company submitted zakat declarations until 2023 and obtained the necessary zakat certificates until April 2024.

The Zakat, Tax and Customs Authority (the Authority) has issued its final zakat assessments for the company until 2020. The main components of zakat base for Saudi Public Transport Company and its subsidiaries were as follows:

The parent Company's Zakat base is calculated as follows:

Description	31 December 2024	31 December 2023
	SR'000	SR'000
Share capital	1,250,000	1,250,000
Total adjusted loss	18,795	64,428
Provisions and reserves carried forward	180,290	226,030
Murabaha loans	1,046,277	1,054,431
Others	650,706	673,282
Total	<u>3,146,068</u>	<u>3,268,171</u>
Less:		
Property and equipment, net	992,558	1,049,625
Long term investments	147,679	22,472
Inventories of spare parts	10,477	60,444
Carried forward losses	335,915	358,611
Others	1,363,439	1,402,275
Zakat base	<u>296,000</u>	<u>374,744</u>
Zakat payable	<u>7,400</u>	<u>9,443</u>

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES
(A Saudi Joint Stock Company)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2024
(Saudi Arabian Riyals in '000)

29. ZAKAT AND INCOME TAX (CONTINUED)

b. Income tax

Movement of Provision for income tax

The movement in the provision for income tax was as follows:

	31 December 2024	31 December 2023
	SR'000	SR'000
Balance at the beginning of the year	2,951	332
Charged during the year	6,766	3,053
Paid during the year	(2,801)	(434)
Balance at the end of the year (b)	6,916	2,951
Total Zakat and tax payable at the end of the year (a+b)	24,147	18,503

The subsidiary filed the Zakat and tax return to the Zakat, Tax and Customs Authority ("ZATCA") up to the year 2023.

No Zakat assessment has yet been made by the ZATCA. However, SAPTCO has completed the primary assessment for 2021, 2022 and 2023 and provide all ZATCA requirements. For DMS Zakat assessment has been completed by the ZATCA up to 31 December 2023. For PTC ZATCA returns have been filed up to 2023 and awaiting confirmation of assessment by ZATCA. SAT will file their first return in the year 2025 corresponding to the period ended 31 December 2024.

Charged to statement of profit or loss is as follows:

	31 December 2024	31 December 2023
	SR'000	SR'000
Zakat charged during the year	7,400	9,443
Income tax	6,766	3,053
Deferred tax payable from subsidiary	(292)	(40)
Expense charged to profit or loss	13,874	12,456

c. Deferred tax assets

Deferred tax asset is recognized in respect of following

	31 December 2024	31 December 2023
	SR'000	SR'000
Deductible temporary differences		
Employee benefits	15,507	11,387
Tax depreciation	(6,326)	(2,807)
	9,181	8,580
Foreign Shareholding – 20%		
Accumulated losses	3,176	1,716
Total deductible differences	635	343

	31 December 2024	31 December 2023
	SR'000	SR'000
Deferred tax movement		
Balance at beginning of the year	343	303
Deferred tax credit	292	40
	635	343

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES
(A Saudi Joint Stock Company)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2024
(Saudi Arabian Riyals in '000)

30. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

a. Contingent liabilities

As at 31 December 2024, the Group's bankers have issued on its behalf during the normal course of business guarantees, acceptances and documentary credit with a maximum of SR1,582 million (31 December 2023: SR 3,117 million). These include performance guarantees given on behalf of subsidiaries and associates.

b. Capital commitments.

As at 31 December 2024, the Group had commitment of SR 61.38 million (31 December 2023: 54.7) relating to the procurement of buses.

31. REVENUES

	31 December 2024	31 December 2023
	<u>SR'000</u>	<u>SR'000</u>
Revenues from concession arrangements for the King Abdul- Aziz Project for Public Transport in Riyadh		
- Bus operation	522,188	461,966
- Facility management	56,387	55,608
- Depot construction	-	2,617
- Traffic control centre	28,137	26,434
- Ridership incentive	3,744	-
Revenues from passenger transport	199,139	471,742
Revenues from specialized services	453,748	444,684
Revenue from Technical Services	43,492	6,800
Revenues from digital mobility solutions	55,855	25,826
Revenues from urban services	96,947	73,979
	<u>1,459,637</u>	<u>1,569,656</u>

Geographical markets:

	31 December 2024	31 December 2023
	<u>SR'000</u>	<u>SR'000</u>
Revenue from operations within Kingdom of Saudi Arabia	1,455,021	1,567,337
Revenues from international operations	4,616	2,319
	<u>1,459,637</u>	<u>1,569,656</u>

Performance obligations

Information about the Group's performance obligations are summarized in Note 5.4 to the financial statement.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**For the year ended 31 December 2024**

(Saudi Arabian Riyals in '000)

32. COST OF REVENUES

	31 December 2024	31 December 2023
	<u>SR'000</u>	<u>SR'000</u>
Salaries and other related expenses	396,821	510,653
Depreciation and amortization expenses	188,664	188,024
Outsource human capital services*	131,713	144,955
Bus repairs and maintenance	229,056	229,965
Advisory**	69,403	71,979
Visa and iqama fees	47,091	66,259
Property and Buses insurance expense	26,390	18,168
Rent***	14,068	16,144
Reversal of net realizable assessment of Inventory	(12,194)	(253)
Others	65,060	48,589
	<u>1,156,072</u>	<u>1,294,483</u>

*: Represents outsourced drivers, cleaning, security and technical staff cost.

** : This encompasses the technical and operational advisory services provided for the operations of the King Abdulaziz Project by PTC.

***: Rents includes short term low value rental contracts including buildings, apartment and busses.

33. SELLING AND DISTRIBUTION EXPENSES

	31 December 2024	31 December 2023
	<u>SR'000</u>	<u>SR'000</u>
Local agents' commissions	5,998	26,747
Advertisements	3,390	2,615
International agents' commissions	3,358	644
Advertisement and promotion	3,241	6,347
	<u>15,987</u>	<u>36,353</u>

34. GENERAL AND ADMINISTRATIVE EXPENSES

	31 December 2024	31 December 2023
	<u>SR'000</u>	<u>SR'000</u>
Salaries and other related expenses	80,288	78,764
Depreciation and amortization expenses	11,741	8,618
Management consulting expenses	8,498	14,909
Outsource human capital services	6,158	5,171
Visa and iqama fees	5,918	2,035
Telephone and internet expenses	4,172	2,316
Remunerations, expenses and allowances of the Board of Directors and sub-committees (note 27)	5,393	4,913
Rent*	2,195	503
Property insurance expense	2,092	2,829
Repairs and maintenance expenses	1,365	302
IT services expenses	671	5,744
Guarantee fees	5,442	4,141
Others	8,028	11,142
	<u>141,961</u>	<u>141,387</u>

*: Rents includes short term low value rental contracts including buildings, and apartment.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES
(A Saudi Joint Stock Company)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2024
(Saudi Arabian Riyals in '000)

35 FINANCE COSTS AND INCOME

a) Finance cost

	31 December 2024 <u>SR'000</u>	31 December 2023 <u>SR'000</u>
Interest on loans and borrowings	95,951	82,331
Interest on employees defined benefit obligation	6,127	5,931
Fair value loss on derivative instruments	5,829	-
Interest on profit rate SWAP agreements	5,212	1,611
Interest on lease liabilities	2,079	2,165
	<u>115,198</u>	<u>92,038</u>

b) Finance income

	31 December 2024 <u>SR'000</u>	31 December 2023 <u>SR'000</u>
Interest income on profit rate SWAP agreements	8,616	1,666
Income from short term Murabaha deposits	5,214	3,411
Fair value gain on derivative instruments	376	4,752
Interest income on Loan related parties	3,201	2,295
	<u>17,407</u>	<u>12,124</u>

36. ASSETS HELD FOR SALE

	31 December 2024 <u>SR'000</u>	31 December 2023 <u>SR'000</u>
Total assets held recognized in financial position	<u>14,177</u>	<u>39,300</u>
		31
	31 December 2024 <u>SR'000</u>	December 2023 <u>SR'000</u>
Total Reversal/ (impairment) of impairment on assets held for sale recognized in profit or loss	<u>2,959</u>	<u>(17,309)</u>

*During the year ended 31 December 2024, the Group's management according to the minutes of the Board of Directors meeting No. 373 dated May 19, 2024, decided to sell some of its buses that are used in passenger transportation operations. However, conditions to classify those busses as held for sale was met year end hence, such buses have been reclassified as assets held for sale. The measurement process resulted in losses of SR 3.8 million (2023: SR 17.3 million), which represents the difference in the fair value less cost to sell amounting to SR 5.4 against a net book value of SR 9.2 million (2023: SR 39.3 million and net book of these busses amounting to SR 56.6 million). The fair value less cost to sell is determined by quote received from an external and independent third party and are classified under Level 2 using other observable inputs. Accordingly, the difference between fair value less cost to sell and net book value has been recognized as an impairment losses of buses held for sale in the consolidated statement of profit or loss.

SAUDI PUBLIC TRANSPORT COMPANY AND ITS SUBSIDIARIES

(A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**For the year ended 31 December 2024**

(Saudi Arabian Riyals in '000)

36. ASSETS HELD FOR SALE (CONTINUED)

**During 2023, the Group's management as per the minutes of the Board of Directors meeting No. 370 dated September 14, 2023, and Board of Directors meeting No.371 dated December 11, 2023 decided to sell some of its buses that are used in passenger transportation. Accordingly, such buses have been reclassified as assets held for sale. The measurement process resulted in losses of SR 17.3 million, which represents the difference in the fair value less cost to sell amounting to SR 39.3 million and net book of these busses amounting to SR 56.6 million. The fair value less cost to sell is determined by quote received from an external and independent third party and are classified under Level 2 using other observable inputs. Accordingly, the difference between fair value less cost to sell and net book value has been recognized as an impairment losses of buses held for sale in the consolidated statement of profit or loss. In 2024, the Group sold a portion of the buses that were classified as held for sale in 2023 for SR 37 million, with a net book value of SR 27 million. This transaction led to a reversal of an impairment loss on non-current assets held for sale amounting to approximately SR 9.9 million. In 2025 Company has signed a contract and is in the process of disposing remaining busses with estimated loss of SR 3.2 million.

37. OTHER INCOME

	31 December 2024	31 December 2023
	<u>SR'000</u>	<u>SR'000</u>
Rental income	5,876	6,205
Gains on sale of property, busses and equipment	3,897	305
Suppliers' penalties	127	8,645
Gains on scrape	-	648
Reversal of Zakat provision	-	12,804
Others	7,977	8,140
	<u>17,877</u>	<u>36,747</u>

The other income has been presented within the operating income as the activities are driven from the Company's main business activity.

38. LOSS PER SHARE

Basic earnings/loss per share (BEPS) is determined by dividing the income for the year attributable to the parent company's ordinary shareholders by the weighted average number of outstanding ordinary shares during the year. Additionally, since there are no dilutive potential ordinary shares, the diluted earnings/loss per share (DEPS) is the same as the basic earnings/loss per share (BEPS).

The following table reflects the income and share data used in the calculation of basic and adjusted earnings per share:

	2024	2023
	<u>SR'000</u>	<u>SR'000</u>
Loss attributable to ordinary shareholders of the parent company for basic loss.	(9,628)	(35,584)
	<u>2024</u>	<u>2023</u>
Weighted average number of ordinary shares for basic loss per share	000	000
	125,000	125,000
	<u>2024</u>	<u>2023</u>
	SR	SR
Basic and diluted loss per share	(0.08)	(0.28)

Thank You

Head Office: Building No. 7995
Riyadh, AlNakheel District, Takhasosi Street
P.O. Box 10667
Riyadh 11443
(+966) 9200 26 888
Saudi Arabia
www.saptco.com.sa



تحت إشراف الهيئة العامة للنقل

