

**Theeb Rent a Car Company  
(A Saudi Joint Stock Company)**

**UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS**

**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2024**

Theeb Rent a Car Company  
(A Saudi Joint Stock Company)

INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

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## INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF THEEB RENT A CAR COMPANY (A SAUDI JOINT STOCK COMPANY)

### Introduction

We have reviewed the accompanying interim condensed statement of financial position of Theeb Rent a Car Company (a Saudi Joint Stock Company) ("the Company") as at 30 September 2024, and the related interim condensed statement of comprehensive income for the three-month and nine-month periods ended 30 September 2024, and the related interim condensed statements of changes in shareholders' equity and cash flows for the nine-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

### Scope of review

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

### Conclusion

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

for Ernst & Young Professional Services

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



Riyadh: 9 Jumada al-Ula 1446H  
(11 November 2024)

Theeb Rent a Car Company  
(A Saudi Joint Stock Company)

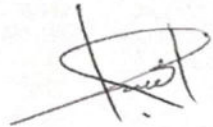
INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

For the three-month and nine-month periods ended 30 September 2024

	Notes	For the three-month period ended 30 September		For the nine-month period ended 30 September	
		2024 (Unaudited) SR	2023 (Unaudited) SR	2024 (Unaudited) SR	2023 (Unaudited) SR
Revenues	12	337,395,194	288,406,442	965,750,333	834,719,941
Cost of revenues		(230,842,650)	(195,157,462)	(654,505,203)	(569,020,130)
<b>GROSS PROFIT</b>		<b>106,552,544</b>	<b>93,248,980</b>	<b>311,245,130</b>	<b>265,699,811</b>
Selling and marketing expenses		(16,563,605)	(14,515,213)	(49,375,934)	(41,848,954)
General and administrative expenses		(14,874,287)	(14,608,150)	(43,413,373)	(39,356,895)
Provision for expected credit losses		(5,840,569)	(11,047,373)	(21,973,205)	(26,700,044)
Other operating income		1,584,986	326,823	5,958,229	1,828,846
<b>INCOME FROM OPERATIONS</b>		<b>70,859,069</b>	<b>53,405,067</b>	<b>202,440,847</b>	<b>159,622,764</b>
Finance cost		(21,373,306)	(15,667,203)	(60,916,571)	(41,826,783)
<b>INCOME BEFORE ZAKAT</b>		<b>49,485,763</b>	<b>37,737,864</b>	<b>141,524,276</b>	<b>117,795,981</b>
Zakat	3	(3,000,000)	(3,404,570)	(9,982,007)	(11,251,894)
<b>NET INCOME FOR THE PERIOD</b>		<b>46,485,763</b>	<b>34,333,294</b>	<b>131,542,269</b>	<b>106,544,087</b>
Other comprehensive income		-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>46,485,763</b>	<b>34,333,294</b>	<b>131,542,269</b>	<b>106,544,087</b>
<b>Earnings per share:</b>					
Basic and diluted earnings per share for the period	5	<u>1.08</u>	<u>0.80</u>	<u>3.06</u>	<u>2.48</u>

  
Chairman

  
Chief Executive Officer

  
Chief Financial Officer

The accompanying notes from 1 to 18 form an integral part of these interim condensed financial statements.

Theeb Rent a Car Company  
(A Saudi Joint Stock Company)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION  
As at 30 September 2024

	Notes	30 September 2024 (Unaudited) SR	31 December 2023 (Audited) SR
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	4	1,891,603,014	1,673,058,918
Right-of-use assets	7	92,417,019	96,207,857
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,984,020,033</b>	<b>1,769,266,775</b>
<b>CURRENT ASSETS</b>			
Inventories	6	10,932,682	6,718,774
Accounts receivable	8	272,557,609	229,096,887
Prepayments and other current assets		140,889,385	173,475,699
Contract assets		6,684,375	8,257,013
Bank balances and cash		46,745,963	52,011,938
<b>TOTAL CURRENT ASSETS</b>		<b>477,810,014</b>	<b>469,560,311</b>
<b>TOTAL ASSETS</b>		<b>2,461,830,047</b>	<b>2,238,827,086</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	10	430,000,000	430,000,000
Statutory reserve		65,569,191	52,414,964
Retained earnings		305,879,553	247,261,511
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>801,448,744</b>	<b>729,676,475</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Non-current portion of term loans	11	618,576,113	568,735,061
Employees' defined benefit liabilities		42,724,181	38,786,257
Non-current portion of lease obligation	7	42,885,520	41,777,226
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>704,185,814</b>	<b>649,298,544</b>
<b>CURRENT LIABILITIES</b>			
Current portion of term loans	11	645,995,814	556,896,532
Current portion of lease obligation	7	58,201,793	63,562,949
Car dealership payable		80,946,243	79,922,018
Accounts payable		52,738,518	45,041,443
Accrued expenses and other current liabilities		102,720,062	91,000,381
Zakat payable	3	15,593,059	23,428,744
<b>TOTAL CURRENT LIABILITIES</b>		<b>956,195,489</b>	<b>859,852,067</b>
<b>TOTAL LIABILITIES</b>		<b>1,660,381,303</b>	<b>1,509,150,611</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>2,461,830,047</b>	<b>2,238,827,086</b>

Chairman

Chief Executive Officer

Chief Financial Officer

The accompanying notes from 1 to 18 form an integral part of these interim condensed financial statements.


Theeb Rent a Car Company  
(A Saudi Joint Stock Company)

INTERIM CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the nine-month period ended 30 September 2024

	Share Capital SR	Statutory Reserve SR	Retained earnings SR	Total SR
As at 31 December 2022 (Audited)	430,000,000	38,208,015	196,652,399	664,860,414
Net income for the period	-	-	106,544,087	106,544,087
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	106,544,087	106,544,087
Transfer to statutory reserve	-	10,654,409	(10,654,409)	-
Dividends (note 13)	-	-	(61,060,000)	(61,060,000)
As at 30 September 2023 (Unaudited)	430,000,000	48,862,424	231,482,077	710,344,501
As at 31 December 2023 (Audited)	430,000,000	52,414,964	247,261,511	729,676,475
Net income for the period	-	-	131,542,269	131,542,269
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	131,542,269	131,542,269
Transfer to statutory reserve	-	13,154,227	(13,154,227)	-
Dividends (note 13)	-	-	(59,770,000)	(59,770,000)
As at 30 September 2024 (Unaudited)	430,000,000	65,569,191	305,879,553	801,448,744

As at 30 September 2024 (Unaudited)

  
Chairman

  
Chief Financial Officer

The accompanying notes from 1 to 18 form an integral part of these interim condensed financial statements.

Theeb Rent a Car Company  
(A Saudi Joint Stock Company)  
**INTERIM CONDENSED STATEMENT OF CASH FLOWS**  
For the nine-month period ended 30 September 2024

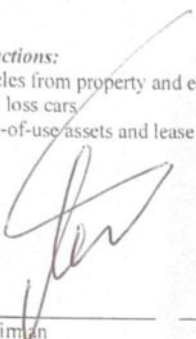
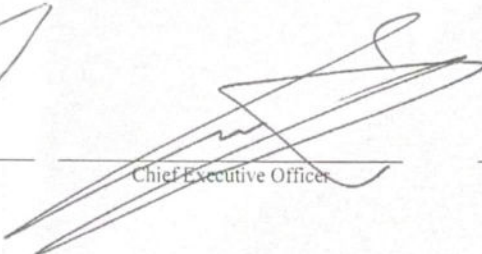
		2024 (Unaudited) SR	2023 (Unaudited) SR
<b>OPERATING ACTIVITIES</b>			
Income before zakat		141,524,276	117,795,981
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Depreciation on property and equipment	4	214,474,974	219,581,289
Depreciation on right-of-use assets	7	36,260,825	32,742,871
Provision for expected credit losses		21,973,205	26,700,044
Provision for employees' defined benefit liabilities		4,954,562	3,473,389
Finance costs		57,586,592	37,472,666
Finance cost on lease liabilities		3,329,979	4,354,117
Write down of inventories	6	4,296,004	6,657,149
		<u>484,400,417</u>	<u>448,777,506</u>
<i>Working capital adjustments:</i>			
Inventories		194,778,236	143,089,550
Accounts receivable		(62,505,118)	(76,896,262)
Prepayments and other current assets		31,086,314	(13,114,442)
Contract assets		143,829	1,497,749
Car dealership payable		1,024,225	25,131,759
Accounts payable		7,697,075	18,722,344
Accrued expenses and other current liabilities		9,780,893	11,300,799
		<u>666,405,871</u>	<u>558,509,003</u>
Additions of motor vehicles	4	(628,790,076)	(561,712,069)
Employees' defined benefit obligations paid		(1,016,638)	(891,713)
Zakat paid	3	(17,817,692)	(10,778,170)
		<u>18,781,465</u>	<u>(14,872,949)</u>
<b>Net cash flows from (used in) operating activities</b>			
<b>INVESTING ACTIVITY</b>			
Additions of other property and equipment	4	(7,517,142)	(5,159,421)
<b>Cash flows used in investing activity</b>			
		<u>(7,517,142)</u>	<u>(5,159,421)</u>
<b>FINANCING ACTIVITIES</b>			
Finance costs paid relating to term loans		(55,647,804)	(35,974,417)
Proceeds from term loans		631,539,307	497,770,031
Repayments of term loans		(492,598,973)	(380,529,904)
Payments of lease liabilities	7	(40,052,828)	(33,990,388)
Interim dividends paid	13	(59,770,000)	(61,060,000)
		<u>(16,530,298)</u>	<u>(13,784,678)</u>
<b>Net cash flows used in financing activities</b>			
Net decrease in bank balances and cash		(5,265,975)	(33,817,048)
Bank balances and cash at the beginning of the period		52,011,938	100,092,690
<b>Bank balances and cash at the end of the period</b>		<u><u>46,745,963</u></u>	<u><u>66,275,642</u></u>

The accompanying notes from 1 to 18 form an integral part of these interim condensed financial statements.

Theeb Rent a Car Company  
(A Saudi Joint Stock Company)

INTERIM CONDENSED STATEMENT OF CASH FLOWS (continued)  
For the nine-month period ended 30 September 2024

	Notes	2024 (Unaudited) SR	2023 (Unaudited) SR
<i>Non-cash transactions:</i>			
Transfer of vehicles from property and equipment to inventories	4	203,288,148	152,449,230
Write off of total loss cars	6	4,296,004	6,657,149
Addition of right-of-use assets and lease liabilities	7	32,469,987	34,245,357

  
\_\_\_\_\_  
Chairman  
\_\_\_\_\_  
Chief Executive Officer  
\_\_\_\_\_  
Chief Financial Officer

The accompanying notes from 1 to 18 form an integral part of these interim condensed financial statements.

# Theeb Rent a Car Company (A Saudi Joint Stock Company)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

30 September 2024

### 1. CORPORATE INFORMATION AND ACTIVITIES

Theeb Rent a Car Company (the “Company”) is a Saudi Joint Stock Company registered in the Riyadh, Kingdom of Saudi Arabia under commercial registration number 1010150661 dated 12 Rabi Thani 1419H (corresponding to 6 August 1998). The Company is engaged in car rental and leasing as per license numbered 010102000200 issued by the Ministry of Transportation in the Kingdom of Saudi Arabia.

The Company’s registered office is located at the following address:  
6709 Eastern ring branch road, at Rawdah district  
Riyadh 13211 – 2394  
Kingdom of Saudi Arabia.

### 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

#### 2.1 STATEMENT OF COMPLIANCE

These interim condensed financial statements for the three-month and nine-month periods ended 30 September 2024 have been prepared in accordance with International Accounting Standard 34 ‘Interim Financial Reporting’ (“IAS 34”) as endorsed in the Kingdom of Saudi Arabia (“KSA”) and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”). The Company has prepared these interim condensed financial statements on the basis that it will continue to operate as a going concern. Management considers that there are no material uncertainties that may cast significant doubt over this assumption. Management has formed a judgement that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The significant accounting policies adopted in the preparation of these interim condensed financial statements are consistent with those followed in the preparation of the annual financial statements for the year ended 31 December 2023, except for the new standards and amendments effective from 1 January 2024 as disclosed in note 2.4.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the Company’s annual financial statements for the year ended 31 December 2023. In addition, results for the three-month and nine-month periods ended 30 September 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 interim condensed financial statements have been prepared on a historical cost basis.

#### 2.3 FUNCTIONAL AND PRESENTATION CURRENCY

The interim condensed financial statements are presented in Saudi Riyals (“SR”), which is the functional and presentation currency of the Company.

#### 2.4 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS

##### 2.4.1 *New standards and amendments adopted by the Company*

Several amendments apply for the first time in 2024, but do not have an impact on the interim condensed financial statements of the Company.

##### ***Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7***

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk.

The transition rules clarify that an entity is not required to provide the disclosures in any interim periods in the year of initial application of the amendments. Thus, the amendments had no impact on the Company’s interim condensed financial statements.

Theeb Rent a Car Company  
(A Saudi Joint Stock Company)

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

(continued)

30 September 2024

**2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)**

**2.4 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (continued)**

**2.4.1 New standards and amendments adopted by the Company (continued)**

***Amendments to IFRS 16: Lease Liability in a Sale and Leaseback***

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Company's interim condensed financial statements.

***Amendments to IAS 1: Classification of Liabilities as Current or Non-current***

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Company's interim condensed financial statements.

**2.4.2 Standards, amendments and interpretations issues but not yet effective**

The International Accounting Standards Board ("IASB") has issued the following standards and amendments which will become effective on or after 1 January 2025. The Company has opted not to early adopt these pronouncements and they do not have a significant impact on the interim condensed financial statements of the Company.

***Amendments to IAS 21- Lack of exchangeability***

IASB amended IAS 21 to add requirements to help in determining whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not exchangeable. Amendment set out a framework under which the spot exchange rate at the measurement date could be determined using an observable exchange rate without adjustment or another estimation technique.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. The amendments are not expected to have a material impact on the Company's financial statements.

***Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture***

Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.

The amendments are deferred indefinitely. The amendments are not expected to have a material impact on the Company's financial statements.

Theeb Rent a Car Company  
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

(continued)

30 September 2024

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.4 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (continued)

2.4.2 Standards, amendments and interpretations issues but not yet effective (continued)

*IFRS 18 - presentation and disclosure in financial statements*

This standard set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure the entity provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.

The amendments are effective for annual reporting periods beginning on or after 1 January 2027. The amendments are not expected to have a material impact on the Company's financial statements.

3. ZAKAT

*Movement in provision during the period/year*

The movement in zakat provision was as follows:

	<b>30 September 2024 (Unaudited) SR</b>	<b>31 December 2023 (Audited) SR</b>	<b>30 September 2023 (Unaudited) SR</b>
At the beginning of the period/year	<b>23,428,744</b>	24,718,383	24,718,383
Provided during the period/year	<b>9,982,007</b>	11,318,777	11,251,894
Prior year reversal of reassessment	-	(1,830,246)	-
Paid during the period/year	<b><u>(17,817,692)</u></b>	<b><u>(10,778,170)</u></b>	<b><u>(10,778,170)</u></b>
At the end of the period/year	<b><u>15,593,059</u></b>	<b><u>23,428,744</u></b>	<b><u>25,192,107</u></b>

*Status of assessments*

- As of the date of issuance of these interim condensed financial statements, the Company has filed its zakat returns and financial statements to the Zakat, Tax and Customs Authority ("ZATCA") for all years up to 31 December 2023 and obtained zakat certificate for those years.
- The Company finalized its zakat position with ZATCA for all years up to 2018. During the period ended 30 September 2024, settlement plan has been agreed with ZATCA to settle the additional claim amount of SR 11 million in 9 instalments starting from May 2024, the Company already kept the provision of SR 11 million for the claim amount. During the period ended 30 September 2024, the Company has paid five installments amounting to SR 6.5 million as per agreed settlement plan with ZATCA.
- During the year ended 31 December 2021, management received a correspondence from ZATCA, regarding the previous ownership of shares by Growth Opportunities Company for Trading, one of the former shareholders in the Company, that there are certain possible taxes on the Company. ZATCA's view based on certain assumptions, is that the Company is partially subject to income tax. In the above-mentioned correspondence, ZATCA assumed that the above-mentioned former shareholder is fully owned directly or indirectly by non-GCC nationals and accordingly, the total amount of income tax exposure as stated by ZATCA is SR 29.76 million for income tax and withholding tax exposure was set out by ZATCA at SR 3.94 million, covering the years from 2013 to 2018 and are excluding delay and other related fines. As at the date of the approval of these interim condensed financial statements by the Board of Directors, no official assessment has been received from ZATCA. Additional potential exposure for the years ended 31 December 2019 and 2020, and for the period from 1 January 2021 to date of disposition of the former shareholders' shares could arise if ZATCA imposes the above-mentioned principle to all assessment years.

The Company is currently registered with ZATCA as a 100% zakatable company on the basis of its ownership structure with all direct and indirect shareholders being either GCC nationals, or companies that were established within the GCC and whose shareholders consist wholly of GCC nationals. Further, dividends distributions to the above-mentioned former shareholder, in management view, are not subject to withholding tax as it is a resident company in the Kingdom of Saudi Arabia (as a Saudi limited liability company on the basis of the incorporation documents).

Theeb Rent a Car Company  
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

(continued)

30 September 2024

**3. ZAKAT (continued)**

*Status of assessments (continued)*

During September 2021, the Company has replied to ZATCA after receiving the correspondence and no response was received since then. Moreover, in case of any imposed position by ZATCA, in addition to any relevant fines and delay penalties, the above-mentioned former shareholder has provided to the Company an indemnity undertaking letter to bear any tax related liability that might be imposed on the Company by ZATCA in connection with the above matter.

During the year ended 31 December 2023, management has reassessed their position and accordingly made accruals of SR 33,703,203 with the same impact on receivable from the former shareholder.

**4. PROPERTY AND EQUIPMENT**

	30 September 2024 (Unaudited)			31 December 2023 (Audited)		
	Vehicles SR	Other SR	Total SR	Vehicles SR	Other SR	Total SR
Opening net book value	1,562,185,029	110,873,889	1,673,058,918	1,214,911,498	105,450,713	1,320,362,211
Additions during the period/year	628,790,076	7,517,142	636,307,218	842,154,073	10,814,171	852,968,244
Transfer of vehicles to inventories	(203,288,148)	-	(203,288,148)	(212,817,166)	-	(212,817,166)
Depreciation for the period/year	(209,870,133)	(4,604,841)	(214,474,974)	(282,063,376)	(5,390,995)	(287,454,371)
Closing net book value	<u>1,777,816,824</u>	<u>113,786,190</u>	<u>1,891,603,014</u>	<u>1,562,185,029</u>	<u>110,873,889</u>	<u>1,673,058,918</u>

**5. EARNINGS PER SHARE**

Basic and diluted earnings per share are calculated by dividing net income for the period attributable to the shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Earnings per share are calculated as follows:

	For the three-month period ended 30 September (Unaudited)		For the nine-month period ended 30 September (Unaudited)	
	2024 SR	2023 SR	2024 SR	2023 SR
Net income for the period	<u>46,485,763</u>	<u>34,333,294</u>	<u>131,542,269</u>	<u>106,544,087</u>
Weighted average number of ordinary shares outstanding	<u>43,000,000</u>	<u>43,000,000</u>	<u>43,000,000</u>	<u>43,000,000</u>
Basic and diluted earnings per share	<u>1.08</u>	<u>0.80</u>	<u>3.06</u>	<u>2.48</u>

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**6. INVENTORIES**

Inventories mainly represent vehicles available for sale. During the nine-month period ended 30 September 2024, the Company wrote down SR 4.3 million (30 September 2023: SR 6.7 million) of inventories resulted from accidents, the reimbursement received from insurance companies related to this was SR 4.3 million (30 September 2023: SR 6.19 million), both write down and reimbursements are presented on net basis in cost of revenues in the interim condensed statement of comprehensive income.

**7. RIGHT-OF-USE ASSETS**

The Company has lease contracts for leasehold buildings (i.e. workshops, accommodations and showrooms).

The Company also has certain leases with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the recognition exemption for short-term leases and leases of low-value assets for these leases.

Set out below are the carrying amount of right-of-use assets recognized and the movements during the period/ year:

	<i>30 September 2024 (Unaudited) SR</i>	<i>31 December 2023 (Audited) SR</i>
At the beginning of the period / year	<b>96,207,857</b>	101,610,688
Additions	<b>32,469,987</b>	39,127,173
Depreciation expense	<b>(36,260,825)</b>	(44,530,004)
At the end of the period/ year	<b><u>92,417,019</u></b>	<b><u>96,207,857</u></b>

Set out below the carrying amounts of lease obligations and the movements during the period/ year:

	<i>30 September 2024 (Unaudited) SR</i>	<i>31 December 2023 (Audited) SR</i>
At the beginning of the period/ year	<b>105,340,175</b>	107,555,421
Additions	<b>32,469,987</b>	39,127,173
Accretion of interest	<b>3,329,979</b>	5,498,717
Payments (*)	<b>(40,052,828)</b>	(46,841,136)
At the end of the period/ year	<b>101,087,313</b>	105,340,175
Less: Current portion	<b><u>58,201,793</u></b>	<u>63,562,949</u>
Non-current portion	<b><u>42,885,520</u></b>	<u>41,777,226</u>

(\*) Payment of lease liabilities include repayment of principal portion of SR 36,722,849 (31 December 2023: SR 41,342,419) and payment of interest amounted to SR 3,329,979 (31 December 2023: SR 5,498,717).

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**8. ACCOUNTS RECEIVABLE**

	<b>30 September 2024 (Unaudited) SR</b>	<b>31 December 2023 (Audited) SR</b>
Accounts receivable	425,296,620	362,791,502
Less: allowance for expected credit losses	<b>(152,739,011)</b>	<b>(133,694,615)</b>
	<b><u>272,557,609</u></b>	<b><u>229,096,887</u></b>

The movements in the allowance for expected credit losses during the period/year were as follows:

	<b>30 September 2024 (Unaudited) SR</b>	<b>31 December 2023 (Audited) SR</b>
At the beginning of the period/ year	133,694,615	93,222,959
Provided during the period/ year	<b>19,044,396</b>	40,471,656
At the end of the period/ year	<b><u>152,739,011</u></b>	<b><u>133,694,615</u></b>

**9. RELATED PARTY TRANSACTIONS AND BALANCES**

Related parties of the Company include shareholders, Board of Directors, key management personnel and entities of which they are principal owners.

The terms of the transactions with related parties are approved by the Company's management. The transactions with the related parties are carried out in the normal course of business and their settlements take place in the normal course of business as well. Following is the list of related parties of the Company:

<b>Related Party</b>	<b>Nature of relationship</b>
Mohammed Ahmed Abdullah Al-Theeb	Shareholder
Naif Mohammed Ahmed Abdullah Al-Theeb	Shareholder
Mohammad Ahmed Al-Theeb Contracting Company	Affiliate – (Related party to shareholders)
Madareem Company	Affiliate – (Related party to shareholders)

Following are the details of related party transactions for the nine-month period ended:

<b>Related Party</b>	<b>Nature of transactions</b>	<b>30 September 2024 (Unaudited) SR</b>	<b>30 September 2023 (Unaudited) SR</b>
Mohammad Ahmed Al-Theeb	Rent charged	<b>(511,667)</b>	(420,000)
Mohammad Ahmed Al-Theeb Contracting Company	Expenses charged	<b>(157,358)</b>	(215,108)
Madareem Company	Expenses charged	<b>(4,070)</b>	(6,678)
Mohammad Ahmed Al-Theeb	Car rental	<b>7,862</b>	3,525
Naif Mohammed Al-Theeb	Car rental	<b>19,603</b>	52,824

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

Following are the details of related party transactions for the three-month period ended:

<i>Related Party</i>	<i>Nature of transactions</i>	<b>30 September 2024 (Unaudited) SR</b>	<b>30 September 2023 (Unaudited) SR</b>
Mohammad Ahmed Al-Theeb	Rent charged	<b>(195,000)</b>	(140,000)
Mohammad Ahmed Al-Theeb Contracting Company	Expenses charged	<b>(1,200)</b>	(198,065)
Madareem Company	Expenses charged	<b>(4,070)</b>	(6,678)
Mohammad Ahmed Al-Theeb	Car rental	<b>7,862</b>	-
Naif Mohammed Al-Theeb	Car rental	<b>2,550</b>	-

There are no due from (due to) related parties balances as at 30 September 2024 (31 December 2023: nil).

Key management personnel of the Company comprise of key members of the management having authority and responsibility for planning, directing and controlling the activities of the Company. Following are the details of compensation of key management personnel for the nine-month period ended:

<i>Related party</i>	<i>Nature of transaction</i>	<b>30 September 2024 (Unaudited) SR</b>	<b>30 September 2023 (Unaudited) SR</b>
Key management personnel	Short term employees' benefits	<b>5,062,832</b>	4,950,108
	Long term employees' benefits	<b>178,291</b>	212,208
Board of Directors	Board of Directors' remuneration	<b>2,575,000</b>	1,794,800

Following are the details of compensation of key management personnel for the three-month period ended:

<i>Related party</i>	<i>Nature of transaction</i>	<b>30 September 2024 (Unaudited) SR</b>	<b>30 September 2023 (Unaudited) SR</b>
Key management personnel	Short term employees' benefits	<b>1,693,553</b>	1,699,007
	Long term employees' benefits	<b>59,864</b>	74,110
Board of Directors	Board of Directors' remuneration	<b>726,000</b>	549,000

**10. SHARE CAPITAL**

The Company's Share capital is divided into 43,000,000 shares of SR 10 each (31 December 2023: 43,000,000 shares of SR 10 each).

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**11. TERM LOANS**

	<b>30 September 2024 (Unaudited) SR</b>	<b>31 December 2023 (Audited) SR</b>
Current portion	<b>645,995,814</b>	556,896,532
Non-current portion	<b>618,576,113</b>	568,735,061
	<b><u>1,264,571,927</u></b>	<b><u>1,125,631,593</u></b>

The Company has obtained bank facilities from local banks in the form of term-loans. The term loans are repayable over a period ranging from 24 to 48 months from the date of the drawdown. The installments due within the next 12 months are shown under current liabilities. The Company has other undrawn facilities with banks available in accordance with the signed facility agreements. The Company's bank facilities are Sharia compliant.

The Company's current liabilities exceeded its current assets as of 30 September 2024 primarily owing to the loans, used to finance purchase of vehicles classified under non-current assets in the statement of financial position, as part of the normal course of business. This is consistent with previously reported periods.

**12. SEGMENTAL REPORTING**

Consistent with the Company's internal reporting process, business segments have been approved by the Board of Directors in respect of the Company's activities. Management monitors the following details on a segment wise basis:

<i>For the nine-month period ended 30 September 2024 (Unaudited)</i>	<i>Short term rental SR</i>	<i>Long term lease SR</i>	<i>Car sales SR</i>	<i>Total SR</i>
Revenue	366,168,288	361,118,378	238,463,667	965,750,333
Depreciation expense (Motor vehicles)	<u>(90,957,746)</u>	<u>(118,912,387)</u>	-	<u>(209,870,133)</u>
Segment profit	<u>275,210,542</u>	<u>242,205,991</u>	<u>238,463,667</u>	<u>755,880,200</u>

<i>For the nine-month period ended 30 September 2023 (Unaudited)</i>	<i>Short term rental SR</i>	<i>Long term lease SR</i>	<i>Car sales SR</i>	<i>Total SR</i>
Revenue	377,302,651	260,064,436	197,352,854	834,719,941
Depreciation expense (Motor vehicles)	<u>(118,957,154)</u>	<u>(96,665,384)</u>	-	<u>(215,622,538)</u>
Segment profit	<u>258,345,497</u>	<u>163,399,052</u>	<u>197,352,854</u>	<u>619,097,403</u>

<i>For the three-month period ended 30 September 2024 (Unaudited)</i>	<i>Short term rental SR</i>	<i>Long term lease SR</i>	<i>Car sales SR</i>	<i>Total SR</i>
Revenue	124,230,632	131,365,892	81,798,670	337,395,194
Depreciation expense (Motor vehicles)	<u>(30,111,785)</u>	<u>(43,209,427)</u>	-	<u>(73,321,212)</u>
Segment profit	<u>94,118,847</u>	<u>88,156,465</u>	<u>81,798,670</u>	<u>264,073,982</u>

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**12. SEGMENTAL REPORTING (continued)**

*For the three-month period ended*

<i>30 September 2023 (Unaudited)</i>	<i>Short term rental SR</i>	<i>Long term lease SR</i>	<i>Car sales SR</i>	<i>Total SR</i>
Revenue	129,132,313	91,912,077	67,362,052	288,406,442
Depreciation expense (Motor vehicles)	(41,741,857)	(34,320,158)	-	(76,062,015)
Segment profit	<u>87,390,456</u>	<u>57,591,919</u>	<u>67,362,052</u>	<u>212,344,427</u>

*Detail of segment assets and liabilities:*

<i>30 September 2024 (Unaudited)</i>	<i>Allocated</i>		<i>Unallocated</i>	
	<i>Short term lease SR</i>	<i>Long term lease SR</i>	<i>Others SR</i>	<i>Total SR</i>
Segment assets	<b>569,358,949</b>	<b>1,208,457,875</b>	<b>684,013,223</b>	<b>2,461,830,047</b>
Segment liabilities	-	-	<b>1,660,381,303</b>	<b>1,660,381,303</b>

<i>31 December 2023 (Audited)</i>	<i>Allocated</i>		<i>Unallocated</i>	
	<i>Short term Lease SR</i>	<i>Long term Lease SR</i>	<i>Others SR</i>	<i>Total SR</i>
Segment assets	597,362,872	964,822,157	676,642,057	2,238,827,086
Segment liabilities	-	-	1,509,150,611	1,509,150,611

Financial assets and liabilities are not allocated to those segments as they are managed on a Company basis.

The following summary describes the operation in each of the Company's reportable segments:

- Short term rental segment represents activities involving leasing of cars to customers under short term rental arrangements (daily and monthly).
- Long term lease segment represents activities involving leasing of cars to customers under medium to longer term operating lease arrangements.
- Car sales represent the sales of vehicles that were previously held as a part of lease or rental fleet.

**Disaggregated revenue information**

Set out below is the disaggregation of the Company's revenue from contracts with customers:

<i>Timing of revenue recognition</i>	<i>For the three-month period ended 30 September (Unaudited)</i>		<i>For the nine-month period ended 30 September (Unaudited)</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
Services transferred over time	<b>255,596,525</b>	221,044,390	<b>727,286,666</b>	637,367,087
Goods transferred at point in time	<b>81,798,669</b>	67,362,052	<b>238,463,667</b>	197,352,854
	<u><b>337,395,194</b></u>	<u>288,406,442</u>	<u><b>965,750,333</b></u>	<u>834,719,941</u>

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**12. SEGMENTAL REPORTING (continued)**

*Performance obligations*

The performance obligation is satisfied upon availing the vehicle for lease and payment is generally due 60 days for corporate customers from the invoice date. Contracts for the sale of vehicles does not provide customers with any right of return. There are no unsatisfied performance obligations as at the reporting date; therefore, there are no transaction price that are required to be allocated over the remaining or unsatisfied performance obligations.

*Operating leases – the Company as lessor*

The Company has entered into leases on its fleet of vehicles. The commercial and non-commercial vehicle leases typically have lease terms of between 1 and 5 years and include clauses to enable periodic upward revision of the rental charge according to prevailing market conditions. Some leases contain options to break before the end of the lease term.

Future minimum rentals receivable under non-cancellable operating leases as at the reporting date are, as follows:

	<i>30 September 2024 (Unaudited) SR</i>	<i>31 December 2023 (Audited) SR</i>
Within 1 year	<b>428,943,671</b>	327,511,709
After 1 year but not more than 5 years	<b>660,565,805</b>	488,432,957
	<b><u>1,089,509,476</u></b>	<u>815,944,666</u>

*Geographical markets*

The Company operates exclusively in the Kingdom of Saudi Arabia and therefore no geographical market information is presented in these interim condensed financial statements.

**13. DIVIDENDS**

The Company's Board of Directors approved in their meeting held on 29 March 2023, to distribute final cash dividend for the fourth quarter 2022 of SR 0.59 per share totaling to SR 25,370,000. The above-mentioned dividends have been distributed to the shareholders on 13 April 2023.

The Company's Board of Directors approved, in their meeting held on 1 June 2023, to distribute interim cash dividends of SR 0.49 per share totaling to SR 21,070,000. The above-mentioned interim dividends have been distributed to the shareholders on 13 June 2023.

Further, The Company's Board of Directors approved, in their meeting held on 10 August 2023, to distribute interim cash dividends of SR 0.34 per share totaling to SR 14,620,000. The above-mentioned dividends have been distributed to the shareholders on 23 August 2023.

The Company's Board of Directors approved in their meeting held on 14 March 2024, to distribute final cash dividend for the fourth quarter 2023 of SR 0.41 per share totaling to SR 17,630,000. The above-mentioned dividends have been distributed to the shareholders on 26 March 2024.

The Company's Board of Directors approved in their meeting held on 16 May 2024, to distribute cash interim dividend of SR 0.47 per share totaling SR 20,210,000. The above-mentioned interim dividend has been distributed to the shareholders on 28 May 2024.

The Company's Board of Directors approved in their meeting held on 7 August 2024, to distribute cash interim dividend of SR 0.51 per share totaling SR 21,930,000. The above-mentioned interim dividend has been distributed to the shareholders on 22 August 2024.

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**14. COMMITMENTS AND CONTINGENCIES**

At 30 September 2024, the Company issued letters of guarantees amounting to SR 74.3 million (31 December 2023: SR 75.2 million) mainly in respect of the Company's leased properties and bidding for government contracts.

Other than above, the Company does not have any other commitments or contingencies.

**15. SUBSEQUENT EVENTS**

In the opinion of management, no events have arisen subsequent to 30 September 2024 and before the date of issuing the interim condensed financial statements that could have a significant effect on the interim condensed financial statements as at 30 September 2024.

**16. FAIR VALUE OF FINANCIAL INSTRUMENTS**

Management believes that the fair values of the financial assets and liabilities are not materially different from their carrying values, largely due to the short-term maturities of these instruments.

**17. COMPARATIVE INFORMATION**

Certain comparative information has been reclassified to align with current period presentation.

**18. APPROVAL OF INTERIM CONDENSED FINANCIAL STATEMENTS**

These interim condensed financial statements of the Company were authorised for issuance in accordance with the Board of Directors' resolution dated 6 November 2024 (corresponding to 4 Jumada al-Ula 1446H).