

## Seera Group Holdings Achieves SAR 70 million Net Profit before NCI in 2Q 2024

- Net booking value for 2Q 2024 increased by 20% to SAR 3,898 million, reflecting new records set by the consumer travel business, recent acquisitions in the UK-based business travel line and continued growth across all segments.
- 1H 2024 net booking value reached SAR 7,332 million, up 25% year-on-year, propelled by strong results in 2Q 2024.
- Revenues for 2Q 2024 rose by 44% to SAR 1,028 million, driven by growth in the travel platform, car rental, and hospitality segments, as well as strong performance and acquisitions within the UK-based travel investment, which led to a 43% increase in 1H 2024 revenues to SAR 2,106 million.
- Gross margins as a percentage of net booking value improved by 0.5 percentage points to 11.1% in 2Q 2024, supported by an improved product mix and higher average margins in the travel platform and hospitality businesses.
- Net profit before NCI for 2Q 2024 was SAR 70 million, a 4% increase year-on-year. Excluding the impact of one-off income items, net profit before NCI grew by 29% year-on-year in 2Q 2024, and by 35% in 1H 2024.
- Net debt to Equity remained at very conservative levels at 0.16x.
- Seera is focused on further deleveraging the balance sheet, adopting a returns-based portfolio strategy, and enhancing future shareholder returns.

**Riyadh, 8 August 2024** – Seera Group Holdings, which comprises a portfolio of market-leading businesses in travel, car rental and hospitality, today announces its financial results for the six months ended 30 June 2024.

SARm	2Q 2024	2Q 2023	YoY, %	1H 2024	1H 2023	YoY, %
Net Booking Value	3,898	3,241	+20%	7,332	5,878	+25%
Revenue	1,028	716	+44%	2,106	1,473	+43%
Gross Profit	434	345	+26%	894	657	+36%
Gross Profit Margin <sup>1</sup>	11.1%	10.6%	+0.5 ppt	12.2%	11.2%	+1.0 ppt
Operating expenses	(360)	(281)	+28%	(712)	(537)	+33%
EBITDA	245	215	+14%	482	416	+16%
Net Profit <sup>2</sup>	70	67	+4%	131	124	+6%
Earnings Per Share <sup>3</sup>	0.18	0.23	-22%	0.34	0.42	-19%

<sup>1</sup> Gross Profit Margin as % of NBV

<sup>2</sup> Net Profit before NCI

<sup>3</sup> Earnings Per Share in SAR

## Group Financial Highlights

In the first half of 2024, Seera delivered strong results, with significant booking volumes and revenue contributing to a positive bottom line for the period.

The net booking value (NBV) reached SAR 3,898 million in 2Q 2024, up by 20% year-on-year. This contributed to 1H 2024 NBV of SAR 7,332 million, marking a 25% increase from the same period last year.

Revenues in 2Q 2024 rose 44% year-on-year, amounting to SAR 1,028 million, with 1H 2024 revenues totaling SAR 2,106 million, a 43% jump from SAR 1,473 million in 1H 2023. This growth was primarily driven by record-breaking results in consumer travel and growth in direct Hajj initiative operations at Almosafer, strategic acquisitions in Portman, and expansion efforts in Lumi.

EBITDA increased by 14% year-on-year to SAR 245 million in 2Q 2024 and by 16% year-on-year to SAR 482 million in 1H 2024. Net profit before NCI saw a 6% rise in 1H 2024 to SAR 131 million, largely driven by 2Q 2024 result of SAR 70 million, a 4% increase compared to 1Q 2023. Excluding the impact of one-off income from Careem holdback of SAR 14.9 million in 2Q 2023, the net profit before NCI grew by 34% in 2Q 2024. Excluding reversal of impairment loss of SAR 12 million, net profit before NCI grew by 35% year-on-year in 1H 2024. Earnings per share in 2Q 2024 decreased by 22% to SAR 0.18, impacted by the deduction of Lumi's non-controlling interest following its IPO.

## Strategic Business Segment Review

### 1. Almosafer – Travel Platform

Almosafer, Saudi Arabia's premier travel platform, is elevating the travel experience for customers from Saudi Arabia, the MENA region, and beyond. Its diverse business lines include consumer travel, corporate and government travel, destination management, Hajj & Umrah services, and online distribution.

SARm	2Q 2024	2Q 2023	YoY, %	1H 2024	1H 2023	YoY, %
Net Booking Value	2,088	2,078	+0%	3,679	3,711	-1%
Revenue	324	186	+74%	527	355	+49%
Gross Profit	168	141	+19%	313	259	+21%
Gross Profit Margin <sup>4</sup>	8.0%	6.8%	+1.2 ppt	8.5%	7.0%	+1.5 ppt
Operating expenses	(149)	(147)	+1%	(291)	(264)	+10%
EBITDA	30	21	+44%	35	21	+66%
EBITDA Margin <sup>5</sup>	1.4%	1.0%	+0.4 ppt	0.9%	0.6%	+0.3 ppt

<sup>4</sup> Gross Profit Margin as % of NBV

<sup>5</sup> EBITDA Margin, % of NBV

In the second quarter of 2024, Almosafer reported a stable net booking value of SAR 2,088 million for 2Q 2024, adding up to 3,679 million for 1H 2024, a 1% decline year-on-year, despite the drop in government flight bookings. This pressure resulted from the Ministry of Finance's mandate that all government flight bookings be made directly through the government's platform, bypassing third-party travel agencies like Almosafer. Excluding this impact, the net booking value grew by 35% from SAR 2,670 million in 1H 2023 to SAR 3,596 million in 1H 2024, driven by record-breaking gains in consumer travel, and growth in Hajj & Umrah, and online distribution.

Looking at specific business lines, consumer travel recorded its highest quarter ever in 2Q 2024, reporting SAR 1,707 million in booking value and saw a 26% growth in net booking value in 1H 2024, contributing SAR 2,913 million in the first half of 2024. Corporate and government travel, however, saw a significant drop of 77% to SAR 274 million in 1H 2024 due to the new directives. The focus in this business line shifted to acquiring new accounts and increasing non-air booking contributions. The Hajj and Umrah segment experienced significant expansion, recording SAR 136 million in 2Q 2024 NBV, 3.0 times the bookings compared to the same period last year, and growing 3.5 times to SAR 245 million in 1H 2024. This was driven by growth in direct Hajj package sales and the introduction of Nusuk flights, Almosafer's partnership with the Ministry of Hajj & Umrah to book air tickets for pilgrims participating in the recent Hajj season. Destination management showed strong double-digit growth of 38% year-on-year to SAR 83 million in 1H 2024, driven by the Talemia tours program for students across KSA and new MICE projects. The new online distribution business line posted SAR 164 million in bookings, more than doubling compared to 1H 2023.

Almosafer's platform revenue reached SAR 324 million for 2Q 2024, reflecting a 74% year-on-year increase, and totaled SAR 527 million for 1H 2024, up 49% year-on-year. This growth was primarily driven by stronger performances in the consumer travel and Hajj & Umrah segments.

Consumer travel revenue rose by 60% year-on-year in 1H 2024 to SAR 276 million, benefitting from significant improvements in take rates. The Hajj & Umrah business expanded by 2.2 times to SAR 144 million with the introduction of Hajj product sales. Conversely, the corporate and government travel business line saw a 28% year-on-year decline to SAR 41 million. However, an increasing share of corporate and non-air bookings and increasing take rates helped mitigate the loss in government flight bookings.

Gross profit margins improved from 7.0% of net booking value in 1H 2023 to 8.5% in 1H 2024. This improvement was largely due to an increase in non-air bookings and margin enhancements on air products in both consumer and corporate & government travel, as well as high-margin projects within the destination management business line. Operating expenses grew at a slower rate than revenue, resulting in positive operating leverage as the platform expanded. This includes a

one-time cost of circa SAR 7 million due to the closure of the government flight travel business.

Despite the impact of the new mandate on government flight bookings and one-time expenses, Almosafer recorded a positive EBITDA of SAR 35 million in 1H 2024, reflecting a 66% improvement from SAR 21 million in the first half of previous year.

## 2. Lumi - Car Rental

Lumi Rental Company, headquartered in Riyadh, Saudi Arabia, is a leading provider of car rental and leasing services. The company is structured into three main divisions: Lease, Rental, and Used Car Sales.

SARm	2Q 2024	2Q 2023	YoY, %	1H 2024	1H 2023	YoY, %
Revenue	360	233	+55%	745	500	+49%
Gross Profit	95	78	+22%	209	173	+21%
Gross Profit Margin	26.4%	33.4%	-7.0 ppt	28.0%	34.5%	-6.5 ppt
Operating expenses	(39)	(18)	+117%	(75)	(42)	+78%
EBITDA	180	140	+28%	345	272	+27%
EBITDA Margin	49.9%	60.2%	-10.3 ppt	46.3%	54.3%	-8.0 ppt

In the first half of 2024, Lumi expanded its fleet by more than 7.5 thousand vehicles (+29% year-on-year), ending the period with 33.5 thousand vehicles in operation. This expansion, combined with better utilization rates, pushed total revenue up to SAR 745 million, a 49% increase from SAR 500 million in the first half of 2023, and up 55% year-on-year to SAR 360 million in 2Q 2024.

The revenue growth was well-distributed across all business segments. In 1H 2024, the Lease segment saw a 51% increase in revenue, contributing SAR 260 million, while the Rental segment grew by 32%, adding SAR 229 million. The Used Car Sales segment also reported impressive growth, with a 65% increase to SAR 256 million, driven by effective fleet management and favorable market conditions.

Gross profit for the first half of 2024 rose to SAR 209 million, a 21% increase from the previous year, although the gross profit margin decreased by 6.5 percentage points to 28.0%. This reduction was primarily due to the higher cost of revenue, notably from the increased cost of vehicles sold.

EBITDA for the first half of 2024 reached SAR 345 million, reflecting a 27% year-on-year increase, indicative of Lumi's continuous growth. However, the EBITDA margin decreased to 46.3%, down 8.0 percentage points from the previous year, primarily due to increased expenses related to the active fleet expansion.

### 3. Portman Travel Group - UK-based Travel Investment

Portman Travel Group, Seera's travel investment in the UK, specializes in business, luxury, and sports travel. It includes some of the most well-established travel brands in the UK travel sector, such as Clarity, Elegant Resorts, ifOnly, and Destination Sports Group. This collective offers a wide range of high-end travel services, positioning Portman as a prominent player in the region's travel industry.

SARm	2Q 2024	2Q 2023	YoY, %	1H 2024	1H 2023	YoY, %
Net Booking Value	1,291	685	+88%	2,593	1,363	+90%
Revenue	289	208	+39%	681	484	+41%
Gross Profit	136	74	+84%	284	151	+88%
Gross Profit Margin <sup>6</sup>	10.5%	10.8%	-0.3 ppt	11.0%	11.1%	-0.1 ppt
Operating expenses	(126)	(66)	+92%	(246)	(125)	+97%
EBITDA	23	13	+74%	59	36	+63%
EBITDA Margin <sup>7</sup>	1.8%	1.9%	-0.1 ppt	2.3%	2.7%	-0.4 ppt

In the second quarter and first half of 2024, Portman Travel Group experienced substantial growth, with net booking value increasing by 88% to SAR 1,291 million in 2Q 2024 and by 90% to SAR 2,593 million in 1H 2024. This growth was primarily driven by the business travel segment, which surged to SAR 1,958 million in 1H 2024, more than doubling due to the strategic acquisition of Agiito in Q4 2023. The sports travel segment also saw significant growth, increasing NBV by 40% to SAR 418 million, supported by business expansion and recent acquisition. Meanwhile, luxury leisure travel maintained steady growth at 3%, reaching SAR 217 million.

Overall revenue for Portman grew by 39% to SAR 289 million in 2Q 2024 and 41% to SAR 681 million in 1H 2024. The business travel segment was the most active in revenue growth, expanding 2.7 times to SAR 188 million as booking volumes grew significantly post-acquisition. Additionally, the sports travel segment made a significant revenue contribution, rising by 36% year-on-year to SAR 272 million, largely due to ongoing engagements with Premier League Football teams traveling for the World Cup qualifiers and the facilitation of travel for major sporting events. The luxury leisure segment revenue showed consistent growth of 4%, reaching SAR 222 million in 1H 2024.

Portman saw an 88% increase in gross profit and a 63% rise in EBITDA in the first half of 2024 compared to the previous year. The gross profit margin remained relatively stable at 11.0%, while the EBITDA margin saw a slight decrease of 0.4 percentage points year-on-year to 2.3% in 1H 2024, reflecting higher operating expenses post-acquisition before the realization of integration benefits, which remain

<sup>6</sup> Gross Profit Margin as % of NBV

<sup>7</sup> EBITDA Margin, % of NBV

on track. The business travel division is expected to improve margins as integration synergies are realized, with the luxury leisure and sports travel business expected to follow with the entry into the summer season in the UK.

#### 4. Hospitality

Seera Group's hospitality division manages a network of hotels across Saudi Arabia, featuring a diverse range of leading hotel brands that cater to various price points. This includes prestigious brands such as Sheraton and Movenpick, alongside value-focused options like Comfort Inn and Clarion, providing a comprehensive selection for travelers.

<b>SARm</b>	<b>2Q 2024</b>	<b>2Q 2023</b>	<b>YoY, %</b>	<b>1H 2024</b>	<b>1H 2023</b>	<b>YoY, %</b>
Revenue	59	65	-9%	114	98	+16%
Gross Profit	34	39	-12%	61	49	+24%
Gross Profit Margin	58.3%	60.0%	-1.7 ppt	53.4%	49.8%	+3.6 ppt
Operating expenses	(18)	(19)	-3%	(36)	(35)	+1%
EBITDA	32	28	+13%	53	45	+19%
EBITDA Margin	53.4%	42.7%	+10.7 ppt	46.7%	45.4%	+1.3 ppt

In the hospitality segment, the year-on-year dip in revenues and gross profit for 2Q 2024 is primarily due to the shift in Ramadan to 1Q 2024. However, on year-to-date basis, the hospitality division experienced significant improvement across its hotel portfolio in the first half of 2024. This growth was driven by increased demand from both inbound and domestic tourists, higher occupancy rates, and higher average daily rates. The stabilization in the occupancy levels of recently opened Choice hotels contributed also contributed to this positive trend. As a result, revenue increased by 16% year-on-year, reaching SAR 114 million.

Gross profit for the segment rose by 24% year-on-year in 1H 2024, totaling SAR 61 million. With the cost of revenue rising at a single-digit pace, the gross profit margin expanded to 53.4%, an increase of 3.6 percentage points year-on-year. EBITDA also showed a positive trajectory, rising by 19% from 1H 2023 to reach SAR 53 million. Prudent cost management, with operating expenses rising only 1% year-on-year, supported the EBITDA margin, which expanded by 1.3 percentage points to 46.7%.

Seera has shifted towards a more capital-efficient framework by divesting from its hospitality and underperforming legacy real estate assets through strategic exit mechanisms. The focus has moved towards leveraging its core competency in managing hotels owned by third parties. Seera's aims to maximize the exit value of each asset, providing the primary source of liquidity to support the Group's capital allocation strategy. The Group has successfully sold a few small properties so far and is regularly assessing divestment opportunities.



## Capital Allocation

Seera Group has adjusted its capital allocation strategy, moving away from investing in its existing portfolio of companies, which are now independently sustaining their growth. Instead, the focus is now on maximizing free cash flow per share. This strategy is driven by three key levers:

1. Deleveraging the balance sheet to enhance financial stability.
2. Pursuing new investment opportunities that promise a minimum Internal Rate of Return of 15%.
3. Implementing a share buy-back program, as approved in 2Q 2024, with a maximum of 26.4 million shares (8.8% of the Group's outstanding shares) to be repurchased based on available liquidity and the share price in the market.

## Outlook

Building on a strong performance in 2023, which saw impressive net booking value and revenue growth, Seera Group has maintained its momentum into the first half of 2024. The first six months have reinforced the Group's confidence in achieving sustained growth in volumes and revenues throughout the year. While margins have faced some pressure in the first half of 2024, Seera anticipates a recovery in the second half of the year. This recovery is expected to be driven by the fulfilment of long-term lease contracts in the car rental business, the continued realization of integration benefits from recent acquisitions, and the seasonal boost in travel demand during the summer months. These factors are expected to create a favorable environment for Seera Group's strategic initiatives aimed at strengthening its portfolio and driving shareholder value.

Looking ahead, Seera Group plans to further optimize its portfolio over the medium term, focusing on enhancing group returns, increasing shareholder dividends, and implementing a share buy-back program. The Group will leverage its current strengths to refine its portfolio, targeting higher returns and more efficient operations. This strategic approach is designed to build on the momentum of the first half of 2024, ensuring long-term profitability and growth for Seera Group.

### Earnings Call

The company is holding an earnings call to discuss 2Q 2024 financial results with analysts and investors on Tuesday, 13 August 2024, at 4:00 pm Riyadh time (2:00 pm London, 5:00 pm Dubai, 9:00 am New York).

The webcast of the call will be available using the following [link](#).

For further information please contact: [investors@seera.sa](mailto:investors@seera.sa) at Seera Holdings

### Seera Group Holdings at a Glance

Seera Group Holdings (Tadawul: 1810) showcases a dynamic portfolio of market-leading businesses in travel, car rental, and hospitality, deeply rooted in the Kingdom of Saudi Arabia and spanning five strategic segments: Almosafer Travel & Tourism, Lumi Rental, Portman Travel, Hospitality, and Investments. FY 2023 marked a period of strong financial achievements for Seera: net bookings surged to SAR 12,486 million, reflecting a 35% increase year-over-year, while revenues soared by 56% to SAR 3,291 million. EBITDA reached SAR 848 million (26% EBITDA margin), and net income climbed to SAR 265 million (8% margin), underscoring a year of significant achievements and growth.

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