

Lumi Demonstrates Resilience in Q1 2026 with Stable Core Performance and Improved Margins

- *Net operating revenue (leasing and rental, excl. used car sales) remained broadly stable, declining marginally by 1.2% YoY to SAR 289.4 million, reflecting resilient core operations.*
- *Total revenue declined by 11.0% YoY to SAR 366.1 million, primarily reflecting lower used car sales as part of a deliberate strategy to optimize disposal timing and extend asset life.*
- *EBITDA declined by 5.8% YoY to SAR 180.0 million, while margin expanded by 2.8 ppts to 49.2%, supported by improved mix and cost discipline.*

Riyadh, 07 May 2026: Lumi Rental Company [Lumi, TASI:4262] delivered a resilient financial performance in Q1 2026, underpinned by stable core leasing and rental revenues, continued growth in contracted business, and ongoing digital enablement across customer channels and operations.

Total revenue declined by 11.0% YoY to SAR 366.1 million, primarily due to lower used car sales. Excluding used car sales, net operating revenue declined only 1.2%, reflecting stability in core operations. Performance was driven by disciplined fleet management and evolving unit economics, with lease revenue per vehicle increasing by 8.2%, while rental pricing normalized during the period. Ongoing enhancements in digital channels and pricing tools, support improved revenue per vehicle and customer mix.

EBITDA declined moderately by 5.8% YoY, while margin expanded to 49.2% (Q1 2025: 46.4%), reflecting improved revenue mix and disciplined cost management. Net profit declined by 24.7% YoY, primarily due to lower gross profit and increase in receivable provision.

Lumi further strengthened its financial position during the period. Net debt declined to SAR 1,551.8 million, while Net Debt / EBITDA improved to 2.1x (Q1 2025: 2.2x), reflecting disciplined capital allocation and continued focus on balance sheet optimization.

Mr. Azfar Shakeel, Chief Executive Officer of Lumi, commented: “In the first quarter of 2026, Lumi delivered a resilient performance, with our core leasing and rental operations

remaining broadly stable despite a more challenging macroeconomic environment during the period. The continued growth in our leasing business reflects the strength of our long-term contracted model and its role in enhancing earnings visibility.

As expected, we saw a lower contribution from used vehicle sales during the quarter. This reflects our deliberate strategy to optimize returns across the fleet, including extending asset life where appropriate and selectively timing disposals to capture favorable market conditions, rather than prioritizing volumes.

Importantly, we achieved a meaningful expansion in EBITDA margin, supported by an improved revenue mix, operational efficiency, and disciplined cost management. We remain focused on further strengthening our capital efficiency, enhancing returns per vehicle, and continuing to build our diversified and resilient business model.”

Key financial highlights

(SAR Million)	Q1 2026	Q1 2025	YoY Change
Revenue	366.1	411.5	(11.0%)
Net Revenue (Leasing and Rental)	289.4	292.9	(1.2%)
EBITDA	180.0	191.0	(5.8%)
EBITDA Margin	49.2%	46.4%	+2.8 ppts
Net Profit	40.0	53.1	(24.7%)
Net Profit Margin	10.9%	12.9%	(2.0 ppts)
Earnings per Share (SAR)	0.73	0.97	(24.7%)
Total Assets	3,384.0	3,474.9	(2.6%)
Net Debt	1,551.8	1,605.3	(3.3%)
Net Debt / EBITDA (x)	2.1	2.2	(0.1 ppts)

Operational and Financial Review

Lumi continues to manage its fleet dynamically, with a focus on maximizing revenue per vehicle, utilization, and lifecycle value, while maintaining disciplined capital allocation and operational flexibility.

As at 31 March 2026, Lumi’s total fleet stood at 33.7 thousand vehicles, reflecting a balanced approach to fleet deployment aligned with contracted demand, utilization trends, and the complementary roles of both rental and leasing within the Company’s operating model.

During the period, the Company continued to optimize fleet lifecycle management, including extending asset holding periods where appropriate to enhance returns, while maintaining flexibility to time disposals in line with favorable market conditions. This approach supports improved capital efficiency across the fleet without constraining growth in either core segment.

Segment Performance

	Q1 2026	Q1 2025	YoY, %	Q4 2025	QoQ Change
Total fleet, th vehicles¹	33.7	34.9	(3.4%)	34.4	(2.0%)
Rental Segment					
Fleet, th vehicles ¹	10.9	11.1	(1.8%)	10.9	-
Utilization, %	69.6%	77.9%	(10.7 ppts)	75.2%	(7.4 ppts)
Average fleet age, years	1.5	1.0	+50.0%	1.3	+15.4%
Rental rate per vehicle ² , SAR th	41.7	47.1	(11.5%)	47.1	(11.5%)
Lease					
Lease Fleet, th vehicles ¹	22.9	23.8	(3.8%)	23.5	(2.6%)
Average fleet age, years	2.3	1.9	+21.1%	2.2	+4.5%
Lease revenue per vehicle ² , SAR th	30.4	28.1	+8.2%	28.9	+5.2%
Used Car Sales					
Sold vehicles, th units ³	1.4	1.9	(26.3%)	2.1	(33.3%)
Average age, years	3.3	3.0	+10.0%	3.6	(8.3%)
Purchase price recovery, %	65.3%	71.2%	(5.9 ppts)	67.8%	(2.5 ppts)
Revenue per sold vehicle, SAR th ⁴	55.0	62.1	(11.4%)	60.9	(9.7%)

The fleet size for Lumi's rental segment remained broadly stable at 10.9 thousand vehicles, while rental rates per vehicle declined by 11.5% year-on-year to SAR 41.7 thousand, reflecting softer pricing conditions during the quarter. Average fleet age increased to 1.5

¹ End of the period

² Based on average number of vehicles

³ Over the period

⁴ Based on the average number of vehicles sold, annualized for quarterly numbers

years, compared to 1.0 year in the prior year period, consistent with the Company’s approach to optimizing asset lifecycle and returns.

In the leasing segment, fleet size stood at 22.9 thousand vehicles, compared to 23.8 thousand vehicles in Q1 2025. Lease revenue per vehicle increased by 8.2% year-on-year to SAR 30.4 thousand, supported by contracted pricing and stable demand for long-duration agreements. Average lease fleet age increased to 2.3 years, supporting improved lifecycle value and capital efficiency. While total leasing revenue increased 5.4% year-on-year, the mix continued to remain broadly stable, with corporate customers accounting for 63.5% of leasing revenue in Q1 2026, supporting the overall quality and visibility of earnings.

In the used car sales segment, the number of vehicles sold declined by 26.3% year-on-year to 1.4 thousand units, reflecting the Company’s disciplined approach to fleet disposals. Average vehicle age at sale increased to 3.3 years, compared to 3.0 years in the prior year period, consistent with the strategy of extending asset life. Revenue per sold vehicle declined by 11.4% year-on-year to SAR 55.0 thousand, while purchase price recovery stood at 65.3%, reflecting prevailing market conditions.

Income Statement Review

(SAR Million)	Q1 2026	Q1 2025	YoY Change	Q4 2025	QoQ Change
Revenue	366.1	411.5	(11.0%)	426.7	(14.2%)
Cost of Revenue	(252.1)	(291.1)	(13.4%)	(326.2)	(22.7%)
Gross Profit	114.0	120.5	(5.4%)	100.6	+13.3%
EBIT	65.9	83.0	(20.6%)	67.0	(1.6%)
Depreciation & Amortization	114.1	108.0	+5.6%	114.7	(0.5%)
EBITDA	180.0	191.0	(5.8%)	181.7	(0.9%)
EBITDA Margin (%)	49.2%	46.4%	+2.8 ppts	42.6%	+6.6 ppts
Net Profit	40.0	53.1	(24.7%)	38.0	+5.3%
Net Profit Margin (%)	10.9%	12.9%	(2.0 ppts)	8.9%	+2.0 ppts

Lumi’s Q1 2026 performance reflects the resilience of the core leasing and rental operations, continued focus on margin quality, and disciplined management of fleet lifecycle and disposal timing. For Q1 2026, revenue declined 11.0% year-on-year to SAR 366.1 million, primarily reflecting a lower contribution from used car sales. Net revenue from leasing and rental activities, excluding used car sales, declined only 1.2% year-on-year to SAR 289.4 million, reflecting the stability of the Company’s core operating base despite

softer market conditions during the quarter. Cost of revenue decreased 13.4% year-on-year to SAR 252.1 million.

As a result, gross profit moderately decreased 5.4% year-on-year to SAR 114.0 million. Gross margin improved meaningfully despite lower total revenue, reflecting a more favorable revenue mix, disciplined cost management, and the lower weighting of used car sales during the period.

EBIT declined by 20.6% year-on-year to SAR 65.9 million, due to lower revenue and the impact of cost dynamics during the quarter. EBITDA declined moderately by 5.8% year-on-year to SAR 180.0 million; however, EBITDA margin expanded to 49.2%, compared to 46.4% in Q1 2025, supported by improved operating efficiency, disciplined cost management, and stronger earnings quality. Net profit declined 24.7% to SAR 40.0 million, primarily due to lower gross profit and increase in receivable provision during the quarter.

Cost review

(SAR Million)	Q1 2026	Q1 2025	YoY Change	Q4 2025	QoQ Change
Cost of Vehicles Sold	75.9	116.5	(34.8%)	127.6	(40.5%)
Vehicle Depreciation	98.9	95.6	+3.5%	101.1	(2.2%)
Salaries & Other Benefits	28.1	28.2	(0.4%)	28.9	(2.8%)
Repairs & Maintenance	10.6	12.4	(14.5%)	23.5	(54.9%)
Insurance	10.5	12.4	(15.3%)	13.6	(22.8%)
Other	28.1	26.0	+8.5%	31.4	(10.5%)
Total Cost of Revenues	252.1	291.1	(13.4%)	326.1	(22.7%)
G&A Expenses	42.4	38.1	+11.3%	39.6	+7.1%
Provisions	6.1	1.2	+408.3%	3.0	+103.3%
Employee Incentive	0.0	0.0	-	0.0	-
Other Operating Income	(0.4)	(1.9)	(78.9%)	(9.0)	(95.6%)
Total Expenses	300.2	328.5	(8.6%)	359.7	(16.5%)

In Q1 2026, total cost of revenues declined by 13.4% year-on-year to SAR 252.1 million, primarily reflecting a lower contribution from used car sales during the period, while cost of vehicles sold significantly decreased by 34.8% year-on-year to SAR 75.9 million, in line with lower disposal volumes and the Company's disciplined approach to extending asset life and optimizing the timing of vehicle sales. Vehicle depreciation increased modestly by 3.5% year-on-year to SAR 98.9 million, reflecting fleet aging and prior period investments, consistent with Lumi's asset lifecycle strategy.

Operating costs improved, with repairs and maintenance and insurance declining by 14.5% and 15.3% year-on-year, respectively, while salaries and other benefits remained broadly

stable. Other cost of revenues increased marginally to SAR 28.1 million, primarily reflecting classification and timing-related factors.

General and administrative expenses increased by 11.3% year-on-year to SAR 42.4 million, driven by continued investment in digital capabilities and operational infrastructure. Receivable provisions increased to SAR 6.1 million year-on-year, primarily reflecting the growth in receivables during the period and the prevailing macroeconomic conditions. Total expenses declined by 8.6% year-on-year to SAR 300.2 million, reflecting lower used car sales activity and continued cost discipline, partially offset by targeted growth investments.

Management Discussion and Analysis

(SAR Million)	Q1 2026	Q1 2025	YoY Change
Lease Revenue	176.0	167.0	+5.4%
Rental Revenue	113.4	125.9	(9.9%)
Net Revenue (ex-UCS)	289.4	292.9	(1.2%)
Total TCO (excl. Dep.)	(34.2)	(38.8)	(11.9%)
Contribution Margin (excl. Dep.)	255.2	254.1	+0.4%
Contribution Margin %	88.2%	86.8%	+1.4 ppts
Operating Expenses (Rent, Salaries, G&A)	(85.4)	(78.3)	+9.1%
Operating Profit (excl. Vehicle Dep & Gain on Sale)	169.8	175.8	(3.4%)
Vehicle Depreciation	(98.9)	(95.6)	+3.5%
Operating Profit (excl. Gain on Sale)	70.9	80.2	(11.6%)
Gain on Sale	0.7	2.1	(66.7%)
EBIT (excl. one-offs)	71.6	82.3	(13.0%)
Net Income (excl. one-offs)	45.7	52.5	(13.0%)
Net Income	40.0	53.1	(24.7%)

In the first quarter of 2026, Lumi's core operating performance, excluding Used Car Sales (UCS), remained resilient, supported by contracted leasing revenues, pricing discipline, and operational efficiency, despite softer rental demand.

Core revenue (ex-UCS) declined marginally by 1.2% YoY to SAR 289.4 million, with leasing revenue increasing 5.4% to SAR 176.0 million, offset by a 9.9% decline in rental revenue to SAR 113.4 million, reflecting normalization after a strong prior-year period.

Total TCO (excluding depreciation) improved by 11.9% YoY, supporting a stable contribution margin of SAR 255.2 million, broadly flat year-on-year. Contribution margin expanded to 88.2%, driven by pricing discipline and cost optimization across fleet operations.

Operating expenses increased by 9.1% YoY, reflecting continued investment in scale, digital capabilities, and infrastructure. As a result, operating profit (pre-depreciation and excluding gains on sale) declined by 3.4% YoY to SAR 169.8 million.

After depreciation, operating profit (excluding gains on sale) declined by 11.6% YoY to SAR 70.9 million, mainly due to higher operating expenses and depreciation, reflecting a higher-cost fleet mix. This was partially offset by lease revenue growth and improved contribution margin. Gains on sale declined significantly year-on-year, consistent with management’s approach of treating UCS as a capital recycling activity rather than a core earnings driver.

Accordingly, EBIT (excluding one-offs) declined by 13.0% YoY to SAR 71.6 million, while net income excluding one-offs decreased by 13% to SAR 45.7 million. Net income was down by 24.7% to SAR 40.0 million, reflecting lower gross profit, higher receivable provisions, and lower disposal contribution.

Balance Sheet Review

(SAR Million)	Q1 2026	Q1 2025	YoY, %
Total Assets	3,384.0	3,474.9	(2.6%)
Vehicles, Net	2,719.9	2,899.2	(6.2%)
Total Current Assets	528.2	428.0	+23.4%
Total Equity	1,447.8	1,265.4	+14.4%
Total Liabilities	1,936.2	2,209.5	(12.4%)
Net Debt	1,551.8	1,605.3	(3.3%)
Net Debt / EBITDA (x)	2.1	2.2	(0.1)
Net Debt / Adj. EBITDA (x)	1.3	1.3	-
Net Debt to Equity (x)	1.1	1.3	(0.2)

As at 31 March 2026, Lumi’s total assets stood at SAR 3,384.0 million, compared to SAR 3,474.9 million in Q1 2025, representing a decline of 2.6% year-on-year, reflecting disciplined capital allocation and active fleet management.

The carrying value of vehicles declined by 6.2% year-on-year to SAR 2,719.9 million, compared to SAR 2,899.2 million in the prior year period. This reflects the combined impact of depreciation and the Company’s disciplined approach to vehicle disposals and lifecycle optimization.

Total current assets increased by 23.4% year-on-year to SAR 528.2 million, reflecting working capital timing and higher receivable balances, while liquidity remained supported by disciplined capital allocation.

Total equity increased by 14.4% YoY, while liabilities declined by 12.4%, reflecting continued deleveraging and strengthening of the balance sheet.

Net debt declined by 3.3% year-on-year to SAR 1,551.8 million, resulting in a continued improvement in leverage metrics. Net Debt to EBITDA improved to 2.1x, compared to 2.2x in Q1 2025. Net Debt to Equity improved to 1.1x, compared to 1.3x in the prior year period. Net Debt to Adjusted EBITDA remained stable at 1.3x.

Adjusted Cash Flow Review

(SAR Million)	Q1 2026	Q1 2025	YoY Change	Q4 2025	QoQ Change
Profit After Zakat	40.0	53.1	(24.7%)	38.0	+5.3%
Non-cash Adjustments	224.9	258.0	(12.8%)	276.5	(18.7%)
Working Capital Changes	(204.0)	(35.6)	+473.0%	163.1	(225.1%)
Cash Flow, Operating Activities	60.9	275.5	(77.9%)	477.6	(87.2%)
Zakat, Interest & End-of-Service benefits	(24.7)	(28.4)	(13.0%)	(29.9)	(17.4%)
Adjusted ^[5] Net Cash, Operating Activities	36.2	247.1	(85.4%)	447.7	(91.9%)
Investments in Vehicles, Net	(74.3)	(243.8)	(69.5%)	(230.2)	(67.7%)
Capex (Non-Vehicles), Net	(7.4)	(9.5)	(22.1%)	(5.1)	+45.1%
Net Cash, Financing Activities	50.9	9.2	+453.3%	(210.9)	(124.1%)
Net Change in Cash & Equivalents	5.4	3.1	+74.2%	1.6	+237.5%

In Q1 2026, Lumi generated SAR 60.9 million of cash flow from operating activities, compared to SAR 275.5 million in Q1 2025. The decline was primarily driven by temporary working capital outflows related to timing.

Profit after Zakat amounted to SAR 40.0 million, compared to SAR 53.1 million in Q1 2025, while non-cash adjustments totaled SAR 224.9 million, compared to SAR 258.0 million in the prior year period. Adjusted net cash from operating activities amounted to SAR 36.2 million, compared to SAR 247.1 million in Q1 2025, reflecting the impact of working capital movements.

⁵ Excluding net investments in vehicle

Net investment in vehicles declined significantly to SAR 74.3 million, compared to SAR 243.8 million in the prior year period, reflecting a more measured approach to fleet investment and capital allocation. The net change in cash and cash equivalents stood at SAR 5.4 million, compared to SAR 3.1 million in Q1 2025.

Earnings Call

The company is holding earnings call to discuss Q1 2026 financial results with analysts and investors on Thu, 07 May 2026 - 13:00 (London) | 15:00 (KSA) | 16:00 (Dubai) | 08:00 (NY)

Webcast link: [Lumi Rental Company Q1 2026 webcast](#)

For any further questions or queries, please reach out to Investor Relations.

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About Lumi Rental Company

Lumi Rental Company (Lumi, Tadawul: 4262) is a leading rental and lease provider based in Riyadh, Kingdom of Saudi Arabia. The company's model is distinguished by a powerful operational infrastructure and a scalable asset base, enabling it to serve a broad spectrum of customer needs across both B2C and B2B segments. Lumi's differentiator in the market lies in its extensive fleet of diverse vehicle types and its innovative approach to customer service, underscored by a substantial investment in digital channels. The company's total fleet size amounted to 34.4 thousand vehicles as of the end of 2025. Lumi posted revenue of SAR 1,668.8 million in 2025 (+7.7% year-on-year), an EBITDA of SAR 764.6 million (45.8% margin), and a net profit of SAR 198.1 million (11.9% margin).