LUMI RENTAL COMPANY
(A Saudi Joint Stock Company)

FINANCIAL STATEMENTS
For the year ended 31 December 2023
together with
INDEPENDENT AUDITOR'S REPORT

LUMI RENTAL COMPANY
(A Saudi Joint Stock Company)

FINANCIAL STATEMENTS
TABLE OF CONTENTS

KPMG Professional Services
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
واجهة روشن، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

Independent Auditor's Report

To the Shareholders of Lumi Rental Company

Opinion

We have audited the financial statements of Lumi Rental Company ("the Company"), which comprise the statement of financial position as at 31 December 2023, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board 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 Financial Statements section of our report. We are independent of the Company in accordance with the 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 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.

Independent Auditor's Report

To the Shareholders of Lumi Rental Company (continued)

Key Audit Matters

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

See Note 5 and 7 to the financial statements.	
The key audit matter	**How the matter was addressed in our audit**
Vehicles owned by the Company as at 31 December 2023 amounted to SR 2,712 million (2022: SR 1,472 million) representing 95% (2022: 94%) of total non-current assets which are measured at cost less accumulated depreciation and any impairment. The management is required to assess the residual value at least at each financial year-end and evaluate if there are any revision required. Depending on the results of such analysis, changes may be accounted as a change in accounting estimate through changes in prospective depreciation. The future residual values are mostly influenced by the estimated useful life of the vehicle, potential usage, customer base, manufacturer, overall state of the vehicle, as well as the evolution of the used-vehicles markets. The residual values for the vehicles operated by the Company varies at the actual time of disposal depending on the aforementioned factors, thus, the future value estimation as performed by the management is based on a number of estimations and judgmental assumptions. The Company revised the residual values of its vehicle fleet during the year ended 31 December 2023, considering both external and internal factors to the Company such as: actual sales of used vehicles throughout the year and previous years, correlation of such values at the year end with the factors mentioned above. Due to the significance of the value of vehicles, the significance of the estimation uncertainty involved in determining the residual values of the vehicles, we consider this to be a key audit matter.	• We obtained an understanding of the residual value policy framework as designed and implemented at Company level. • We have discussed and reviewed management's analysis of the impact on the residual value considering the estimated useful life of the vehicle, potential usage, customer base, manufacturer, overall state of the vehicles, as well as the evolution of the used-vehicles markets. • We have tested the car sales information and data used for the estimation of the residual value. • Tested the mathematical accuracy of the entity's calculation of the depreciation in light of the revision of residual value estimate. • Assessed the disclosures in the financial statements as required by IAS 16 and IAS 8 and assessed whether the adjustments due to the revision of residual value has been appropriately reflected in the financial statements and underlying accounting records.

Independent Auditor's Report

To the Shareholders of Lumi Rental Company (continued)

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 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 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 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 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, the Board of Directors, are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditor's Report

To the Shareholders of Lumi Rental Company (continued)

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

- 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 Company'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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 Lumi rental company ("the Company").

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 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

Dr. Abdullah Hamad Al Fozan
License No.: 348

Riyadh on 26 March 2024
Corresponding to: 16 Ramadan 1445H

LUMI RENTAL COMPANY
(A Saudi Joint Stock Company)
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note	31 December 2023 SR	31 December 2022 SR
ASSETS			
Non-current assets			
Vehicles	7	**2,712,217,951**	1,472,019,728
Other property and equipment	8	**14,217,943**	6,736,979
Right of use asset	9	**89,294,556**	72,717,488
Capital work in progress	10	**40,166,064**	9,530,886
Intangible asset		**1,879,813**	-
		2,857,776,327	1,561,005,081
Current assets			
Trade receivables	11	**242,398,535**	173,600,069
Prepayments and other receivables	12	**103,064,791**	58,801,334
Cash and cash equivalents	14	**41,251,116**	49,466,261
Inventories		**1,911,202**	1,453,536
		388,625,644	283,321,200
TOTAL ASSETS		**3,246,401,971**	1,844,326,281
EQUITY AND LIABILITIES			
EQUITY			
Share capital	15	**550,000,000**	550,000,000
Retained earnings		**425,555,090**	264,065,315
Other reserve	16	**20,291,205**	-
Statutory reserve	17	**29,476,955**	29,476,955
TOTAL EQUITY		**1,025,323,250**	843,542,270
LIABILITIES			
Non-current liabilities			
Loans and borrowings	19	**933,163,616**	364,659,091
Lease liabilities	20	**55,538,733**	46,024,404
Employees' end of service benefits	18	**17,687,218**	13,173,682
		1,006,389,567	423,857,177
Current liabilities			
Trade payables	21	**725,976,076**	392,122,179
Loans and borrowings	19	**412,843,451**	128,227,273
Lease liabilities	20	**33,621,510**	28,384,838
Accruals and other liabilities	22	**37,515,884**	23,513,491
Zakat payable	23	**4,732,233**	4,679,053
		1,214,689,154	576,926,834
TOTAL LIABILITIES		**2,221,078,721**	1,000,784,011
TOTAL EQUITY AND LIABILITIES		**3,246,401,971**	1,844,326,281

Abdullah Nasser Al Dawood	Azfar Shakeel	Sulaiman Al Rasheed
Board Member	*CEO*	*CFO*

The accompanying notes from 1 to 34 form an integral part of these financial statements

LUMI RENTAL COMPANY
(A Saudi Joint Stock Company)
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	**31 December 2023 SR**	31 December 2022 SR
Revenue	*24*	**1,105,577,633**	782,630,550
Cost of revenue	*25*	**(725,065,634)**	(522,579,837)
Gross profit		**380,511,999**	260,050,713
Operating expenses			
General and administrative expenses	*26*	**(118,707,458)**	(59,093,237)
Impairment loss on trade receivables	*11*	**(17,534,900)**	(16,280,982)
Impairment loss on other receivables	*12*	**(1,339,707)**	(19,249,908)
Employee incentive	*16*	**(20,319,899)**	-
Other income		**10,488,940**	7,080,086
Profit from operations		**233,098,975**	172,506,672
Finance charges	*27*	**(67,744,235)**	(24,164,840)
Profit before zakat		**165,354,740**	148,341,832
Zakat charge for the year	*23*	**(4,732,233)**	(4,679,053)
Profit for the year		**160,622,507**	143,662,779
Other comprehensive income:			
Item that will not be reclassified subsequently to profit or loss:			
Re-measurement of employees' end of service benefits	*18*	**867,268**	922,653
Other comprehensive income for the year		**867,268**	922,653
Total comprehensive income for the year		**161,489,775**	144,585,432
Earnings per share – Basic and Diluted	*28*	**2.92**	2.61

Abdullah Nasser Al Dawood	Azfar Shakeel	Sulaiman Al Rasheed
Board Member	*CEO*	*CFO*

The accompanying notes from 1 to 34 form an integral part of these financial statements

LUMI RENTAL COMPANY
(A Saudi Joint Stock Company)
STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2023

	Note	Share capital SR	Other Reserve SR	Statutory reserve SR	Retained earnings SR	Total SR
Balance at 1 January 2022		550,000,000	-	15,110,677	133,846,161	698,956,838
Profit for the year		-	-	-	143,662,779	143,662,779
Other comprehensive loss		-	-	-	922,653	922,653
Total comprehensive income		-	-	-	144,585,432	144,585,432
Transferred to statutory reserve	*17*	-	-	14,366,278	(14,366,278)	-
Balance as at 31 December 2022		550,000,000	-	29,476,955	264,065,315	843,542,270
Profit for the year		-	-	-	**160,622,507**	**160,622,507**
Other comprehensive income		-	-	-	**867,268**	**867,268**
Total comprehensive income		-	-	-	**161,489,775**	**161,489,775**
Transaction with parent	*16*	-	**20,291,205**	-	-	**20,291,205**
Balance as at 31 December 2023		**550,000,000**	**20,291,205**	**29,476,955**	**425,555,090**	**1,025,323,250**

Abdullah Nasser Al Dawood
Board Member

Azfar Shakeel
CEO

Sulaiman Al Rasheed
CFO

The accompanying notes from 1 to 34 form an integral part of these financial statements

LUMI RENTAL COMPANY
(A Saudi Joint Stock Company)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	31 December 2023	31 December 2022
Cash flows from operating activities			
Profit for the year		**160,622,507**	143,662,779
Adjustments for:			
Depreciation of:			
- Vehicles	*7*	**237,758,090**	241,648,997
- Right of use asset	*9*	**29,407,611**	21,397,848
- Other property plant and equipment	*8*	**2,665,632**	1,729,534
- Intangible asset		**54,770**	-
Employee end of service benefits provision	*18*	**4,990,862**	3,354,408
Impairment loss on trade receivables	*11*	**17,534,900**	16,280,982
Impairment loss on other receivable	*12*	**1,339,707**	19,249,908
Net book value of vehicles movement*	*25*	**272,680,485**	145,401,180
Gain on sale of land		**-**	(181,840)
Employee Incentive	*16*	**20,319,899**	-
Financial charges	*27*	**64,738,953**	22,171,033
Finance charge on lease liability	*20*	**3,005,282**	1,993,807
Provision for zakat	*23*	**4,732,233**	4,679,053
Net changes in working capital:			
Trade receivables		**(86,333,366)**	1,715,243
Inventories		**(457,666)**	(1,062,571)
Prepayments and other receivables		**(45,603,164)**	(18,786,358)
Related parties, net		**-**	(14,771,400)
Trade and other payables		**334,611,924**	160,375,401
Accruals and other payables		**14,002,393**	7,827,924
Cash generated from operating activities		**1,036,071,052**	756,685,928
Interest paid		**(57,079,631)**	(22,209,203)
Employee benefits paid	*18*	**(368,085)**	(581,753)
Additions to the vehicles	*7*	**(1,750,636,798)**	(807,716,871)
Zakat paid	*23*	**(4,679,053)**	(3,052,478)
Net cash used in operating activities		**(776,692,515)**	(76,874,377)
Cash flows from investing activities			
Sale proceeds from disposal of land		**-**	12,500,000
Acquisition of investment		**-**	(2,000,000)
Acquisition of capital work in progress	*10*	**(30,635,178)**	(9,530,886)
Acquisition of other property plant and equipment	*8*	**(10,146,596)**	(2,351,186)
Acquisition of intangible asset		**(1,934,583)**	-
Net cash (used in)/from investing activities		**(42,716,357)**	(1,382,072)
Cash flow from financing activities			
Repayment of loans and borrowings	*19*	**(230,615,150)**	(54,113,636)
Proceeds from loans and borrowings	*19*	**1,076,173,039**	547,000,000
Related party, net	*13*	**-**	(358,623,626)
Lease interest paid	*20*	**(3,005,282)**	(1,993,807)
Principal repayment of lease liabilities	*20*	**(31,358,880)**	(21,887,852)
Net cash flows from financing activities		**811,193,727**	110,381,079
Net(decrease)/increase in cash and cash equivalents		**(8,215,145)**	32,124,630
Cash and cash equivalents at 1 January		**49,466,261**	17,341,631
Cash and cash equivalents at 31 December	*14*	**41,251,116**	49,466,261

*Inventory with the net book value of SR 1.6 million remained unsold at the year ended 31 December 2023 (31 December 2022: SR 1.03 million)

Abdullah Nasser Al Dawood	Azfar Shakeel	Sulaiman Al Rasheed
Board Member	*CEO*	*CFO*

The accompanying notes from 1 to 34 form an integral part of these financial statements.

1. LEGAL STATUS AND NATURE OF OPERATIONS

Lumi Rental Company (the "Company") is a Saudi Joint Stock Company registered in Riyadh, Kingdom of Saudi Arabia under commercial registration numbered 1010228226 issued on 23 Muharram 1428H (corresponding to 10 February 2007).

The Company is 70% owned subsidiary of Seera Group Holding (A Saudi Joint Stock Company) (the "Parent"), a company registered in Riyadh, the Kingdom of Saudi Arabia.

The objective of the Company is buying, leasing and renting vehicles, through its 51 Branches, Workshops, Showrooms and Parking yards across the Kingdom of Saudi Arabia.

The Capital Market Authority (CMA) provided approval on 29 March 2023 to Lumi Rental Company to register and offer 16.5 million shares, or 30% of its share capital, on the Saudi Exchange (Tadawul). On 25 September 2023, the Company's shares started trading on Tadawul as a Joint Stock Company.

Certain comparative figures have been reclassified to conform to the current year presentation.

1.1 Branches, Workshops, Showrooms and Parking yards

Commercial Registration No.	Registration date	Gregorian Date	Location
1010079694	1411/04/06	26-10-1990	Riyadh
1010324433	1433/02/13	8-1-2012	Riyadh
1010567276	1440/07/18	25-03-2019	Riyadh
1010569335	1440/07/27	3-4-2019	Riyadh
1010599904	1441/02/18	18-10-2019	Riyadh
1010599908	1441/02/18	18-10-2019	Riyadh
1010616188	1441/04/11	9-12-2019	Riyadh
1010627470	1441/06/23	18-02-2020	Riyadh
1010638731	1441/10/22	14-06-2020	Riyadh
1010678326	1442/05/19	3-1-2021	Riyadh
1010695162	1442/08/08	22-03-2021	Riyadh
1010788058	1443/08/04	8-3-2022	Riyadh
1131298375	1440/07/21	28-03-2019	Qassim
2050085522	1433/10/11	29-08-2012	Dammam
2050125982	1440/09/16	21-05-2019	Dammam
2050125983	1440/09/16	21-05-2019	Dammam
2050125984	1440/09/16	21-05-2019	Dammam
2051228260	1441/03/08	6-11-2019	Khobar
2055026257	1439/02/11	01-11-2017	Jubail
2055126812	1441/03/08	6-11-2019	Jubail
2251495553	1441/02/09	9-10-2019	AlHafof
2051226156	1440/09/16	21-05-2019	Khobar
3350161126	1443/12/21	21-07-2022	Hail
3350162620	1444/04/08	3-11-2022	Hail
3400120071	1442/02/10	28-09-2020	Sakaka
3550129516	1440/10/27	01-07-2019	Tabuk
3550134190	1442/02/05	23-09-2020	Tabuk

1. LEGAL STATUS AND NATURE OF OPERATIONS (CONTINUED)

1.1 Branches, Workshops, Showrooms and Parking yards (continued)

Commercial Registration	Registration date	Gregorian Date	Location
3550146188	1444/01/05	3-8-2022	Tabuk
3552101601	1442/02/05	23-09-2020	Al Wajh
4030279663	1436/03/08	30-12-2014	Jeddah
4030293122	1438/05/05	2-2-2017	Jeddah
4030367715	1441/02/18	18-10-2019	Jeddah
4030367717	1441/02/18	18-10-2019	Jeddah
4030368604	1441/03/02	31-10-2019	Jeddah
4030369035	1441/03/08	6-11-2019	Jeddah
4031268637	1444/01/03	1-8-2022	Makkah
4032251684	1443/01/10	19-08-2021	Al Taif
4650077802	1436/05/10	1-3-2015	Al Madinah
4650245988	1443/11/27	27-06-2022	Al Madinah
4651102370	1441/04/20	18-12-2019	Al Ula
4651102639	1442/02/05	23-09-2020	Al Ula
4700020105	1438/02/20	11/20/2016	Yanbu
4700020204	1438/06/10	9-3-2017	Yanbu
4700112044	1442/02/05	23-09-2020	Yanbu
5800106763	1442/11/13	23-07-2021	Al Baha
5855070552	1438/05/05	2-2-2017	Khamis Mushait
5900120565	1441/03/08	6-11-2019	Jizan
5900137507	1444/04/09	4-11-2022	Jizan
3550146264	1444/01/06	4-8-2022	Tabuk
4031234013	1441/04/11	12-8-2019	Makkah

2. STATEMENT OF COMPLIANCE WITH IFRS ACCOUNTING STANDARDS

These financial statements have been prepared in accordance with IFRS Accounting Standards that are endorsed in Kingdom of Saudi Arabia (“KSA”) and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”) (collectively referred to “IFRSs endorsed in KSA”).

3. STANDARDS, INTERPRETATIONS, AND AMENDMENTS TO EXISTING STANDARDS

a) Standards, interpretations and amendments issued

This table lists the recent changes to the standards that are required to be applied for an annual period beginning after 1 January 2023. These standards and amendments do not have any material impact on the Company's financial statements.

Standards	Title	Effective date
IAS 1 and IFRS practice statement 2	Amendments to IAS 1: Disclosure of Accounting policies	1 January 2023
IFRS 17	Insurance contracts	1 January 2023
IAS 12	Deferred Tax related to Assets and Liabilities arising from a single transaction	1 January 2023
IAS 8	Definition of Accounting Estimate	1 January 2023
IFRS 10 and IAS 28	Sale or contribution of assets between investor and its associate or joint venture (amendments to IFRS 10 and IAS 28)	Available for optional adoption / effective date deferred indefinitely

b) Standards, interpretations and amendments issued but not yet effective

The standards, interpretations and amendments issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, where applicable, when they become effective and currently assessing the implication on Companies financial statements on adoption.

Standards	Title	Effective date
IAS 1	Amendments to IAS 1: Classification of Liabilities as Current or Non-Current	1 January 2024
IAS 7 and IFRS 7	Supplier finance arrangement	1 January 2024
IAS 21	Lack of exchangeability	1 January 2025
IAS 1	Amendments to IAS 1: Noncurrent liabilities with Covenants	1 January 2024
IFRS 16	Amendment to IFRS 16: Lease liability in sale and leaseback	1 January 2024

c) Standards, interpretations and amendments issued but not yet effective

Following are the new IFRS sustainability disclosure standards effective for annual periods beginning on or after 1 January 2024 subject to endorsement of the standards by SOCPA.

Standards	Title	Effective date
IFRS 1 S1	General requirements for disclosure of sustainability-related financial information	1 January 2024
IFRS 2 S2	Climate-related disclosures'	1 January 2024

4. BASIS OF PREPARATION

4.1 Overall consideration

These financial statements have been prepared using the measurement bases specified by IFRSs for each type of asset, liability, income, and expense. The measurement bases are more fully described in the accounting policies.

The material accounting policies adopted in the preparation of these financial statements are set out in note 6. The accounting policies have been consistently applied to all the years presented unless otherwise stated.

The preparation of these financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires the Company's management to exercise judgment in applying the Company's accounting policies. The areas where significant judgments and estimates have been made in preparing these financial statements and their effect are disclosed in note 5.

4.2 Basis of Measurement

These financial statements have been prepared on the historical cost basis, except for the following:

- Employees' end of service benefits measured at the present value of future obligations using the Projected Unit Credit Method; and

Furthermore, these financial statements are prepared on a going concern basis.

4.3 Financial year end

The Company's financial year starts from 1 January and ends on 31 December in each Gregorian calendar year.

4.4 Functional and presentation currency

The financial statements are presented in Saudi Riyal ("SR"), which is also the Company's functional currency.

5. USE OF JUDGEMENT AND ESTIMATES

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. Information about judgements made in applying accounting policies that have the most material effect on the amounts recognised in the financial statements is mentioned below:

Useful lives and residual value of Vehicles
An estimate of the useful lives and residual values of vehicles is made for the purposes of calculating depreciation respectively. These estimates are made based on expected usage for useful lives. Residual value is determined based on experience and observable data where available.

The useful lives and residual values of the Company's assets are determined by management based on technical evaluation at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as an anticipation of future events which may impact their life such as changes in technology.

5. USE OF JUDGEMENT AND ESTIMATES (CONTINUED)

Impairment of trade receivables
The Company measures the loss allowance for trade receivables in an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the receivable and an analysis of the receivable's current financial position, adjusted for factors that are specific to the receivables, general economic conditions of the industry in which the receivables operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. Trade receivable is normally assessed collectively, unless there is a need to assess a particular receivable on an individual basis.

Employees' end of service benefits
The cost of employee benefits obligations and other after-service benefits are determined by actuarial valuation exercises. The actuarial estimates involve making many assumptions that may differ from actual developments in the future. These assumptions include the determination of the discount rate and future salary increases. Given the complexity of the estimates and the underlying assumptions and their long-term nature, the commitment of employee benefits is greatly influenced by changes in these assumptions. All inputs are reviewed at the end of each financial year.

5.1 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or liability, the Company 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 markets for identical assets and liabilities.
- Level 2: inputs other than quoted priced included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., price derivations).
- 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 liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the low-level input that is significant to the entire measurement.

The Company recognises transfers between the levels of the fair value hierarchy at the end of the reporting year during which the change has occurred.

Further details on the assumptions used to assess fair values can be found in Note 29 to these financial statements.

6. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The entity has adopted disclosure of accounting policies (amendment to IAS 1 and IFRS Practice Statement 2) from 01 January 2023, although the amendment did not result in any change in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

6.1 Vehicles

Vehicles are presented at cost, net of accumulated depreciation and accumulated impairment losses, as appropriate. The original cost of the vehicles is recognised net of manufacturers' incentives and allowances.

Depreciation is based on their estimated residual values at the expected date of disposal, after taking into account the expected market conditions for used cars. Any adjustments to residual value and resultant depreciation are made prospectively.

The estimation of residual values required the Company to make assumptions regarding the age and mileage of the car at the time of disposal, as well as expected used vehicle auction market conditions. The Company regularly assesses the estimated residual values and adjusts depreciation rates, if any. Differences between actual and estimated residual values result in a gain or loss on disposal and are recognised as part of the vehicle's disposal at the time of sale.

Depreciation is calculated in a straight line over the estimated lifetime primarily of 2 to 5 years.

6.2 Financial Instruments

The Company's financial assets primary comprise of cash and cash equivalent, trade receivables, other receivables and unbilled revenue. The Company financial liabilities primary comprises of loans and borrowings, trade and other payables (excluding unearned rental income) and contract liabilities.

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

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All trade receivables of the company are without a significant financing component and are initially measured at the transaction price.

On initial recognition, financial asset and financial liabilities are classified as measured at amortised cost.

Impairment of financial assets

The Company recognises loss allowances for ECLs on:
- Financial assets measured at amortised cost.
- Contract assets

The Company measures loss allowances at an amount equal to lifetime ECL.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

6. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

6.2 Financial Instruments (continued)

Measurement of ECLs
At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. 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:
- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise.
- it is probable that the borrower will enter bankruptcy or other financial reorganization
- the disappearance of an active market for a security because of financial difficulties.

ECLs are a 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 Company expects to receive).

Presentation of allowance for ECL in the statement of financial position

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

6.3 Statutory Reserve

In accordance with the annulled Regulations for Companies in the Kingdom of Saudi Arabia and the previously issued Company's articles of association before the listing of its shares on 25th September 2023, the Company was required to transfer 10% of its net income for the year to the statutory reserve until such reserve equals 30% of its share capital. This reserve is not available for distribution to the shareholders. The transfer to statutory reserve was previously made by the Company only at the year end. However, after the issuance of new Companies Law issued through Royal Decree M/132 on 1/12/1443H (corresponding to 30 June 2022) (hereinafter referred as "the Law") came into force on 26/6/1444 H (corresponding to 19 January 2023), the management has decided to amend its position by discontinuing its practice of transfer of net income to statutory reserve as the newly issued companies law makes the transfer as voluntary.

6.4 Employees' end of service benefits

Defined benefit plans
The end-of-service allowance is determined using the projected unit credit method and actuarial valuations are made at the end of each reporting period. Re-measurements, comprising actuarial gains and losses, are reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income will not be reclassified as profit or loss in subsequent periods. Interest is determined by applying the discount rate at the beginning of the period to the defined benefit liability or net asset. Defined benefit costs are classified as follows:

- service cost (including current service cost and past service cost).
- interest expense; and
- Re-measurements

The Company presents the first two components of defined benefit costs in profit or loss and the third component in other comprehensive income, in relevant line items.

6. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

6.5 Right of use asset and lease liabilities

The Company recognises new assets and liabilities for its leases of various types of contracts including parking yards, warehouse, branches, accommodation/office rental premises etc. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit or Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the Statement of Profit or Loss. Short-term leases are leases with a lease term of 12 months or less. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term, management considers all facts and circumstances required.

6.6 Revenue

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. Revenue is recognized in the statement of profit or loss and other comprehensive income to the extent that it is probable that the economic benefits will flow to the company and the revenue and costs, if applicable, can be measured reliably.

Lease and Rental Arrangements

The Company has two distinct strategic divisions (Lease and Rental) which offer different services and are managed separately due to different economic characteristics. The Company consider itself as a lessor in both the strategic divisions, the Company also consider its arrangements under both the strategic divisions as operating lease as the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset. Income arising from these operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

Revenue from sale of vehicles

Revenue from sale of vehicles is recognised at the point in time when control of the vehicles is transferred to the customer, generally on date at which vehicle is made available to the buyer for the customary usage. The Company’s revenue from sale of vehicles includes only one performance obligation.

6.7 Zakat

The Company is subject to zakat in accordance with the regulations of the Zakat, Tax and Customs Authority ("Authority" or "ZATCA"). Provision for zakat for the company and Zakat related to the company’s ownership in the Saudi Arabian subsidiary is charged to the statement of profit or loss and other comprehensive income. Additional amounts payable, if any, at the finalization of final assessments are accounted for in the period in which these are determined.

6. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

6.8 Inventory

Inventories represent vehicles for sale, vehicle oil and other supplies. These are measured at lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale. The carrying amount of inventories is recognized as cost of revenue when the inventories are sold. The Company recognizes an allowance for inventory losses due to factors such as obsolescence, technical faults, physical damage etc.

Vehicles for sale

Vehicles for sale that were previously held as vehicles in non-current assets for lease and rental arrangements are transferred to inventories at their carrying amount when they cease to be held for lease and rental purposes and become held for sale in the ordinary course of business. Other costs are included in the cost of vehicle inventories only to the extent that they are incurred in bringing the vehicles to their present location and condition necessary to make the sale.

Vehicle oil and other supplies

The cost of Vehicle oil and other supplies is based on weighted average principle. Other costs are included in the cost of vehicle oil and other supplies only to the extent they are incurred in bringing them to their present location and condition.

6.9 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise of cash at banks and cash in hand.

6.10 Other property and equipment

Recognition and measurement
Items of property and equipment are measured at cost, less accumulated depreciation and any accumulated impairment losses. If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment. All other repair and maintenance costs are recognized in the income statement as incurred.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal of an item of property and equipment is recognized in profit or loss as other income.

Subsequent expenditure
Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Derecognition
An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal of an item of property and equipment is recognized in the statement of profit or loss and other comprehensive income.

6. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

6.10 Other property and equipment (continued)

Depreciation
Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in profit or loss. Land is not depreciated.

The estimated depreciation rates of property and equipment for current and comparative periods are as follows:

Furniture and fixtures	6.67
Office equipment	6.67
Decors and enhancements	6.67
Air conditioners	6.67
Computers	5
Tools and hardware	6.67
Telecom and security systems	5

The residual values, useful life and depreciation methods of property and equipment are reviewed at each year-end and adjusted prospectively, as appropriate.

7. VEHICLES

	31 December 2023 SR	31 December 2022 SR
Cost:		
Balance at the beginning of the year	**1,929,533,693**	1,401,676,489
Additions during the year	**1,750,636,798**	807,716,871
Transferred to inventory*	**(483,203,407)**	(279,859,667)
Balance at the end of the year	**3,196,967,084**	1,929,533,693
Accumulated depreciation:		
Balance at the beginning of the year	**457,513,965**	350,323,455
Charge for the year	**237,758,090**	241,648,997
Transferred to inventory*	**(210,522,922)**	(134,458,487)
Balance at the end of the year	**484,749,133**	457,513,965
Net book value	**2,712,217,951**	1,472,019,728

Depreciation costs for the year were expensed against the cost of revenue.

* Inventory with the net book value of SR 1.6 million remained unsold at the year ended 31 December 2023 (31 December 2022: SR 1.03 million)

Change in estimate

During the year, the management conducted a review of residual value of its revenue earning vehicles, which resulted in changes in the residual value of certain revenue earning vehicles. As a result, its estimated residual value increased. The effect of these changes on actual and expected depreciation expense, included in cost of sales, was as follows.

Description	**Q4 2023**	**2024**	**2025**	**2026**	**Later**
Depreciation with change in estimate	42,829,243	168,264,628	126,274,958	55,472,074	9,178,034
Depreciation without change in estimate	68,407,002	219,577,377	153,840,464	65,662,411	11,225,706
Decrease in depreciation charge	(25,577,759)	(51,312,749)	(27,565,506)	(10,190,337)	(2,047,672)

8. OTHER PROPERTY AND EQUIPMENT

	Lands	Furniture and fixtures	Office equipment	Decors and enhancements	Air conditioners	Computers	Tools and hardware	Telecom and security systems	Total
Cost:									
Balance at 1 January 2022	12,318,160	2,014,445	142,630	6,200,342	571,324	3,598,670	1,900,779	379,629	27,125,979
Additions during the year	-	875,868	-	1,039,433	32,363	83,085	167,799	152,638	2,351,186
Transfer	-	18,996	-	72,500	15,096	-	150,000	-	256,592
Disposals	(12,318,160)	(2,636)	(2,076)	(72,500)	(16,654)	-	(197,334)	-	(12,609,360)
Balance at 31 December 2022	-	2,906,673	140,554	7,239,775	602,129	3,681,755	2,021,244	532,267	17,124,397
Additions during the year	**-**	**1,203,997**	**90,000**	**5,871,625**	**485,708**	**1,494,578**	**862,476**	**138,212**	**10,146,596**
Disposals	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance at 31 December 2023		**4,110,670**	**230,554**	**13,111,400**	**1,087,837**	**5,176,333**	**2,883,720**	**670,479**	**27,270,993**
Accumulated Depreciation:									
Balance at 1 January 2022	-	899,702	124,347	3,296,657	229,661	3,287,393	798,753	88,674	8,725,187
Charge for the year	-	285,434	3,971	886,623	78,024	131,382	265,094	79,006	1,729,534
Elimination on disposal	-	(2,623)	(2,076)	-	(15,270)	-	(47,334)	-	(67,303)
Balance at 31 December 2022	-	1,182,513	126,242	4,183,280	292,415	3,418,775	1,016,513	167,680	10,387,418
Charge for the year	**-**	**460,989**	**11,169**	**1,426,384**	**114,033**	**217,884**	**320,925**	**114,248**	**2,665,632**
Elimination on disposal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance at 31 December 2023	**-**	**1,643,502**	**137,411**	**5,609,664**	**406,448**	**3,636,659**	**1,337,438**	**281,928**	**13,053,050**
Net book value:									
At 31 December 2023	**-**	**2,467,168**	**93,143**	**7,501,736**	**681,389**	**1,539,674**	**1,546,282**	**388,551**	**14,217,943**
At 31 December 2022	-	1,724,160	14,312	3,056,495	309,714	262,980	1,004,731	364,587	6,736,979

9. RIGHT OF USE ASSET

	31 December 2023 SR	31 December 2022 SR
Cost:		
Balance at the beginning of the year	**100,693,784**	30,139,975
Additions during the year	**47,014,368**	74,596,563
Disposal during the year*	**(11,014,783)**	(4,042,754)
Balance at the end of the year	**136,693,369**	100,693,784
Accumulated amortisation:		
Balance at the beginning of the year	**27,976,296**	10,473,624
Additions during the year	**29,407,611**	21,397,848
Disposal during the year*	**(9,985,094)**	(3,895,176)
Balance at the end of the year	**47,398,813**	27,976,296
Net book value	**89,294,556**	72,717,488

*The balance primarily represents fully amortised, expired and early terminated right of use assets.

10. CAPITAL WORK IN PROGRESS

	31 December 2023 SR	31 December 2022 SR
Advance provided for capital expenditure	**4,433,549**	-
Advance provided for purchase of vehicles	**35,732,515**	9,530,886
	40,166,064	9,530,886

11. TRADE RECEIVABLES, NET

	31 December 2023 SR	31 December 2022 SR
Trade receivables	**308,236,001**	221,902,635
Provision for impairment loss	**(65,837,466)**	(48,302,566)
	242,398,535	173,600,069

Information on the Company’s exposure to credit and market risks and impairment losses related to trade receivables can be found in Note 29.

The Company uses the simplified IFRS 9 approach to measure expected credit losses using a provision for expected credit losses over the life of the accounts receivable. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and aging.

The expected loss rates are based on the Company’s historical credit losses experience over the two-year period prior to the year end. Historical loss rates are then adjusted based on current and prospective information on macroeconomic factors affecting the Company’s customers. The Company has identified the gross domestic product (GDP) as the key macroeconomic factor for ECL calculations.

11. TRADE RECEIVABLES, NET (CONTINUED)

The lifetime expected loss provision for trade receivables is as follows:

31 December 2023	**Current**	**Less than 180 days past due**	**More than 180 and less than 365 days past due**	**More than 365 days past due**	**Total**
Expected loss rate	**2.23%**	**7.56%**	**32.21%**	**54.83%**	
Gross carrying amount	**97,364,218**	**99,101,439**	**22,584,249**	**89,186,095**	**308,236,001**
Loss provision	**2,168,084**	**7,496,027**	**7,274,146**	**48,899,209**	**65,837,466**

31 December 2022	Current	Less than 180 days past due	More than 180 and less than 365 days past due	More than 365 days past due	Total
Expected loss rate	2.89%	8.56%	22.70%	67.11%	
Gross carrying amount	69,691,192	79,508,694	20,949,778	51,752,971	221,902,635
Loss provision	2,012,167	6,803,648	4,755,992	34,730,759	48,302,566

All receivables are due within 30 to 90 days as of 31 December 2023. None of these receivables has experienced a significant increase in credit risk since initial recognition.

Movement of impairment loss is as follows:

	31 December 2023 SR	31 December 2022 SR
At the beginning of the year	**48,302,566**	32,021,584
Charge for the year	**17,534,900**	16,280,982
At the end of the year	**65,837,466**	48,302,566

12. PREPAYMENTS AND OTHER RECEIVABLES

	31 December 2023 SR	31 December 2022 SR
Prepaid expenses	**22,650,005**	15,244,041
Advances to suppliers	**32,746,892**	28,649,163
VAT receivable	**61,225,174**	28,185,973
Insurance receivables	**2,293,633**	2,293,633
Advances to employees	**42,618**	94,702
Unbilled revenue	**4,121,341**	2,848,372
Advances for letters of guarantee margins	**917,209**	251,902
Others	**4,084,019**	4,909,941
	128,080,891	82,477,727
Impairment against other receivables	**(25,016,100)**	(23,676,393)
	103,064,791	58,801,334

Movement of impairment loss is as follows:

	31 December 2023 SR	31 December 2022 SR
At the beginning of the year	**23,676,393**	4,426,485
Impairment for the year	**1,339,707**	19,249,908
At the end of the year	**25,016,100**	23,676,393

13. RELATED PARTY TRANSACTIONS AND BALANCES

The Company, in the normal course of business, enters into transactions with other entities that fall within the definition of a related party contained in International Accounting Standard 24. Related parties represent the shareholders, fellow subsidiaries and key management personnel of the company. The transactions with related parties are made at approved contractual terms.

Outstanding balances at the year-end are unsecured, interest-free, payable on demand and settled in cash. There have been no guarantees provided or received for any related party receivables or payables.

The following are the details of major related party transactions and balances during the year:

Related parties' transactions

Senior management remuneration
The aggregate amount charged in these financial statements for remuneration, including all benefits to Board of Directors, Chief Executive officer, Chief Financial Officer and Senior Director positions of the Company is as follows:

Key management personnel	31 December 2023	31 December 2022
Remuneration	**3,710,729**	2,104,704
Employee Incentive	**9,395,000**	-
Board Remuneration	**5,151,000**	-
Bonus	**2,419,400**	846,920
Housing & Travel allowance	**1,298,888**	736,646
End of Service Benefits*	**632,179**	98,967
Total	**22,607,196**	3,787,237

*This includes the long-term benefit for key management personnel.

Significant transactions and balances with related parties in the ordinary course of business which are included in the financial statements are summarized as follows:

Transactions

		31 December 2023		
Related party	**Relationship**	**Sales**	**Purchases**	**Other Movements***
Seera Group Holding	Parent Company	**3,501,410**	**(3,096,192)**	**(3,871,421)**
Almosafer Company for Travel and Tourism (MCT)	Fellow subsidiary	**6,965,439**	**(13,963,101)**	**6,854,192**

*These movements represent settlement of related party balances.

13. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

		31 December 2022		
Related party	**Relationship**	**Sales**	**Purchases**	**Other* Movements**
Seera Group Holding	Parent Company	**390,031**	**-**	**362,763,250**
Elaa Air Transportation	Fellow subsidiary	**-**	**-**	**(3,608,799)**
Seera Holiday for Travel and Tourism Company Limited (SHT)	Fellow subsidiary	**2,447,124**	**(128,197)**	**7,149,367**
National Travel (NTTB)	Fellow subsidiary	**-**	**-**	**18,425**
Fayfa Travel & Tours (FTT)	Fellow subsidiary	**-**	**-**	**4,497**
Elaa Travel, Tourism and Cargo Company Limited (ECC)	Fellow subsidiary	**3,344,893**	**(135,808)**	**535,750**
Almosafer Company for Travel and Tourism (MCT)	Fellow subsidiary	**1,223,213**	**(21,994)**	**3,612,351**
Seera Hospitality Co. Ltd	Fellow subsidiary	**-**	**-**	**(62,500)**
Taqniatech (TAQ)	Fellow subsidiary	**-**	**-**	**(144,083)**
Hanay Trading Company Limited (HTCL)	Fellow subsidiary	**-**	**(7,607)**	**477,846**
Tajawal General Trading, LLC (TGT)	Fellow subsidiary	**-**	**-**	**(18,409)**
Al Mousim Travel & Tours	Fellow subsidiary	**-**	**-**	**(129,605)**
Mawasim Tourism and Umrah Services	Fellow subsidiary	**120,588**	**-**	**335,909**
Discover Saudi for Travel and Tourism (DSTT)	Fellow subsidiary	**3,407,019**	**(600)**	**(4,171,194)**
Jawlah Tours Establishment for Tourism *(JTET)	Fellow subsidiary	**-**	**-**	**(276,875)**
Seera LLC	Fellow subsidiary	**-**	**-**	**364,179**
Almosafer Holidays Travel and Tourism	Fellow subsidiary	**-**	**-**	**116,826**
Al TayyarHolidays Travel Group Comp	Fellow subsidiary	**-**	**-**	**(4,400)**
Al TayyarRent A Car Company (ARC)	Fellow subsidiary	**-**	**-**	**(1,625)**
Movenpick City Star Jeddah	Fellow subsidiary	**108,060**	**-**	**(172,982)**

*These movements represent settlement of related party balances.

Balances

Due to related parties

	Relationship	**31 December 2023 SR**	31 December 2022 SR
Seera Holding Group	Parent Company	**3,466,203**	
Almosafer Company for Travel and Tourism (MCT)	Fellow subsidiary	**143,470**	-
		3,609,673	-

14. CASH AND CASH EQUIVALENTS

	31 December 2023 SR	31 December 2022 SR
Cash at banks	**41,251,116**	49,466,261
	41,251,116	49,466,261

15. SHARE CAPITAL

The share capital of the Company consists of 55,000,000 fully paid ordinary shares of SR 10 each. The total share capital is SR 550,000,000 as at 31 December 2023 (31 December 2022: SR 550,000,000).

2023	**Percentage**	**Number of shares**	**Value per share**	**Total**
Seera Holding Group	**70%**	**38,500,000**	**10**	**385,000,000**
Others	**30%**	**16,500,000**	**10**	**165,000,000**

2022	Percentage	Number of shares	Value per share	Total
Seera Holding Group	100%	55,000,000	10	550,000,000

16. OTHER RESERVE

The employees of Lumi Rental Company were paid an incentive on the successful completion of listing of 30% of its issued share capital on Tadawul. The incentive was based on the strike price achieved for the listing of the said shares and hence, the incentive was classified under IFRS-2 Share-based Payment. The funds for the incentive were granted by Seera Holding Group and therefore, the incentive amount was recorded as an expense in the statement of profit or loss against an equity contribution from the parent company classified under other reserve,

17. STATUTORY RESERVE

As fully explained in note 6.3 to the financial statements that after issuance of new Companies Law the requirement to transfer net income to statutory reserve has become voluntary, the management has decided to amend its position by discontinuing its practice of transfer of net income to statutory reserve. This reserve is not available for distribution to the shareholders.

18. EMPLOYEES' END OF SERVICE BENEFITS

	31 December 2023 SR	31 December 2022 SR
Net defined benefit liability	**17,687,218**	13,173,682

The Company calculates employees' end of service benefits according to laws and regulations applicable in the Kingdom of Saudi Arabia. Additionally, the Company re-measures the employees' end of service benefits using the projected credit unit method by a qualified actuary.

The most recent actuarial valuation of the present value of the end of service benefit obligation was carried out on 31 December 2023. During the financial year, no material fluctuations or events affected the actuarial assumptions used to calculate the liability.

18. EMPLOYEES' END OF SERVICE BENEFITS (CONTINUED)

The following table shows the reconciliation from the opening balances to the closing balances for net defined benefit liability and its components.

	31 December 2023 SR	31 December 2022 SR
Balance at beginning of the period	**13,173,682**	9,184,056
Liability transferred in	**758,027**	2,303,341
Liability transferred out		(163,717)
Included in profit or loss		
Current service cost	**4,429,379**	3,110,315
Finance expense	**561,483**	244,093
	18,922,571	14,678,088
Included in OCI		
Actuarial gain due to changes in financial assumptions	**(1,664,890)**	(3,161,934)
Actuarial loss due to experience adjustments	**797,622**	2,239,281
Benefits paid	**(368,085)**	(581,753)
Balance at the end of the year	**17,687,218**	13,173,682

Actuarial assumptions on defined benefit liability

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	31 December 2023	31 December 2022
Discount rate	**5.00%**	4.20%
Future salary growth	**5.00%**	5.00%

Sensitivity analysis

Changes reasonably possible at the reporting date to any of the relevant actuarial assumptions, keeping the remaining assumptions constant, would have affected the defined benefit obligation by the amounts set out below.

	31 December 2023		31 December 2022	
	Increase	**Decrease**	Increase	Decrease
Discount rate (1% movement)	**16,334,050**	**19,152,911**	12,165,824	14,265,350
Future salary growth (1% movement)	**19,152,487**	**16,333,849**	14,265,035	12,165,674

The sensitivity analysis above has been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis is based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

The weighted average duration of the defined benefit obligation is 8 years.

The following payments are expected for the defined benefit plan in future years:

Years	**31 December 2023 SR**	31 December 2022 SR
1	**1,537,162**	1,001,258
2	**1,864,726**	1,589,127
3	**2,478,153**	1,902,173
4	**3,093,581**	2,334,901
5	**3,711,693**	2,788,963
6-10	**19,752,865**	11,258,746
Total expected payment	**32,438,180**	20,875,168

19. LOANS AND BORROWINGS

	30 December 2023 SR	31 December 2022 SR
Opening balance	**492,886,364**	-
Loans obtained during the year	**1,076,173,039**	547,000,000
Interest expense for the year	**60,821,006**	13,114,690
Loans and interest repaid during the year	**(283,873,342)**	(67,228,326)
Closing balance	**1,346,007,067**	492,886,364
Non-Current Liabilities	**933,163,616**	364,659,091
Current Liabilities	**412,843,451**	128,227,273

These represent loans obtained by the Company with local banks at the rate of prevailing market interest rate with last payment to be made between September 2024 and March 2029. This financing is being repaid on a quarterly basis and semi-annual basis at the prevailing market rate. The purpose of the loans was to settle the balances with the parent company and to finance the operations of the company. The loans are secured against promissory notes and assignment of revenue related cashflows.

20. LEASE LIABILITIES

	31 December 2023 SR	31 December 2022 SR
Opening balance	**74,409,242**	21,853,584
Additions	**47,014,369**	74,596,563
Finance charges	**3,005,282**	1,993,807
Lease contract cancellation	**(904,488)**	(153,053)
Paid during the year	**(34,364,162)**	(23,881,659)
	89,160,243	74,409,242
Classified as:		
Non-current portion	**55,538,733**	46,024,404
Current portion	**33,621,510**	28,384,838

The maturity analysis of lease liabilities is disclosed in note 29.

The following are the amounts recognised in the statement of profit or loss:

	31 December 2023 SR	31 December 2022 SR
Depreciation expense of right-of-use assets (note 25)	**29,407,610**	21,397,848
Interest expense on lease liabilities	**3,005,282**	1,993,807
Expense relating to short-term leases (note 25 & 26)	**10,129,860**	7,486,394
Total amount recognised in statement of profit or loss	**42,542,752**	30,878,049

21. TRADE PAYABLES

	31 December 2023 SR	31 December 2022 SR
Trade Payables	**722,366,403**	392,122,179
Trade Payable from related party (note 13)	**3,609,673**	-
	725,976,076	392,122,179

22. ACCRUALS AND OTHER LIABILITIES

	31 December 2023 SR	31 December 2022 SR
Accrued maintenance	**5,637,909**	4,600,000
Annual leave and ticket accrual	**7,254,620**	5,510,882
Contract liabilities	**6,956,572**	4,829,555
Accrued commission	**1,003,131**	1,533,000
Accrued expenses	**10,567,419**	4,642,487
Accrued rent expense	**1,345,716**	711,983
Others	**4,750,517**	1,685,584
	37,515,884	23,513,491

23. ZAKAT PAYABLE

Components of the zakat base

	31 December 2023 SR	31 December 2022 SR
Zakat base:		
Profit before zakat	**165,354,740**	148,341,832
Impairment of trade receivables	**18,874,607**	35,530,890
End of service provided during the year	**5,059,969**	3,354,408
Adjusted profit	**189,289,316**	187,227,130
Share capital	**550,000,000**	550,000,000
Statutory reserve	**29,476,955**	14,366,278
Retained earnings	**264,065,315**	133,846,161
Provisions	**84,784,556**	45,050,372
Trade and other payable	**5,307,488**	138,000
Loans and borrowings	**1,346,007,067**	492,886,364
Lease liabilities	**89,160,243**	74,409,242
	2,558,090,940	1,497,923,547
Non-current assets	**(2,857,776,327)**	(1,551,474,195)
	(299,685,387)	(53,550,648)
Zakat base	**189,289,316**	187,227,130
Zakat @ 2.5%	**4,732,233**	4,679,053

23. ZAKAT PAYABLE (CONTINUED)

Zakat provision

	31 December 2023 SR	31 December 2022 SR
At the beginning of the year	**4,679,053**	3,052,478
Provided during the year	**4,732,233**	4,679,053
Payments made during the year	**(4,679,053)**	(3,052,478)
At the end of the year	**4,732,233**	4,679,053

The Zakat returns of the Company was filed on a consolidated basis with its Parent company for the year ended 31 December 2022. Following the listing and sale of 30% shareholding by the parent company, the zakat return for the year ended 31 December 2023 is filed on a standalone basis.

24. REVENUE

	31 December 2023 SR	31 December 2022 SR
Revenue from Leases		
Vehicle lease arrangements	**388,506,148**	298,506,822
Vehicle rental arrangements	**369,723,359**	278,713,596
	758,229,507	577,220,418
Revenue from contracts with customers		
Revenue from sale of vehicles	**347,348,126**	205,410,132
	1,105,577,633	782,630,550
Timing of revenue recognition		
Services transferred over time	**758,229,507**	577,220,418
Products transferred point in time	**347,348,126**	205,410,132
	1,105,577,633	782,630,550

The entity leases out its vehicles. The entity has classified these leases as operating lease because they do not transfer substantially all of the risks and rewards incidental to the ownership of the asset.

Rental income recognised by entity as lessor during the year amounts to SR 758 million.

The following table sets out a maturity analysis of Lease payments showing the undiscounted lease payments to be received after the reporting period.

	31 December 2023 SR	31 December 2022 SR
Less than one year	**380,008,496**	248,299,768
One to two years	**300,181,323**	161,168,199
Two to three years	**159,492,053**	92,895,635
Three to four years	**48,703,289**	24,392,240
Four to five years	**10,529,894**	888,417
More than five years	**1,437**	-
Total	**898,916,492**	527,644,259

24. REVENUE (CONTINUED)

Contract balances

The following table provides information about contract liabilities from contracts with customers:

	31 December 2023 SR	31 December 2022 SR
Contract liabilities	**6,956,572**	4,829,555

Significant changes in the contract liability balances during the year are as follows:

	31 December 2023 SR	31 December 2022 SR
Contract liabilities		
Contract liability at the beginning of the year	**4,829,555**	3,828,841
Contract liabilities that were recognized as revenue during the year	**(4,829,555)**	(3,828,841)
Cash received in advance of the performance and not recognized as revenue during the year	**6,956,572**	4,829,555
Contract liabilities at the end of the year	**6,956,572**	4,829,555

25. COST OF REVENUE

	31 December 2023 SR	31 December 2022 SR
Depreciation on vehicles (note 7)	**237,758,090**	241,648,997
Cost of vehicles sold	**272,102,319**	144,370,492
Vehicles' repairs and maintenance	**48,304,408**	30,718,042
Salaries and other benefits	**55,040,090**	32,362,032
Depreciation on right of use assets (note 9)	**29,407,611**	21,397,848
Rent	**5,548,532**	7,486,394
Outsource vehicle	**8,097,514**	2,374,721
Insurance	**40,033,108**	26,366,802
Vehicle delivery and transport	**15,698,562**	6,550,481
Traffic fines	**5,990,760**	5,454,268
Fuel cost	**5,230,432**	2,764,369
Others	**1,854,208**	1,085,391
	725,065,634	522,579,837

26. GENERAL AND ADMINISTRATIVE EXPENSES

	31 December 2023 SR	31 December 2022 SR
Salaries and other benefits (*note 26.1*)	**52,417,708**	41,080,060
Fees and subscriptions	**9,304,868**	7,451,610
Depreciation (note 8)	**2,665,632**	1,729,534
Advertising	**4,281,668**	752,408
Travel and transportation	**2,892,390**	1,261,941
Professional fee	**4,761,623**	687,998
Utilities	**1,102,639**	572,853
Software expenses	**6,371,931**	153,826
Communication	**623,779**	652,931
General Maintenance	**1,591,875**	146,619
Hospitality and cleanliness	**1,437,608**	171,382
Stationery	**918,774**	283,392
Rent	**4,581,328**	-
Outsourced services	**18,268,512**	3,671,551
Board Remuneration	**5,151,000**	-
Others	**2,336,123**	477,132
	118,707,458	59,093,237

26.1 The salaries and other benefits include the provision for employees' end of service benefits amounting to SR 4,990,862 (2022: SR 3,354,408).

27. FINANCE CHARGES

	31 December 2023 SR	31 December 2022 SR
Long term loans (note 19)	**60,821,006**	13,114,690
Interest charge on related party loan	**-**	6,432,067
Finance charge on lease liability (note 20)	**3,005,282**	1,993,807
Other bank charges	**3,917,947**	2,624,276
	67,744,235	24,164,840

28. EARNINGS PER SHARE (EPS)

Basic and diluted EPS

The calculation of basic and diluted EPS has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

Profit attributable to ordinary shareholders (basic)

	31 December 2023	31 December 2022
Profit attributable to ordinary shareholders	**160,622,507**	143,662,779
Weighted-average number of ordinary shares at the end of the year	**55,000,000**	55,000,000
Basic and diluted	**2.92**	2.61

29. FINANCIAL INSTRUMENTS – RISK MANAGEMENT

The Company is exposed through its operations to the following financial risks:

- Credit risk
- Market risk and
- Liquidity risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements. There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Principal financial instruments
The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

- Trade receivables
- Cash and cash equivalents
- Related party balances
- Other receivables
- Lease Liabilities
- Loans and borrowings
- Trade payables
- Accruals and other liabilities

Fair value and fair value hierarchy
The Company measures financial instruments at fair value at each statement of financial position date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits from the asset's highest and best use or by selling it to another market participant that would utilize the asset in its highest and best use.

29. FINANCIAL INSTRUMENTS – RISK MANAGEMENT (CONTINUED)

Financial instrument category

		31 December 2023	31 December 2022
Financial assets at amortized cost	***Note***	**SR**	SR
Trade receivables, net	*11*	**242,398,535**	173,600,069
Other receivables	*12*	**4,121,341**	2,848,372
Cash and cash equivalents	*14*	**41,251,116**	49,466,261
		287,770,992	225,914,702
Financial liabilities at amortized cost			
Trade payables	*21*	**725,976,076**	392,122,179
Loans and borrowings	*19*	**1,346,007,067**	492,886,364
Lease liabilities	*20*	**89,160,243**	74,409,242
Accruals and other liabilities	*22*	**30,559,312**	18,683,936
		2,191,702,698	978,101,721

Financial instruments not measured at fair value

Financial instruments not measured at fair value include cash and cash equivalents, trade receivables, trade payables due to others and related parties, lease liabilities, loans and borrowings and accruals and other liabilities.

Due to their short-term nature, the carrying value of cash and cash equivalents, trade receivables, trade payables due to others and related parties and accruals and other liabilities approximates their fair value.

Loans and borrowings carry variable interest rate and hence their carrying amount is adjusted periodically as per market benchmark rate, therefore the carrying amount approximates their fair value.

There were no transfers between levels during the year.

General objectives, policies and processes

The Management has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. The Management receives periodic reports from the Company Financial Controller through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Management is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility.

29. FINANCIAL INSTRUMENTS – RISK MANAGEMENT (CONTINUED)

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is mainly exposed to credit risk from credit sales. It is Company policy, implemented locally, to assess the credit risk of new customers before entering contracts. Credit ratings are taken into account by local business practices.

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, when available, and in some cases bank references. Credit limits are set for each client, which is the maximum amount opened without management approval.

The management determines concentrations of credit risk by quarterly monitoring the creditworthiness rating of existing customers and through a monthly review of the trade receivables' ageing analysis. When monitoring the credit risk of customers, customers are grouped by their credit characteristics. Customers that are graded as "high risk" are placed on a restricted customer list, and future credit sales are made only with approval of the management, otherwise payment in advance is required.

Credit risk also arises as a result of cash and cash equivalents held by banks and financial institutions. In the case of banks and financial institutions, only independently scored parties are acceptable. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarized below:

	31 December 2023 SR	31 December 2022 SR
Classes of financial assets – carrying amounts:		
Trade receivables, net	**242,398,535**	173,600,069
Other receivables	**4,121,341**	2,848,372
Cash and cash equivalents	**41,251,116**	49,466,261
Total carrying amount	**287,770,992**	225,914,702

The carrying amount of financial assets represents the maximum credit exposure.

Credit risk on receivable and bank balances is limited as:

- Cash balances are held by banks with sound credit ratings.
- Trade receivables are shown net of allowance for impairment of trade receivables.
- The financial position of related party is stable.

The Company manages credit risk with respect to receivables from customers by monitoring in accordance with defined policies and procedures. The Company seeks to limit its credit risk with respect to customers by setting credit limits for individual customers and by monitoring outstanding receivables on an ongoing basis.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of holdings of financial instruments. The Company is not exposed to equity price risk and foreign currency risk, as it does not hold any financial instruments at year-end that would expose it to such risks.

29. FINANCIAL INSTRUMENTS – RISK MANAGEMENT (CONTINUED)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate would not affect profit or loss.

Management of the Company does not enter into future agreements to hedge its interest rate risk. However, these are monitored on a regular basis and corrective measures initiated wherever required.

For borrowings at floating rate, a reasonable possible change of 100 basis points in interest rates at the reporting date would have increase (decreased) separate statement of profit or loss by the amounts below. This analysis assumes that all other variables remain constant.

	100 bps increase	**100 bps decrease**
31 December 2023	(13,460,071)	13,460,071

Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 45 days.

The Company's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to meet the monitoring of liquidity ratios and maintaining debt financing plans.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date on the contractual maturity date.

Following are the contractual maturities at the end of the reporting period of financial liabilities. The amounts are grossed and undiscounted and include estimated interest payments.

31 December 2023	**Carrying amount**	**Total**	**Up to three months**	**More than three months and up to a year**	**More than one year and up to five year**
Financial liabilities					
Trade payables	725,976,076	725,976,076	725,976,076	-	-
Loans and borrowings	1,346,007,067	1,506,073,548	116,084,605	372,245,555	1,017,743,388
Lease liabilities	89,160,243	92,182,875	11,296,701	21,981,718	58,904,456
Accruals and other liabilities	30,559,312	30,559,312	30,559,312	-	-
	2,191,702,698	**2,354,791,811**	**883,916,694**	**394,227,273**	**1,076,647,844**
31 December 2022					
Financial liabilities					
Trade payables	392,122,179	392,122,179	383,452,034	8,670,145	-
Loans and borrowings	492,886,364	507,167,359	40,737,444	98,165,458	368,264,457
Lease liabilities	74,409,242	76,750,539	11,341,261	17,074,525	48,334,753
Accruals and other liabilities	18,683,936	18,683,936	11,508,743	7,175,193	-
	978,101,721	994,724,013	447,039,482	131,085,321	416,599,210

30. OPERATING SEGMENTS

Basis for segmentation

The Company has the following three strategic divisions, which are its reportable segments. These divisions offer different services and are managed separately because they have different economic characteristics – such as trends in sales growth, rates of return and level of capital investment – and have different marketing strategies.

The following summary describes the operations of each reportable segment:

Reportable segments	Operations
Leasing	Providing vehicles on long term leases to corporate and government customers.
Rental	Providing vehicles on daily, weekly, monthly rentals to walk-in and corporate customers.
Used car sale	Sale of vehicles which have completed their economical life as per management policy.

The Company's Executive Committee reviews the internal management reports of each segment on a monthly basis.

The Company's reportable segments are strategic business units that offer different services. They are managed separately because each business requires different technology and marketing strategies.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Chief Operating Decision Maker has been identified as the management team including the Chief Executive Officer, Chief Finance Officer, Leasing Director and Fleet Director.

Measurement of operating segment profit or loss, assets and liabilities

The Company evaluates segmental performance on the basis of profit or loss from operations calculated in accordance with IFRS but excluding non-recurring losses.

Inter-segment sales are priced along the same lines as sales to external customers, with an appropriate discount being applied to encourage use of group resources at a rate acceptable to local tax authorities. This policy was applied consistently throughout the current and prior period.

Segment assets exclude tax assets and assets used primarily for corporate purposes. Segment liabilities exclude tax liabilities and defined benefit liabilities.

30. OPERATING SEGMENTS (CONTINUED)

Information about reportable segment is set out below:

	Leasing		Rental		Used car sale		Others		Total	
	31 December 2023	31 December 2022	**31 December 2023**	31 December 2022	**31 December 2023**	31 December 2022	**31 December 2023**	31 December 2022	**31 December 2023**	31 December 2022
Revenue	**388,506,148**	298,506,822	**369,723,359**	278,713,596	**347,348,126**	205,410,132	**-**	-	**1,105,577,633**	782,630,550
Depreciation of Vehicles	**(116,581,356)**	(124,876,183)	**(121,176,734)**	(116,772,814)	**-**	-	**-**	-	**(237,758,090)**	(241,648,997)
Cost of vehicles Sold	**-**	-	**-**	-	**(272,102,319)**	(144,370,492)	**-**	-	**(272,102,319)**	(144,370,492)
Segmental Profit	**271,924,792**	173,630,639	**248,546,625**	161,940,782	**75,245,807**	61,039,640	**-**	-	**595,717,224**	396,611,061
Unallocated Income / Expenses										
Cost of Revenue									**(215,205,225)**	(136,560,348)
General & Admin Expense									**(118,707,458)**	(59,093,237)
Impairment loss on trade receivables									**(17,534,900)**	(16,280,982)
Impairment loss on other receivables									**(1,339,707)**	(19,249,908)
Employee Incentive									**(20,319,899)**	-
Other Income									**10,488,940**	7,080,086
Finance Cost									**(67,744,235)**	(24,164,840)
Profit before Zakat									**165,354,740**	148,341,832

	31 December 2023	31 December 2022	**31 December 2023**	31 December 2022	**31 December 2023**	31 December 2022	**31 December 2023**	31 December 2022	**31 December 2023**	31 December 2022
Segment Assets	**1,595,702,563**	816,387,680	**1,116,515,388**	655,632,048	**-**	-	**534,184,020**	372,306,553	**3,246,401,971**	1,844,326,281
Segment Liabilities	**(1,100,983,916)**	(434,860,432)	**(821,281,569)**	(425,058,834)	**-**	-	**(298,813,236)**	(140,864,745)	**(2,221,078,721)**	(1,000,784,011)
Capital Expenditure*	**1,006,792,462**	390,066,865	**743,844,336**	417,650,006	**-**	-	**-**	-	**1,750,636,798**	807,716,871

*Capital expenditures comprise of additions to the vehicles.

31. CONTINGENCIES AND COMMITMENTS

Contingent liabilities
As at 31 December 2023, the Company has letters of guarantees amounting to SR 966 million (31 December 2022: SR 387 million)

Capital commitments
The Company has SR 157,689,050 capital commitments as at 31 December 2023 (31 December 2022: SR nil).

32. CAPITAL MANAGEMENT

The Board’s policy is to maintain an efficient capital base as to maintain investor, creditor and market confidence and to sustain future development of its business.

The Company’s objectives when managing capital are:

a) to safeguard the entity’s ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and

b) to provide an adequate return to shareholders

The Company monitors capital using a ratio of 'net debt' to 'equity'. Net debt is calculated as total external loans and borrowings and lease liabilities less cash and cash equivalents. The Company's net debt to equity ratio at 31 December 2023 was 1.4 (2022: 0.61).

33. SUBSEQUENT EVENTS

There are no subsequent events to disclose in the financial statements.

34. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved by the board of directors on 25 March 2024 corresponding 15 Ramadan 1445H.