

**LUMI RENTAL COMPANY**  
(Saudi Joint Stock Company)  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**For the three-months period ended 31 March 2024**  
together with the  
**INDEPENDENT AUDITOR'S REVIEW REPORT**

**LUMI RENTAL COMPANY**  
(Closed Joint Stock Company)  
**CONDENSED INTERIM FINANCIAL STATEMENTS**

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## KPMG Professional Services

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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 on review of condensed interim financial statements

To the Shareholders of Lumi Rental Company (Joint stock Company)

## Introduction

We have reviewed the accompanying 31 March 2024 condensed interim financial statements of Lumi Rental Company ("the Company") which comprises:

- the condensed statement of financial position as at 31 March 2024;
- the condensed statement of profit or loss and other comprehensive income for the three-months period ended 31 March 2024;
- the condensed statement of changes in equity for the three-months period ended 31 March 2024;
- the condensed statement of cash flows for the three-months period ended 31 March 2024; and
- the notes to the condensed interim financial statements.

Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

## Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' that is endorsed in the Kingdom of Saudi Arabia. A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



# Independent auditor's report on review of condensed interim financial statements

To the Shareholders of Lumi Rental Company (Joint stock Company)

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 March 2024 condensed interim financial statements of Lumi Rental Company are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

## KPMG Professional Services


**Dr. Abdullah Hamad Al Fozan**  
License No: 348


Al Riyadh, 14 May 2024  
Corresponding to: 6 Dhul Qidah 1445H




**LUMI RENTAL COMPANY**  
(Closed Joint Stock Company)  
**CONDENSED STATEMENT OF FINANCIAL POSITION**  
**Tor the three-months period ended 31 March 2024**  
(Amount in Saudi Riyals)

	<u>Notes</u>	31 March 2024 (Unaudited)	31 December 2023 (Audited)
<b><u>ASSETS</u></b>			
<b>Non-current assets</b>			
Vehicles	5	2,870,243,018	2,712,217,951
Other Property and equipment		14,244,702	14,217,943
Right of use asset	6	86,359,692	89,294,556
Capital work in progress	7	12,148,679	40,166,064
Intangible asset		1,719,479	1,879,813
		<u>2,984,715,570</u>	<u>2,857,776,327</u>
<b>Current assets</b>			
Inventories		1,277,526	1,911,202
Trade receivables	8	292,730,258	242,398,535
Prepayments and other receivables		130,014,557	103,064,791
Cash and cash equivalents	10	39,079,674	41,251,116
		<u>463,102,015</u>	<u>388,625,644</u>
<b>TOTAL ASSETS</b>		<u><b>3,447,817,585</b></u>	<u><b>3,246,401,971</b></u>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Equity</b>			
Share capital	11	550,000,000	550,000,000
Other reserve	12	22,519,899	20,291,205
Statutory reserve	13	29,476,955	29,476,955
Retained earnings		470,265,497	425,555,090
<b>TOTAL EQUITY</b>		<u><b>1,072,262,351</b></u>	<u><b>1,025,323,250</b></u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Employees' end of service benefits		19,825,702	17,687,218
Loans and borrowings	14	1,084,458,121	933,163,616
Lease liabilities		47,048,768	55,538,733
		<u>1,151,332,591</u>	<u>1,006,389,567</u>
<b>Current liabilities</b>			
Trade payables		603,584,611	725,976,076
Loans and borrowings	14	542,810,728	412,843,451
Lease liabilities		45,674,373	33,621,510
Accruals and other liabilities		26,103,448	37,515,884
Zakat payable	16	6,049,483	4,732,233
		<u>1,224,222,643</u>	<u>1,214,689,154</u>
<b>TOTAL LIABILITIES</b>		<u><b>2,375,555,234</b></u>	<u><b>2,221,078,721</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>3,447,817,585</b></u>	<u><b>3,246,401,971</b></u>

  
Abdullah Nasser Al Dawood  
Board Member

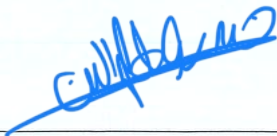
  
Azfar Shakeel  
CEO


  
Sulaiman Al Rasheed  
CFO


The accompanying notes from 1 to 22 form an integral part of these condensed interim financial statements.

**LUMI RENTAL COMPANY**  
(Closed Joint Stock Company)  
**CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**For the three-months period ended 31 March 2024**  
(Amount in Saudi Riyals)

	<u>Notes</u>	<u>31 March 2024</u>	<u>31 March 2023</u>
Revenue	15	384,043,864	267,062,725
Cost of revenue		<u>(270,570,160)</u>	<u>(172,193,172)</u>
<b>Gross profit</b>		<b>113,473,704</b>	<b>94,869,553</b>
<b>Operating expenses</b>			
General and administrative expenses		(33,272,967)	(23,782,075)
Impairment loss on trade and other receivables		(1,150,398)	(7,184,887)
Employee incentive	12	(2,228,694)	-
Other income		442,470	-
<b>Operating Profit</b>		<u>77,264,115</u>	<u>63,902,591</u>
Other expenses		-	(59,559)
Finance charges	14	<u>(31,236,458)</u>	<u>(11,882,655)</u>
<b>Profit before zakat</b>		<b>46,027,657</b>	<b>51,960,377</b>
Zakat charge for the year	16	<u>(1,317,250)</u>	<u>(1,638,954)</u>
<b>Profit for the period</b>		<b>44,710,407</b>	<b>50,321,423</b>
<b>Other comprehensive income:</b>			
Re-measurement of employees' end of service benefits		-	-
<b>Total comprehensive income for the period</b>		<u>44,710,407</u>	<u>50,321,423</u>
<b>Earnings per share – Basic and Diluted, net profit for the period attributable to equity holders (in Saudi Riyals)</b>			
	17	<u>0.81</u>	<u>0.91</u>

  
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Board Member

  
Azfar Shakeel  
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Sulaiman Al Rasheed  
CFO

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**LUMI RENTAL COMPANY**  
(Closed Joint Stock Company)  
**CONDENSED STATEMENT OF CHANGES IN EQUITY (Unaudited)**  
**For the three-months period ended 31 March 2024**  
(Amount in Saudi Riyals)

<u>Notes</u>	<u>Share Capital</u> SR	<u>Other Reserve</u> SR	<u>Statutory Reserve</u> SR	<u>Retained Earning</u> SR	<u>Total</u> SR
Balance as at 1 January 2023	550,000,000	-	29,476,955	264,065,315	843,542,270
Profit for the period	-	-	-	50,321,423	50,321,423
Other comprehensive result for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	50,321,423	50,321,423
Balance as at 31 March 2023 (Unaudited)	550,000,000	-	29,476,955	314,386,738	893,863,693
<b>Balance as at 1 January 2024</b>	<b>550,000,000</b>	<b>20,291,205</b>	<b>29,476,955</b>	<b>425,555,090</b>	<b>1,025,323,250</b>
<b>Profit for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,710,407</b>	<b>44,710,407</b>
<b>Other comprehensive result for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,710,407</b>	<b>44,710,407</b>
<b>Transaction with Parent</b>	<b>-</b>	<b>2,228,694</b>	<b>-</b>	<b>-</b>	<b>2,228,694</b>
<b>Balance as at 31 March 2024 (Unaudited)</b>	<b>550,000,000</b>	<b>22,519,899</b>	<b>29,476,955</b>	<b>470,265,497</b>	<b>1,072,262,351</b>

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Abdullah Nasser Al Dawood  
Board Member



Azfar Shakeel  
CEO



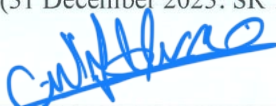
Sulaiman Al Rasheed  
CFO

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**LUMI RENTAL COMPANY**  
(Closed Joint Stock Company)  
**CONDENSED STATEMENT OF CASH FLOWS (Unaudited)**  
**For the three-months period ended 31 March 2024**  
(Amount in Saudi Riyals)

	<i>Notes</i>	<b>31 March 2024</b>	31 March <u>2023</u>
<b><i>Cash flows from operating activities</i></b>			
Profit After Zakat		44,710,407	50,321,423
<i>Adjustments to reconcile profit after zakat:</i>			
Depreciation of:			
- Vehicles	5	77,540,514	60,356,432
- Right of use asset	6	9,179,276	6,812,380
- Other fixed assets		992,132	490,885
Employee end of service benefits provision		2,115,747	1,516,874
Impairment loss on Trade and other receivables		1,150,398	7,184,887
Net book value of vehicles disposed*		127,864,491	67,068,006
Employee incentive		2,228,694	-
Zakat charge for the period	16	1,317,250	1,638,954
Financial charges		30,262,542	11,228,896
Finance charge on lease liability		973,916	653,759
<b><i>Net changes in working capital:</i></b>			
Trade receivables		(51,449,282)	(47,288,011)
Inventories		633,676	482,941
Prepayments and other receivables		(26,982,606)	(23,914,061)
Trade payables		(122,321,095)	(14,697,495)
Accruals and other payables		(11,412,436)	1,987,012
<b>Cash generated from operating activities</b>		<b>86,803,624</b>	<b>123,842,882</b>
Interest paid		(28,455,425)	(11,233,481)
Employee benefits paid		(47,633)	(1,535)
Additions to the vehicles	5	(333,864,343)	(290,876,242)
<b>Net cash used in operating activities</b>		<b>(275,563,777)</b>	<b>(178,268,376)</b>
<b><i>Cash flows from investing activities</i></b>			
Acquisition of property and equipment		(858,557)	(1,171,125)
Acquisition of capital work in progress		(1,548,344)	(14,708,064)
<b>Net cash used in investing activities</b>		<b>(2,406,901)</b>	<b>(15,879,189)</b>
<b><i>Cash flow from financing activities</i></b>			
Repayment of loans and borrowings	14	(95,821,219)	(33,181,819)
Proceeds from loans and borrowings	14	375,293,000	216,906,829
Lease interest paid		(973,916)	(653,759)
Principal repayment of lease liabilities		(2,698,629)	(5,111,823)
<b>Net cash flows from financing activities</b>		<b>275,799,236</b>	<b>177,959,428</b>
Net changes in cash and cash equivalents		(2,171,442)	(16,188,137)
Cash and cash equivalents at 1 January		41,251,116	49,466,261
<b>Cash and cash equivalents at 31 March</b>		<b>39,079,674</b>	<b>33,278,124</b>

\*Inventory with the net book value of SR 1.26 million remained unsold at the period ended 31 March 2024 (31 December 2023: SR 1.6 million)

  
Abdullah Nasser Al Dawood  
Board Member

  
Azfar Shakeel  
CEO

  
Sulaiman Al Rasheed  
CFO

The accompanying notes from 1 to 22 form an integral part of these condensed interim financial statements.



**LUMI RENTAL COMPANY**  
(Closed Joint Stock Company)  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**For the three-months period ended 31 March 2024**  
(Amount in Saudi Riyals)

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**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<sup>th</sup> September 2023 the Company's shares started trading on Tadawul as a Joint stock company.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

These condensed interim financial statements have been prepared in accordance with requirements of IAS 34 "Interim Financial Reporting" that is endorsed in Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization for Chartered and Professional Accountants ("SOCPA") and should be read in conjunction with annual financial statements as at 31 December 2023.

The condensed interim financial statements do not include all the information required for the full financial statements in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRSs) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA. However, the condensed interim financial statements include some disclosures to explain some material events and transactions in order to understand the changes in the Company's financial position and performance since the last annual financial statements. In addition, results for the interim period ended 31 March 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

**2.2 Basis of measurement**

The condensed interim financial statements have been prepared in accordance with the historical cost basis, except for the provision for employees' end-of-service benefits, which is measured at present value using the projected unit credit method. Further, the condensed interim financial statements are prepared using the accrual basis of accounting and the going concern concept.

**LUMI RENTAL COMPANY**  
(Closed Joint Stock Company)  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**For the three-months period ended 31 March 2024**  
(Amount in Saudi Riyals)

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**2 BASIS OF PREPARATION (CONTINUED)**

**2.3 Functional and presentation currency**

The condensed interim financial statements of the Company are presented in Saudi Riyals (SR) which is the Company's functional currency.

**2.4 Use of judgments and estimates**

The preparation of the Company's condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses and the accompanying disclosures. Uncertainty about the assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Company's annual financial statements in accordance with IFRS that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA for the year ended 31 December 2023. For the assumptions used in estimating liability of employees defined benefit liabilities, it has been assumed that there is no change in the assumptions which were used for determining the liability for Company's annual financial statements as at 31 December 2023.

**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 2024

<b><u>Standards</u></b>	<b><u>Title</u></b>	<b><u>Effective date</u></b>
IAS 1	Noncurrent liabilities with covenants	1 January 2024
IAS 1	Classification of Liabilities as Current or Non-current	1 January 2024
IAS 7 and IFRS 7	Supplier Finance arrangement	1 January 2024
IFRS 16	Lease Liability in sale and lease back	1 January 2024
IFRS S1	General requirement for disclosure of sustainability-related financial information	1 January 2024
IFRS S2	Climate related disclosure	1 January 2024

**LUMI RENTAL COMPANY**  
(Closed Joint Stock Company)  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**For the three-months period ended 31 March 2024**  
(Amount in Saudi Riyals)

**3. STANDARDS, INTERPRETATIONS, AND AMENDMENTS TO EXISTING STANDARDS (CONTINUED)**

**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 condensed interim financial statements are disclosed below. The Company intends to adopt these standards, where applicable, when they become effective.

<u>Standards</u>	<u>Title</u>	<u>Effective date</u>
IAS 21	Lack of Exchangeability	1 January 2025
IFRS 18	Presentation and Disclosures in Financial Statements	1 January 2027
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

The standards, interpretations and amendments with effective date of 1 January 2025 do not have any material impact on the Company's condensed interim financial statements, whereas for other above-mentioned standards, interpretations and amendments, the company is currently assessing the implications on the company's interim financial statements on adoption.

**4. SUMMARY OF MATERIAL ACCOUNTING POLICIES**

The accounting policies applied on these condensed interim financial statements have been prepared in accordance with in the International Financial Reporting Standards endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization of Chartered and Professional Accountants (SOCPA). These accounting policies are the same accounting policies applied on the financial statements for the Company which were prepared in accordance with IFRS as endorsed in the Kingdom of Saudi Arabia as at the financial year ended 31 December 2023.

**5. VEHICLES**

	<b>31 March 2024</b>	31 December 2023
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Vehicles</b>		
Cost:		
<b>Balance at the beginning</b>	<b>3,196,967,084</b>	1,929,533,693
Additions during the period/year	<b>363,430,072</b>	1,750,636,798
Transferred to inventory during the year*	<b>(198,363,086)</b>	(483,203,407)
<b>Balance at the end</b>	<b>3,362,034,070</b>	3,196,967,084
<b>Accumulated depreciation:</b>		
Balance at the beginning	<b>484,749,133</b>	457,513,965
Charge for the period/year	<b>77,540,514</b>	237,758,090
Elimination on Transfer	<b>(70,498,595)</b>	(210,522,922)
<b>Balance at the end</b>	<b>491,791,052</b>	484,749,133
<b>Net book value</b>	<b>2,870,243,018</b>	2,712,217,951

Depreciation costs for the period were expensed against the cost of revenues.

\* Inventory with the net book value of SR 1.26 million remained unsold at the period ended 31 March 2024 (31 December 2023: SR 1.6 million)

**LUMI RENTAL COMPANY**  
(Closed Joint Stock Company)  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**For the three-months period ended 31 March 2024**  
(Amount in Saudi Riyals)

**6. RIGHT OF USE ASSET**

	<b>31 March 2024 (Unaudited)</b>	31 December <u>2023</u> (Audited)
<b>Cost:</b>		
<b>Balance at the beginning</b>	<b>136,693,369</b>	100,693,784
Additions during the period/year	<b>6,687,066</b>	47,014,368
Disposal during the period/year	<b>(6,927,869)</b>	(11,014,783)
<b>Balance as at the end</b>	<b><u>136,452,566</u></b>	<u>136,693,369</u>
<b>Accumulated depreciation:</b>		
<b>Balance at the beginning</b>	<b>47,398,813</b>	27,976,296
Charge for the period / year	<b>9,179,276</b>	29,407,611
Disposal during the period/year	<b>(6,485,215)</b>	(9,985,094)
<b>Balance as at the end</b>	<b><u>50,092,874</u></b>	<u>47,398,813</u>
<b>Net book value</b>	<b><u>86,359,692</u></b>	<u>89,294,556</u>

**7. CAPITAL WORK IN PROGRESS**

	<b>31 March 2024 (Unaudited)</b>	31 December <u>2023</u> (Audited)
Advance provided for capital expenditure	<b>5,981,894</b>	4,433,549
Advance provided for Purchase of vehicles	<b>6,166,785</b>	35,732,515
	<b><u>12,148,679</u></b>	<u>40,166,064</u>

**8. TRADE RECEIVABLES, NET**

	<b>31 March 2024 (Unaudited)</b>	31 December <u>2023</u> (Audited)
Trade receivables	<b>359,405,506</b>	308,236,001
Trade receivable from related party	<b>279,777</b>	-
Impairment loss on trade receivables	<b>(66,955,025)</b>	(65,837,466)
	<b><u>292,730,258</u></b>	<u>242,398,535</u>

Movement of impairment loss on trade receivables is as follows:

	<b>31 March 2024 (Unaudited)</b>	31 December <u>2023</u> (Audited)
Opening balance	<b>65,837,466</b>	48,302,566
Charge for the period / year *	<b>1,117,559</b>	17,534,900
Closing balance	<b><u>66,955,025</u></b>	<u>65,837,466</u>

\*the company has also charged SAR 32,839 as provision for impairment on other loss against other receivable

**LUMI RENTAL COMPANY**  
(Closed Joint Stock Company)  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**For the three-months period ended 31 March 2024**  
(Amount in Saudi Riyals)

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**9. 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 major 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 period-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.

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

<u>Related Party</u>	<u>Relationship</u>	<u>Three months ended 31 March 2024</u>		
		<u>Sales</u>	<u>Purchases</u>	<u>Other Movements</u>
Seera Group Holding	Parent company	734,861	(1,118,462)	(2,167,241)
Almosafer Company for Travel and Tourism (MCT)	Fellow subsidiary	2,987,047	(3,211,814)	648,014

The cash flow movement between the Company and Seera Holding Group includes a contribution of SAR 2.2 million from the parent in relation to employee incentives of the Company. This contribution is shown in other reserves.

**LUMI RENTAL COMPANY**  
(Closed Joint Stock Company)  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**For the three-months period ended 31 March 2024**  
(Amount in Saudi Riyals)

**9. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)**

<b>Related Party</b>	<b>Relationship</b>	<b>Three months ended 31 March 2023</b>		
		<b>Sales</b>	<b>Purchases</b>	<b>Other Movements*</b>
Seera Group Holding**	Parent company	97,887	-	7,030,501
Elaa Air Transportation	Fellow subsidiary	-	-	(361,633)
Seera Holiday for Travel and Tourism Company Limited (SHT)	Fellow subsidiary	566,042	-	(1,001,895)
Elaa Travel, Tourism and Cargo Company Limited (ECC)	Fellow subsidiary	824,949	-	917,663
National Travel and Tourism Bureau Limited (NTTB)	Fellow subsidiary	-	-	(187)
Al Mousin Traavel & Tours (AMTT)	Fellow subsidiary	-	-	456,556
Fayfa Travel & Tourism	Fellow Subsidiary	-	-	(172)
Almosafer Company for Travel and Tourism (MCT)**	Fellow subsidiary	251,960	(1,859)	(7,918,353)
Seera Hospitality Company (SHC)	Fellow subsidiary	-	-	(226,552)
Taqniatech Company For Communication Technology Limited (TAQ)	Fellow subsidiary	-	-	(186,271)
Hanay Trading Company Limited (HTCL)	Fellow subsidiary	-	-	(47,851)
Mawasim Tourism and Umrah Services	Fellow subsidiary	15,400	-	(45,310)
Discover Saudi for Travel and Tourism (DSTT)	Fellow subsidiary	3,423,383	-	(3,811,460)
Al Mosafer general trading LLC	Fellow subsidiary	-	-	9,171
Movenpick City Star Jeddah	Fellow subsidiary	28,125	-	(28,125)
Seera LLC	Fellow subsidiary	-	-	8,031

\*These cashflow movements represent operational support or settlement of related party balances

\*\* As at 31 March 2023 the company has accrued a cross charge from Seera Holding group for facility management services amounting to SR 0.37 million and from Al Mosafer Travel and Tourism for IT-related services and Travel booking services equivalent to SR 2.5 million and SR 0.4 million, respectively

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**9. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)**

**Due balances from related parties**

<u>Related Party</u>	<u>Relationship</u>	<u>31 March 2024 (Unaudited)</u>	<u>31 December 2023 (Audited)</u>
Almosafer Company for Travel and Tourism	Fellow subsidiary	279,777	-
<b>Total</b>		<u>279,777</u>	<u>-</u>

**Due balances to related parties**

<u>Related Party</u>	<u>Relationship</u>	<u>31 March 2024 (Unaudited)</u>	<u>31 December 2023 (Audited)</u>
Seera Group Holding	Parent company	6,017,045	3,466,203
Almosafer Company for Travel and Tourism	Fellow subsidiary	-	143,470
<b>Total</b>		<u>6,017,045</u>	<u>3,609,673</u>

**10. CASH AND CASH EQUIVALENTS**

	<u>31 March 2024 (Unaudited)</u>	<u>31 December 2023 (Audited)</u>
Cash in hand	69,867	-
Cash at banks	39,009,807	41,251,116
	<u>39,079,674</u>	<u>41,251,116</u>

**11. 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 March 2024 (31 December 2023: SR 550,000,000).

	<u>Percentage</u>	<u>Number of shares</u>	<u>Value per share</u>	<u>Total</u>
Seera Holding Group	70%	38,500,000	10	385,000,000
Other	30%	16,500,000	10	165,000,000

**12. 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.

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**13. STATUTORY RESERVE**

After issuance of new Companies Law the requirement to transfer net income to statutory reserve is removed. The management during 2023 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.

**14. LOANS AND BORROWINGS**

	<b>31 March 2024 (Unaudited)</b>	31 December 2023 (audited)
Opening balance	1,346,007,067	492,886,364
Loans obtained during the period/year	375,293,000	1,076,173,039
Interest expense for the period/year	28,011,754	60,821,006
Loans repaid during the period/year	<u>(122,042,972)</u>	<u>(283,873,342)</u>
Closing balance	<u>1,627,268,849</u>	<u>1,346,007,067</u>
	<b>31 March 2024</b>	31 December 2023
<b>Non-current portion</b>	<u>1,084,458,121</u>	<u>933,163,616</u>
<b>Current portion</b>	<u>542,810,728</u>	<u>412,843,451</u>

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-annually basis at the prevailing market rate. Total finance charges pertaining to loans and borrowings included within finance charge amounts to SR 28 million (March 2023: 9.5 million). The loans are secured against promissory notes and assignment of revenue related cashflows.

**15. REVENUE**

	<b>For the three-months period ended</b>	
	<b>31 March 2024</b>	31 March 2023
<b>Revenue from contracts with customer</b>		
Vehicle lease and rental agreements	241,674,117	174,874,640
Revenue from sale of vehicles	142,369,747	92,188,085
<b>Total Revenue</b>	<u>384,043,864</u>	<u>267,062,725</u>
<b>Timing of revenue recognition</b>		
Services transferred overtime	241,674,117	174,874,640
Services transferred at point in time	142,369,747	92,188,085
<b>Total Revenue</b>	<u>384,043,864</u>	<u>267,062,725</u>



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**16. ZAKAT PROVISION**

	<b>31 March 2024</b>	31 December 2023
	<b>(Unaudited)</b>	(Audited)
At the beginning	<b>4,732,233</b>	4,679,053
Provided during the period	<b>1,317,250</b>	4,732,233
Payments made during the period	<u>-</u>	<u>(4,679,053)</u>
At the end	<b><u>6,049,483</u></b>	<u>4,732,233</u>

**17. 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.

	<b>For the three-months period ended</b>	
	<b>31 March 2024</b>	31 March 2023
Profit attributable to ordinary shareholders	<b><u>44,710,407</u></b>	<u>50,321,423</u>
Weighted-average number of ordinary shares at the end of the period	<b><u>55,000,000</u></b>	<u>55,000,000</u>
Basic and diluted	<b><u>0.81</u></b>	<u>0.91</u>

**18. FINANCIAL INSTRUMENTS – RISK MANAGEMENT**

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.

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**18. FINANCIAL INSTRUMENTS – RISK MANAGEMENT (CONTINUED)**

**Financial instrument category**

	<i>Note</i>	<b>31 March 2024</b> (Unaudited)	31 December 2023 (Audited)
<b>Financial assets at amortized cost</b>			
Trade receivables, net	8	292,730,258	242,398,535
Other receivables		6,666,848	4,121,341
Cash and cash equivalents	10	39,079,674	41,251,116
		<u>338,476,780</u>	<u>287,770,992</u>
<b>Financial liabilities at amortized cost</b>			
Trade payables		603,584,611	725,976,076
Loans and borrowings	14	1,627,268,849	1,346,007,067
Lease liabilities		92,723,141	89,160,243
Accruals and other liabilities		18,812,949	30,559,312
<b>Total</b>		<u>2,342,389,550</u>	<u>2,191,702,698</u>

**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.

**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. Such credit ratings are taken into account by local business practices.

**Market risk**

Market risk arises from the Company's use of interest bearing, tradable and foreign currency financial instruments, if any. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in commission rates (interest rate risk).

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**18. FINANCIAL INSTRUMENTS – RISK MANAGEMENT (CONTINUED)**

**Interest rate risk**

Fair value and cash flow interest rate risks are the exposures to various risks associated with the effect of fluctuations in the prevailing interest rates on the Company's financial position and cash flows. The Company is not exposed to fair value as it does not have any financial instrument that is categorised as fair value through 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.

	<u>100 bps increase</u>	<u>100 bps decrease</u>
31 March 2024	(16,179,160)	16,179,160

**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 45 days.

**19. 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:

<u>Reportable segments</u>	<u>Operations</u>
Leasing	Providing vehicles on long term leases to corporate and government customers
Rental	Providing vehicles on daily, weekly, monthly rentals to walking 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. Segment assets exclude tax assets and assets used primarily for corporate purposes. Segment liabilities exclude tax liabilities and defined benefit liabilities.

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**19. OPERATING SEGMENTS (CONTINUED)**

Information about reportable segments is set out below:

	<u>Leasing</u>		<u>Rental</u>		<u>Used car sale</u>		<u>Others</u>		<u>Total</u>	
	<u>31 March 2024</u>	<u>31 March 2023</u>	<u>31 March 2024</u>	<u>31 March 2023</u>	<u>31 March 2024</u>	<u>31 March 2023</u>	<u>31 March 2024</u>	<u>31 March 2023</u>	<u>31 March 2024</u>	<u>31 March 2023</u>
Revenue	126,520,374	82,944,384	115,153,743	91,930,256	142,369,747	92,188,085	-	-	384,043,864	267,062,725
Depreciation of Vehicles	(40,212,682)	(29,719,581)	(37,327,832)	(30,636,851)	-	-	-	-	(77,540,514)	(60,356,432)
Cost of vehicles Sold	-	-	-	-	(127,864,491)	(67,567,116)	-	-	(127,864,491)	(67,567,116)
<b>Segmental Profit</b>	<b>86,307,692</b>	<b>53,224,803</b>	<b>77,825,911</b>	<b>61,293,405</b>	<b>14,505,256</b>	<b>24,620,969</b>	<b>-</b>	<b>-</b>	<b>178,638,859</b>	<b>139,139,177</b>
<b>Unallocated Income / Expenses</b>										
Cost of Revenue									(65,165,155)	(44,269,624)
General & Admin Expense									(33,272,967)	(23,782,075)
Provision for expected credit loss on trade and other receivables									(1,150,398)	(7,184,887)
Employee Incentive									(2,228,694)	-
Other Income									442,470	(59,559)
Finance Cost									(31,236,458)	(11,882,655)
<b>Profit before Zakat</b>									<b>46,027,657</b>	<b>51,960,377</b>
	<u>31 March 2024</u>	<u>31 December 2023</u>	<u>31 March 2024</u>	<u>31 December 2023</u>	<u>31 March 2024</u>	<u>31 December 2023</u>	<u>31 March 2024</u>	<u>31 December 2023</u>	<u>31 March 2024</u>	<u>31 December 2023</u>
<b>Segment Assets</b>	<b>1,795,348,411</b>	<b>1,595,702,563</b>	<b>1,074,894,607</b>	<b>1,116,515,388</b>	<b>-</b>	<b>-</b>	<b>577,574,567</b>	<b>534,184,020</b>	<b>3,447,817,585</b>	<b>3,246,401,971</b>
<b>Segment Liabilities</b>	<b>(284,029,537)</b>	<b>(1,100,983,916)</b>	<b>(94,066,686)</b>	<b>(821,281,569)</b>	<b>-</b>	<b>-</b>	<b>(1,997,459,011)</b>	<b>(298,813,236)</b>	<b>(2,375,555,234)</b>	<b>(2,221,078,721)</b>

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**20. CONTINGENCIES AND COMMITMENTS**

**Contingent liabilities**

As at 31 March 2024, the Company has letters of guarantees amounting to SR 710 million (31 December 2023: SR 966 million)

**Capital commitments**

The Company has outstanding capital commitments as at 31 March 2024 amounting to SR 7.4 million (31 December 2023: SR 157.7 million).

**21. SUBSEQUENT EVENTS**

On 2nd April 2024, the Company has received a rebate of SR 27 million from its vendors against the purchase of vehicles. (full year 2023: amount received as rebate was SR 10.4 million).

There are no other subsequent events that require disclosure or amendments to the accompanying interim condensed financial statements.

**22. APPROVAL OF THE FINANCIAL STATEMENTS**

These interim condensed financial statements have been approved by the management on 14 May 2024 (corresponding to 6 Dhul Qidah 1445H).