Annual Report

2024

أم القرى
للتنمية والإعمار

MASAR مسار

Annual Report

24
20

The Custodian of the Two Holy Mosques,

King Salman bin Abdulaziz Al Saud

May Allah protect him

“Our approach remains steadfast in striving for comprehensive, integrated, and balanced development”

His Royal Highness

Prince Mohammed bin Salman bin Abdulaziz Al Saud

Crown Prince and Prime Minister
May Allah protect him

> **Success stories always begin with a vision, and the most successful visions are those built upon inherent strengths**

أم القرى للتنمية والإعمار
MASAR مسار

REPORT JOURNEY

التقرير السنوي 24
Annual Report 20

MasarDestination.com

Chairman's Message

Leading Towards a Promising Future

The future shines bright at the heart of Makkah, where the landmarks of Masar Destination are taking shape—not merely as a development project but as a comprehensive vision for urban transformation. It is a vibrant destination that enhances the experience of both visitors and residents, embodying the intersection of ambition and determination. Here in Makkah, a new model of innovation is born, elevating the quality of life in the holiest city on earth.

With unwavering steps, Umm Al Qura for Development & Construction advances toward its strategic objectives, guided by meticulous planning that harmonizes the city's deep-rooted heritage with the demands of the future. Masar is not just about hotel towers and commercial facilities; it is a fully integrated environment seamlessly connected to the Grand Mosque through an advanced smart transport network. This ensures smooth mobility while offering innovative residential and commercial options, unlocking vast investment opportunities.
Our 2024 Annual Report marks significant milestones in our journey. The company secured approval from the Capital Market Authority (CMA) and the Saudi Exchange (Tadawul) for its initial public offering (IPO) and listing on the Main Market. Meanwhile, Masar Destination witnessed remarkable progress in infrastructure development, attracting strategic investments, and advancing the construction of its key landmarks—unfolding a new chapter in urban development that enhances quality of life.

As part of our ongoing commitment to excellence and sustainability, we have issued our first Environmental, Social, and Governance (ESG) report, outlining our sustainability strategy and responsible initiatives. These efforts reinforce the positive impact of our business on the economy, society, and environment.

Looking ahead to 2025, we anticipate further pivotal milestones, including the company's listing, the launch of the first operational phase, and the opening of King Abdulaziz Road, which will connect Masar Destination directly to the Grand Mosque. Meanwhile, other facilities and services are preparing to welcome visitors with world-class standards.

Since Vision 2030 aims to enhance quality of life and community prosperity, Masar is positioned at the heart of Makkah to contribute to these goals. It plays a key role in strengthening the hospitality sector, expanding accommodation capacity for pilgrims, and generating economic and employment opportunities that support sustainable development.

With great pride, we reflect on what has been accomplished and move forward toward an even brighter future. We extend our deepest gratitude to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, and His Royal Highness Crown Prince Mohammed bin Salman Al Saud—may Allah protect them—for their continuous support of national development and progress. The achievements of Masar Destination in 2024 would not have been possible without the unwavering support of our wise leadership and the dedication of our Board of Directors and employees.
May Allah grant us success.

Abdullah bin Saleh Kamel
Chairman of the Board

CEO's Message

Commitment to Growth and Innovation

By the grace of Allah and the unwavering support and guidance of our wise leadership, Masar Destination continues its journey of transformation in Makkah, bringing vision and ambition to life. This project seamlessly integrates urban development and sustainable investment to create a comprehensive urban environment that meets the aspirations of our beloved nation.

The year 2024 has been a landmark year of achievements. The company successfully completed the regulatory steps to secure the necessary approvals for offering 130,786,142 new ordinary shares through a capital increase, representing 9.09% of the company's total shares post-increase. Moreover, the company continued to achieve strong revenue and net profit growth compared to 2023, with total revenue growing by over 80% and net profit increasing by more than 50%. On the development front, Masar Destination achieved 99% completion of its primary infrastructure projects, underscoring Umm Al Qura for Development & Construction's commitment to delivering an advanced environment that enhances quality of life and meets the needs of Makkah's residents and visitors.

Additionally, the company signed 8 new investment agreements in the hospitality and residential sectors, reflecting strong confidence in the investment opportunities within Masar.

As part of the destination's operational transformation, we are actively working on an advanced smart transport system featuring a network of shuttle buses and pedestrian tunnels to ensure efficient mobility within Masar, providing direct connectivity to the Grand Mosque and other key areas. Additionally, we are implementing a fiber-optic network to deliver a fully integrated digital experience that supports smart city infrastructure and enhances service efficiency.

With the first operational phase approaching, Masar Destination is preparing to open King Abdulaziz Road, launch new facilities that enhance visitor experiences, and transition from being solely a developer and owner to also becoming an operator. This shift places visitor experience, satisfaction, and seamless accessibility at the core of our responsibilities.

In 2024, we also released Umm Al Qura's first Environmental, Social, and Governance (ESG) report, reaffirming our commitment to sustainable development in alignment with Saudi Vision 2030. Our sustainability efforts focus on enhancing energy efficiency, environmental protection, waste management, operational sustainability, and reducing carbon emissions, alongside human capital development and fostering a safe, sustainable work environment. This reflects our vision of creating a responsible urban destination with a lasting positive impact for future generations.

The accomplishments of this year are a testament to our leadership's vision, which has made the development of Makkah a national priority and laid the foundation for projects that embody Saudi Arabia's ambition for sustainable urban development. Our commitment remains steadfast in completing Masar Destination's transformation through innovation and sustainability, creating a one-of-a-kind urban destination that befits the holiest city on earth while pioneering destination development in the Kingdom.

In conclusion, after expressing my gratitude to Allah, I extend my deepest appreciation to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, and His Royal Highness Crown Prince Mohammed bin Salman bin Abdulaziz Al Saud—may Allah protect them—for their support and encouragement of Masar Destination and its initiatives.
I also sincerely thank the Board of Directors of Umm Al Qura for Development & Construction, its Chairman, members, and all employees. May Allah continue to bless our nation and guide us in serving our country, ensuring its prosperity and progress, and solidifying its position among the world's leading nations.

Yasser bin Abdulaziz Abu Ateeq
Chief Executive Officer

1

Chapter
One

COMPANY IDENTITY

Strong Roots and an Ambitious Vision

Overview of Umm Al Qura for Development & Construction

Amidst the spiritual and historical landscape of Makkah, a visionary project took shape, embodying the future of urban development

Amidst the spiritual and historical landscape of Makkah, a visionary project took shape, embodying the future of urban development. Umm Al Qura for Development & Construction was established under Royal Decree No. M/B/6258 to lead the transformation of King Abdulaziz Road and the creation of Masar Destination. Through a comprehensive vision and advanced investment approach, the company has successfully positioned itself as a pioneer in modern destination development, serving both the residents of Makkah and its millions of visitors through a landmark urban project that redefines the city's architectural landscape.

Spanning an area of 1.25 million square meters, equivalent to six residential districts, Masar Destination is being developed as a fully integrated urban environment. It plays a pivotal role in achieving the objectives of Saudi Vision 2030 by offering a modern destination that attracts millions of pilgrims, Umrah performers, visitors, and residents, blending heritage with contemporary design.

Stretching over 3.5 kilometers, Masar will encompass more than 50,000 residential and hotel units, commercial centers, a hospital, and various complementary facilities upon completion. With this scale of urban transformation, Masar Destination goes beyond a conventional development project—it emerges as a blueprint for future cities, where urban innovation meets visionary growth, placing Makkah at the forefront of modernity while preserving its authenticity and spiritual essence.

Numbers That Tell the Story

99.77 %
Main contractor's infrastructure completion rate

158 Thousands Residents
Projected total residential capacity upon completion

368 m²
Total road network area

205 Plots
Investment land plots

3.65 km
Pedestrian pathway length

158 m²
Total open spaces

1.25 million m²
Total project area

2.3 %
Other Facilities (Healthcare Centers, Office Spaces, etc.)

5.7 %
Commercial Centers

31.1 %
Hotels

31.6 %
Serviced Apartments

29.3 %
Residential Units

Milestones in the Journey of Achievement

2011

2012
Launch of the slum clearance project, paving the way for urban transformation.

2013
Initiation of property inventory and expropriation processes, alongside the removal of informal settlements.

2015
Completion of property removals and commencement of excavation and infrastructure development.

2021
Issuance of the Royal Decree granting four comprehensive land deeds to define the future destination.

2022
Transition into the execution phase through investment deals and the start of revenue generation.

2023
Transition to profitability, reinforcing the sustainability model.

2024
Approval from the Capital Market Authority for the initial public offering (IPO) on the main market "Tadawul".

2025
Completion of the primary infrastructure works.

2026

Statement of Subsidiary Companies and Funds of Umm Al Qura for Development & Construction

Subsidiary/ Fund Name	Country of Incorporation & Principal Operations	Core Business Activity	Capital	Ownership Percentage (2024)
Alinma Makkah Development Fund I	Saudi Arabia	Real Estate Investments	Not Applicable	%100
Alinma Makkah Development Fund II	Saudi Arabia	Real Estate Investments	Not Applicable	%100
Masar Front Company	Saudi Arabia	Real Estate Investments	Not Applicable	%50

The group's activities are primarily focused on real estate operations, including the purchase, sale, and subdivision of land and properties, as well as off-plan sales and property management and leasing (non-residential properties). Additionally, the company is engaged in construction projects, covering general building construction for residential and non-residential properties such as schools, hospitals, and hotels, as well as road construction, paving, road accessories, and the development of bridges and tunnels.

2 STRATEGY

Chapter Two

A Roadmap to the Future

1 /

Strategic Direction

Masar Destination is an iconic urban landmark in the heart of Makkah, designed to stand as a sustainable masterpiece for the next century

Masar Destination is an iconic urban landmark in the heart of Makkah, designed to stand as a sustainable masterpiece for the next century. It is set to be a key driver of real estate and economic growth in Saudi Arabia, striking a unique balance between cultural heritage and investment value while enhancing quality of life. Its prime location in the Holy City continues to gain significance over time, making it a cornerstone of future urban development. At the heart of Masar, a comprehensive investment ecosystem thrives, offering unique opportunities for both local and international investors. This dynamic environment fosters economic and social growth, supports national economic diversification, and—through strategic partnerships—turns investment in Masar into a sustainable development journey that aligns with future transformations.

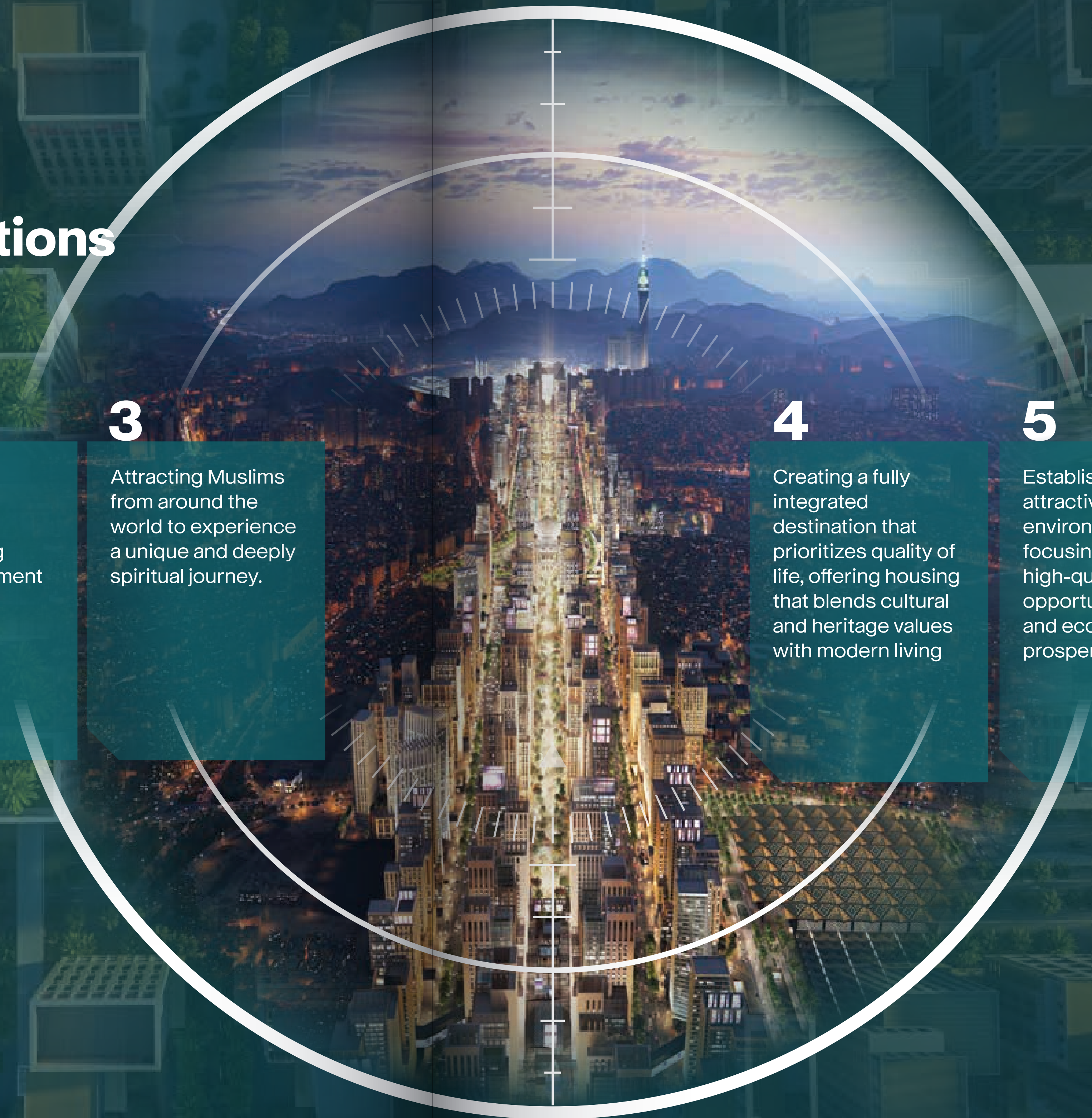
Reflecting the vision of Saudi Arabia's Vision 2030, Masar emerges as a progressive environmental destination that embraces sustainability principles and promotes long-term investments in key sectors. Thanks to its state-of-the-art infrastructure, the project accommodates the growing number of pilgrims and Umrah visitors, offering them a world-class hospitality experience through integrated hotel facilities that embody the spirit of authentic Makkah hospitality.

Beyond its advanced strategy, Masar reinforces governance principles through a comprehensive risk management framework and strict compliance standards. This ensures high operational flexibility and exceptional resilience, establishing Masar as a leading and highly efficient project.

Committed to its environmental and social responsibilities, Masar adopts a sustainable development approach through integrated environmental and social initiatives. These efforts focus on empowering local communities, developing national talent, and fostering entrepreneurship, in addition to implementing innovative waste management solutions, reducing carbon emissions, and achieving exceptional water and energy efficiency in accordance with the highest global standards.

To reinforce this ambitious vision, Masar is launching a comprehensive media campaign across digital platforms and various media channels. This initiative aims to establish its identity as a fully integrated destination and a key player among major projects. By attracting top real estate developers, operators, and investors, Masar paves the way for a new generation of strategic partnerships, allowing Umm Al Qura for Development & Construction to contribute to the future of Makkah, where vision meets execution, and ambition turns into achievement.

Six Core Pillars Shaping Masar's Strategic Aspirations



1
Offering a comprehensive journey for pilgrims and residents, enriched with cultural, social, and recreational dimensions

2
Developing a community-driven lifestyle by accelerating urban development and strategic partnerships

3
Attracting Muslims from around the world to experience a unique and deeply spiritual journey.

4
Creating a fully integrated destination that prioritizes quality of life, offering housing that blends cultural and heritage values with modern living

5
Establishing an attractive work environment, focusing on high-quality job opportunities and economic prosperity

6
Developing world-class infrastructure, ensuring smooth entry and exit to and from the Grand Mosque, with multiple smart transport options

2 /

The Compass of Excellence

Our Vision

Creating urban destinations that serve both people and place, delivering a unique and unparalleled experience

Our Mission

Contributing to enhancing the quality of life in Saudi Arabia by developing urban destinations that meet the highest global standards

Our Values

- Flexibility
- Integrity
- Excellence
- Progressive Thinking

3 /

Contributing to Vision 2030

Contributing to empowerment and prosperity

Aligned with the objectives of Saudi Vision 2030, the company plays an active role in empowerment and prosperity, with a strong focus on financial sustainability, private sector engagement, and fostering economic and social development.

Vibrant Society

- Enhancing Makkah's urban landscape
- Creating a pedestrian-friendly urban environment
- Improving access to the Grand Mosque through comprehensive mobility solutions
- Enhancing traffic safety
- Reducing air and noise pollution
- Developing vibrant and diverse vehicle-free public spaces

Thriving Economy

- Supporting Saudi Arabia's GDP growth
- Developing infrastructure and facilities to serve Makkah's residents and visitors
- Creating attractive commercial spaces

Ambitious Nation

- Supporting Saudi Arabia's efforts to attract visitors, boost domestic tourism, and increase the number of Umrah performers
- Enhancing visitor experiences and improving the quality of services provided to pilgrims
- Empowering women and ensuring equal opportunities
- Preserving Islamic and cultural heritage
- Facilitating access to healthcare services
- Promoting the values of equality and transparency

4 /

Integration with Vision 2030 Programs

Efforting to shape a promising future

Masar Destination was launched with an ambitious vision, transcending its role as a mere development project to become a catalyst for national initiatives. Rooted in economic and social progress, it seeks to shape a future befitting a nation confidently advancing towards tomorrow.

Through a comprehensive approach, Umm Al Qura for Development & Construction remains committed to supporting the core pillars of Vision 2030, fostering a Vibrant Society, Thriving Economy, and Ambitious Nation. The company plays a key role in advancing multiple national programs, particularly the Pilgrim Experience Program and the Quality of Life Program, affirming its position as a key driver of sustainable transformation.

Furthermore, Masar aligns with Saudi Arabia's ambitious investment strategy, empowering the private sector and reinforcing its role in economic growth. The destination also supports strategic sectors that elevate Saudi Arabia's status as a global investment hub, where innovation meets sustainability, unlocking new horizons for development and progress.

Pilgrim Experience Program

Masar Destination facilitates the hosting of pilgrims and visitors to the Two Holy Mosques by providing comprehensive services that enhance their comfort and enrich their experience, reinforcing Saudi Arabia's pioneering role in serving the Two Holy Mosques and their visitors.

The destination also supports the Pilgrim Experience Program's objective of hosting 30 million Umrah performers annually, aligning with future aspirations and strengthening the Kingdom's position as a leading Islamic destination.

Quality of Life Program

Masar Destination offers its residents and visitors a harmonious environment that blends culture, sports, and entertainment, featuring dedicated spaces for diverse activities, vibrant facilities such as restaurants, cafés, and pedestrian walkways, along with comprehensive services that enhance the quality of life. It also provides modern residential options supported by advanced infrastructure.

Beyond being an urban development project, Masar actively contributes to enhancing quality of life, creating job opportunities, and diversifying economic activities, reinforcing Makkah's position as a globally attractive city for living and investment

National Investment Strategy

Masar Destination attracts investors through the first fully integrated investment ecosystem in the heart of Makkah, adding significant value by enhancing the destination's experience and contributing to the growth of Saudi Arabia's economic landscape.

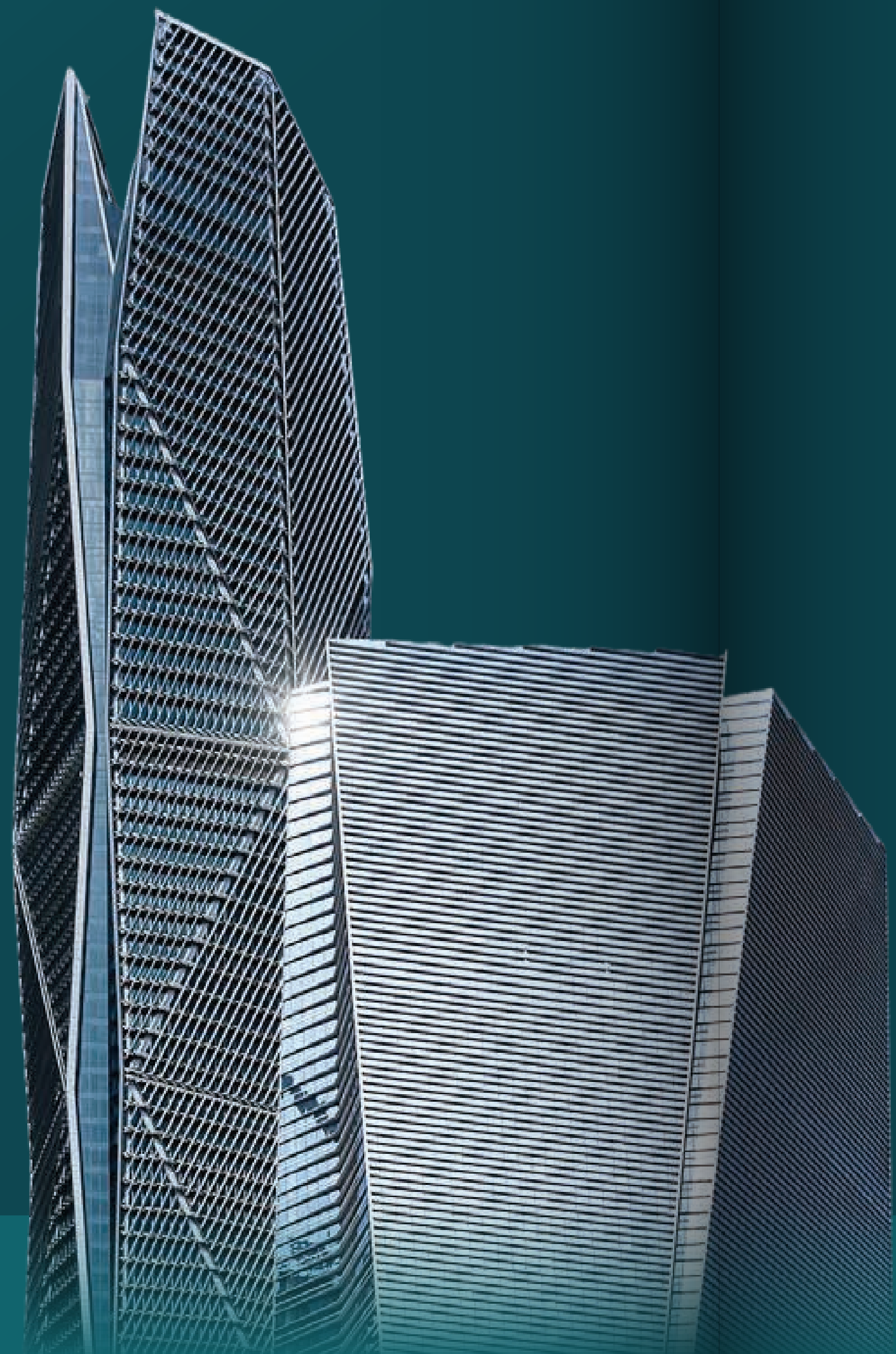
5 /

Initial Public Offering

IPO

Capital Market Authority approval

In 2024, Umm Al Qura for Development & Construction received conditional approval from the Saudi Exchange (Tadawul) on December 8 for the listing of its shares on the Main Market. Additionally, the Capital Market Authority (CMA) approved the company's request on December 24, 2024, to issue 130,786,142 new ordinary shares through a capital increase, representing 9.09% of the total shares post-increase, for public subscription.



The IPO presents a compelling investment opportunity for several key reasons

1

Strategic Location and Sustained Demand

Makkah is the top religious destination for over 2 billion Muslims worldwide, ensuring sustained demand for real estate and tourism infrastructure. With Vision 2030 aiming to welcome 30 million Umrah performers annually, the city's investment potential continues to grow.

2

Diverse Investment Assets

Masar Destination includes 205 investment land plots allocated for hotels, residential units, serviced apartments, commercial centers, hospitals, and more, offering expansive opportunities for development and profitability.

3

Strong Financial Position

The company boasts a solid financial standing, with pre-IPO capital of approximately SAR 13.1 billion and banking facilities exceeding SAR 14 billion, enhancing its financial flexibility.

4

Future Expansion and Sustainability

The company follows a secure development strategy, balancing revenue diversification with risk mitigation for large-scale projects.

5

Experienced Leadership

With a management team possessing over 100 years of cumulative experience in real estate development and project management, the company instills investor confidence in its ability to execute ambitious strategies successfully

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Sustainability

Clear vision and shared objectives

In 2024, Umm Al Qura for Development & Construction published its first Environmental, Social, and Governance (ESG) report, outlining its comprehensive sustainability strategy in managing the environmental, social, and economic impacts of its operations. This report underscores the company's ongoing commitment to sustainable development through innovative initiatives and ambitious goals, ensuring a legacy of responsible growth with a lasting positive impact for future generations.

The company adheres to a clear vision and shared objectives, fully aligned with Saudi Vision 2030 and the United Nations Sustainable Development Goals (SDGs), prioritizing areas with the greatest impact on its operations. Masar Destination was designed in accordance with Leadership in Energy and Environmental Design (LEED) standards for cities, demonstrating a commitment to integrated solutions that protect ecosystems, reduce pollution, and enhance water and energy efficiency. Additionally, the company implements best practices in waste management, ensuring resource sustainability and environmental preservation.

Our Approach and Commitment to Environmental, Social, and Governance (ESG) Sustainability

Approach

Working with individuals and communities to create a positive impact on the environment and economy.

Commitment

Building communities that embrace sustainable development principles and responsible real estate practices, continuously improving environmental, social, and governance (ESG) performance through best practices and cutting-edge innovations to achieve excellence in sustainability.

Sustainability Programs

Governance Initiatives

- Strengthening reporting mechanisms for corruption, fraud, legal violations, and cybersecurity.
- Conducting periodic reviews of strategic, operational, and financial risk management.
- Implementing awareness campaigns to reinforce governance standards among employees.
- Developing an independent policy for human rights protection.
- Engaging stakeholders in decision-making to ensure integration and sustainability.

Community Initiatives

- Conducting regular performance evaluations and development programs to ensure sustainable career growth.
- Providing continuous training and investment in skill and talent development.
- Organizing annual events to foster team spirit beyond the workplace.
- Enhancing health and safety standards to ensure a safe work environment.
- Offering sports and nutrition programs to support employee well-being.
- Issuing monthly newsletters to engage employees and strengthen internal communication.
- Promoting flexible work arrangements to achieve a better work-life balance.
- Organizing community engagement activities through social media platforms to enhance social responsibility.

Environmental Initiatives

- Reducing landfill waste through efficient reuse and recycling.
- Implementing advanced automated waste collection and processing technologies.
- Managing liquid waste sustainably to protect natural resources.
- Harvesting rainwater for environmental applications.
- Improving energy efficiency and reducing consumption to promote operational sustainability.
- Introducing shuttle transportation systems to reduce congestion and emissions.
- Implementing centralized cooling systems to reduce energy consumption and enhance thermal efficiency.
- Monitoring and transparently disclosing greenhouse gas and carbon emissions to achieve environmental accountability.
- Designing a digitally advanced and sustainable project built to last for over a century.
- Advancing the "Destination Development" concept by establishing a fully integrated and sustainable tourism ecosystem.
- Applying cutting-edge sustainability principles and actively contributing to their advancement.

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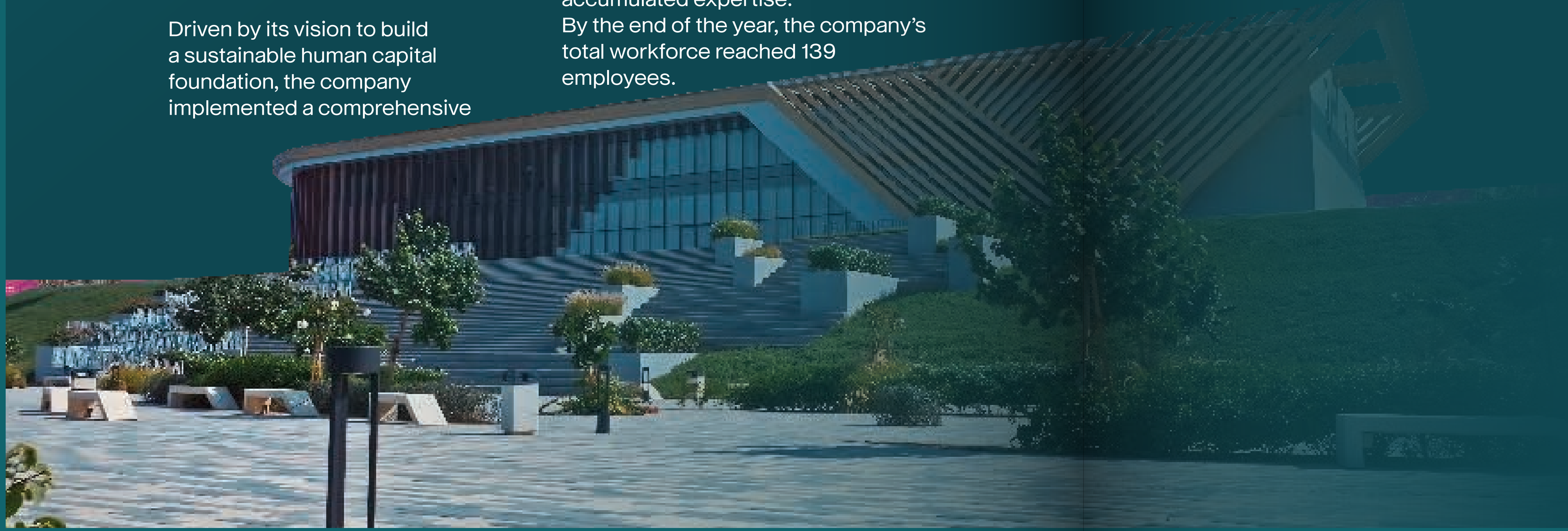
Human Capital Development

supportive environment that empowers talents

In 2024, Umm Al Qura for Development & Construction focused on creating a supportive environment that empowers talents to reach their full potential, fosters innovation, retains top competencies, and supports career growth through an integrated framework that encourages creativity and the exchange of ideas.

Driven by its vision to build a sustainable human capital foundation, the company implemented a comprehensive human resources strategy aimed at developing talent and enhancing HR policies. This included well-structured plans for recruiting top-tier professionals, and launching advanced performance measurement, training, and professional development programs. These efforts contributed to a motivating work environment, supported innovation, and increased employee engagement and retention.

As a result, the company succeeded in delivering growing value to its employees, empowering individuals, advancing their career paths, and cultivating a work culture that encourages them to pursue their ambitions—positively impacting both the organization and its people through enhanced skills, knowledge, and accumulated expertise.
By the end of the year, the company's total workforce reached 139 employees.



Human Capital Growth in 2023/2024

2023	2024
119 employees	139 employees

Capacity Building

An Investment in the Future

The company places training and development at the forefront of its priorities, ensuring its teams are equipped with the skills and knowledge needed to perform efficiently and adapt to evolving business needs, enabling growth and excellence.

In 2024, the company recorded notable achievements in training, delivering more than 42 diverse training programs that contributed to improved performance and enhanced employee readiness to face future challenges. A wide range of specialized training programs were designed and delivered according to the specific needs of each department, significantly boosting the company's professional capabilities and fostering a culture of continuous learning.

Thanks to this commitment, the company achieved high training rates, reflecting its vision to invest in human capital and create an environment that supports innovation and excellence. At Umm Al Qura, employees are considered the cornerstone of sustainable success, in alignment with the goals of Saudi Vision 2030.

Training Program Breakdown 2024

In-Kingdom **18** programs

Out-of-Kingdom **5** programs

Remote/ Online **19** programs

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Chapter Three

MASAR DESTINATION

MASAR A LANDMARK WITH A NEW DIMENSION

1 /

Masar Destination

Project Overview

Masar Destination is a visionary project redefining the modern concept of urban destinations. Designed to the highest global standards, it creates a fully integrated environment that enhances the quality of life for Makkah's residents and visitors. By merging urban development with diversified investment opportunities, Masar establishes a dynamic economic ecosystem, unlocking new avenues for growth and prosperity. Spanning 1.25 million square meters, it serves as a comprehensive urban hub catering to a wide range of needs.

The destination reflects the spirit of Saudi culture through an architectural design that seamlessly blends heritage, authenticity, and modern innovation. By integrating advanced technology with urban aesthetics, Masar fosters an open and practical architectural environment, ensuring a sense of spaciousness and harmony. As a landmark investment venture, it adds substantial value to Saudi Arabia's development landscape, occupying a strategic location that holds a special place in the hearts of Muslims worldwide.

The project prioritizes diversity and service excellence, offering a harmonious mix of hospitality, residential units, commercial markets, office spaces, a hospital, social and cultural facilities. At its core lies a main pedestrian pathway leading directly to the Grand Mosque, making Masar a holistic developmental destination that significantly elevates the standard of services in Makkah.

At the heart of Masar Destination is King Abdulaziz Road, a key urban corridor featuring an advanced road and tunnel network. The project also includes Makkah Metro stations and parking facilities with a capacity of over 5,500 vehicles, improving connectivity between the first, second, and third ring roads and Makkah's main streets. The centerpiece of this corridor is the King Abdullah Mosque, which enhances the spiritual and architectural landscape of the destination.

1.25
million m^2

A Unique Location

"Masar"
A Fully Integrated Destination in the Heart of Makkah

Masar Destination is situated in western Makkah, just 550 meters from the Grand Mosque, at the western edge of Jabal Omar. This strategic location connects the city's main ring roads and key streets such as Abdullah Arif Street and Al-Mansour Street.

The project is also just 100 meters from the Haramain High-Speed Railway station, reinforcing urban mobility efficiency through the Middle East's largest metro station, a sophisticated road and tunnel network, four underground parking structures, and shuttle bus services. These features ensure seamless movement within the city while supporting the objectives of Saudi Vision 2030.

550
meters
From the Grand Mosque

100
meters
From Haramain High-Speed Railway Station

1.25
million m²
Total Project Area

4
Structures
Underground Parking Structures
(accommodating over 5,500 vehicles)

Modern commercial spaces and office buildings

Main pedestrian pathway

Diverse Restaurants and Cafés

State-of-the-art hospital

Luxury hotel and residential towers

Social, cultural, and entertainment facilities

Largest metro station in the Middle East

Shuttle bus services for seamless transportation

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Masar Destination in Numbers

Facts & Achievements

As one of the largest urban development projects in Makkah, Masar Destination features a fully integrated master plan with a total built-up area of 5.7 million m². It offers a variety of facilities designed to meet the needs of residents and visitors, including spacious commercial areas, wide roads, a main pedestrian promenade, pedestrian tunnels, open spaces, and landscaped gardens—establishing itself as a modern, all-encompassing destination in the heart of the Holy Capital.

Total Gross Floor Area 5,7 million m²

3,650	meters	Destination Length
320	meters	Destination Width
205	Plots	Investment Land Plots
330	Thousands m²	Commercial Spaces
11	Tunnels	Pedestrian Tunnels
641	Thousands m²	Total Investment Land Area
141	Thousands m²	Central Mosque Area
368	Thousands m²	Total Road Network
158	Thousands m²	Masar Promenade, Open Spaces & Gardens
1.25	million m²	Total Project Area

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مسار MASAR

Unique Features of Masar Destination

- A prime strategic location near the Grand Mosque
- An integrated transport system ensuring seamless movement
- Enhanced quality of life through advanced infrastructure
- Cutting-edge digital infrastructure supported by IoT technology
- Job creation opportunities to support economic development
- Promising investment prospects across multiple sectors
- A pedestrian-friendly promenade and open-air commercial spaces
- Modern hotel and residential towers catering to diverse needs

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Implementation Phases

Well-Planned Steps Towards Success

Phase One

Shaping the Identity of Masar Destination

01

Umm Al Qura for Development & Construction has successfully navigated a series of critical phases in the creation of Masar Destination, marking significant milestones in its track record of achievements. The first phase involved an extensive five-year process of property inventory and expropriation, covering over 3,600 properties along King Abdulaziz Road. This meticulous effort ensured fair compensation for property owners while accurately defining project boundaries.

The company received royal approval to acquire the land through four primary title deeds, following a two-year process of removing informal settlements and demolishing unplanned neighborhoods. This paved the way for excavation and infrastructure development in the heart of Makkah, executed to the highest standards.

The initial step involved inventorying properties across six targeted districts, followed by land surveying under the supervision of the Makkah Region Development Authority. Over five years, the company successfully completed the ownership transfer process and compensated affected owners with more than SAR 10 billion.

Key Outcomes of This Phase

6
Districts
Demolition of six unplanned residential districts

3,600
Properties
Over 3,600 properties inventoried and expropriated

10
Billion Riyal
More than SAR 10 billion in compensation payouts

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Implementation Phases

Well-Planned Steps Towards Success

Phase Two

Preparatory Launch of Masar Destination

Umm Al Qura for Development & Construction allocated approximately SAR 24 billion for compensation and infrastructure development. By the end of 2023, SAR 22 billion worth of infrastructure works had been completed, with full completion of the primary infrastructure expected by 2025.

The second phase of Masar Destination commenced following the completion of property inventory and demolitions, marking the beginning of major infrastructure works. This phase set the foundation for transforming the project area into a modern, integrated urban hub, reshaping Makkah's central district into a highly connected and efficiently designed environment.

The infrastructure integrates advanced road networks with public transport solutions, positioning Masar as a gateway to the Grand Mosque. The project incorporates carefully designed mobility solutions for pedestrians, vehicles, shuttle buses, and metro connections, significantly improving traffic flow and reducing congestion. Additionally, it enhances urban livability by revitalizing and modernizing unplanned districts, following a sustainable and future-proof development approach.

With a strong emphasis on quality of life, the urban design includes open spaces, green areas, and dedicated pedestrian pathways that provide direct access to the Grand Mosque, enhancing both spiritual experiences and seamless mobility.

Key Outcomes of This Phase

24

Billion Riyal

Estimated SAR 24 billion allocated for infrastructure and compensations

22

Billion Riyal

SAR 22 billion worth of completed infrastructure works

Implementation Phases

Well-Planned Steps Towards Success

Phase Three

Operational Launch and Visitor Reception

The year 2025 will mark a new milestone for Masar Destination with the opening of King Abdulaziz Road, the launch of parking facilities, and the completion of the pedestrian promenade, ensuring a seamless and comfortable experience for visitors.

This phase includes the completion of infrastructure construction, the preparation of the destination for visitor reception, and the ongoing development of hotel and residential towers according to a comprehensive phased plan. The pedestrian promenade linking Masar Destination to the Grand Mosque will also be finalized, enhancing destination integration and providing a holistic visitor experience.

03

Key Outcomes of This Phase

Hotels & Serviced Apartments	Residential Buildings
113 Hospitality towers	**66** Residential buildings and towers
3.7 million m² allocated for the hospitality sector	**1.7** million m² dedicated to residential spaces
41 Hotel units	**9** 9,000 residential units

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Investment Opportunities

A Thriving Environment for Sustainable Growth

Masar Destination continues to advance its investment vision, solidifying its position as the first fully integrated investment platform in Makkah. In 2024, the destination witnessed the signing of 8 investment agreements for the development of 11 new projects, reinforcing Masar's role as a leading hub for urban development and economic growth. These agreements reflect Umm Al Qura for Development & Construction's commitment to sustainable growth by merging urban development with strategic investment opportunities.

Investment Agreements in Masar Destination 2024

Sale Agreement for the Completion of Diyar Al Haram Project

الديار العربية
ALDYAR ALARABIYA

Signing Parties

Umm Al Qura for Development & Construction & AlDyar AlArabiya

Objective

Completing the Dyar Al Haram Project by adding two additional towers (Towers 3 & 4), enhancing the scale of the project and elevating residential services within Masar Destination.

Sale Agreement for the Development of a Serviced Apartments Tower Signing Parties

الاتحاد الراجحي العقارية

Signing Parties

Umm Al Qura for Development & Construction & AlRajhi United Real Estate

Objective

Developing a serviced apartments tower featuring 500 luxury residential units, expanding high-end housing options within Masar.

Sale Agreement for Alpha Financial Fund

ALPHA CAPITAL

Signing Parties

Umm Al Qura for Development & Construction & Alpha FMC

Objective

Acquisition of a prime land plot by a real estate investment fund for the development of a luxury residential tower with 180 residential units.

Investment Opportunities

Investment Agreements in Masar Destination 2024

Sale Agreement for a Residential Project in Masar Destination

Signing Parties
Umm Al Qura for Development & Construction & Al Ramz

Objective
Developing two residential towers within Masar, comprising 530 residential units of various sizes, contributing to the availability of modern housing within an integrated urban environment.

Sale Agreement for a Luxury Hotel Project

Signing Parties
Umm Al Qura for Development & Construction & QAID Development

Objective
Developing a five-star luxury hotel along Masar's Pedestrian Promenade, featuring 720 hotel keys, further diversifying hospitality offerings in Makkah.

Sale Agreement for the Completion of Diyar Al Haram (Tower 5 Addition)

Signing Parties
Umm Al Qura for Development & Construction & Al Diyar Al Arabiya

Objective
Adding a fifth tower to the Diyar Al Haram Project, supporting the residential project's integration and aligning with Masar's vision of urban growth.

Lease Agreement for the Development and Operation of Pansiana 2 Hotel

Signing Parties
Umm Al Qura for Development & Construction & Jabal Al Bina Company

Objective
Developing and operating Pansiana 2 Hotel within Masar Destination, enriching the luxury hospitality offering with a distinctive new experience.

Partnership Agreement for the Development and Operation of a 4-Star Hotel

Signing Parties
Umm Al Qura for Development & Construction & Masar SEDCO Capital Real Estate Fund

Objective
Developing and operating a 4-star hotel within Masar Destination, featuring over 1,000 hotel keys, enhancing the mid-range hospitality segment.

Investment Advantages in Masar Destination

Opportunities for growth and expansion

Masar presents a promising investment environment backed by unique fundamentals that ensure project sustainability and attractive returns. With a highly experienced management team in mega-project development, the destination guarantees the execution of plans to the highest standards.
Built on a comprehensive urban master plan, Masar promotes efficient development and long-term sustainability, supported by diverse revenue strategies that provide long-term value for investors and developers.
Aligned with Saudi Vision 2030, Masar drives economic development through innovative projects in hospitality, residential, and service sectors. Its strategic location, large scale, and strong investment value, coupled with a diverse asset portfolio, position Masar as a comprehensive investment destination offering unprecedented opportunities for growth and expansion.

Land Portfolio

205
Plots

Total Investment Land Plots

%30
Percents

Percentage of Land Under Development

61
Plots

Land Plots with Development Agreements Signed

5 /

Hospitality and Residential Sector

A Comprehensive Living Experience

The influx of real estate developers and hotel operators into Masar Destination continues to accelerate, driving investment momentum and expanding development projects. This growth has significantly increased the hospitality and luxury residential spaces, further cementing Masar's status as a fully integrated urban destination.

During the Cityscape Global Exhibition, Masar announced the development of 710 luxury residential units through Alpha Financial and Al Ramz projects, alongside 1,220 hotel units across two new hospitality projects—one by QAID Development and the other by AlRajhi United Real Estate, expanding accommodation options within the destination.

Additionally, in 2024, Masar Destination signed a lease agreement for the development and operation of Pansiana 2 Hotel, with a capacity of approximately 800 rooms, in partnership with Jabal Al Bina Company. Another partnership agreement was signed to develop and operate a 4-star hotel with over 1,000 keys. Meanwhile, the number of residential apartments under development has risen to 4,200 units, and hotel keys have exceeded 9,000, reflecting the rapid pace of development and supporting expansion targets for housing and hospitality projects.

Growth of Real Estate and Hospitality Investments

710
New residential units
Alpha FMC & Al Ramz

4,200
residential apartments
under development

800
Rooms
in Pansiana 2 Hotel (Jabal Al Bina Company)

Over
9,000
Hotel keys
under development

2,200
New hotel units
QAID Development, AlRajhi United Real Estate, & Masar SEDCO Fund

6 /

Integrated Transport System

Smart Connectivity and Seamless Mobility

Masar Destination is built on the principle of comprehensive mobility, offering a safe and smooth transportation experience by completely separating pedestrian and vehicle movement. It provides multiple transport options integrated with modern infrastructure, capitalizing on its strategic location between Makkah's key arterial roads.

The destination's master plan expands urban development in Makkah by combining modern facilities, green spaces, and advanced transport systems, ensuring easy access, and delivering a fully integrated experience for residents and visitors. This is supported by state-of-the-art infrastructure aligned with global standards in destination development.

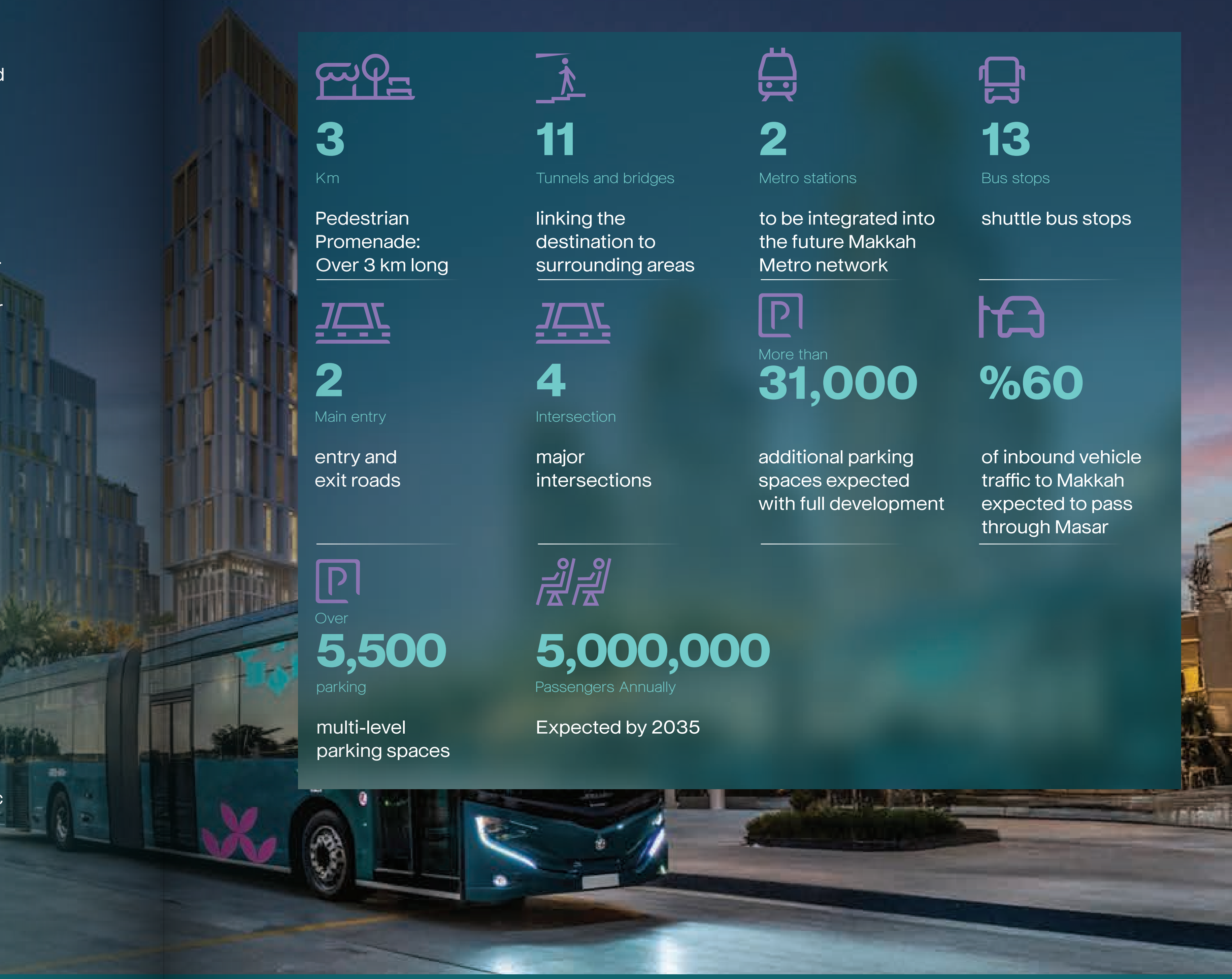
A shuttle bus network spans across Masar, with 13 stops distributed along the northern and southern routes, including one main terminal, one secondary station, and 11 additional stops. This network is expected to transport over 5 million passengers annually by 2035.

Masar is also directly connected to the Haramain High-Speed Railway, which links Makkah, Jeddah, and Madinah. The destination will host two future Makkah Metro stations, facilitating seamless access to and from the Holy City as part of a fully integrated transport system.

Additionally, Masar features two primary entry/exit bridges that cross over the Third Ring Road at King Abdulaziz Road from the west, branching from the Makkah–Jeddah Highway, each measuring 20 meters in width, along with four major intersections that support traffic flow in all directions.

The destination includes four multi-level parking structures equipped with the latest ICT systems, accommodating over 5,500 vehicles, with more than 31,000 additional parking spaces to be provided within investment plots upon full development. These facilities ensure visitor comfort and offer practical vehicle traffic management solutions. Masar is expected to handle over 60% of vehicles entering Makkah, reducing congestion around the Grand Mosque and facilitating smoother mobility for pilgrims, visitors, and residents through well-planned roads and high-traffic efficiency.

A pedestrian promenade over 3 kilometers long connects visitors to the Grand Mosque—from Jabal Omar through to the outer plazas—via a dedicated, uninterrupted path separated from vehicle traffic. This main promenade is 80 meters wide and linked to 11 tunnels running the length of the destination, as well as bridges connecting northern and southern zones, offering a fully integrated pedestrian experience.



Transport System in Masar Destination Key Figures

3
Km
Pedestrian Promenade: Over 3 km long

11
Tunnels and bridges
linking the destination to surrounding areas

2
Metro stations
to be integrated into the future Makkah Metro network

13
Bus stops
shuttle bus stops

2
Main entry
entry and exit roads

4
Intersection
major intersections

More than
31,000
additional parking spaces expected with full development

%60
of inbound vehicle traffic to Makkah expected to pass through Masar

Over
5,500
parking
multi-level parking spaces

5,000,000
Passengers Annually
Expected by 2035

7 /

Digital Infrastructure

The Future of Smart Cities Begins Here

Masar Destination leverages advanced technologies to enhance visitor experiences and improve quality of life, establishing itself as a smart destination. Its integrated digital infrastructure supports operational efficiency and elevates service levels through state-of-the-art systems that seamlessly blend with its unique urban design. The destination is equipped with a high-speed fiber-optic network spanning the entire project, backed by a primary data center built to the highest standards, housing multiple telecom service providers to ensure uninterrupted and efficient connectivity. Additionally, a centralized control and monitoring center oversees and manages various operational processes across the destination.

In 2024, Masar completed its digital infrastructure projects, including the extension of the fiber-optic network and the enhancement of external connectivity with telecom providers to ensure seamless digital service integration. The technical infrastructure was prepared to support various operational functions, including parking facilities, digital billboards, and shuttle bus systems, ensuring their readiness in line with operational goals. Tests and final preparations were also completed for the launch of facility management systems, covering security, fire safety, audio systems, and building management, guaranteeing a fully integrated and secure operational environment.

Throughout the year, a three-year technology strategy was developed and implemented, aligning with Masar's operational goals and expected future developments. Digital transformation initiatives were carried out according to a precise timeline, ensuring that operational processes are seamlessly integrated with the latest technological solutions.

8 /

Infrastructure and Construction

Solid Foundations for Sustainable Growth

Umm Al Qura for Development & Construction is steadily advancing toward its vision of establishing a state-of-the-art infrastructure designed to last for the next century. The company adheres to the highest global standards to ensure service sustainability and operational efficiency, reinforcing Makkah's status as a fully integrated urban destination.

The underground planning of Masar Destination was executed with exceptional precision, creating an advanced infrastructure capable of supporting population growth and future maintenance requirements. Notably, the destination features Saudi Arabia's longest utility tunnel, enhancing service efficiency and long-term sustainability.

Preparing for the future, Masar includes four tunnels spanning 14 kilometers, housing drinking water networks, stormwater drainage systems, wastewater management, and an automated waste collection system. These tunnels also accommodate power grids, telecommunication networks, district cooling systems, irrigation systems, and fire protection networks, extending services to surrounding areas.

To preserve Makkah's natural environment and protect groundwater and valley pathways, the company has implemented cutting-edge scientific and technological solutions. These measures maintain the natural flow of groundwater without disruption, while ensuring its chemical and physical properties remain intact.

Infrastructure Systems in Masar Destination

- Drinking water network
- Irrigation system
- Medium-voltage electricity grid
- Stormwater drainage system
- Smart city-ready telecommunication network
- Automated waste collection system
- District cooling system
- Sanitary sewage system

Strategic Infrastructure Achievements Over 4 Years

2021

Strategic agreement signed with National Water Company to implement and supply drinking water and wastewater services, integrating internal networks with Masar projects. The estimated daily demand is 73,000 cubic meters of drinking water and 64,000 cubic meters of wastewater capacity.

2022

Agreement signed with National Electricity Transmission Company (a subsidiary of Saudi Electricity Company) to supply electrical services to Masar Destination.

2023

Contract signed with Alfanar Company to construct the 380/110/13.8 kV Central Substation, alongside a contract with SEPCO to install high-voltage cables, linking Masar's substations to Makkah's Central Station for high-efficiency power continuity.

2024

Masar prepared for the future with four tunnels spanning 14 kilometers, designed to accommodate state-of-the-art infrastructure services, including drinking water networks, stormwater drainage, wastewater management, and an automated waste collection system.

Chapter Four

4

GOVERNANCE

Risk Management, and Regulatory Policies

1 /

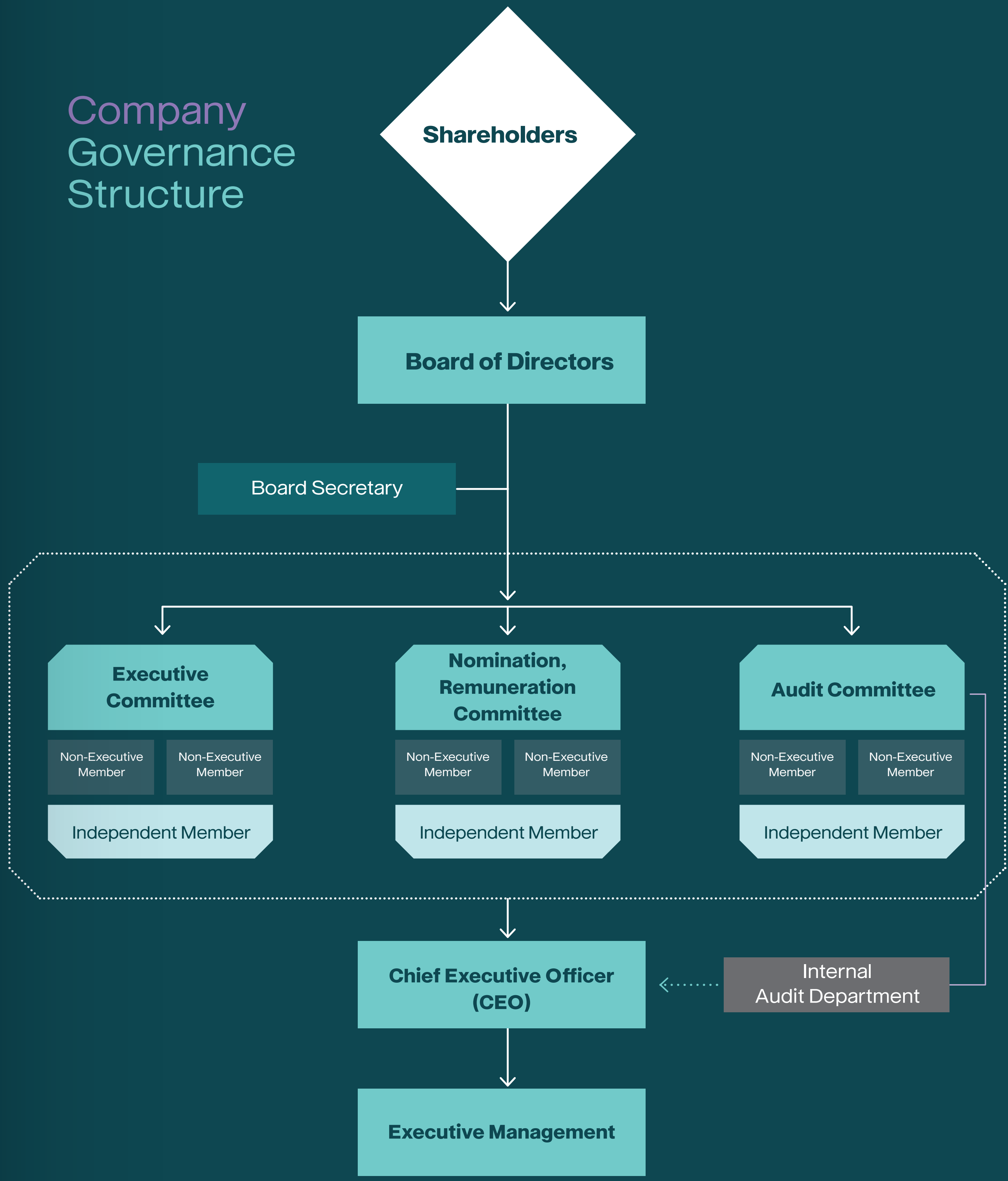
Governance and Compliance Management

A Transparent Approach to Trusted Performance

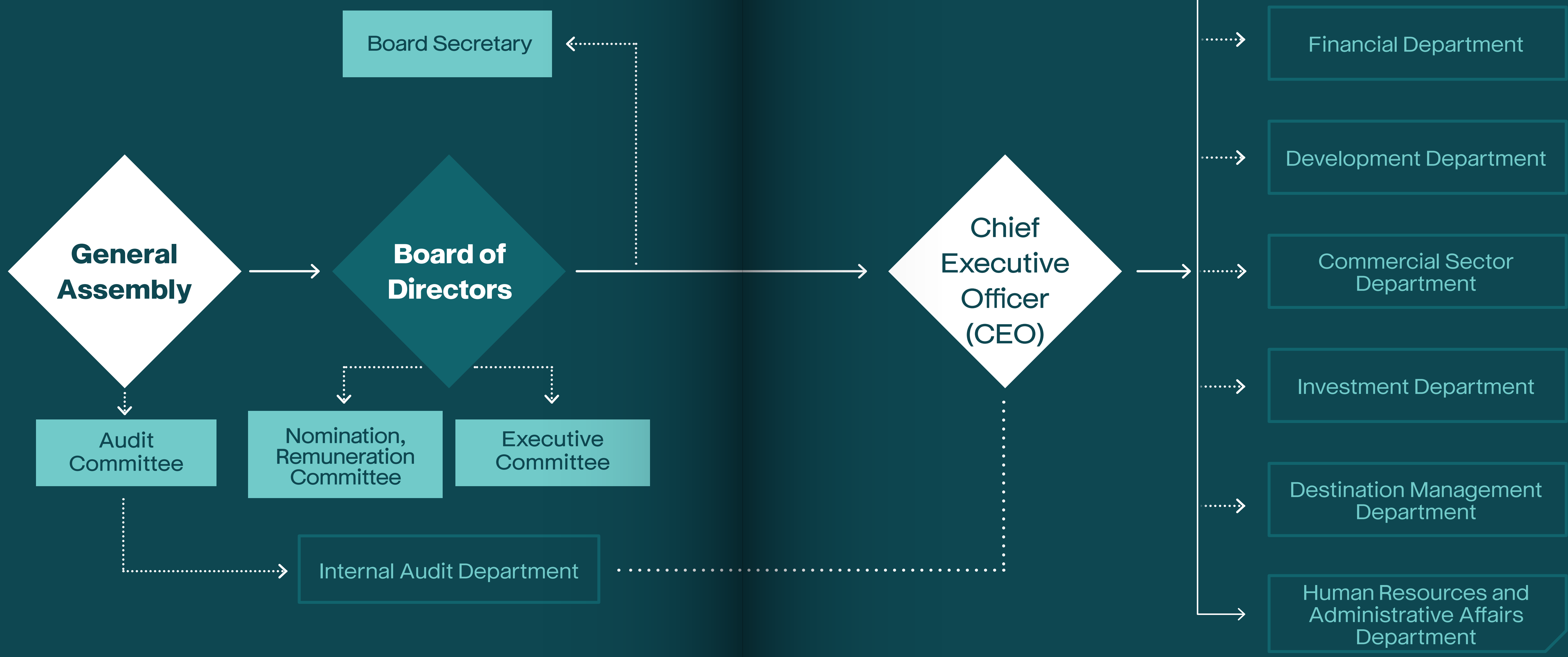
Umm Al Qura for Development & Construction is committed to embedding principles of transparency and institutional accountability through a clear and structured approach to governance and compliance. This ensures that its operations align with the highest ethical and legal standards, while strengthening adherence to internal policies and sector regulations. The company maintains full compliance with all applicable laws and regulations by aligning its operational processes with global best practices.

The company's governance framework is designed in accordance with international standards, and is based on the Companies Law and its executive regulations, while upholding all relevant laws and legislations. This structure enables effective management and legally sound decision-making.

Company Governance Structure



Company administrative structure



Objectives

1

Regulatory Compliance

Ensuring the organization's adherence to legislative regulations, government laws, and other legal requirements such as data protection, environmental standards, and financial reporting.

2

Risk Management

Identifying, assessing, and mitigating compliance risks that may negatively impact the organization, including financial risks, operational risks, and reputational risks.

3

Ethical Standards

Promoting a culture of ethical behavior, transparency, and integrity in business and operational practices through the implementation of codes of conduct and relevant training programs.

4

Internal Control Systems

Developing frameworks, policies, and procedures to ensure the accuracy of financial reporting, asset protection, and fraud prevention.

5

Policy Enforcement

Ensuring employees, contractors, and stakeholders comply with the organization's policies through audits, investigations, and disciplinary actions.

6

Legal Protection

Safeguarding the organization from potential legal liabilities by ensuring the presence of proper documentation, legal processes, and preparedness for any legal obligations.

7

Sustainability & Corporate Social Responsibility (CSR)

Ensuring the organization operates in a sustainable and ethical manner, aligning with Environmental, Social, and Governance (ESG) standards.

8

Reputation Management

Protecting and enhancing the organization's reputation by adhering to regulatory standards, corporate ethics, and societal expectations.

9

Corporate Governance Documentation

Establishing organizational structures, delegation of authority matrices, and policies & procedures, ensuring their efficiency and effectiveness in business operations.

10

Delegation of Authority

Developing, monitoring, and updating the delegation of authority matrix, from the highest level (Board of Directors) to administrative levels.

Based on these objectives, a comprehensive gap assessment of governance and compliance practices was conducted. The findings from this assessment contributed to the development of multi-year operational and execution plans, ensuring a qualitative transformation in corporate compliance levels.

In alignment with this vision, a decision was made to launch the Governance and Compliance Projects, reflecting the company's commitment to establishing an integrated governance framework that enhances institutional performance maturity and supports a regulatory environment built on clear standards and effective procedures, driving the achievement of the company's strategic objectives.

Compliance Management Project

A Transparent Approach to Trusted Performance

The Compliance Management Project aims to establish an integrated and effective framework that embeds compliance practices within Umm Al Qura for Development & Construction, ensuring alignment with its strategic vision and corporate objectives. This project focuses on clear definitions, role delineation, and the development of organizational structures that enable the company to achieve high compliance levels in accordance with global best practices and standards.

Key Deliverables

- Developing a comprehensive compliance management framework aligned with ISO 37301 and implementing it based on global best practices.
- Formulating a Compliance Management Policy to ensure clarity in roles and regulatory obligations.
- Creating a Compliance Procedures Manual to standardize and streamline processes for efficient application.
- Establishing a “Compliance Library” that consolidates all regulatory requirements and relevant authorities linked to the company, mapped to responsible departments.
- Developing compliance registers and a non-compliance risk log, allowing for impact assessment and corrective action planning.
- Implementing a periodic compliance monitoring plan to track adherence levels across departments.
- Integrating governance and compliance tools into an advanced digital system for enhanced operational efficiency.
- Identifying, analyzing, and evaluating the impact of non-compliance to ensure associated risks are mitigated.
- Conducting a comprehensive compliance audit across all company departments to ensure the highest levels of regulatory adherence.

Governance Management Project

Core pillar in developing a cohesive

The Governance Management Project is a core pillar in developing a cohesive and sustainable business environment within Umm Al Qura for Development & Construction. It focuses on enhancing corporate governance principles and applying global best practices to balance strategic objectives with stakeholder expectations, fostering a transparent, accountable, and excellence-driven governance framework.

Key Deliverables

- Implementing corporate governance standards based on excellence models and internationally recognized best practices.
- Developing an integrated governance management framework aligned with ISO 37000:2021, ensuring compliance with the latest standards.
- Formulating a Governance Management Policy that defines the organizational framework for governance practices within the company.
- Creating a Governance Procedures Manual to guide departments in implementing clear and consistent processes.
- Updating and enhancing internal policies to align with effective governance requirements.
- Implementing a document control system that ensures regular updates and governance over company records.
- Developing and updating the Delegation of Authority Matrix to clarify responsibilities and improve decision-making efficiency.
- Integrating governance tools into an advanced digital system, ensuring compliance and efficient management of all governance and compliance processes.

2 /

Risk Management

Innovation in Overcoming Challenges

The real estate sector in Saudi Arabia faces a range of risks that could impact company performance and sustainability. These risks include economic challenges such as oil price fluctuations and their effect on financial stability, as well as regulatory and legal risks arising from changes in government regulations and policies. Additionally, intense market competition, high financing costs, and supply-demand fluctuations pose further challenges that require cautious and strategic approaches.

Risk Management

First
Company-Specific Risks

The company encounters various operational and regulatory risks that may affect its sustainability and efficiency. Key challenges include its limited operational history, legal risks related to litigation and claims, construction and development challenges, and liquidity fluctuations in real estate investments, which may restrict its flexibility in restructuring assets.

Moreover, the company faces restrictions on selling real estate assets to non-Saudi investors and risks associated with property expropriation. Its concentration of operations in Makkah also makes it more susceptible to regional market fluctuations.
On the financial side, the company relies on access to financing and credit facilities, while operational risks and high expenses could impact profitability. Fluctuations in real estate market value, receivables management, and rental changes may also affect cash flow and financial stability.

Compliance with regulatory standards poses another challenge, including risks related to zakat, taxation, corporate governance compliance, and managing a newly listed public company. Additional risks include dependence on senior executives, cybersecurity threats, insufficient insurance coverage, and regulatory licensing, all of which necessitate proactive risk management strategies.

Second
Real Estate and Economic Sector Risks

The real estate sector and the Saudi economy face challenges affecting market stability and corporate performance. Fierce market competition places growing pressure on companies, while regulatory and legislative changes require continuous adaptation to compliance requirements.

Additionally, Saudization policies and government fees impact labor costs, affecting corporate operating structures.

On the economic front, global and local market fluctuations remain a key factor, as shifting economic conditions and regional political instability create uncertainty. Rising costs of energy, water, and raw materials pose further challenges, impacting operating expenses and profitability. These combined factors contribute to real estate value fluctuations, affecting investment returns and necessitating agile risk management strategies to ensure sustainability in an ever-evolving market.

Risk Management

Third
Post-IPO Share Risks

Following the initial public offering (IPO), the company's shares may experience volatility due to several key factors. Major shareholders may exert significant influence over strategic decisions, while coordinated actions by certain shareholders could impact stock movements in the market. The absence of prior trading history for the company's shares could also increase uncertainty among investors, leading to potential price fluctuations after listing.

Additional concerns include the company's ability to distribute future dividends, the impact of large share sell-offs post-IPO on stock price stability, and how analyst research and reports about the company may shape investor sentiment and market behavior.

Given these risks, the company continuously evaluates their impact on its operations and business activities, implementing preventive strategies and mitigation plans tailored to each specific risk.

Fourth
Financial Risks

Interest Rate Risks

Interest rate risks arise from changes in the fair value of future cash flows of financial instruments due to fluctuations in market interest rates. The group's exposure to market interest rate risks is primarily related to its long-term loans, which expose it to cash flow interest rate risks. The company conducts sensitivity analysis on interest rates, assesses their impact on cash flows, and implements necessary measures to mitigate these risks on a regular basis.

Credit Risks

Credit risks stem from the group's financial assets, including bank balances and cash. The group's exposure to credit risk arises from counterparty defaults. The maximum exposure is equal to the carrying value disclosed in the consolidated financial statement. Management considers credit risk associated with bank balances to be immaterial, as the group's cash reserves are held with reputable banks in Saudi Arabia.

Liquidity Risks

Liquidity risk refers to the group's potential difficulty in securing the necessary financing to meet obligations related to financial instruments. Liquidity risk may arise from the inability to sell a financial asset quickly at a fair value.

Liquidity risk is managed through continuous monitoring to ensure adequate liquidity is available via committed credit facilities to meet future obligations. The group's cash flows, financing needs, and liquidity requirements are centrally managed under the control of the group treasury.

The primary objective of this centralized system is to enhance capital resource management efficiency. The group aims to maintain a balance between long-term funding and operational flexibility by utilizing overdraft facilities and bank loans.

The group mitigates liquidity risks by maintaining sufficient reserves, credit lines, and borrowing facilities while continuously monitoring expected and actual cash flows and aligning financial asset and liability maturities.

3 /

Shareholders

Facing Challenges Through Innovation

As of year-end 2024, Umm Al Qura for Development & Construction is classified as a closed joint-stock company, combining public and private sector shareholders, reinforcing a balanced investment model that supports sustainable development objectives.
As of December 31, 2024, the issued and fully paid capital amounted to SAR 13,078,614,190, distributed across 1,307,861,419 shares, each valued at SAR 10 per share.

As previously mentioned, the company has obtained regulatory approvals for its initial public offering (IPO), with plans to complete all IPO phases and list on the "Tadawul" main market in 2025.

By the end of 2024, the entities listed below each hold more than 5% of the total company shares, while the remaining shares are owned by 151 other shareholders, reflecting a diverse investor base that contributes to the company's vision.

Major Shareholders by Ownership Percentage

Shareholder	Ownership	Number of Shares
General Organization for Social Insurance (GOSI)	%26.45	345,980,070
Public Investment Fund (PIF)	%21.59	282,302,039
Dallah Al-Baraka Holding Company	%7.88	103,111,395

Company Ownership Structure

General Organization for Social Insurance (GOSI)	Public Investment Fund (PIF)	Dallah Al-Baraka Holding Company	Other Shareholders	Public
%26.45	%21.59	%7.88	%17.4	%26.68

Umm Al Qura for Development & Construction

Alinma Makkah 1st Development Fund ← %100 — Umm Al Qura for Development & Construction — %100 → Alinma Makkah 2nd Development Fund

4 /

Board of Directors

Vision... Formulating Strategy

The Board of Directors of Umm Al Qura for Development & Construction is responsible for formulating the company's strategic vision and overseeing its implementation. This involves reviewing and approving comprehensive policies, setting key objectives, developing strategic plans, and defining performance indicators that guide the company toward achieving its aspirations. The board also approves annual budgets and business plans, ensuring the availability of financial and human resources necessary to support future projects and initiatives.

In accordance with the company's Articles of Association, the board consists of nine members, each bringing extensive experience and leadership skills aligned with the company's business nature and development goals. Board members are elected by the Ordinary General Assembly for a three-year term, with representation from government investment funds contributing to the company, reflecting a commitment to sound corporate governance practices.

With the conclusion of the third board term on June 29, 2023, and in line with the Articles of Association, a new board was elected for its fourth term, commencing on June 30, 2023, and extending until June 29, 2026. This board includes representatives nominated by government entities and major shareholders, ensuring continued leadership in driving the company toward new frontiers of growth and development.

Abdullah bin Saleh bin Abdullah Kamel
Vice Chairman of the Board

Abdulrahman Mohammed Abdullah Al-Rashed
Vice Chairman of the Board

Abdulaziz Muteb Abdullah Al-Rasheed
Board Member

Abdulaziz Abdulrahman Abdulaziz Al-Khunaian
Board Member

Jihad Abdulrahman Suleiman Al-Qadi
Board Member

Eng. Zuhair Fouad Amin Hamza
Board Member

Ahmed Abdulmohsen Ahmed Al-Rumaih
Board Member

Abdullah Saleh Hamad Al-Balawi
Board Member

Haitham Mohammed Abdulrahman Al-Fayez
Board Member

Badr Ayman Fadhel
Board Secretary

Biographies of Board Members

Mr. Abdullah Saleh Kamel serves as the Chairman of the Board of Umm Al Qura for Development & Construction and is a non-executive member. He leads with a strategic vision that strengthens the company's position in real estate development and investment.

He is also the Chairman of Dallah Al-Baraka Holding Company, Al Baraka Group BSC, and the Saleh Abdullah Kamel Humanitarian Foundation. Additionally, he chairs the Okaz Organization for Press and Publication, the General Council for Islamic Banks and Financial Institutions, the Islamic Chamber of Commerce, Industry & Agriculture, and the Makkah Chamber of Commerce & Industry.

Before assuming these leadership roles, Mr. Kamel held several executive positions at Dallah Al-Baraka Holding, ultimately serving as CEO, where he played a pivotal role in expanding the company's diverse business sectors.

With over 30 years of experience, he has expertise in investment, banking, and various industries, alongside his active contributions to philanthropy and social initiatives. His leadership is reflected in his memberships in numerous organizations, including two terms on the Board of the Jeddah Chamber of Commerce & Industry and the Friends of Saudi Arabia Association.

He holds an Honorary Doctorate in Business Administration & Development from the American Institute of Applied Sciences, Switzerland (2023).

Abdullah Saleh Abdullah Kamel

Chairman of the Board

Biographies of Board Members

Mr. Abdulrahman Al-Rashed is the Vice Chairman of the Board and a non-executive member. He has held several key positions in Saudi Arabia's financial and investment sectors, including roles at the Saudi Central Bank (SAMA), the Saudi Stock Exchange (Tadawul), and Alinma Investment. Most recently, he served as Vice Chairman of the Capital Market Authority (CMA).

Currently, he is the Chairman of the Board at Integrated Cable & Fiber Optic Manufacturing Co., Tharawat Tuwaiq Financial Co., and Tadawul Real Estate Co., as well as AlAhli REIT Fund 1. Additionally, he serves as a senior advisor to the Chairman of Care International, overseeing the company's restructuring and planned listing on the Saudi Stock Exchange.

He holds a bachelor's degree in Business Administration from King Saud University.

Abdulrahman bin Mohammed Al-Rashed

Vice Chairman of the Board

Biographies of Board Members

Abdulaziz bin Muteb Al-Rasheed

Board Member

Mr. Abdulaziz Al-Rasheed serves as a Board Member at Umm Al Qura for Development & Construction and is a non-executive member. He brings extensive experience in economic policy, finance, and international relations, and is also a Board Member at Ebdaat Co. and Awqaf Investment Co.

Throughout his career, he has held prominent leadership roles, including serving as the Assistant Minister of Finance for International Relations and Macroeconomic Policies, and as Saudi Arabia's Sherpa to the G20 in 2021-2022. Previously, he was Deputy Minister for Economic Affairs at the Ministry of Economy & Planning from January 2017.

His influence extends to local and international boards, including roles at the Asian Infrastructure Investment Bank (AIIB), the General Authority for Statistics, the National Center for Privatization, the Zakat, Tax & Customs Authority, the Real Estate General Authority, the Saudi Food & Drug Authority, and the Saudi Export Development Authority, among others.

Academically, he holds a bachelor's degree in Economics from Imam Muhammad bin Saud Islamic University and has completed advanced programs in strategic leadership and economic development at Oxford and Harvard Universities. He also pursued graduate studies in Economics at the University of Oregon (USA) from 2000 to 2002, further enriching his expertise in financial and developmental policy management.

Abdulaziz bin Abdulrahman bin Abdulaziz Al-Khunaian

Board Member

Mr. Abdulaziz Al-Khunaian serves as a Board Member at Umm Al Qura for Development & Construction, representing the General Organization for Social Insurance (GOSI) as a non-executive member. He is also a Board Member at Eastern Province Cement Company and Jeddah Urban Development Company, and since 2019, he has been serving as Advisor to the Deputy Governor of Makkah Region.

He has accumulated extensive professional experience, having worked with several leading institutions, including the Makkah Regional Government, Al-Jouf Regional Government, King Salman Program for Human Resource Development, the Public Pension Agency, Al Ra'idah Investment Company, Princess Nourah bint Abdulrahman University, the Saudi Organization for Certified Public Accountants, and the Ministry of Civil Service.

He holds a bachelor's degree in Journalism from Imam Muhammad bin Saud Islamic University.

Biographies of Board Members

Haitham bin Mohammed Al-Fayez

Board Member

Mr. Haitham Al-Fayez serves as a Board Member at Umm Al Qura for Development & Construction, representing the General Authority for Awqaf as a non-executive member. He brings with him extensive expertise in investment, asset management, and economic development.

Over the course of his career, he has held leadership positions in several prominent organizations, including the Saudi Industrial Development Fund, United Nations Development Program (UNDP), Jadwa Investment, Saudi Aramco, and Kingdom Holding Company, where he gained deep expertise in finance, investment, and institutional development.He is currently a Board Member at Ades Holding and a member of the Endowment Committee at Ehsan Platform, operated by the Saudi Data & Artificial Intelligence Authority (SDAIA). He also serves as a member of the Resource Development Committee at the Education & Training Evaluation Commission, the Remuneration & Nominations Committee at the Riyadh Infrastructure Projects Center, and the Investment Committee at the Integrated Logistics Company, in addition to being a member of the Executive Committee at Riyadh Holding Company.Furthermore, he is a Board Member at the Associations Support Fund, Bank Albilad, and Kidana Development & Real Estate Investment Company, and a Board of Trustees Member at the Charitable Foundation for Orphan Care (Ekhaa). In his executive role, he is the Managing Director & CEO of Awqaf Investment Company, the investment arm of the General Authority for Awqaf.With deep expertise in endowment investment management, real estate development, and financial governance, Mr. Al-Fayez plays a crucial role in supporting sustainable investment strategies and maximizing economic and social impact.He holds a bachelor's degree in Management Information Systems from King Fahd University of Petroleum & Minerals and a master's degree in Business Administration from Imperial College London.

Abdullah bin Saleh Al-Balawi

Board Member

Mr. Abdullah Al-Balawi serves as a Board Member at Umm Al Qura for Development & Construction and is a non-executive member. He is also a Board Member at Saudi Downtown Company, and Rua Al Madinah Holding Company.

He has held multiple positions in the General Directorate of Local Real Estate Investments at the Public Investment Fund (PIF), playing a key role in managing and directing real estate investments. He has also overseen various PIF-affiliated companies, taking on multiple responsibilities that have given him deep expertise in real estate and urban development projects.

Mr. Al-Balawi holds board memberships and executive committee roles in several PIF-owned companies, where he is responsible for monitoring operational performance, tracking key performance indicators (KPIs), supporting fund-owned companies from an investment perspective, and assessing investment opportunities while providing recommendations to company boards.

With his extensive experience in real estate investment and asset management, Mr. Al-Balawi contributes to achieving PIF's strategic goals by enhancing the efficiency of real estate investments and driving sustainable growth.

He holds a bachelor's degree in Accounting from Portland State University, Oregon, USA, and a master's degree in Business Administration (EMBA) from London Business School – Dubai, UAE.

Biographies of Board Members

Jihad bin Abdulrahman Al-Qadi

Board Member

Mr. Jihad Al-Qadi has been serving as the CEO of Riyadh Development Company since December 2021, leading the company's development and investment operations with over 20 years of experience in finance and investment.

Throughout his career, he has held leadership positions in top-tier organizations, including the Public Investment Fund (PIF), SEDCO Capital, Jadwa Investment, and the National Commercial Bank (NCB – now Saudi National Bank).

In addition to his executive role, Mr. Al-Qadi holds multiple board memberships, including Chairman of the Board at SEDCO Capital and Jones Lang LaSalle (JLL) Saudi Arabia, as well as Board Member at Ruba Al-Abniya Real Estate Development Company and Tenal Real Estate Development & Investment Company.

He holds a bachelor's degree in Economics from King Saud University and a master's degree in Executive Management from Hult International Business School, Boston. Additionally, he has completed advanced executive programs at prestigious global institutions, including Harvard Business School, London Business School, IMD Lausanne, and IE University in Madrid, enhancing his expertise in strategic management and investment planning.

With his deep insights in real estate development and investment, Mr. Al-Qadi plays a crucial role in guiding companies toward sustainable growth, financial performance optimization, and operational excellence.

Eng. Zuhair bin Fouad Hamza

Board Member

Eng. Zuhair Hamza serves as a Board Member at Umm Al Qura for Development & Construction and is a non-executive member. With over 38 years of experience in urban development planning, management, and execution, his expertise spans strategic and executive planning, public-private partnerships (PPP), and slum redevelopment.

Currently, he is a Board Member at Red Sea Markets Company and Ufuq Al-Qadisiyah Riyadh Company, in addition to being a member of several committees, councils, and authorities across Saudi Arabia. Throughout his career, he has held executive positions in Tamlik, Dallah Al-Baraka Group, and the Royal Commission for Yanbu, most recently serving as CEO of the Real Estate Sector at SEDCO Development and Board Member at SEDCO Development.

He has also previously held board memberships in regional real estate development companies in Lebanon, Egypt, Tunisia, and Morocco, gaining extensive experience in real estate development across the region.

He holds a bachelor's degree in Urban & Regional Planning with a minor in Architecture from Louisiana State University and a master's degree in Public Administration from Harvard University, USA.

Biographies of Board Members

Ahmed bin Abdulmohsen Al-Rumaih

Board Member

Mr. Ahmed Al-Rumaih serves as a Board Member at Umm Al Qura for Development & Construction and is a non-executive member. He currently holds the position of Assistant President for Investment & Asset Development at the General Authority for the Care of Minors' Funds, where he leads investment asset management and development efforts.

He is a Board Member at Inaya Energy Company and Chairman of its Audit Committee. Over the course of his career, he has held several leadership positions in investment management, including serving as General Manager of the Investment Department at the Authority. He previously led the Investment Advisory Division at Alinma Investment and was also Director of Alternative Investment Funds. Before that, he was responsible for investment product issuance at the Capital Market Authority (CMA), playing a key role in structuring and managing investment products in line with global best practices.

Mr. Al-Rumaih played a foundational role in launching Saudi Arabia's first endowment investment fund, Alinma Waqf Fund, and has served on the boards of multiple endowment investment funds, REITs, and private equity funds, reflecting his deep expertise in investment growth and asset management.

He holds a bachelor's degree in Business Administration with a specialization in Financial Management from King Saud University and a master's degree with honors in Financial Management from the United Kingdom. Additionally, he has obtained the International Certificate in Wealth & Investment Management, as well as the Cambridge Certificate in Financial Management.

He has also completed executive education programs in management and investment at top institutions, including London Business School, the International Institute for Management Development (IMD), and Harvard University.

With his extensive experience in investment growth and financial product development, Mr. Al-Rumaih actively supports sustainable investment strategies and contributes to achieving corporate objectives with high efficiency.

Biographies of Audit Committee Members

Hussam bin Faisal Omar Baaward

Audit Committee Member

Mr. Hussam Baaward serves as a member of the Audit Committee at Umm Al Qura for Development & Construction and is an independent member with extensive expertise in accounting and statutory auditing.

He is the founding General Manager of Hussam Baaward Certified Public Accountants and Hussam Baaward Financial Consulting.
Additionally, he is a member of the Audit Committee at Farouk, Mamoun Mohammed Saeed Tamer Industrial Holding Company, Arch Financial Company, and Saudi Biochemicals Company.

Previously, he worked as an Audit Partner at Ernst & Young (EY) Certified Public Accountants, where he contributed to financial auditing and consulting services for major corporations and institutions.

Mr. Baaward holds a bachelor's degree in Accounting from King Abdulaziz University and is a Certified Public Accountant (CPA) from the American Institute of CPAs. He is also a fellow of the Saudi Organization for Certified Public Accountants (SOCPA) and holds certified accountant licenses in both Saudi Arabia and New Hampshire, USA. Additionally, he is an associate member of the Saudi Authority for Accredited Valuers – Economic Establishments Division and actively participates in audit committees for multiple companies.

With his distinguished career, Mr. Baaward enhances financial auditing and oversight practices, ensuring compliance with accounting standards and promoting financial transparency across various economic sectors.

Abdulaziz Suleiman Al-Sayyari

Audit Committee Member

Mr. Abdulaziz Al-Sayyari has over 15 years of experience in the financial and accounting sectors. He currently serves as the General Manager of Financial Affairs at the General Authority for State Real Estate, a position he has held since December 2019, where he is responsible for financial management, strategic financial planning, and performance monitoring.

He has held leadership positions in several prominent organizations, including TATWEER Educational Technologies Company, Boeing Saudi Arabia, and the National Guard Hospital in Al-Ahsa, among others. Throughout his career, he has contributed to financial resource management, investment analysis, and optimizing financial operations.

In addition to his executive roles, Mr. Al-Sayyari has served on multiple audit committees, including as Chairman of the Audit Committee at Comel Company and as a member of the Audit Committee at United Cooperative Assurance (UCA), which further strengthened his expertise in financial auditing and oversight.

He holds a bachelor's degree in Administrative Sciences from King Saud University and has enhanced his skills through specialized executive programs at world-renowned institutions, including the University of Manchester, UK. These programs have equipped him with advanced financial management tools and accounting strategies, enabling him to enhance financial efficiency and drive sustainable financial practices at the highest professional standards.

Biographies of Audit Committee Members

Khaled Mahmoud Abu Namous

Audit Committee Member

Mr. Khaled Abu Namous has been serving as the Executive Vice President for Finance & Treasury at Dallah Al Baraka Holding Company since 2021, where he oversees financial affairs, treasury operations, and internal audit functions for the group's companies in Saudi Arabia and internationally.

With an extensive career in financial management and regulatory oversight, Mr. Abu Namous has gained expertise from working in multicultural environments, interacting with boards of directors, financial institutions, and legal affairs.

He began his career as a Financial Manager at Bank of Jordan (1991-1994) before moving on to become General Manager at MultiChoice Middle East (1996-2011). He also served as Financial Manager at MultiChoice Africa (2000-2002).

From 2011 to 2021, he held the role of Vice President for Financial & Administrative Affairs at Umm Al Qura for Development & Construction, where he managed financial operations, information technology, human resources, and shareholder relations.

Mr. Abu Namous holds two bachelor's degrees in Business Administration from the University of Jordan, Amman, and a Master's degree in Business Administration and Professional Accounting from Canisius College in Buffalo, New York, USA.

He is a Certified Public Accountant (CPA) from the University of Illinois, USA, and an affiliate member of the Saudi Organization for Certified Public Accountants (SOCPA).

Eng. Zuhair bin Fouad Hamza

Board Member

Eng. Zuhair Hamza serves as a Board Member at Umm Al Qura for Development & Construction and is a non-executive member. His 38-year career has been dedicated to urban development planning, management, and execution, with expertise in strategic and executive planning, public-private partnerships (PPP), and slum redevelopment.

He currently serves as a Board Member at Red Sea Markets Company and Ufuq Al-Qadisiyah Riyadh Company, while also holding several committee and board memberships across Saudi Arabia.

Throughout his career, he has held executive positions at Tamlik, Dallah Al-Baraka Group, and the Royal Commission for Yanbu, most recently serving as CEO of the Real Estate Sector at SEDCO Development and Board Member at SEDCO Development.

He has also previously served on the boards of regional real estate development companies in Lebanon, Egypt, Tunisia, and Morocco, providing him with in-depth expertise in real estate development across diverse markets.

He holds a bachelor's degree in Urban & Regional Planning with a minor in Architecture from Louisiana State University and a master's degree in Public Administration from Harvard University, USA.

Executive Management Team

Integrated system based on a clear vision

The executive management team at Umm Al Qura for Development & Construction oversees daily operations, working under the leadership of the Chief Executive Officer (CEO) in a cohesive framework that follows a clear vision and well-established methodology to ensure the achievement of the company's strategic objectives.

With a blend of deep expertise and strategic planning, the executive team is responsible for operational performance management, policy development, and directing business operations in line with best practices. This ensures a balance between sustainable growth and responsiveness to evolving market needs.

Yasser Abdulaziz Mohammed Abu Ateeq
Chief Executive Officer (CEO)

Saeed Othman Ahmed Al-Ghamdi
Chief Financial Officer (CFO)

Abdulmohsen Bakr Mohammed Al-Bakr
Chief Development Officer (CDO)

Ahmed Abdelqader Al-Mallah
Chief Commercial Officer (CCO)

Tariq Abdulaziz Mohammed Sharaf
Chief Investment Officer (CIO)

Alshaimaa Mohammed Mashat
Chief Destination Management Officer

Biographies of Executive Management Members

Yasser bin Abdulaziz Abu Ateeq
Chief Executive Officer (CEO)

Mr. Yasser Abu Ateeq serves as the Chief Executive Officer and brings with him over 25 years of experience in the financial and real estate sectors, along with extensive expertise in corporate and retail banking.

He is a member of the Executive Committee at King Abdullah Financial District (KAFD), the Real Estate Committee at the Makkah Chamber, the Urban Development Committee at the Jeddah Chamber, and also serves on the Board of Directors at Al Balad Al Ameen Company.

Previously, he was Chairman of Risan Al-Arabiya Company, the founding CEO of Dar Al Tamleek, a member of the Financial Oversight Committee at the Housing Committee, and a member of the Executive Committee for Finance Companies at the Saudi Central Bank. He also served on the boards of Advanced Petrochemical Company, Swicorp, and Jabal Omar Development Company.

Mr. Abu Ateeq holds a Bachelor's degree in Business Administration from King Abdulaziz University, and has completed executive programs including the Leadership Development Program at London Business School, the Special Management Program at San Diego State University, and the Corporate Credit Program at the Saudi Central Bank (formerly SAMA).

Saeed Othman Al-Ghamdi
Chief Financial Officer (CFO)

Mr. Saeed Al-Ghamdi is the Chief Financial Officer, bringing with him over 13 years of experience in the financial sector, most of which was gained at Saudi Aramco and its subsidiaries.

He has held several leadership roles including CFO of Aramco Asia Saudi Arabia and Board Member at Vela International Marine Company. At Aramco, he was responsible for leading the Tax Department, as well as contributing to Financial Reporting, Planning & Budget Analysis.

Mr. Al-Ghamdi holds a Master's degree in Accounting from George Washington University, USA, and is a fellow of both the Saudi and American Societies of Certified Public Accountants, in addition to being a fellow of the Institute of Management Accountants (IMA). He has also completed the Executive Leadership Program at Harvard University.

Biographies of Executive Management Members

Eng. Abdulmohsen Bakr Al-Bakr

Chief Development Officer (CDO)

Eng. Abdulmohsen Al-Bakr is the Chief Development Officer, with over 20 years of experience in construction and operational management for major projects.

He previously held leadership roles at Mobily, Ra'idah Investment Company, and worked in the Engineering Department of the Royal Saudi Air Defense Forces.

He holds a Bachelor's degree in Mechanical Engineering from King Saud University, and completed the Leadership Development Program at ESADE Business School in Barcelona, Spain.

Eng. Ahmed Abdelqader Al-Mallah

Chief Commercial Officer (CCO)

Eng. Ahmed Al-Mallah serves as the Chief Commercial Officer, bringing with him over 21 years of experience in project operations, procurement, and contract management within development and infrastructure sectors across the Middle East and Africa. His experience spans large-scale private sector projects and government infrastructure programs in energy, transportation, and healthcare.

He has held senior leadership roles at major companies including Bechtel, Hill International Middle East, and Jabal Omar Development Company. He also led the commercial sector and project controls for all regional projects at NEOM.

Eng. Al-Mallah is a member of several professional organizations, including the Chartered Institute of Arbitrators in the UK.

He holds a Bachelor's degree in Civil Engineering from Alexandria University, Egypt, a Master's degree in Law from Robert Gordon University, UK, and an MBA from the Arab Academy for Science, Technology & Maritime Transport, Egypt.

Biographies of Executive Management Members

Tariq Abdulaziz Sharaf
Chief Investment Officer (CIO)

Mr. Tariq Sharaf serves as the Chief Investment Officer, with over 20 years of experience in regional and global capital markets, along with expertise across various investment disciplines.

Over the course of his career, he has managed assets exceeding SAR 12 billion, having served as Chief Investment Officer at Adeem Capital, and as Head of the Real Estate Sector at Alkhabeer Capital.

He holds a Bachelor's degree in Computer Science from King Abdulaziz University, and has completed advanced executive programs at Harvard University and other top institutions, strengthening his strategic and investment management capabilities.

Alshaimaa bint Mohammed Mashat
Chief Destination Management Officer

Ms. Alshaimaa Mashat serves as the Chief Destination Management Officer and is a Board Member at the Makkah Chamber of Commerce. She has over 20 years of experience in content, marketing, and communications.

She has held key leadership roles at prominent organizations including the Saudi Tourism Authority, the G20 Saudi Secretariat, and the Jeddah Season Office, in addition to her work with several private sector companies. She has contributed significantly to the development of communication strategies, marketing plans, and brand positioning.

Ms. Mashat holds a Bachelor's degree in Business Administration from the American University – UK.

Biographies of Executive Management Members

Badr Ayman Fadel

Board Secretary

Mr. Badr Fadel serves as the Board Secretary and Senior Governance Advisor at Umm Al Qura for Development & Construction, bringing with him over 8 years of experience in legal affairs, board secretariat, and corporate governance.

Throughout his career, he has acquired extensive knowledge in the fields of law, governance, and board operations, and has completed several specialized training programs that further enhanced his expertise.

Mr. Fadel holds a Bachelor's degree in Law (Department of Systems) from King Abdulaziz University in Jeddah, and a Master of Laws (LL.M.) from the University of St. Thomas in the United States.

Board Meetings

To uphold the roles and responsibilities of its members, the Board of Directors held four scheduled meetings during the year. These meetings focused on reviewing strategic directions, performance monitoring, and key decision-making to support the achievement of the company's institutional objectives.

All meetings were fully attended by the board members, reflecting their strong commitment to effective governance and active engagement in guiding the company's activities and driving sustainable performance.

	Name	Role	Mar 06	May 15	Sep 25	Dec 18	Attendance
1	**Abdullah bin Saleh Kamel**	Chairman	√	√	√	√	(4 of 4)
2	**Abdulrahman bin Mohammed Al-Rashed**	Vice Chairman	√	√	√	√	(4 of 4)
3	**Haitham bin Mohammed Al-Fayez**	Board Member	√	√	√	√	(4 of 4)
4	**Abdulaziz bin Abdulrahman Al-Khunaian**	Board Member	√	√	√	√	(4 of 4)
5	**Eng. Zuhair bin Fouad Hamza**	Board Member	√	√	√	√	(4 of 4)
6	**Abdullah bin Saleh Al-Balawi**	Board Member	√	√	√	√	(4 of 4)
7	**Jihad bin Abdulrahman Al-Qadi**	Board Member	√	√	√	√	(4 of 4)
8	**Abdulaziz bin Mutib Al-Rasheed**	Board Member	√	√	√	√	(4 of 4)
9	**Ahmed bin Abdulmohsen Al-Rumaih**	Board Member	√	√	-	√	(4 of 4)

Actions Taken by the Board to Consider Shareholder Proposals and Remarks

The Chairman of the Board periodically informs board members of any proposals or comments received from shareholders regarding the company and its performance.

General Assembly Meetings of Shareholders

The company held three General Assembly meetings during the year 2024, on the following dates:

The tables below show the attendance of Board and Committee members at each meeting:

	Name	Extraordinary General Assembly Meeting No. 12 Held on 30/04/2024	Attendance
1	**Abdullah bin Saleh Kamel**	√	(1 of 1)
2	**Abdulrahman bin Mohammed Al-Rashed**	√	(1 of 1)
3	**Jihad Suleiman Al-Qadi**	√	(1 of 1)
4	**Abdullah Saleh Al-Balawi**	√	(1 of 1)
5	**Abdulaziz bin Abdulrahman Al-Khunaian**	√	(1 of 1)
6	**Eng. Zuhair Fouad Hamza**	√	(1 of 1)
7	**Hussam Faisal Baward**	√	(1 of 1)

	Name	Extraordinary General Assembly Meeting No. 13 Held on 11/06/2024	Attendance
1	**Abdullah bin Saleh Kamel**	√	(1 of 1)
2	**Abdulrahman bin Mohammed Al-Rashed**	√	(1 of 1)
3	**Eng. Zuhair Fouad Hamza**	√	(1 of 1)
4	**Abdulaziz bin Mutib Al-Rasheed**	√	(1 of 1)
5	**Haitham bin Mohammed Al-Fayez**	√	(1 of 1)
6	**Abdullah Saleh Al-Balawi**	√	(1 of 1)
7	**Jihad bin Abdulrahman Al-Qadi**	√	
8	**Hussam bin Faisal Baward**	√	(1 of 1)

	Name	Ordinary General Assembly Meeting No. 08 Held on 18/12/2024	Attendance
1	**Abdulrahman bin Mohammed Al-Rashed**	√	(1 of 1)
2	**Eng. Zuhair Fouad Hamza**	√	(1 of 1)
3	**Abdulaziz bin Abdulrahman Al-Khunaian**	√	(1 of 1)
4	**Jihad bin Abdulrahman Al-Qadi**	√	(1 of 1)
5	**Hussam bin Faisal Baward**	√	(1 of 1)

Board Committees

To reinforce governance principles and enhance the effectiveness of the Board of Directors, four key subcommittees were established to support the Board in efficiently fulfilling its duties and responsibilities.

These committees are:

First
Executive Committee

The Executive Committee is responsible for reviewing the company's strategies and objectives, providing recommendations to the Board, and overseeing the budget, business plans, and operational processes to ensure the institutional goals are met effectively.
The committee is composed of four members, all of whom are Board members. It held four meetings during the year, during which it discussed key matters relevant to its scope.

The table below outlines the members, their roles, meeting participation, and attendance details:

	Name	Role	Feb 11	May 06	Sep 11	Dec 08	Attendance
1	**Abdulrahman bin Mohammed Al-Rashed**	Chairman	√	√	√	√	(4 of 4)
2	**Abdullah bin Saleh Al-Balawi**	Member	√	√	√	√	(4 of 4)
3	**Ahmed bin Abdulmohsen Al-Rumaih**	Member	√	√	√	√	(4 of 4)
4	**Eng. Zuhair bin Fouad Hamza**	Member	√	√	√	√	(4 of 4)

Board Committees

Second Nominations and Remuneration Committee

The Nominations and Remuneration Committee is responsible for establishing a clear policy for the remuneration of Board members, its subcommittees, executive management, and senior leadership—ensuring fairness and optimal motivation to boost institutional performance.

The committee also oversees the selection and qualification of candidates for the Board, conducts annual reviews to assess required skills and experience, and ensures diversity and complementarity in both the Board and executive management.

Additionally, the committee performs annual reviews of the independence of independent members, ensuring no conflict of interest exists, especially if members hold board seats in other companies.

The committee consists of three members, all of whom are Board members.

The table below outlines the members of the Nominations and Remuneration Committee, their roles, participation, and attendance across the meetings held in 2024:

	Name	Role	Feb 21	Sep 09	Dec 10	Attendance
1	**Abdulaziz bin Abdulrahman Al-Khunaian**	Chairman	√	√	√	(3 of 3)
2	**Jihad bin Abdulrahman Al-Qadi**	Member	√	√	√	(3 of 3)
3	**Abdulaziz bin Mutib Al-Rasheed**	Member	√	√	√	(3 of 3)

Board Committees

Third
Audit Committee

The Audit Committee supports the Board in performing its oversight responsibilities by supervising internal and external audit functions, ensuring the accuracy and transparency of financial reporting, and overseeing compliance with applicable policies and regulations.

The committee comprises three independent, non-board members, and one independent Board member, ensuring objectivity and independence in audit-related decisions.

Attendance details for 2024 meetings are as follows:

	Name	Role	Mar 19	Apr 25	Aug 07	Nov 06	Attendance
1	**Hussam bin Faisal Baward**	External Member	√	√	√	√	(4 of 4)
2	**Abdulaziz bin Suleiman Al-Sayari**	External Member	√	√	√	√	(4 of 4)
3	**Khaled bin Mahmoud Abu Namous**	External Member	√	√	√	√	(4 of 4)
4	**Eng. Zuhair bin Fouad Hamza**	Board Member	√	√	√	√	(4 of 4)

Board Committees

Fourth Public Offering Committee

By virtue of a resolution issued by the Board of Directors on 29 September 2021, a temporary committee was formed to oversee all matters related to the public offering, with the aim of ensuring the process is executed efficiently and in full compliance with regulatory requirements.

The committee is responsible for making decisions related to the offering, approving the appointment of various offering advisors, and setting a budget that covers advisor fees and any other related expenses. Additionally, the committee ensures that all necessary requirements are met to complete the IPO process successfully.

The committee's duties will conclude upon the finalization of the IPO procedures and the company's listing on the financial market. It consists of four non-executive members of the Board of Directors, ensuring independence and objectivity in all offering-related decisions.

The table below presents the details of the committee members, their roles, participation in the meetings, and the corresponding meeting dates:

	Name	Role	Dec 04	Attendance
1	**Abdullah bin Saleh Kamel**	Chairman	√	(1 of 1)
2	**Abdulrahman bin Mohammed Al-Rashed**	Member	√	(1 of 1)
3	**Eng. Zuhair bin Fouad Hamza**	Member	√	(1 of 1)
4	**Abdullah bin Saleh Al-Balawi**	Member	√	(1 of 1)

Remuneration and Attendance Fees for the Board of Directors and Board Committees

First
Board of Directors

The Nominations and Remuneration Committee is responsible for submitting recommendations to the Board of Directors regarding the remuneration and attendance fees of Board members and committee members, in accordance with the policies approved by the Board. This ensures fairness and effective incentives that promote institutional performance.

	Name	Positon	Status	Annual Remuneration*	Meeting Attendance Fees	Total (SAR)
1	**Abdullah bin Saleh Kamel**	Chairman of the Board	Non-Executive	300,000	30,000	330,000
2	**Abdulrahman bin Mohammed Al-Rashed**	Vice Chairman	Independent	300,000	35,000	335,000
3	**Haitham bin Mohammed Al-Fayez**	Member	Non-Executive	300,000	25,000	325,000
4	**Abdulaziz bin Abdulrahman Al-Khunaian**	Member	Independent	300,000	30,000	330,000
5	**Eng. Zuhair bin Fouad Hamza**	Member	Independent	290,000	35,000	325,000
6	**Abdullah bin Saleh Al-Balawi** [1]	Member	Non-Executive	300,000	30,000	330,000
7	**Jihad bin Abdulrahman Al-Qadi**	Member	Non-Executive	300,000	35,000	335,000
8	**Abdulaziz bin Muteb Al-Rasheed**	Member	Non-Executive	300,000	25,000	325,000
9	**Ahmed bin Abdulmohsen Al-Rumaih**	Member	Independent	300,000	15,000	315,000
TOTAL						**2,950,000**

* Annual remuneration for Board membership in 2024 will be disbursed after approval by the General Assembly. According to the company's Articles of Association, the annual remuneration is considered a fixed amount to be paid during the fiscal year and not a percentage of profits.

[1] The annual remuneration and attendance fees for Mr. Abdullah bin Saleh Al-Balawi are transferred to the Public Investment Fund.

Remuneration and Attendance Fees for the Board of Directors and Board Committees

Second
Board Committees

Committee	Position	Annual Remuneration*	Committee Attendance Fees	Total (SAR)
Executive Committee				
Abdulrahman bin Mohammed Al-Rashed	Chairman	140,000	20,000	160,000
Abdullah bin Saleh Al-Balawi [1]	Member	145,000	20,000	165,000
Ahmed bin Abdulmohsen Al-Rumaih	Member	165,000	20,000	185,000
Eng. Zuhair bin Fouad Hamza	Member	30,000	20,000	50,000
Nominations and Remuneration Committee				
Abdulaziz bin Abdulrahman Al-Khunaian	Chairman	100,000	15,000	115,000
Jihad bin Abdulrahman Al-Qadi	Member	100,000	15,000	115,000
Abdulaziz bin Muteb Al-Rasheed	Member	100,000	15,000	115,000
Public Offering Committee				
Abdullah bin Saleh Kamel	Chairman	-	5,000	5,000
Abdulrahman bin Mohammed Al-Rashed	Member	-	5,000	5,000
Abdullah bin Saleh Al-Balawi [2]	Member	-	5,000	5,000
Eng. Zuhair bin Fouad Hamza	Member	-	5,000	5,000

Committee	Position	Annual Remuneration*	Committee Attendance Fees	Total (SAR)
Audit Committee				
Mr. Hussam bin Faisal Baoward	Chairman	100,000	35,000	135,000
Mr. Khaled Mahmoud Abu Namous	Member	100,000	20,000	120,000
Mr. Abdulaziz Suleiman Al-Sayari	Member	100,000	20,000	120,000
Eng. Zuhair bin Fouad Hamza	Member	100,000	20,000	120,000
TOTAL				**1,420,000**

* Annual remuneration for committee membership is considered a fixed amount disbursed during the fiscal year and not a percentage of profits, as per the company's Articles of Association.

[1] The annual remuneration and attendance fees for Mr. Abdullah bin Saleh Al-Balawi's participation in the Executive Committee are paid to the Public Investment Fund.
[2] Attendance fees for Mr. Abdullah bin Saleh Al-Balawi in the Public Offering Committee are also paid to the Public Investment Fund.

Remuneration and Attendance Fees for the Board of Directors and Board Committees

Third
Senior Executives' Remuneration

Salaries	Allowances	Total Fixed Salaries and Allowances	Variable Bonuses	End-of-Service Benefits	Total Amount
12,203,064	3,653,304	15,856,368	8,101,532	-	**23,957,900**

Related Party Transactions

Related parties include group shareholders, associates, subsidiaries, other entities related to certain consolidated subsidiaries, and the key management personnel of the Group. The terms and conditions of these transactions are approved by the Group's management.

The Group entered into renewable credit facilities with Alinma Bank to finance the acquisition of certain lands within the Masar Destination project as part of its regular business activities. The funds deal with related parties, and such related party transactions comply with the fund's terms and conditions. All related party transactions are approved by the fund's Board of Directors.

Related parties include the Board of Directors, the Fund Manager, Alinma Bank (the parent company of the Fund Manager), and their affiliated entities.

The following table summarizes key transactions and balances with related parties, as disclosed in the consolidated financial statements:

Related Party	Relationship	Nature of Transaction	Transaction Amounts (SAR) 2024	Transaction Amounts (SAR) 2023	Closing Balances (SAR) 2024	Closing Balances (SAR) 2023
Alinma Investment	Fund Manager	Management Fees	58,000,000	58,000,000	29,000,000	29,000,000
Alinma Bank	Parent Company of Manager	Loans	386,847,322	528,626,252	3,224,220,092	2,837,372,770
		Accrued Interest	287,528,883	192,141,450	174,915,644	147,273,231
General Authority for Awqaf	Shareholder	Settlement of Payables	102,246,450	1,261,300,000	-	102,246,450
Saleh Abdullah Kamel Humanitarian Foundation	Joint Shareholder	Collection / Sale	68,113,978	85,142,473	-	68,113,978

Audit Committee Report

As part of its mandate, the Audit Committee is responsible for reviewing the periodic reports issued by the Internal Audit Department, in addition to evaluating the external auditor's reports. The committee also holds discussions with the executive management to assess the effectiveness of internal control procedures—both in terms of design and implementation—to ensure high levels of compliance and governance.
The committee continuously monitors the recommendations issued by both the Internal Audit Department and the external auditor, particularly those relating to the fairness of the financial statements, and oversees the implementation of corrective actions when necessary. The committee recognizes that no matter how well-designed a control system is, it cannot provide absolute assurance regarding its effectiveness.

Through its audit activities, the committee has found no material weaknesses in the company's internal control systems.

In collaboration with the Internal Audit Department and executive management, the Audit Committee remains committed to continuous improvement, with the goal of enhancing the effectiveness of internal controls and achieving the highest standards of governance and transparency.

5 /

Implementation of Corporate Governance Regulations

Disclosure on Compliance with the Corporate Governance Regulations and Reasons for Non-Application

Umm Al Qura for Development & Construction applies the provisions outlined in the Corporate Governance Regulations issued by the Capital Market Authority, in line with the company's Articles of Association, its internal governance policy, and other applicable regulatory requirements. The following table outlines the non-applied provisions of the Corporate Governance Regulations and the reasons for such:

Article / Paragraph No.	Regulatory Requirement	Reason for Non-Application
37	The company shall give adequate attention to the training and qualification of board members, committee members, and executive management, and shall establish the necessary programs for that purpose.	Indicative Article: Some requirements have been partially applied to the executive management, and full implementation is underway.
39/e	The Board of Directors shall make the necessary arrangements to obtain an evaluation of its performance by an external and specialized party every three years.	Indicative Clause: Implementation is planned for the future.
67–68–69	Establishing a Risk Management Committee and defining its roles and responsibilities.	Indicative Article: The Board of Directors currently performs this role.
82/3	Establishing social institutions for the company's employees.	Indicative Clause
92	Establishing a Corporate Governance Committee.	Indicative Article: The Board of Directors currently performs this role.

6 /

Disclosure of the Remuneration Policy and Method of Determining Compensation for Board Members and Executive Management

01

The company's remuneration policy ("the Policy") has been developed in accordance with the requirements of Article 59 of the Corporate Governance Regulations.

02

Without prejudice to the provisions of the Companies Law, the Capital Market Law, and their implementing regulations, Umm Al Qura has taken the following into consideration:

A. Alignment with the company's strategy and objectives.

B. Remuneration should encourage board members and executive management to drive the company's success and long-term growth, including linking variable compensation to long-term performance.

C. Compensation should be determined based on the job level, assigned responsibilities, academic qualifications, professional experience, skills, and performance level.

D. Consistency with the size, nature, and risk profile of the company.

E. Consideration of industry best practices in determining remuneration, while avoiding unjustified increases in compensation.

F. Aimed at attracting, retaining, and motivating qualified professionals without excessive compensation.

G. Coordination with the Nomination and Remuneration Committee regarding new appointments.

Board Remuneration

01

In determining and disbursing remuneration for Board members, and in compliance with applicable laws and regulations issued by relevant regulatory authorities, the Board of Directors shall adhere to the provisions set forth in the Companies Law and the Corporate Governance Regulations, in addition to the following criteria:

A. Remuneration must be fair and proportionate to the duties, responsibilities, and efforts undertaken by each Board member, as well as the objectives set by the Board to be achieved during the financial year.

B. Remuneration must be based on the recommendation of the Nominations and Remuneration Committee.

C. Remuneration should be appropriate to the nature of the Company's activity and the level of skill required for its management.

D. The industry in which the Company operates, its size, and the expertise of the Board members should be taken into account.

E. The remuneration should be reasonably sufficient to attract, motivate, and retain competent and experienced Board members.

02

A Board member may receive additional compensation for any other tasks or executive, technical, administrative, or advisory positions—based on a professional license—that they are assigned within the Company. This shall be in addition to the remuneration received for their role as a Board member or for participating in committees formed by the Board, in accordance with the Companies Law and the Company's Articles of Association.

Board member remuneration may vary in amount to reflect each member's expertise, responsibilities, independence, participation in meetings, and other relevant considerations.

Guidelines and Disbursement Mechanism for Remuneration and Allowances

01

In accordance with the provisions of the Company's Articles of Association, the Companies Law, its Implementing Regulations, and the Corporate Governance Regulations, Board and committee remuneration and allowances are disbursed as follows:

A. Members are entitled to remuneration and allowances starting from the date of their appointment to the Board or committee and based on their term of membership.

B. The total amount received by a Board or committee member in the form of fees, allowances, and bonuses must not exceed SAR 500,000 annually. Any amount exceeding this cap shall first be deducted from committee remuneration, and any remaining excess shall be deducted from the Board remuneration.

C. The disbursement procedures for Board and committee members' remuneration and allowances shall be prepared by the Board Secretary and approved by the Chairman of the Board.

D. Attendance allowances for Board and committee meetings may be paid in installments at the end of each calendar quarter. Annual Board remuneration shall be disbursed in full after approval by the General Assembly.

Executive Management Remuneration

The Board of Directors, based on recommendations from the Nominations and Remuneration Committee, determines the types of compensation awarded to the Company's senior executives, which may include fixed or performance-based bonuses.

The Nominations and Remuneration Committee regularly reviews and approves the salary structure for all employees and senior executives, as well as the incentive plans.

Senior executives are granted annual bonuses based on performance evaluations, in addition to the fixed compensation and benefits as outlined in their employment contracts.

Performance evaluations for senior executives are primarily based on their professional performance during the year and their contribution to achieving the Company's strategic objectives.

Disclosure of the Relationship Between Granted Compensation and the Applicable Remuneration Policy, and Statement of Any Material Deviations from the Policy

The Relationship Between Granted Compensation and the Approved Policy

The compensation granted for the fiscal year 2024 reflects the Company's full commitment to implementing its approved remuneration policy. The policy was reviewed by the Nominations and Remuneration Committee and verified for alignment with the Company's objectives and performance standards, supporting operational and administrative efficiency.

Disclosure of Any Material Deviation from the Remuneration Policy

Umm Al Qura for Development & Construction affirms that there were no material deviations from the adopted remuneration policy during the year 2024. The Company adhered to the approved standards in determining financial rewards and benefits granted to Board members and executive management, in full compliance with the Company's regulatory framework.

The Company also reaffirms its commitment to transparency in disclosing all matters related to remuneration, ensuring a clear link between rewards and performance, and reinforcing the application of the Company's approved governance policies.

7 /

Results of the Annual Review of the Effectiveness of Internal Control Procedures

As part of their responsibilities, the external auditor evaluates the Company's internal control system, including the accounting system and other related documentation, systems, and procedures, and informs governance authorities of any deficiencies or weaknesses, along with proposed remedies.

In parallel, the Company's Internal Audit Department continuously conducts review and inspection procedures to ensure the effectiveness, efficiency, and performance of internal control systems, submitting periodic reports to the Audit Committee.

The Audit Committee's 2024 report confirmed the effectiveness of the Company's internal control procedures, with no material weaknesses identified.

8 /

Board of Directors' Declarations

01 The accounting records were properly maintained.

02 The internal control system was established on sound principles and effectively implemented.

03 There are no significant doubts regarding the Company's ability to continue as a going concern.

Chapter Five

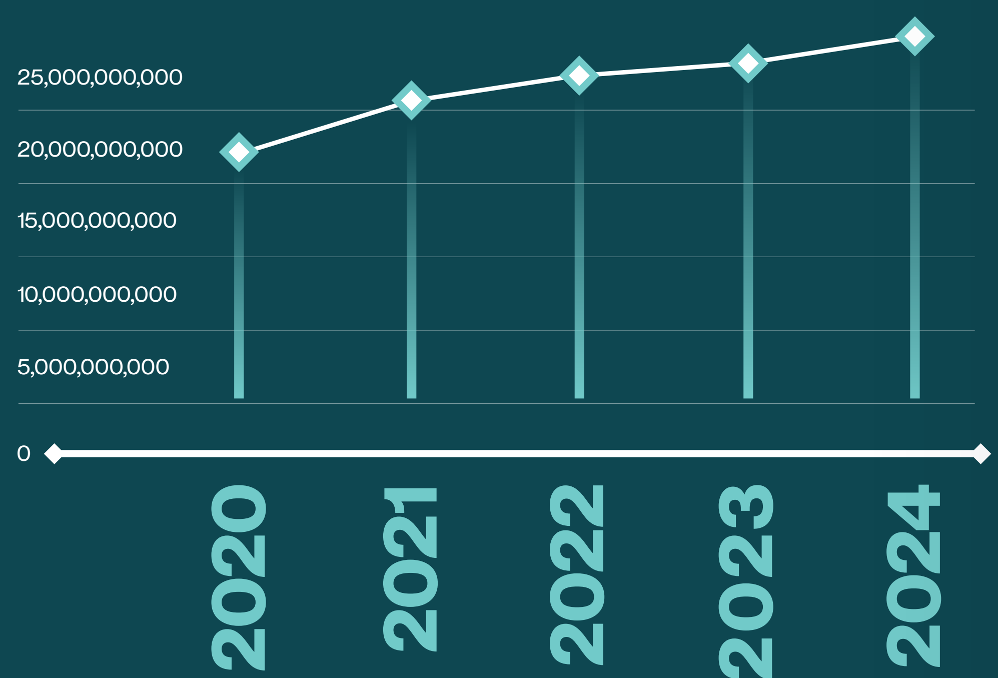
5

FINANCIAL PERFORMANCE

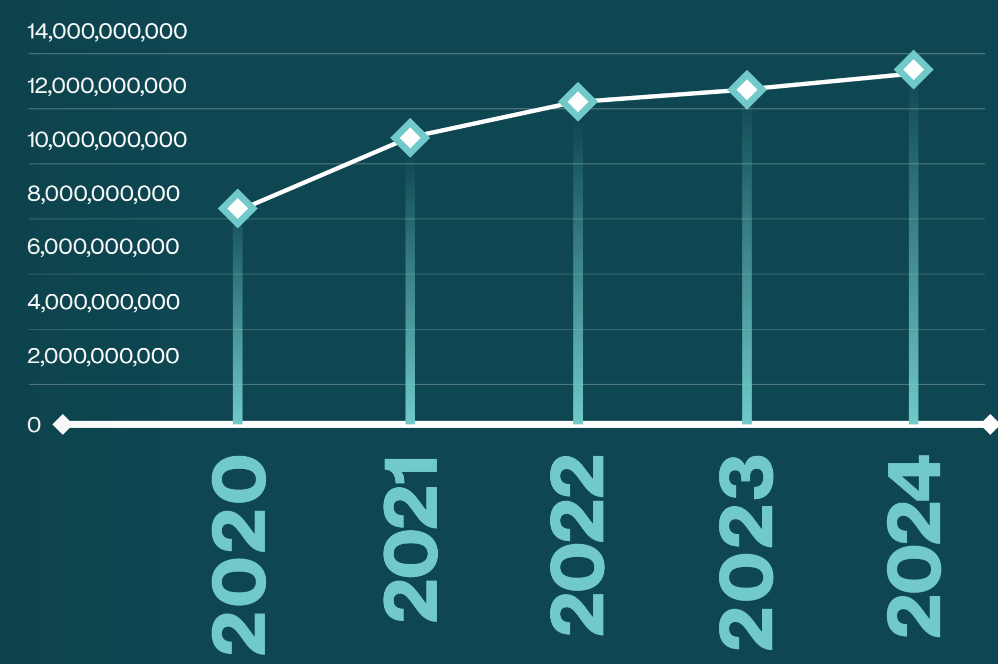
Growth and Sustainability Indicators

Financial Statements and Performance Analysis Key Financial Indicators of Umm Al Qura for the Past Five Years

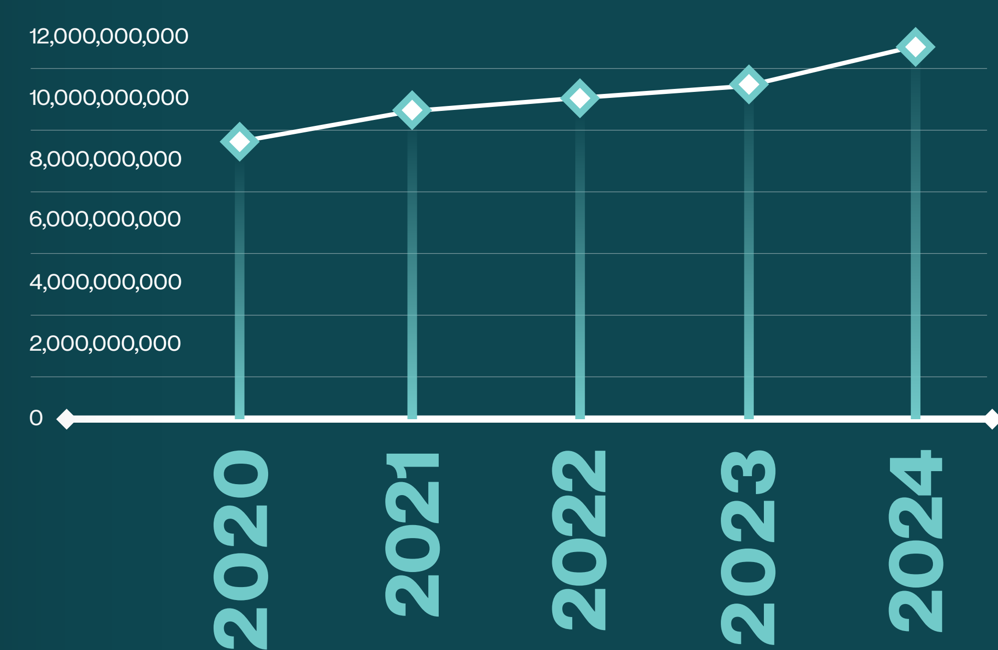
Total Assets



Total Liabilities

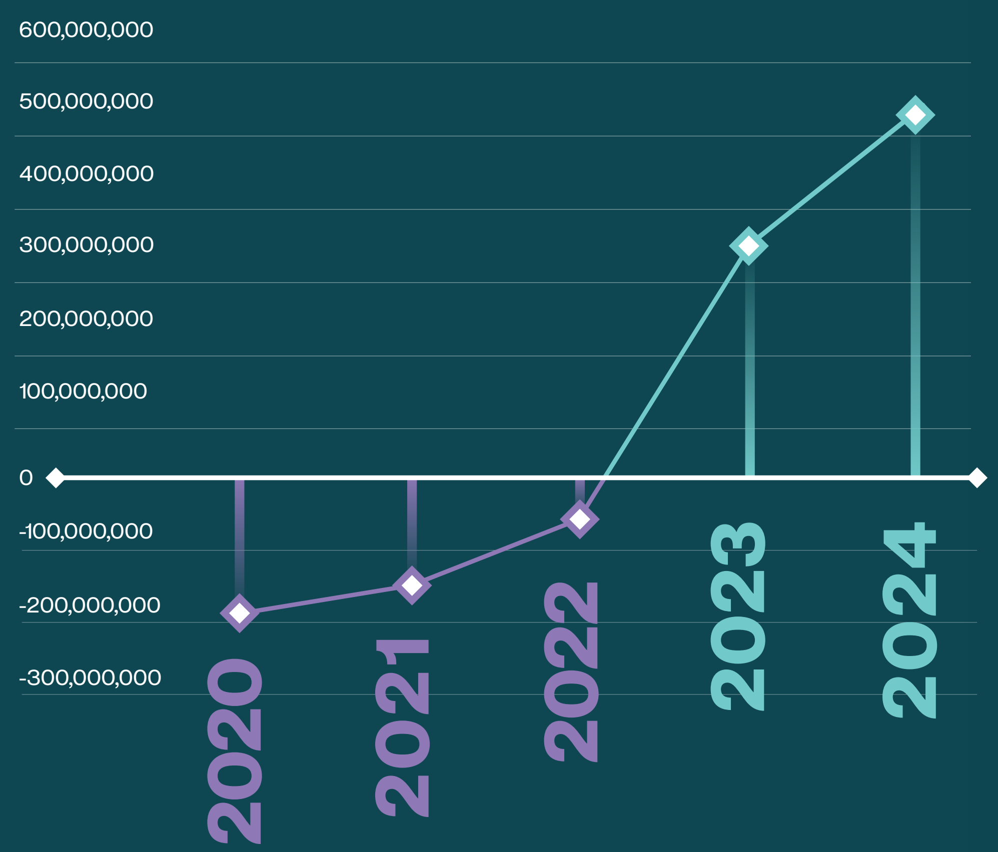


Total Equity

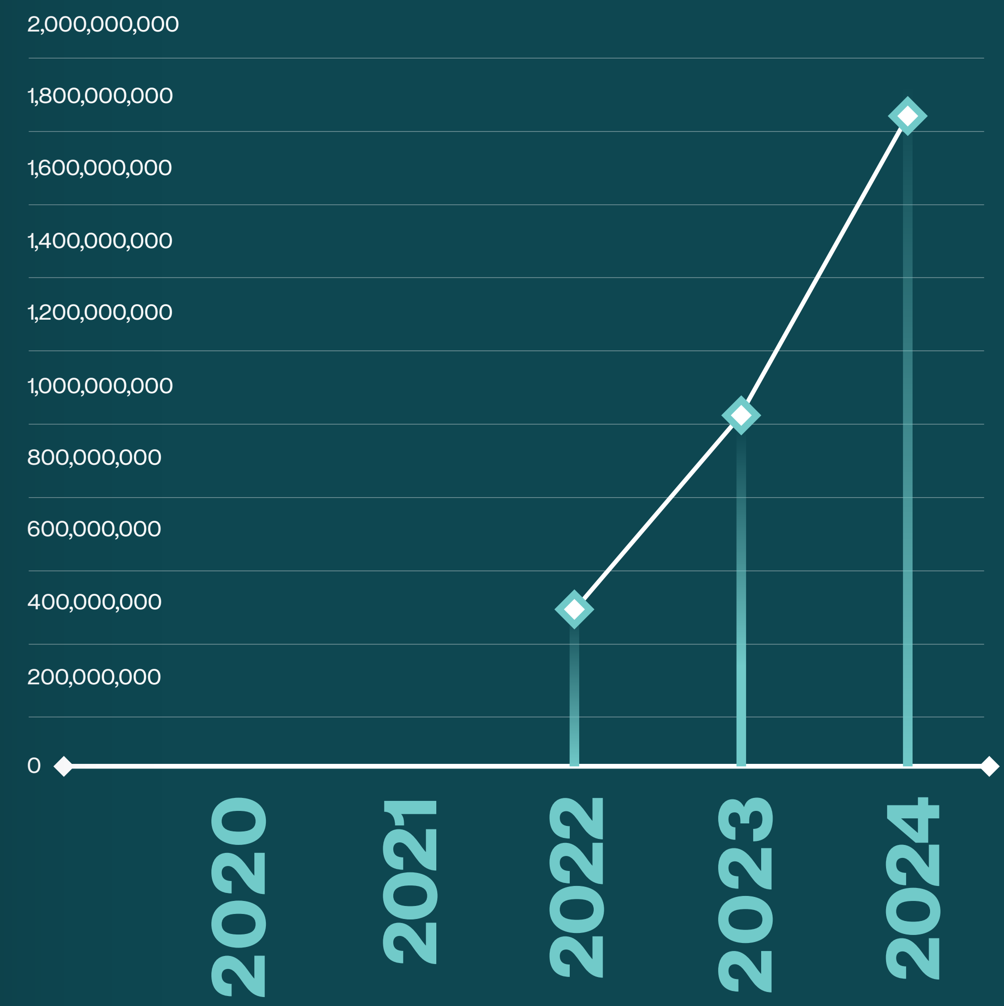


Financial Statements and Performance Analysis Key Financial Indicators of Umm Al Qura for the Past Five Years

Net Profit / Loss



Revenue



Segment Information

The Group has one reportable segment, as detailed below, which represents the Group's strategic business unit.
The strategic business unit provides a single product—land sales. The Group's Board of Directors and Chief Executive Officer monitor the operating results of the Group to make decisions about resource allocation and performance evaluation. Collectively, they represent the Group's chief operating decision-makers.

The Group operates in a single principal line of business.

Geographical Distribution of Sales

Revenue from Land Sales	December 31, 2024	December 31, 2023
Kingdom of Saudi Arabia	1,813,033,700	988,143,756
Total Revenue	**1,813,033,700**	**988,143,756**

Summary Statement of the Company's Results, Assets, and Liabilities Over the Past Five Years

Statement of Profit or Loss Indicators from 2020 to 2024:

	2024	2023	2022	2021	2020
Revenue	1,823,890,442	988,143,756	429,399,522	-	-
Cost of Revenue	(983,835,644)	(688,857,300)	(248,820,672)	-	-
Gross Profit	**840,054,798**	**299,286,456**	**180,578,850**	**-**	**-**
Other Operating Income	62,675,715	386,578,153	4,560,451	3,740,486	3,710,481
Other Operating Expenses	(79,539,698)	-	-	-	-
General and Administrative Expenses	(197,630,308)	(218,510,066)	(159,692,797)	(138,462,030)	(151,120,738)
Selling and Marketing Expenses	(63,793,704)	(60,419,529)	(45,007,189)	(15,780,904)	(9,617,772)
Expected Credit Loss Provision	(4,122,012)	(2,345,233)	(845,005)	-	-
Operating Profit (Loss)	**557,644,791**	**404,589,781**	**(20,405,690)**	**(150,502,448)**	**(157,028,029)**
Finance Income	16,354,730	21,764,334	26,089,052	9,135,450	714,725
Finance Costs	(39,967,433)	(34,222,640)	(20,189,106)	(13,914,909)	(22,985,244)
Profit (Loss) Before Zakat	**534,032,088**	**392,131,475**	**(14,505,744)**	**(155,281,907)**	**(179,298,548)**
Zakat	(35,421,888)	(75,134,974)	(7,590,461)	(10,619,344)	(7,709,419)
Net Profit (Loss) for the Year	498,610,200	316,996,501	(22,096,205)	(165,901,251)	(187,007,967)

Summary Statement of the Company's Results, Assets, and Liabilities Over the Past Five Years

Summary of the Company's Assets and Liabilities from 2020 to 2024:

	Consolidated as of December 31, 2024	Consolidated as of December 31, 2023	Consolidated as of December 31, 2022	Consolidated as of December 31, 2021	Consolidated as of December 31, 2020
Assets					
Non-Current Assets					
Investment Properties	20,208,204,519	20,692,784,106	20,619,922,703	18,201,657,289	16,842,944,616
Property and Equipment	539,222,138	395,239,010	363,341,959	8,827,865	12,941,006
Properties Under Development – Long-Term	203,051,171	-	-	-	-
Trade Receivables – Non-Current Portion	1,137,325,748	614,364,413	120,065,909	-	-
Right-of-Use Assets	10,814,213	9,855,171	11,472,288	12,232,054	7,305,931
Intangible Assets	8,569,545	10,780,142	6,896,403	43,263	107,676
Investment in Associates	-	500,000	-	-	-
Total Non-Current Assets	**22,107,187,334**	**21,723,522,842**	**21,121,699,262**	**18,222,760,471**	**16,863,299,229**
Current Assets					
Properties Under Development	869,036,684	212,209,142	94,820,155	-	-
Investments at Fair Value Through Profit or Loss	7,803,490	7,392,966	11,495,530	-	1,049,957
Trade Receivables – Current Portion	959,939,887	414,807,644	266,281,278	-	-
Advances and Other Receivables	287,915,469	316,450,528	228,834,097	105,506,679	615,727,799
Short-Term Investments	315,000,000	-	-	-	-
Cash and Cash Equivalents	513,357,637	538,512,311	922,272,956	2,769,894,105	68,421,148
Total Current Assets	2,953,053,167	1,489,372,591	1,523,704,016	2,875,400,784	685,198,904
Total Assets	**25,060,240,501**	**23,212,895,433**	**22,645,403,278**	**21,098,161,255**	**17,548,498,133**

UMM AL QURA FOR DEVELOPMENT & CONSTRUCTION

أم القرى للتنمية والإعمار | MASAR مسار

Summary Statement of the Company's Results, Assets, and Liabilities Over the Past Five Years

	Consolidated as of December 31, 2024	Consolidated as of December 31, 2023	Consolidated as of December 31, 2022	Consolidated as of December 31, 2021	Consolidated as of December 31, 2020
Liabilities and Shareholders' Equity					
Shareholders' Equity					
Capital	13,078,614,190	13,078,614,190	13,078,614,190	11,873,065,360	8,873,065,360
Accumulated Losses	(108,692,762)	(605,770,513)	(924,458,517)	(904,585,558)	(740,114,893)
Total Shareholders' Equity	**12,969,921,428**	**12,472,843,677**	**12,154,155,673**	**10,968,479,802**	**8,132,950,467**
Non-Current Liabilities					
Loans – Non-Current Portion	9,840,480,900	8,633,935,961	7,089,205,525	6,859,600,364	6,040,347,830
Lease Liabilities – Non-Current Portion	9,197,363	8,250,948	10,502,952	11,564,988	5,566,800
Retained Payables – Non-Current Portion	142,030,478	133,497,776	128,801,427	238,405,486	181,913,139
Employee Benefits	23,378,897	18,307,959	16,092,321	14,610,659	14,496,821
Total Non-Current Liabilities	**10,015,087,638**	**8,793,992,644**	**7,244,602,225**	**7,124,181,497**	**6,242,324,590**
Current Liabilities					
Loans – Current Portion	150,053,514	-	-	94,999,430	204,298,774
Lease Liabilities – Current Portion	2,558,000	2,558,000	1,850,054	1,405,082	1,739,131
Payables – Land Compensation	421,353,827	460,557,613	1,771,728,727	2,434,787,114	2,435,842,524
Trade Payables	83,130,871	75,142,964	137,511,931	17,033,909	113,407,094
Zakat Provision	35,845,104	80,642,326	13,105,040	16,131,059	13,220,679
Accrued Expenses and Other Liabilities	1,382,290,119	1,327,158,209	1,322,449,628	441,143,362	404,714,874
Total Current Liabilities	**2,075,231,435**	**1,946,059,112**	**3,246,645,380**	**3,005,499,956**	**3,173,223,076**
Total Liabilities	**12,090,319,073**	**10,740,051,756**	**10,491,247,605**	**10,129,681,453**	**9,415,547,666**
Total Liabilities and Shareholders' Equity	**25,060,240,501**	**23,212,895,433**	**22,645,403,278**	**21,098,161,255**	**17,548,498,133**

Summary Statement of the Company's Results, Assets, and Liabilities Over the Past Five Years

Statement of Material Differences in Operating Results for the Fiscal Year 2024 Compared to the Fiscal Year 2023:

Description	2024	2023	Change Amount	Change %
Revenue	1,823,890,442	988,143,756	835,746,686	%85
Cost of Revenue	(983,835,644)	(688,857,300)	(294,978,344)	%43
Gross Profit	840,054,798	299,286,456	540,768,342	%181
Other Operating Income	62,675,715	386,578,153	(323,902,438)	%84-
Other Operating Expenses	(79,539,698)	-	(79,539,698)	N/A
General and Administrative Expenses	(197,630,308)	(218,510,066)	20,879,758	%10-
Selling and Marketing Expenses	(63,793,704)	(60,419,529)	(3,374,175)	%6
Expected Credit Loss Provision	(4,122,012)	(2,345,233)	(1,776,779)	%76
Operating Profit	557,644,791	404,589,781	153,055,010	%38
Finance Income	16,354,730	21,764,334	(5,409,604)	%25-
Finance Costs	(39,967,433)	(34,222,640)	(5,744,793)	%17
Profit / (Loss) Before Zakat	534,032,088	392,131,475	141,900,613	%36
Zakat	(35,421,888)	(75,134,974)	39,713,086	%53-
Net Profit for the Year	**498,610,200**	**316,996,501**	**181,613,699**	**%57**

Company Loans

Detailed Information on Company Loans as per Article 87 of the Corporate Governance Regulations – Clause 27

	Lender Name	Loan Principal Amount	Loan Duration	Loan Maturity Date (Including Available Extensions)	Amount Paid During the Year	Remaining Loan Balance	Total Company & Subsidiaries Debt at End of 2024
1	**Alinma Bank**	6,500,000,000	9	2033	-	3,666,063,939	3,222,950,899
2	**Alinma Bank**	4,500,000,000	7	2026	-	400,000,000	4,100,000,000
3	**Bank AlJazira**	2,900,000,000	7	4 annual installments starting 2028	-	832,630,540	2,067,369,460
4	**Riyad Bank**	800,000,000	4	4 annual installments starting 2025	-	199,785,945	600,214,055
Total		**14,700,000,000**				**5,098,480,424**	**9,990,534,414**

Statutory Obligations and Payments

Zakat Status of Umm Al Qura for Development & Construction

The company has finalized its zakat position for the years ending December 31, 2014 to 2018. It has also submitted zakat declarations for the years ending December 31, 2019 to 2023, and obtained the zakat certificate for the year 2023. As of December 31, 2024, the Zakat, Tax and Customs Authority has not issued any zakat assessments for the aforementioned years up to the stated date.

There are no significant or material amounts or fees due from Umm Al Qura for Development & Construction to any regulatory or supervisory authority. The table below outlines the relevant amounts (in SAR) as follows:

Item	2024		Brief Description	Reason
	Paid	Due and Unpaid		
Zakat and Tax Provision	81,373,575	-	Provisions calculated in accordance with the regulations of the Zakat, Tax and Customs Authority	Statutory requirement
GOSI Dues	4,657,406	-	Amounts calculated in line with the rules of the General Organization for Social Insurance	Statutory requirement
Visas and Passports	537,226	-	Amounts paid in accordance with the regulations of the Labor Office and the Passport Authority for residents and business visits	Statutory requirement

Statement of Reserves Established for the Benefit of Company Employees

The Group has a defined plan for post-employment benefits. These benefits are mandated by Saudi Labor Law, and the end-of-service gratuity is calculated based on employees' final salaries and allowances, as well as their accumulated years of service, as stipulated by the labor regulations in the Kingdom of Saudi Arabia. As of the end of 2024, the balance of the end-of-service benefit amounted to SAR 23,378,897.

The Company has also adopted a long-term incentive program for employees, aimed at retaining senior executives and key personnel as designated by the Nominations and Remuneration Committee, and motivating them in alignment with the Company's long-term strategic objectives. The long-term incentive program spans a period of three (3) years starting from 19/06/1445H (corresponding to 01/01/2024G).

The Company's Board of Directors will reassess and redevelop the program after the end of this period to align with future strategic goals. The cash incentives under this plan are earned based on a defined structure and are tied to performance conditions approved by the Board. A projected provision of SAR 20,000,000 has been allocated for 2024, with the understanding that the actual payout may vary depending on the achievement of performance targets.

Dividend Distribution Policy

The Company's rewards policy was prepared in accordance with the requirements of paragraph (b) of Article (9) of the Corporate Governance Regulations, aiming to serve the interests of shareholders and the Company in accordance with the Articles of Association, the Companies Law and its implementing regulations, and the Corporate Governance Regulations, as well as the Company's internal governance policy.

The Company's Articles of Association outline the percentage of net profits to be distributed to shareholders after allocating any reserves approved by the General Assembly. The policy also outlines the mechanism for profit distribution by the Company, the procedures and provisions related to the distribution, as well as provisions for distributing interim dividends to shareholders if stipulated in the Articles of Association.

General Principles and Mechanism

1. The Company may distribute annual or interim dividends from distributable profits to shareholders.

2. The General Assembly shall determine the percentage of net profits to be distributed to shareholders after deducting reserves, if any.

3. The Articles of Association may specify a certain percentage of net profits to be allocated to a reserve for purposes defined therein, subject to any reserve requirements set by the competent authority.

4. The Ordinary General Assembly, when determining shareholders' share in net profits, may resolve to create other reserves to serve the Company's interest or ensure consistent dividend payouts to shareholders where possible. It may also allocate part of net profits for social initiatives benefiting the Company's employees.

5. A reserve designated for a specific purpose in the Articles of Association may not be used for other purposes unless approved by the Extraordinary General Assembly and in line with any usage guidelines set by the competent authority.

If the reserve is not designated for a specific purpose, the Ordinary General Assembly may, upon recommendation of the Board, resolve to use it in ways beneficial to the Company or its shareholders.

6. The Ordinary General Assembly may use retained earnings and distributable reserves to settle any remaining unpaid portion of a share's value, provided this does not compromise fairness among shareholders in accordance with the Companies Law.

7. If the Company fails to pay the specified percentage of net profits to preferred shareholders for three (3) consecutive years after deducting reserves, a special assembly of preferred shareholders—held in accordance with Article (89) of the Companies Law—may decide to allow them to attend the General Assembly and vote therein. Each preferred share shall carry one vote in such meetings, and preferred shareholders may vote on all agenda items of the Ordinary General Assembly without exception.

Shareholders Register Requests

The total number of shareholders' register requests submitted during the year 2024 amounted to eleven (11) requests, as detailed in the table below:

Register Date	Reason for Request
07/01/2024	Company procedures
24/06/2024	Company procedures
29/07/2024	Company procedures
14/08/2024	Company procedures
20/08/2024	Company procedures
08/09/2024	Company procedures
25/09/2024	Company procedures
14/10/2024	Company procedures
07/11/2024	Company procedures
18/11/2024	Company procedures
25/11/2024	Company procedures

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

with Independent Auditor's Report

Index

KPMG Professional Services Company
Zahran Business Center
Prince Sultan Street
P. O. Box 55078
Jeddah 21534
Kingdom of Saudi Arabia
Commercial Registration No 4030290792

Headquarters in Riyadh

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية
مركز زهران للأعمال
شارع الأميرسلطان
ص. ب. 55078
جده 21534
المملكة العربية السعودية
سجل تجاري رقم 4030290792

المركز الرئيسي في الرياض

Independent Auditor's Report

To the Shareholders of Umm Al-Qura for Development and Construction Company

Opinion

We have audited the consolidated financial statements of Umm Al-Qura for Development and Construction Company ("the Company") (and its subsidiaries) ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), that is endorsed in the Kingdom of Saudi Arabia that is relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code's requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

KPMG Professional Services Company, a professional closed joint stock company registered in the Kingdom of Saudi Arabia with a paid-up capital of SAR110,000,000 and a non-partner member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.
Commercial Registration of the headquarters in Riyadh is 1010425494.

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية، شركة مهنية مساهمة مقفلة، مسجلة في المملكة العربية السعودية، رأس مالها (110,000,000) ريال سعودي مدفوع بالكامل، وهي عضو غير شريك في الشبكة العالمية لشركات كي بي إم جي المستقلة والتابعة لـ كي بي إم جي العالمية المحدودة، شركة انجليزية محدودة بضمان.
رقم السجل التجاري للمركز الرئيسي في الرياض هو 1010425494.

Independent Auditor's Report

To the Shareholders of Umm Al-Qura for Development and Construction Company (continued)

Valuation of investment properties

Refer to note 4 to the consolidated financial statements for the material accounting policy, note 3 and note 6 for the critical accounting estimates and assumptions.

The key audit matter	How the matter was addressed in our audit
As at 31 December 2024, the Group has investment properties of Saudi Riyals 20,208 million which represents significant balance in the Group's consolidated statement of financial position as of that date. We have identified the fair value disclosure of investment properties to be a key audit matter. The determination of fair value is inherently a complex process that involves the use of various assumptions and the exercise of considerable judgment. In addition to the above, the Group involves third party valuers to assess the fair value of its investment properties. Significant assumptions and judgments are set out in notes 3 and 6 to the consolidated financial statements. Accordingly, the determined fair value is often highly sensitive to such assumptions and judgments, and variations therein may have a material impact on the consolidated financial statements. Additionally, the determined fair value is used by the management in their analysis of whether there are impairment indicators in relation to investment properties.	We obtained the valuation assessment carried out by management and performed the following audit procedures: • Assessed the competence, capabilities and objectivity of the Valuer engaged by management. • Tested the mathematical accuracy of the calculations included within management's valuation assessment. • Involved our internal valuation specialist who performed the following procedures: - Assessed whether the methodology applied by the Valuer and management to estimate the fair value is appropriate; and - Assessed the reasonableness and appropriateness of selected assumptions and judgments used by the Valuer and management. • Assessed the adequacy and appropriateness of the related disclosures in the accompanying consolidated financial statements.

KPMG

Independent Auditor's Report

To the Shareholders of Umm Al-Qura for Development and Construction Company (continued)

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, when made available to us, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and shareholders.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, the applicable requirements of the Regulations for Companies and Company's By-laws and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, Audit Committee, are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

– Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

KPMG

Independent Auditor's Report

To the Shareholders of Umm Al-Qura for Development and Construction Company (continued)

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

– Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

– Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

– Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

– Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

– Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit of Umm Al-Qura for Development and Construction Company ("the Company") and its subsidiaries ("the Group").

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Professional Services Company

Nasser Ahmed Al Shutairy
License No. 454

Jeddah, 23 March, 2025
Corresponding to: 23 Ramadan, 1446H

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

UMM AL QURA FOR DEVELOPMENT AND CONSTRUCTION COMPANY
(A Saudi Closed Joint Stock Company)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2024
(Expressed in Saudi Arabian Riyals, unless otherwise specified)

	Notes	2024	2023
Assets			
Investment properties	6	**20,208,204,519**	20,692,784,106
Development properties – non-current portion	7	**203,051,171**	--
Property and equipment	8	**539,222,138**	395,239,010
Trade receivables - non-current portion	9	**1,137,325,748**	614,364,413
Right-of-use assets	10	**10,814,213**	9,855,171
Intangible assets	11	**8,569,545**	10,780,142
Investment in associate		**--**	500,000
Non-current assets		**22,107,187,334**	21,723,522,842
Development properties	7	**869,036,684**	212,209,142
Investment at fair value through profit or loss	12	**7,803,490**	7,392,966
Trade receivables – current portion	9	**959,939,887**	414,807,644
Advances and other receivables	13	**287,915,469**	316,450,528
Short term investment	14	**315,000,000**	--
Cash and cash equivalent	14	**513,357,637**	538,512,311
Current assets		**2,953,053,167**	1,489,372,591
Total assets		**25,060,240,501**	23,212,895,433
Equity and liabilities			
Equity			
Share capital	15	**13,078,614,190**	13,078,614,190
Accumulated losses		**(108,692,762)**	(605,770,513)
Total equity		**12,969,921,428**	12,472,843,677
Liabilities			
Loans	16	**9,840,480,900**	8,633,935,961
Lease liabilities	10	**9,197,363**	8,250,948
Employees' benefits	17	**23,378,897**	18,307,959
Retention payables	18	**142,030,478**	133,497,776
Non-current liabilities		**10,015,087,638**	8,793,992,644
Loans – current portion	16	**150,053,514**	--
Lease liabilities – current portion	10	**2,558,000**	2,558,000
Accounts payable – compensation of lands	19	**421,353,827**	460,557,613
Accounts payable	20	**83,130,871**	75,142,964
Accrued expenses and other liabilities	21	**1,382,290,119**	1,327,158,209
Zakat provision	22	**35,845,104**	80,642,326
Current liabilities		**2,075,231,435**	1,946,059,112
Total liabilities		**12,090,319,073**	10,740,051,756
Total equity and liabilities		**25,060,240,501**	23,212,895,433

UMM AL QURA FOR DEVELOPMENT AND CONSTRUCTION COMPANY
(A Saudi Closed Joint Stock Company)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2024
(Expressed in Saudi Arabian Riyals, unless otherwise specified)

	Notes	2024	2023
Revenue	23	**1,823,890,442**	988,143,756
Cost of revenue	23.1	**(983,835,644)**	(688,857,300)
Gross profit		**840,054,798**	299,286,456
Other operating income	24	**62,675,715**	386,578,153
Other operating expenses	6.11	**(79,539,698)**	--
General and administration expense	25	**(197,630,308)**	(218,510,066)
Selling and marketing expenses	26	**(63,793,704)**	(60,419,529)
Allowance for expected credit losses	9	**(4,122,012)**	(2,345,233)
Operating profit		**557,644,791**	404,589,781
Finance income		**16,354,730**	21,764,334
Finance costs	27	**(39,967,433)**	(34,222,640)
Profit before Zakat		**534,032,088**	392,131,475
Zakat	22	**(35,421,888)**	(75,134,974)
Profit for the year		**498,610,200**	316,996,501
Other comprehensive income			
Items that will not be reclassified to statement of profit or loss in subsequent periods:			
Remeasurement of employees' benefits	17	**(1,532,449)**	1,691,503
Total comprehensive income for the year		**497,077,751**	318,688,004
Earnings per share			
Basic and diluted earnings per share attributable to equity holders of the Company (in SR per share)	28	**0.38**	0.24

UMM AL QURA FOR DEVELOPMENT AND CONSTRUCTION COMPANY
(A Saudi Closed Joint Stock Company)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2024
(Expressed in Saudi Arabian Riyals, unless otherwise specified)

	Share capital	Accumulated losses	Total equity
Balance at 1 January 2023	13,078,614,190	(924,458,517)	12,154,155,673
Profit for the year	--	316,996,501	316,996,501
Other comprehensive income	--	1,691,503	1,691,503
Total comprehensive income for the year	--	318,688,004	318,688,004
Balance at 31 December 2023	13,078,614,190	(605,770,513)	12,472,843,677
Balance at 1 January 2024	**13,078,614,190**	**(605,770,513)**	**12,472,843,677**
Profit for the year	**--**	**498,610,200**	**498,610,200**
Other comprehensive loss	**--**	**(1,532,449)**	**(1,532,449)**
Total comprehensive income for the year	**--**	**497,077,751**	**497,077,751**
Balance at 31 December 2024	**13,078,614,190**	**(108,692,762)**	**12,969,921,428**

The accompanying notes from 1 to 38 form an integral part of

UMM AL QURA FOR DEVELOPMENT AND CONSTRUCTION COMPANY
(A Saudi Closed Joint Stock Company)

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2024
(Expressed in Saudi Arabian Riyals, unless otherwise specified)

	Notes	2024	2023
Cash flows from operating activities			
Profit before Zakat		**534,032,088**	392,131,475
Adjustments for the following items:			
Depreciation on property and equipment	8	**5,772,956**	4,237,131
Depreciation on right-of-use of assets	10	**2,210,137**	2,210,137
Amortization of intangible assets	11	**2,687,191**	1,913,874
Allowance for expected credit losses	9	**4,122,012**	2,345,233
Finance costs	27	**39,967,433**	34,222,640
Income from short-term deposits		**(16,354,730)**	(21,764,334)
Provision for employees' benefits	17	**3,423,723**	3,500,227
		575,860,810	418,796,383
Change in current assets and liabilities:			
Trade receivables		**(1,072,215,590)**	(638,114,337)
Advances and other receivables		**30,012,972**	(87,430,788)
Development properties		**907,733,146**	1,222,535,150
Accounts payable		**7,987,907**	(62,368,967)
Accrued expenses and other liabilities		**35,503,140**	299,352,804
Cash generated from operating activities		**484,882,385**	1,152,770,245
Employees' benefit paid		**(728,586)**	(341,912)
Finance income received		**14,876,817**	21,578,691
Zakat refund		**1,154,465**	--
Zakat paid		**(81,373,575)**	(7,597,688)
Net cash generated from operating activities		**418,811,506**	1,166,409,336
Cash flow from investing activities			
Additions to property and equipment	8	**(39,025,484)**	(43,189,948)
Short term investment	14	**(315,000,000)**	--
Additions to intangible assets	11	**(476,594)**	(5,797,613)
Retention payables		**32,272,314**	10,181,389
Additions to investment properties		**(789,421,922)**	(1,306,298,360)
Investment at fair value through profit or loss		**(410,524)**	4,102,564
Accounts payable - compensation of lands		**(39,203,786)**	(1,311,171,114)
Net cash used in investing activities		**(1,151,265,996)**	(2,652,173,082)

UMM AL QURA FOR DEVELOPMENT AND CONSTRUCTION COMPANY
(A Saudi Closed Joint Stock Company)

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
For the year ended 31 December 2024
(Expressed in Saudi Arabian Riyals, unless otherwise specified)

	Notes	2024	2023
Cash flows from financing activities			
Proceeds from loans		**1,346,276,692**	1,537,721,908
Repayments of lease liabilities	10	**(2,558,000)**	(2,558,000)
Payments of finance costs from loans		**(636,418,876)**	(433,160,807)
Net cash generated from financing activities		**707,299,816**	1,102,003,101
Net change in cash and cash equivalent		**(25,154,674)**	(383,760,645)
Cash and cash equivalent at the beginning of the year		**538,512,311**	922,272,956
Cash and cash equivalent at the end of the year	14	**513,357,637**	538,512,311
Major non-cash supplemental information:			
Net transfer to development properties		**1,767,611,859**	1,339,924,137
Capitalization of borrowing cost on investment properties		**750,899,788**	544,827,363
Transfer to property and equipment		**110,730,600**	--

The accompanying notes from 1 to 38 form an integral part of
of these consolidated financial statements.

1 | GENERAL INFORMATION

Umm Al Qura for Development and Construction Company (the "Company") is Saudi Closed Joint Stock Company registered in the Kingdom of Saudi Arabia under Commercial Registration number 4031225409 issued in Riyadh on 28 Rabie Al-Thani 1433H (corresponding to 21 March 2012). The Ministerial Resolution No. 163/S dated 27 Rabea Al-Thani 1433H (corresponding to 20 March 2012).

The Company's Head Office is located at the following address:

Makkah Al-Mukarramah, Al-Rusaifa District
P. O. Box 2391
Postal code 24232
Kingdom of Saudi Arabia

The Group is engaged in real estate activities represented in purchasing, selling and dividing of lands and real estate, off-plan sales activities, management and leasing of owned or leased (non-residential) properties, in addition to the construction field of public works of residential buildings and non-residential buildings such as schools, hospitals, hotels, etc., and the construction of roads, streets, sidewalks, road supplies, and the construction of bridges and tunnels.

These consolidated financial statements include the results, assets and liabilities of the Company's branch in Jeddah under Commercial Registration No. 4030397803 dated 23 Rabi' Awal 1442H (corresponding to 9 November 2020).

These consolidated financial statements include the financial statements of Umm Al-Qura for Development and Construction Company (the "Company") and its subsidiaries (collectively referred to as the "Group"). The subsidiaries comprise the following:

Name of subsidiary fund	Country of incorporation	Principal business	Effective holding	
			2024	2023
Alinma Makkah for Development Fund I	Kingdom of Saudi Arabia	Real estate investments	**100%**	100%
Alinma Makkah for Development Fund II	Kingdom of Saudi Arabia	Real estate investments	**100%**	100%

During the year ended 31 December 2023, the Group established Masar Front Company Limited in partnership with Kaden Investment Company to develop and manage Masar Front under Commercial Registration No. 4031276869, with an ownership percentage of 50% for each partner.
On 1 December 2024, the shareholders decided to dissolve the Masar Front Company Limited, and the dissolution process is still underway.

2 | BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and other standards and pronouncements that are endorsed in the Kingdom of Saudi Arabia issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA) collectively referred to as "IFRS Accounting Standards" as endorsed in the Kingdom of Saudi Arabia.

2.2 BASIS OF MEASUREMENT

The consolidated financial statements have been prepared under the historical cost convention, unless otherwise stated, except for employees' benefits which are recognized at the present value of future obligations using the projected unit credit method, and investments which are measured at fair value through profit or loss. These consolidated financial statements are prepared using the accrual basis of accounting and the going concern concept.

Certain comparative amounts have been reclassified to conform to the current period's presentation.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

The consolidated financial statements are presented in Saudi Arabian Riyal ("SR"), which is the presentational and functional currency of all the entities in the Group. All amounts have been rounded off to the nearest Riyals, unless otherwise stated.

3 | USE OF JUDGMENTS AND ESTIMATES

The preparation of these consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues, expenses and the associated disclosures and disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the assets or liabilities affected in the future periods. Actual results may differ from these estimates. The estimates and related assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

These estimates and assumptions are based upon experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised or in the revision period and future periods if the changed estimates affect both current and future periods.

The key judgments, estimates and assumptions that have a significant impact on the consolidated financial statements of the Group are as stated below:

3.1 JUDGMENTS

1 Classification of investment properties

The Group assesses whether a property qualifies as an investment property in accordance with IAS 40 – Investment Property. In making this determination, the Group evaluates whether the property is held to earn rentals or for capital appreciation or for undetermined used, rather than for use in the production or services or for administrative purposes.

As part of this assessment, the Group considers whether the property generates cash flows that are largely independent of other assets within the Group. If the property is primarily used in the Group's operations or is intended for sale in the ordinary course of business, it is classified accordingly as owner-occupied property or inventory (as development property), respectively.

This judgment is made at the time of initial recognition and reassessed if there are significant changes in the property's use or purpose.

2 Classification of development property and operating cycle

Management exercise judgment in determining whether it will be able to realize its development property during its normal operating cycle, accordingly, development properties which are expected to be realized by the Group during its normal operating cycle are classified as current assets while those development properties which are not expected to be realized during normal operating cycle of the Group are classified as non-current assets.

3 Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgment in evaluating whether it is reasonably certain or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

4 Consolidation of subsidiaries

The Group has evaluated all the investee entities to determine whether it controls the investee as per the criteria laid out by IFRS 10 "Consolidated Financial Statements". The Group has evaluated, amongst other things, its ownership interest, the contractual arrangements in place and its ability and the extent of its involvement with the relevant activities of the investee entities to determine whether it controls the investee.

3.2 ESTIMATES AND ASSUMPTION

The key assumption concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumption and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumption about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumption when they occur. Information about the assumption and estimation uncertainties is included in the following areas:

A) Employees' benefits

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions, which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and employee turnover rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The most sensitive parameters are discount rate and future salary increases. In determining the appropriate discount rate, management considers the market yield on high quality corporate bonds. Future salary increases are based on expected future inflation rates, seniority, promotion, demand and supply in the employment market. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Further details about employees' benefits obligation are provided in note 17.

B) Useful lives, residual value and method of depreciation for property and equipment

The Group determines the estimated useful lives of property and equipment for calculating depreciation. These estimates are determined after considering expected usage of the assets as well as physical wear and tear and other relevant factors, if any. The Group believes that residual value may not result in significant change to depreciation charge and carrying amount of the assets. Accordingly, the residual value is assumed to be zero. Management also believes that the straight-line depreciation reflects the pattern of consumption of economic benefits.

Management reviews the useful lives, residual value and method of depreciation annually for any significant changes from previous estimate and any resultant changes in depreciation charges are adjusted in current and future periods.

C) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its assets to assess whether there is an indication that those assets may be impaired. If any such indication exists, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows attributable to the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account. For investment properties, the impairment indicators refer to fair value of investment property being less than the carrying value. Significant judgments, assumptions used in fair valuation are disclosed in note 6.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated statement of profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of profit or loss. For details on assumptions used and sensitivities of key assumptions refer note 6.

D) Provision for expected credit losses (ECL) of trade receivables

The Group has selected a simplified approach for all trade receivables. The Group uses a provision matrix to calculate ECL for trade receivables. The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated, and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historically observed default rates, forecasted economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customers' actual default in the future. The information about the ECL on the Group's trade receivables is disclosed in note 9.

E) Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR, therefore, reflects what the Group 'would have to pay', which requires estimation when observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

F) Estimation of net realisable value of development properties

Development properties are stated at the lower of cost and net realisable value ("NRV"). NRV is estimated selling prices in the ordinary course of business less estimated cost of completion and estimated cost to make the sale. NRV is assessed with reference to market conditions, planned future mode of disposal and recoverable value of the properties at the reporting date under planned mode of disposal. NRV for these properties are assessed internally by the Group in the light of recent market transactions. Estimated selling price of land parcels is assessed with reference to market prices at the reporting date for similar properties after adjustment for differences in location, size, development status and quality. Estimated costs to complete development are deducted from the estimated selling price to arrive at NRV.

4 | MATERIAL ACCOUNTING POLICIES

The Group has consistently applied the following material accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise.

4.1 BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee only if the Group has:

•Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
•Exposure, or rights, to variable returns from its involvement with the investee, and
•The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

•The contractual arrangement with the other vote holders of the investee;
•Rights arising from other contractual arrangements;
•The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, revenues and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, revenues, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

A change in the ownership interest of the subsidiary, without the loss of control, is accounted for as equity transactions. If the Group loses control over a subsidiary entity, it derecognizes the related assets (including goodwill if existed), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognized in consolidated statement of profit or loss and other comprehensive income.

The financial statements of subsidiaries are prepared for the same reporting period using the same accounting framework as the Group. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

4.2 EXPENSES

Selling and marketing, general and administration expenses include direct and indirect costs not specifically part of cost of revenue. Selling and marketing expenses are those arising from the Group's efforts underlying the sales and marketing functions. All expenses, excluding finance costs, are classified as general and administration expense. Allocations of provisions for common expenses between cost of revenue, selling and marketing, and general and administration expenses, when required, are made on a consistent basis.

4.3 ZAKAT

Zakat is provided for in accordance with the Saudi Arabian fiscal regulations. Provision for Zakat for the Group and Zakat related to the Group's ownership in the Saudi Arabian subsidiaries is charged to the consolidated statement of profit or loss and other comprehensive income. Additional amounts, if any, that may become due on finalization of an assessment are accounted for in the year in which the assessment is finalized.

4.4 VALUE ADDED TAX AND REAL ESTATE TRANSACTION TAX

During the year 2020, the Zakat, Tax and Customs Authority ("ZATCA") announced that pursuant to the Royal Decree No. (A/84) dated 1 October 2020, the disposal of real estate in the Kingdom of Saudi Arabia by way of certain transactions resulting in a transfer of legal ownership or possession will be Value Added Tax ("VAT") exempt and subject to a 5% Real Estate Transaction Tax (RETT). RETT is applicable on the transactions that took place on or after 4 October 2020. However, as per the RETT law, the licensed real estate developer can recover input VAT on the property sold after 4 October 2020.

Other than disposal of real estate transactions covered under RETT law, the Group is subject to VAT for the supply of other goods and services in accordance with the VAT regulations prevailing in the Kingdom of Saudi Arabia. The amount of VAT liability is determined by applying the applicable tax rate to the value of supply ("Output VAT") less VAT paid on purchases that are not claimable under RETT law ("Input VAT"). The Group reports revenue and purchases net of VAT for all the periods presented in the consolidated statement of profit or loss and other comprehensive income. However, Input VAT related to exempt supplies, is added to the cost of purchases whereas Input VAT related to mixed supplies is claimed using the Proportional Default Rate Formula.

4.5 FOREIGN CURRENCIES

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange prevailing at the reporting date. All differences arising on settlement or translation of monetary items are taken to the consolidated statement of profit or loss and other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction and are not subsequently restated. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items that are measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

4.6 PROPERTY AND EQUIPMENT

Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost also includes the borrowing costs for long-term construction projects if the recognition criteria are met.

When parts of an item of property and equipment have materially different useful lives, they are accounted for as separate items (major components) of property and equipment.

The cost of replacing a major part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. When significant parts of property and equipment are required to be replaced at intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the consolidated statement of profit or loss and other comprehensive income as incurred.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss and other comprehensive income when the asset is derecognized.

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of property and equipment may not be recoverable. Whenever the carrying amount of property and equipment exceeds their recoverable amount, an impairment loss is recognised in the consolidated statement of profit or loss and other comprehensive income.
The recoverable amount is the higher of fair value less costs to sell of property and equipment and the value in use. The fair value less costs to sell is the amount obtainable from the sale of property and equipment in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of property and equipment and from its sale at the end of its useful life.

Reversal of impairment losses other than good will impairment recognised in the prior years are recorded when there is an indication that the impairment losses recognised for the property and equipment no longer exist or have reduced.

Depreciation

The depreciable amount is the cost of an asset, or other amount substituted for cost, less its residual value. Freehold land is not depreciated. Depreciation is calculated on a straight-line basis over the estimated useful lives of the respective assets. Depreciation methods, useful lives and residual values are reviewed periodically and adjusted if required.

The estimated useful lives of assets is as follow:

Categories	Useful life in years
Furniture and fixtures	3 – 5
Vehicles	4 – 5
Computers	3 – 5
Leasehold improvement	5 or the contract term or based on technical opinion

The residual values, useful lives and methods of depreciation of property and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Capital work-in-progress

Capital work-in-progress are carried at cost less any recognised impairment loss. When the capital work are ready for intended use, the capital work in progress is transferred to the appropriate property and equipment category.

4.7 LEASES

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

•The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

•the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

•the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:

-the Group has the right to operate the asset; or
-the Group designed the asset in a way that predetermines how and for what purpose it will be used.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises a right-of-use asset and lease liability at the commencement date of the lease (i.e., the date the underlying asset is available for use). The right-of-use assets are initially measured at cost. Subsequently, these are measured at cost less accumulated depreciation and impairment losses, if any, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets include the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date, any initial direct costs incurred and an estimate of costs to dismantle, less any lease incentive received. The estimated useful life of right-of-use assets are determined on the same basis as those of property and equipment. The recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.
After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate ("IBR") is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms and conditions. The IBR therefore, reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The Group enters into leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases. Lease income is recognized in the consolidated statement of profit or loss and other comprehensive income in accordance with the terms of the leases over the lease term on a systematic basis as this method is more representative of the time pattern in which use of benefits are derived from the leased assets.

Lease incentives or any escalation in the lease rental are recognized as an integral part of the total lease receivable and accounted for on a straight-line basis over the term of the lease. Contingent rents are recognized as revenue in the period in which they are earned.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Incremental borrowing rate

The Group cannot immediately determine the interest rate that is included in the lease contracts, therefore, the Group uses the incremental borrowing rate in measuring its lease liabilities.
The incremental borrowing rate is the rate of interest that the Group should pay in order to borrow the amounts necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment for a similar period and with a similar security. Thus, the incremental borrowing rate reflects the "amount to be paid by the Group" which requires an estimate when observable rates are not available or when adjustment is needed in line with the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable data (e.g., interest rates in the market) available and necessary to make certain estimates of the Group.

4.8 BORROWING COSTS

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs that are directly attributable to the construction of an asset, are capitalized using capitalization rate up to the stage when substantially all the activities necessary to prepare the qualifying asset for its intended use are completed and, thereafter, such costs are charged to the consolidated statement of profit or loss and other comprehensive income. In case of specific borrowings, all such costs, directly attributable to the acquisition or construction of an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur.

4.9 INVESTMENT PROPERTIES

Investment properties are non-current assets held either to earn rental income or for capital appreciation or for both, as well as those held for undetermined future use as investment properties. Investment properties are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Investment properties are depreciated on a straight line basis over the estimated useful life of the respective assets. No depreciation is charged on land and capital work-in-progress.

Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the consolidated statement of profit or loss and other comprehensive income in the period of derecognition.

Expenses incurred for replacing component of investment properties items, which are accounted for separately are capitalized, and carrying value of replaced component is written off. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of the related investment properties. All other expenses are recognized in the consolidated statement of profit or loss and other comprehensive income when incurred.

Transfers are made from investment properties to development properties only when there is a change in use evidenced by commencement of development with a view to sell. Such transfers are made at the carrying value of the properties at the date of transfer. The useful lives and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

The Group determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carrying amount of an investment property exceeds their recoverable amount, an impairment loss is recognised in the consolidated statement of profit or loss and other comprehensive income. The recoverable amount is the higher of investment property's fair value less cost to sell and the value in use.

Reversal of impairment losses recognised in the prior years is recorded when there is an indication that the impairment losses recognised for the investment property no longer exist or have reduced.

4.10 DEVELOPMENT PROPERTIES

Development properties are properties that are being developed with a view to sell.
The Group's development properties arise when Group purchase properties with an intention to sale or where there is a change in use of investment properties evidenced by the commencement of development with a view to sale. The investment properties are reclassified as development properties at their carrying amount at the date of their reclassification. They are subsequently carried at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less costs to complete development and selling expenses.

4.11 Fair value measurement

The Group discloses the fair value of the non-financial assets such as investment properties as part of its consolidated financial statements. 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 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 economic best interest.

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

4.12 INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles are not capitalized and the related expenditure is reflected in the consolidated statement of profit or loss and other comprehensive income in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either definite or indefinite.

Intangible assets with definite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.
The amortization period and the amortization method for an intangible asset with a definite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

The amortization expense on intangible assets with definite lives is recognized in the consolidated statement of profit or loss and other comprehensive income in the expense category that is consistent with the function of the intangible assets.

The assessment of indefinite useful life is reviewed annually to determine whether useful life continues to be supportable. If not, the change in useful life from indefinite to definite is made on a prospective basis. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of profit or loss and other comprehensive income when the asset is disposed.

4.13 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows into the Group that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using appropriate discount rate that reflects current market assessments of the time value of money. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or cash generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of profit or loss and other comprehensive income.

Intangible assets with indefinite useful lives are tested for impairment annually at the cash generating unit ("CGU") level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

4.14 INITIAL RECOGNITION – FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial assets

A Group shall recognize a financial asset or a financial liability in its statement of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument.

Initial measurement

At initial recognition, except for the trade receivables which do not contain a significant financing component, the Group measures a financial asset at its fair value. In the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset are added to the fair value of the respective financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the consolidated statement of profit or loss and other comprehensive income, if any.

The trade receivables that do not contain a significant financing component or which have a maturity of less than 12 months are measured at the transaction price as per IFRS 15.

Classification and subsequent measurement

The Group classifies its financial assets into the following measurement categories:

a) Those to be measured subsequently at fair value (either through consolidated statement of other comprehensive income, or through consolidated statement of profit or loss); and
b) Those to be measured at amortized cost.
The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. The category most relevant to the Group is financial assets measured at amortized cost.

Financial assets measured at amortized cost

A financial asset shall be measured at amortized cost if both of the following conditions are met:

a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate ("EIR") method, less impairment (if any). Amortized cost is calculated by taking into account any discount or premium on purchase and fees or costs that are an integral part of the effective interest rate. The EIR amortization is included in finance income in the consolidated statement of profit or loss and other comprehensive income. Impairment losses are recognized in consolidated statement of profit or loss and other comprehensive income.

Reclassifications

When and only when, a Group changes its business model for managing financial assets it shall reclassify all affected financial assets in accordance with the above mentioned classification requirements.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Group's consolidated statement of financial position) when the rights to receive cash flows from the asset have expired.

Impairment of financial assets

Financial assets measured at amortised cost

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. Assets that are individually significant are tested individually whereas others are grouped together with financial assets of similar credit risk characteristics and assessed collectively.

Impairment loss is reversed if the reversal can be objectively related to an event that have occurred after the impairment loss was recognised. For financial assets that are measured at amortised cost, the reversal is recognised in the consolidated statement of profit or loss and other comprehensive income.

IFRS 9 requires the Group to follow an expected credit loss model for the impairment of financial assets. It is no longer necessary for a credit event to have occurred for the recognition of credit losses. Instead, the Group, uses the expected credit loss model, always to account for expected credit losses and changes therein at each reporting date. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive.

Expected credit losses shall be measured and provisioned either at an amount equal to (a) 12 month expected losses; or (b) lifetime expected losses. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for the amounts that result from default events that are possible within the next 12-months (a12-month ECL).
For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The carrying amount of the financial asset is reduced through the use of an allowance account and the amount of the loss is recognized in the consolidated statement of profit or loss and other comprehensive income. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other income in the consolidated statement of profit or loss and other comprehensive income.

The gross carrying amount of a financial asset is written-off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

The Group considers a financial asset to be in default when the debtor is unlikely to repay the outstanding balance to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

Financial liabilities

Initial measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, and as amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of long term loans and payables, net of directly attributable transaction costs. The Group's financial liabilities include accounts payable, lease liabilities, accruals and loans.

Classification and subsequent measurement

A Group shall classify all financial liabilities as subsequently measured at amortized cost, except for:

a) Financial liabilities at fair value through profit or loss.
b) Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies.
c) Financial guarantee contracts.
d) Commitments to provide a loan at a below-market commission rate.

All of the Group's financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method, if applicable.

Amortized cost is calculated by taking into account any discount or premium on purchase and fees or costs that are an integral part of the effective interest rate. The EIR amortization is included as finance costs in the consolidated statement of profit or loss and other comprehensive income.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of profit or loss and other comprehensive income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Cash and cash equivalent

Cash and cash equivalent comprise cash in hand, cash with banks and other short-term highly liquid investments, if any, with original maturities of three months or less, which are subject to an insignificant risk of changes in value.

Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit or loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost in the consolidated statement of profit or loss and other comprehensive income.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

4.15 EMPLOYEES' BENEFITS

Short-term employees' benefits

Short-term employees' benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present, legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined benefit plans

The Group maintains an unfunded defined benefit plan for employees' terminal / end of service benefits in accordance with the Saudi Arabian Labor Law.

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefits that employees have earned in the current and prior periods and discounting that amount. The calculation of defined benefit obligation ("DBO") is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses are recognized immediately in the consolidated statement of profit or loss and other comprehensive income. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Net interest expense and other expenses related to defined benefit plans are recognized in consolidated statement of profit or loss and other comprehensive income.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the consolidated statement of profit or loss and other comprehensive income.

For the liability relating to employees' terminal benefits, the actuarial valuation process takes into account the provisions of the Saudi Arabian Labour Law as well as the Group's policy.

4.16 REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

Revenue is recognized in the consolidated statement of profit or loss and other comprehensive income to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

Revenue from contracts with customers for sale of properties

The Group recognizes revenue from contracts with customers based on a five step model as set out in IFRS 15:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognize revenue when (or as) the entity satisfies a performance obligation:

If the consideration promised in a contract includes a variable amount, the Group shall estimate the amount of consideration to which the Group will be entitled in exchange for transferring the promised goods or services to a customer.

The promised consideration can vary if the Group's entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event. The variability relating to the consideration promised by a customer, if any, is explicitly stated in the contract. Accordingly, the Group estimates the amount of variable consideration by using the most likely amount in accordance with the terms of the contract.

The Group recognizes revenue at the point in time at which the customer obtains control o a promised asset and the entity satisfies the performance obligations. The Group considers the below mentioned indicators to assess the transfer of control of the promised asset:

- The Group has a present right to payment for the asset.
- The Group has transferred physical possession of the asset.
- The customer has the significant risks and rewards of ownership of the asset.
- The customer has accepted the asset.

Cost of revenue

Cost of revenue includes the cost of land, development and other service-related costs directly related to the provision of goods or services for which the Group recognizes revenue.
The cost of revenue in respect of hospitality business, services and rental income is based on the cost of providing the services.

5 | NEW STANDARDS, INTERPRETATON AND AMENDMENTS

Standards, interpretations and amendments issued but not yet effective

The standards, interpretations and amendments that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, interpretations and amendments if applicable, when they become effective.

Standard / Interpretation	Description	Effective from periods beginning after the following date
IAS 21	Lack of exchangeability (amendments to IAS 21)	1 January 2025
IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	1 January 2026
IFRS 1, IFRS 7, IFRS 9, IFRS 10 & IAS 7	Annual Improvements to IFRS	1 January 2026
IFRS 18	IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Available for optional adoption / effective date deferred indefinitely

Standards, interpretations and amendments that became effective during the year

Following amendments to IFRS and International Accounting Standards were effective on or after 1 January 2024, but they did not have a material effect on the Company's financial statements:

Standard / Interpretation	Description	Effective from periods beginning after the following date
IAS 1	Classification of liabilities as current or non-current – Amendments to IAS 1	1 January 2024
IAS 1	Non- current liabilities with covenants – Amendments to IAS 1	1 January 2024
IFRS 16	Lease Liability in a Sales and Leaseback – Amendments to IFRS 16	1 January 2024
IAS 7 and IFRS 7	Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7	1 January 2024

6 | INVESTMENT PROPERTIES

The Group has consistently applied the following material accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise.

6.1 The movement in investment properties during the year ended 31 December is analysed as follows:

	2024		
	Lands	Capital work in progress	Total
Balance as at 1 January	9,580,349,885	11,112,434,221	20,692,784,106
Additions during the year (note 6.4 and 6.10)	4,372,760	1,468,929,810	1,473,302,570
Transfer from development properties (note 6.5)	16,233,599	18,458,763	34,692,362
Transfer to development properties (note 6.6)	(846,971,559)	(955,332,662)	(1,802,304,221)
Transfer to property and equipment (note 6.8)	--	(110,730,600)	(110,730,600)
Written off during the year (note 6.11)	--	(79,539,698)	(79,539,698)
Balance as at the end of year	**8,753,984,685**	**11,454,219,834**	**20,208,204,519**

	2023		
	Lands	Capital work in progress	Total
Balance as at 1 January	10,217,756,289	10,402,166,414	20,619,922,703
Additions during the year (notes 6.4 and 6.10)	17,029,308	1,395,756,230	1,412,785,538
Transfer from development properties (note 6.5)	47,647,879	47,172,276	94,820,155
Transfer to development properties (note 6.6)	(407,263,983)	(425,001,125)	(832,265,108)
Disposals during the year (note 6.7)	(294,819,608)	(307,659,574)	(602,479,182)
Balance as at the end of year	**9,580,349,885**	**11,112,434,221**	**20,692,784,106**

6.2 The Royal Decree No. 44133 dated 18 March 2021 (corresponding to 5 Shaban 1442H) was issued directing the Ministry of Justice to issue title deeds for the entire King Abdulaziz Road project in Makkah Al-Mukarramah in favor of the Group. Accordingly, four comprehensive title deeds for the project were issued in favor of the Group on 18 Shaban 1442H (corresponding to 31 March 2021). The project lands are held for a currently undetermined future use, as the specific distribution of the project lands has not yet been completed. Therefore, all the project plots are classified as investment properties (except if specified below). The project lands include lands mortgaged in favor of commercial banks against loans (note 16).

6.3 The fair value of the Group's investment properties, as at 31 December 2024, has been arrived on the basis of the valuation exercise carried out by Jones Lang LaSalle Saudi Arabia for Real Estate Appraisal (JLL), an independent valuer not related to the Group. JLL is registered in the Kingdom of Saudi Arabia under the Commercial Registration number 1010931286, is a firm licensed by the Saudi Authority for Accredited Valuers ("Taqeem") and is also regulated by the Royal Institution of Chartered Surveyors ("RICS"). JLL holds appropriate qualifications and relevant experience in assessing the valuation for the relevant land and properties. The fair value has been determined primarily on the basis of the market approach, which reflects recent transaction prices for similar properties. The valuation assumes that the plots of land in the master plan are fully developed services, which include all infrastructure works including streets, electrical networks, water and sewage networks, and land uses, and that they can be sold in this case on the evaluation date. Management expects that the costs of completing the infrastructure work will not exceed the fair value of the project lands.

6.4 As at 31 December 2024, the additions includes the increase in the value of the project lands, which mainly represents an additional compensation value in the amount of SR 4.37 million (2023: SR 17.03 million) for the real estate owners according to a decision of the General Court in Makkah Al-Mukarramah.

6.5 During the year ended 31 December 2024, the Group transferred plot of lands from development properties to investment properties at a value of SR 34.69 million (2023: SR 94.82 million).

6.6 During the year ended 31 December 2024, the Group transferred the cost of several plots of land to development properties at a value of SR 1,802.30 million (2023: SR 832.27 million) as the management has the intention to sell these plots of land

6.7 During the year ended 31 December 2023, the Group disposed plots of land under settlement agreement with a total cost of SR 769.33 million, which represents an actual cost of SR 602.48 million in addition to estimated cost which is yet to be incurred at a value of SR 166.85 million.

6.8 During the year ended 31 December 2024, the Group transferred the cost of the solid waste treatment system, which includes an underground network of pipelines, a waste collection station, in addition to buildings and equipment related to the system, from investment properties to property and equipment at a cost value of SR 110.73 million (2023: Nil) [note 8.7].

6.9 The capital work in progress represents the works of demolition, rock excavation and infrastructure, in addition to the costs of engineering consultancy and project designs. During the year ended 31 December 2024, an amount of SR 742 million (2023: SR 539 million) was capitalized as cost of borrowing for the construction of investment properties included in capital work in progress.

6.10 As at 31 December 2024, the infrastructure works are still under construction and are expected to be completed during the year ending 2025.

6.11 During the year ended 31 December 2024, the Group has written off certain costs relating to design and project works pertaining to the project, the result of management's assessment that there are no future benefits for it, amounting to SR 79.5 million (2023: nil) resulting in a corresponding impact in other operating expenses.

6.12 The Group uses the following hierarchy for determining and disclosing the fair values of its investment properties by valuation techniques:

	Level 1 SR '000	Level 2 SR '000	Level 3 SR '000	Total SR '000
31 December 2024	**--**	**36,074,189**	**--**	**36,074,189**
31 December 2023	--	38,169,097	--	38,169,097

The fair value of investment properties as of 31 December 2024, amounted to SR 36.07 billion (2023: SR 38.17 billion) for 165 plots of lands (2023: 183 plots of lands) excludes the related costs to complete the infrastructure works amounting to SR 1.99 billion (2023: SR 2.32 billion). The Group excluded certain lands from investment properties for the purpose of reclassification and these lands were transferred to development properties. Consequently, fewer lands were valued in 2024 compared to 2023. Additionally, the valuation disclosed above has been determined based on the assumption that proposed project have been implemented and completed at the date of valuation, comprising all infrastructure works, including, but not limited to, roads, landscaping, electricity, water, sewage, land uses, topography, bridges connecting to the project and any other facilities offered.

Impairment assessment

Management performed a detailed assessment with respect to the impairment indicators as at 31 December 2024 of its investment properties at the respective CGU level based on market approach using the latest approved master plan and the fair value of CGU is greater than the carrying value and hence, no impairment indicator was identified.

The fair value of the Group's investment property, as at 31 December 2024, has been arrived on the basis of the valuation exercise carried out by independent professionally qualified valuation expert i.e. Jones Lang LaSalle Saudi Arabia for Real Estate Appraisal (JLL) who holds recognised relevant professional qualification and has recent experience under IFRS 13, in determining the fair values for properties in the locations and segments where the Group's properties are situated. JLL is accredited by the Saudi Authority for Accredited Valuers and performed their work in accordance with the International Valuation Standards Council (IVSC) as well as the regulations issued by the Saudi Authority for Accredited Valuers (TAQEEM).

The Group's finance department includes a team that reviews the valuations performed by the independent valuer for financial reporting purposes. This team reports directly to the Chief Financial Officer (CFO) of the Group. Discussions of valuation processes and results are held between the CFO, business and finance department and the independent valuer.

Discussions of valuation processes and results are held at least once annually.

There were no changes in the valuation techniques during the year.

At each financial year-end the finance department:

• verifies all major inputs to the independent valuation report;
• assesses property valuation movements when compared to the prior year valuation report; and
• holds discussions with the independent valuer.

The valuation methodology and related significant inputs and assumptions used by valuers in estimation of net recoverable amount are as follows:

Valuation approach	2024
Market approach	Under this approach, the valuer makes assessment on the basis of a collation and analysis of appropriate comparable transactions, together with evidence of demand within the vicinity of the subject property. The differences in specification of the Group's properties are then adjusted, taking into account size, location, aspect and other material factors.

7 | DEVELOPMENT PROPERTIES

The development properties that are being developed for the purpose of selling as land plots, which have been designated by management for future sale in the ordinary course of the group's business.

7.1 The movement in development properties during the year ended 31 December is analysed as follows:

	2024	2023
Balance as at 1 January	**212,209,142**	94,820,155
Additions during the year (note 7.2)	**11,212,718**	--
Transfer from investment properties (note 6.6)	**1,802,304,221**	832,265,108
Transfer to investment properties (note 6.5)	**(34,692,362)**	(94,820,155)
Sold during the year (note 7.3)	**(918,945,864)**	(620,055,966)
Balance as at the end of year	**1,072,087,855**	**212,209,142**

	2024	2023
Development properties – non-current portion	**203,051,171**	--
Development properties – current portion	**869,036,684**	212,209,142
	1,072,087,855	**212,209,142**

7.2 As at 31 December 2024, the additions represent the increase in the value of the project lands, representing an increase in capital work in progress amounting to SR 10.51 million (2023: nil) and an additional compensation value in the amount of SR 0.7 million (2023: nil) for the real estate owners according to a decision of the General Court in Makkah Al-Mukarramah.

7.3 During the year ended 31 December 2024, the Group sold several plots of lands from development properties. Such plots had a total cost of SR 983.84 million (2023: SR 688.86 million), which represent an actual cost of SR 918.95 million (2023: SR 620.06 million) in addition to estimated cost which is yet to be incurred at a value of SR 64.89 million (2023: SR 68.80 million).

8 | PROPERTY AND EQUIPMENT

8.1 The movement in property and equipment during the year ended 31 December 2024 is analyzed as under:

	Lands	Furniture and fixtures	Vehicles	Computers	Leasehold improvement	Capital work in progress	Total
Cost							
Balance as at 1 January 2024	172,127,668	13,129,478	3,704,907	8,160,278	11,595,652	215,799,884	424,517,867
Additions during the year (notes 8.5 and 8.6)	1,211,505	82,649		824,666	10,999,800	25,906,864	39,025,484
Transfer from investment properties (note 8.7)	--	--	--	--	--	110,730,600	110,730,600
Balance as at 31 December 2024	**173,339,173**	**13,212,127**	**3,704,907**	**8,984,944**	**22,595,452**	**352,437,348**	**574,273,951**
Accumulated depreciation							
Balance as at 1 January 2024	--	8,861,838	3,704,881	7,557,742	9,154,396	--	29,278,857
Charge for the year	--	1,865,530	--	483,782	3,423,644	--	5,772,956
Balance as at 31 December 2024	**--**	**10,727,368**	**3,704,881**	**8,041,524**	**12,578,040**	**--**	**35,051,813**

8.2 The movement in property and equipment during the year ended 31 December 2023 is analysed as under:

	Lands	Furniture and fixtures	Vehicles	Computers	Leasehold improvement	Capital work in progress	Total
Cost							
Balance as at 1 January 2023	172,064,510	9,834,468	3,704,907	7,807,282	11,595,652	183,376,866	388,383,685
Additions during the year (notes 8.5 and 8.6)	63,158	3,295,010	--	352,996	--	39,478,784	43,189,948
Disposals during the year	--	--	--	--	--	(7,055,766)	(7,055,766)
Balance as at 31 December 2023	**172,127,668**	**13,129,478**	**3,704,907**	**8,160,278**	**11,595,652**	**215,799,884**	**424,517,867**
Accumulated depreciation							
Balance as at 1 January 2023	--	7,232,083	3,704,881	7,134,992	6,969,770	--	25,041,726
Charge for the year	--	1,629,755	--	422,750	2,184,626	--	4,237,131
Balance as at 31 December 2023	**--**	**8,861,838**	**3,704,881**	**7,557,742**	**9,154,396**	**--**	**29,278,857**
Net book value							
As at 31 December 2024	**173,339,173**	**2,484,759**	**26**	**943,420**	**10,017,412**	**352,437,348**	**539,222,138**
As at 31 December 2023	172,127,668	4,267,640	26	602,536	2,441,256	215,799,884	395,239,010

8.3 Capital work in progress consists of the following projects:

	2024	2023
Infrastructure works relating to Head Quarter lands	**197,099,033**	179,624,163
Solid waste treatment system (note 8.7)	**110,730,600**	--
Group's Head Quarter	**38,385,935**	30,021,947
Information and Communication Technology (ICT)	**6,221,780**	6,153,774
	352,437,348	215,799,884

8.4 Depreciation charge for the year ended 31 December has been allocated as follows:

	2024	2023
General and administration expense (note 25)	**5,530,624**	4,108,132
Selling and marketing expenses (note 26)	**242,332**	128,999
	5,772,956	4,237,131

8.5 As at 31 December 2024, part of the additions represent the increase in the value of the Group's lands classified under property and equipment, which mainly represents an additional compensation value in the amount of SR 1.21 million (2023: SR 0.06 million) for the real estate owners according to the decision of the General Court in Makkah Al-Mukarramah.

8.6 During the year ended 31 December 2024, part of the additions in the capital work in progress, includes the capitalized borrowing costs amounting to SR 8.66 million (2023: SR 6.12 million).

8.7 During the year ended 31 December 2024, the Group transferred the cost of the Network and Station Waste and its buildings from investment properties to property and equipment at a cost value of SR 110.73 million (2023: Nil) [note 6.8].

9 | TRADE RECEIVABLES

	2024	2023
Trade receivables (note 9.1)	**2,104,577,885**	1,032,362,295
Less: Allowance for expected credit losses	**(7,312,250)**	(3,190,238)
	2,097,265,635	1,029,172,057

9.1 As at 31 December 2024, the trade receivables include amount due from related parties totaling to nil (2023 SR 68.1 million).

Following is the movement of allowance for expected credit losses:

	2024	2023
Balance at beginning of year	**3,190,238**	845,005
Charge for the year	**4,122,012**	2,345,233
Balance at the end of the year	**7,312,250**	3,190,238

Trade receivables have been presented in the consolidated statement of financial position as follows:

	2024	2023
Trade receivables – non-current portion	**1,137,325,748**	614,364,413
Trade receivables – current portion	**959,939,887**	414,807,644
	2,097,265,635	1,029,172,057

10 | RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

a) Right-of-use assets

1) Reconciliation of right-of-use assets for the year ended 31 December:

	2024	2023
Cost		
Balance as at the beginning of the year	17,347,941	16,754,921
Lease modification during the year	3,169,179	--
Additions during the year	--	593,020
Balance as at the end of the year	**20,517,120**	**17,347,941**
Accumulated depreciation		
Balance as at the beginning of the year	7,492,770	5,282,633
Charge for the year	2,210,137	2,210,137
Balance as at the end of the year	**9,702,907**	**7,492,770**
Net book value		
As at the end of the year	**10,814,213**	**9,855,171**

2) Depreciation charge for the year ended 31 December has been allocated as follows:

	2024	2023
(General and administration expense (note 25	**2,210,137**	2,210,137

b) Lease liabilities

	2024	2023
Balance as at the beginning of the year	**10,808,948**	12,353,006
Lease modification during the year	**3,169,179**	--
Additions during the year	**--**	593,020
Interest expense	**335,236**	420,922
raey eht gnirud edam stnemyaP	**(2,558,000)**	(2,558,000)
Balance as at the end of the year	**11,755,363**	10,808,948

The weighted average rate of discount applied is 5.15%.

The lease liabilities are presented in the consolidated statement of financial position as follows:

	2024	2023
Lease liabilities – non-current portion	**9,197,363**	8,250,948
Lease liabilities – current portion	**2,558,000**	2,558,000
	11,755,363	10,808,948

11 | INTANGIBLE ASSETS

	2024	2023
Cost		
Balance as at the beginning of the year	18,835,327	13,037,714
Additions during the year	476,594	5,797,613
Balance as at the end of the year	**19,311,921**	**18,835,327**
Accumulated amortization		
Balance as at the beginning of the year	8,055,185	6,141,311
Charge for the year (note 25)	2,687,191	1,913,874
Balance as at the end of the year	**10,742,376**	**8,055,185**
Net book value	**8,569,545**	**10,780,142**

12 | INVESTMENT AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024	2023
Alinma Saudi Riyal Liquidity Fund	**7,803,490**	7,392,966

12.1 This represents an investment in the units of Alinma Saudi Riyal Liquidity Fund (the "Fund"), a fund managed by Alinma Investment Company. The principal activity of the Fund is to invest in Murabaha contracts that are compliant with the rules of Islamic Sharia.

12.2 The movement of the investment in the Fund is as follows:

	2024	2023
Balance as at the beginning of the year	**7,392,966**	11,495,530
Disposal during the year	**--**	(4,450,000)
Net gain from investment at fair value through profit or loss (note 12.3)	**410,524**	347,436
Balance as at the end of the year	**7,803,490**	7,392,966

12.3 The movement in net gain from investment at fair value through profit or loss is as follows:

	2024	2023
Unrealized gain at fair value for the year	**410,524**	41,059
Realized gain at fair value for the year	**--**	306,377
Net gain from investment at fair value through profit or loss	**410,524**	347,436

13 | ADVANCES AND OTHER RECEIVABLES

Advances and other receivables consist of the following:

	2024	2023
Value Added Tax (VAT)	**150,086,363**	126,566,881
Advances to suppliers	**129,792,568**	182,968,090
Fees and licenses	**3,832,654**	4,573,078
Others	**4,203,884**	2,342,479
	287,915,469	316,450,528

14 | CASH AND CASH EQUIVALENT

Cash and cash equivalent consist of the following:

	2024	2023
Cash at banks	**348,857,637**	94,212,311
Short-term deposits (note 14.1)	**479,500,000**	444,300,000
	828,357,637	538,512,311
Term deposits with original maturity of more than 90 days	**(315,000,000)**	--
	513,357,637	538,512,311

14.1 The amount represents term deposits with commercial banks, compliant with Islamic Sharia principles, and commission yield at prevailing market rates.

14.2 According to Ijarah financing agreement with a commercial bank, the Group opens restricted accounts, in which the proceeds of the public subscription are deposited, in addition to the proceeds of revenue, and the balances of these accounts are not pledged and the Group is allowed to use such proceeds for its operational, capital or financing needs.

15 | SHARE CAPITALT

The authorized, issued and fully paid-up share capital of the Group as at 31 December 2024 consists of 1,307,861,419 shares (2023: 1,307,861,419 shares) and the value of each share is SR 10 (2023: SR 10), part of which is in kind and part is cash:

	2024	2023
Value of issued shares	**13,078,614,190**	13,078,614,190

16 | LOANS

Long-term loans

	2024	2023
Liabilities under Musharaka agreements then Ijara agreements (note 16.1)	**7,351,445,457**	6,972,752,380
Liabilities under Tawarroq agreements (note 16.2)	**2,667,583,515**	1,699,999,900
Structuring and arrangement fees (note 16.3)	**(28,494,558)**	(38,816,319)
	9,990,534,414	8,633,935,961

	2024	2023
Non-current portion – long term	**9,840,480,900**	8,633,935,961
Current portion – short term	**150,053,514**	--

16.1 At 13 October 2019, the Group renewed the financing agreement concluded on 23 September 2012 with a commercial bank to finance the purchase of some lands in Masar Destination project and the costs of developing the infrastructure of the project lands. The new credit limit of the financing agreement amounted to SR 4,500 million out of which the Group utilized SR 4,100 million, the financing agreement concluded with the bank includes a long-term Ijara financing with a credit limit not exceeding SR 4,100 million, to finance the compensation of lands, real estate in the project area and infrastructure. During the year ended 31 December 2013, the Group withdrew an amount of SR 2,600 million to compensate lands in the project and issue checks for this purpose. The financing is paid in one installment on 3 July 2026, and the financing charges are paid annually. The Group has secured all the guarantees required by the agreement, including the mortgage of the project lands, the value of which has been paid through the bank in favor of the bank or its representative.

During the year ended 31 December 2017, the Group withdrew an amount of SR 1,500 million in order to finance the infrastructure development work of the project lands. The financing is due in one installment on 3 July 2026, and the financing charge is paid annually. In addition to the above, on 25 February 2020, (corresponding to 1 Rajab 1441H), the Group entered into a Musharaka financing contract and then a carry-over lease in the amount of SR 6,500 million with the Bank to finance the development of investment properties. Financing charges are paid annually, and financing is secured from real estate ownership deeds and mortgaged to the Bank. As at 31 December 2024, the Group has withdrawn an additional amount of SR 378.8 million (2023: SR 520.5 million).

16.2 During the year ended on 31 December 2023, an agreement was concluded with a commercial bank to obtain long-term tawarroq financing for a period of seven years, with a credit limit not exceeding SR 2,900 million, for the purpose of financing the infrastructure development works on the project lands and / or purchasing lands. The Group withdrew an installment of SR 2,067 million up till the year ended 31 December 2024 (2023: SR 1,699 million). The principal is due to be repaid in 4 equal annual installments, the first installment of which is due on 29 February 2028. Finance charges are paid annually.

During the year ended 31 December 2024, an agreement was concluded with a commercial bank to obtain long-term tawarroq financing for a period of 4 years, with a credit limit not exceeding SR 800 million. The Group withdrew an installment of SR 600 million during the year ended 31 December 2024. The principal is due to be repaid in 4 equal annual installments, and finance charges are paid annually.

16.3 The Group bears a structuring and arrangement fee for each financing installment withdrawn. These fees are amortized using the prevailing rate over the financing period. These fees are capitalized on the development of the project lands during the development period, as the financing was used to purchase lands and real estate in the project area and to finance infrastructure works.

16.4 The Group bears the fees for credit studies expenses that are deducted from the first operation of the facilities utilization according to the agreement. These fees are amortized using the rate prevailing over the financing period. These fees are capitalized on the development of the project lands during the development period, as the financing was used to finance the infrastructure works.

17 | EMPLOYEES' BENEFITS

	2024	2023
Employees' end of service benefits	23,378,897	18,307,959

The Group has a post-employment defined benefit plan. The benefits are required by Saudi Labor Law. The benefit is based on employees' final salaries and allowances and their cumulative years of service, as stated in the laws of Saudi Arabia.

The following table summarizes the components of the net benefit expense recognized in the consolidated statement of profit or loss and other comprehensive income and the amounts that are recognized in the consolidated statement of financial position.

Net benefit expense recognised in the statement of profit or loss and other comprehensive income:

	2024	2023
Current service costs	3,423,723	3,500,227
Interest costs on employees' benefits obligation	843,352	748,826
Net benefit expense	4,267,075	4,249,053

Movement in the present value of defined benefit obligation recognized in the statement of financial position:

	2024	2023
Defined benefit obligation as at 1 January	18,307,959	16,092,321
Current service costs	3,423,723	3,500,227
Interest cost	843,352	748,826
Actuarial loss / (gain) on the obligation recognized in the other comprehensive income (OCI)	1,532,449	(1,691,503)
Benefits paid	(728,586)	(341,912)
Defined benefit obligations as at 31 December	23,378,897	18,307,959

Significant assumptions used in determining the defined benefit obligation includes the following:

	2024	2023
Discount rate	5.55%	4.70%
Future salary increases or rate	5.85%	5%
Mortality rate	SLIC 2001-05	SLIC 2001-05
Rate of employees' turnover	9.24%	9.73%

Defined benefit obligation sensitivity

The following is a sensitivity analysis of employees' end of service benefits as at 31 December against changes in the weighted principal assumptions:

		2024	2023
Rate of change in salaries	Increase by 1%	25,831,013	20,180,537
	Decrease by 1%	21,244,167	16,557,569
Discount rate	Increase by 1%	21,359,363	16,647,349
	Decrease by 1%	25,738,949	20,109,403

Actuarial assumptions

The following were the principal actuarial assumptions applied at the reporting date:

	2024	2023
Membership data		
Number of employees	139	119
Average age of employees (years)	40.21	41.25
Average years of past experience	6.17	6.68
Employees' average age when work started (years)	34.04	34.57

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

As at 31 December 2024, the weighted average duration of the defined benefit obligation is 9.37 years (2023: 9.49 years).

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

	2024	2023
Within the next 12 months (next annual reporting period)	2,674,110	2,211,131
Between 2 and 5 years	5,418,179	4,213,653
Between 5 and 10 years	7,900,458	5,828,208
Beyond 10 years	27,447,175	18,411,934
Total expected payments	43,439,922	30,664,926

18 | RETENTION PAYABLES

	2024	2023
Retention payables (note 18.1)	142,030,478	133,497,776

18.1 Retention payables represent amounts retained by the Group from the main contractor of the project against each payment according to the agreed terms as a guarantee of good performance and will be paid in two instalments upon completion of the contract works.

19 | ACCOUNTS PAYABLE – COMPENSATION OF LANDS

	2024	2023
Payable for properties' owners (19.1)	421,353,827	460,557,613

19.1 The Royal Decree No. 44133 dated 18 March 2021 (corresponding to 5 Shaban 1442H) was issued directing the Ministry of Justice to issue comprehensive title deeds for the entire King Abdulaziz Road project in Makkah in favor of the Group with the total areas allocated to streets and services, and to treat the properties separated from private ownership, and the properties that do not have title deeds which are 1056 properties and register the corresponding shares in the name of the State Properties General Authority. The properties that have title deeds (98 properties) and their owners are not existent, the corresponding shares are registered in the name of the not existent owners under the supervision of the General Authority for The Guardianship of Trust Funds for Minors and their Counterparts, and these shares are handed over to the Authority to exercise its powers in accordance with its regulations. In addition to the properties under procedure which the Group is completing the procedures of transferring its ownership. As at 31 December 2024 the transfer of ownership for 44 properties to the Group was completed (2023: 39 properties) out of a total of 166 properties under procedure.

During the year ended 31 December 2024, the Group was able to sort and issue all the deeds, with a total of 222 individual deeds for the project plots of land from the comprehensive title deeds.

During ring the year ended 31 December 2022, the Group was informed that there are two properties (the unknown owner of which is supposed to register the corresponding shares in the name of absent persons under the supervision of the General Commission For The Guardianship of Trust Funds for Minors and Their Counterparts in accordance with the supreme order) that were expropriated and compensated by a committee of development of the spaces surrounding the Holy Mosque of Mecca (Al Haram), and the ownership of the property and the compensation mechanism are currently being considered. Accordingly, these two properties were excluded from the properties of the absent persons referred to in the supreme order.

As at 31 December 2024, the accounts payable for land purchase amounted to SR 421.35 million (2023: SR 460.56 million), where the net settlement for the project property owners amounted to SR 39.2 million (2023: SR 1,311 million).

20 | ACCOUNTS PAYABLE

	2024	2023
Payable to project contractors	81,906,573	73,265,639
Others	1,224,298	1,877,325
	83,130,871	75,142,964

21 | ACCRUED EXPENSES AND OTHER LIABILITIES

	2024	2023
Accrued financial charges	493,122,516	350,174,520
Unbilled completed development works	324,084,626	470,643,464
Costs against sold lands (notes 6.6-6.8)	267,425,506	252,105,698
Retention payables – current portion	156,411,597	132,671,985
Litigation and claims	60,402,465	60,402,465
Accrued employees' expenses and bonuses	48,102,863	23,832,857
Management fee payable to manager of investment funds	29,000,000	29,000,000
Remunerations and meeting allowances (note 29)	2,800,000	2,765,000
Others	940,546	5,562,220
	1,382,290,119	1,327,158,209

22 | ZAKAT PROVISION

a) Zakat charge for the year

	2024	2023
Provision for the year	35,421,888	75,134,974

b) Zakat base

The Group's significant components of Zakat base (as stated in the new regulations) for the year ended 31 December 2024 comprise of the following:

	2024
Additions	
Owner's equity and equivalent	13,005,766,532
Liabilities and equivalents up to the limit of the deductions	10,105,375,459
Deductions	
Book value of non-current assets	(21,838,898,270)
Zakat base subject to Zakat	1,272,243,721
Zakat for the year at 2.585%	32,884,266
Accrued Zakat for the year	32,884,266
Additional Zakat charged during the year	2,537,622
Zakat provision for the year	35,421,888

Adjusted profit

b) Zakat base

The Group's significant components of Zakat base (as stated in the new regulations) for the year ended 31 December 2024 comprise of the following:

	2023
Net profit before Zakat	389,904,153
Provision for end of service benefits	6,722,260
Tax withholding	894,371
litigation and claims expense	60,402,465
Adjusted profit	**457,923,249**
Book value of non-current assets	(21,125,046,636)
Shareholders' equity	12,154,155,673
Loans	8,633,935,961
Liabilities against lands	460,557,613
Provisions and payables	1,170,438,227
Zakat base subject to Zakat	**1,294,040,838**
Zakat before carried forward loss at 2.578%	33,356,279
Zakat on adjusted profit at 2.5%	11,448,081
Zakat for the year	44,804,360
Zakat expenses for prior years	30,330,614
Accrued Zakat	**75,134,974**

c) Movement in Zakat provision during the year is as follows:

	2024	2023
Provision for the year	35,421,888	75,134,974

	2024م	2023م
Balance as at 1 January	80,642,326	13,105,040
Charge for the year	35,421,888	75,134,974
Zakat refund received during the year	1,154,465	--
Zakat paid during the year	(81,373,575)	(7,597,688)
Balance as at 31 December	**35,845,104**	80,642,326

22.1 The Company has finalized its Zakat status for the years ended 31 December 2014 to 2018. It has also filed its Zakat returns for the years ended 31 December 2019 to 2023, and obtained the related Zakat certificate for 2023. As of 31 December 2024, ZATCA has not issued any Zakat assessments for these years.

23 | REVENUE

	2024	2023
Revenue by nature		
Income from sale of lands (note 23.1)	1,813,033,700	988,143,756
Income from lease of lands	10,856,742	--
	1,823,890,442	988,143,756

23.1 During the year ended 31 December 2024, the Group sold several plots of lands for a total contract amount of SR 1,950 million (2023: SR 1,084 million), and its sales were recorded at present value amounting to SR 1,813 million (2023: SR 988 million) and a cost of SR 983.84 million (2023: SR 688.86 million) (note 7.3). The revenue is recognized at point in time amounting to SR 1,813 million (2023: SR 988 million).

24 | OTHER OPERATING INCOME

	2024	2023
Interest income from sale of lands	58,614,520	20,287,176
Property rental income (note 24.2)	3,650,671	8,500,765
Others	410,524	2,149,012
Income from lands' settlement (note 24.1)	--	355,641,200
	62,675,715	386,578,153

24.1 During the year ended 31 December 2023, the Group settled a liability totaling to SR 1.26 billion related to land compensation, partly through cash settlement. This transaction yielded a gain of SR 355.64 million.

24.2 During the year ended 31 December 2024, property rental income represents two parts. The first part pertains to the finance lease income for a portion of ICT to Advanced Communications and Electronics Company (ACES), with a lease interest income amounting to SR 2.1 million (2023: SR 1 million). The second part represents leasing another property within the project area t a contractor for concrete production. This lease agreement is not recurring by nature and is not part of the Group's investment plan, and therefore, it has been classified under other operating income.

25 | GENERAL AND ADMINISTRATION EXPENSE

	2024	2023
Revenue by nature		
Income from sale of lands (note 23.1)	**1,813,033,700**	988,143,756
Income from lease of lands	**10,856,742**	--
	1,823,890,442	988,143,756

General and administration expense for the year ended 31 December comprise of the following:

	2024	2023
Salaries and employees' related costs	**111,294,051**	72,798,446
Consultancy fees	**43,376,367**	53,599,109
IT related expenses	**14,058,155**	2,626,698
Investment funds' management and structuring fees	**8,063,924**	9,085,679
Depreciation on property and equipment (note 8)	**5,530,624**	4,108,132
Remunerations and meeting allowances (note 29)	**4,765,000**	5,355,547
Depreciation on right-of-use assets (note 10)	**2,210,137**	2,210,137
Amortization of intangible assets (note 11)	**2,687,191**	1,913,874
Litigation and claims	**--**	60,402,465
Others	**5,644,859**	6,409,979
	197,630,308	218,510,066

26 | SELLING AND MARKETING EXPENSES

The selling and marketing expenses for the year ended 31 December comprise the following:

	2024	2023
Marketing campaigns	**32,223,243**	21,841,299
Advertising and promotion	**31,328,129**	38,449,231
Depreciation on property and equipment (note 8)	**242,332**	128,999
	63,793,704	60,419,529

27 | FINANCE COST

The selling and marketing expenses for the year ended 31 December comprise the following:

	2024	2023
Finance charge from loans	**38,788,845**	33,052,892
Interest costs on employees' benefit obligation (note 17)	**843,352**	748,826
Interest expense from leases (note 10)	**335,236**	420,922
	39,967,433	34,222,640

28 | EARNINGS PER SHARE

Basic earnings per share for the year has been calculated by dividing the net profit for the year attributable to the equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. Since the Company does not have any convertible shares, therefore, the basic earnings per share equals the diluted earnings per share. Moreover, no separate earnings per share calculation from continuing operations has been presented since there were no discontinued operations during the year.

The basic and diluted earnings per share calculation is given below:

	2024	2023
Profit attributable to equity holders of the Company	**498,610,200**	316,996,501
Weighted average number of ordinary shares	**1,307,861,419**	1,307,861,419
Basic and diluted earnings (in SR per share)	**0.38**	0.24

29 | EARNINGS PER SHARE

The Group, 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 directors, and key management personnel of the Group and entities controlled, jointly controlled, or significantly influenced by such parties. The transactions with related parties are made at approved contractual terms.

The Group has entered into a renewable credit facility with Alinma Bank to finance the purchase of certain lands in King Abdulaziz Road project (note 16).

In the ordinary course of its activities, the funds deal with related parties, and the transactions of the related parties are in accordance with the terms and conditions of the funds. All related party transactions are approved by both the Funds' Board of Directors (BOD), and the related parties include the BOD, the Fund manager, Alinma Bank (the fund manager's parent company) and their related entities. A summary of the significant transactions and balances with related parties in the normal course of Funds' business, as shown in the consolidated financial statements lists, as follows:

			2024	2023	**2024**	2023
Related party name	**Relationship**	**Nature of transaction**	**Amount of transactions for the year ended**		**Closing balances**	
Abdullah Kamel Humanitarian Foundation (note 29.3)	Common Shareholder	(Collection)/ sale	**(68,113,978)**	85,142,473	--	68,113,978
Alinma Investment Company	Fund Manager	Administration & management fees	**58,000,000**	58,000,000	**29,000,000**	29,000,000
Alinma Bank (note 29.1)	Parent Company of Fund Manager	Loans	**386,847,322**	528,626,252	**3,224,220,092**	2,837,372,770
		Accrued interest	**287,528,883**	192,141,450	**174,915,644**	147,273,231
The General Authority for Awqaf (note 29.3)	Shareholder	Payment) / settle-) ment of payables	**(102,246,450)**	1,261,300,000	--	102,246,450
BOD & affiliate committees	BOD members & affiliate committees	Remuneration and meeting allowance	**4,765,000**	5,355,547	**2,800,000**	2,765,000

29.1 As at 31 December 2024, the closing balance of loans amounting to SR 3.22 billion (2023: SR 2.84 billion) represents the outstanding loans obtained from Alinma Bank by the subsidiaries of the Group only and does not include the outstanding loans obtained by the Parent Company.

29.2 Key management personnel remuneration and compensation comprised of the following:

	2024	2023
Salaries and allowances	**17,016,168**	14,975,064

29.3 The parties are classified as related parties in accordance with the local Company Law issued by the Ministry of Commerce.

30 | FINANCIAL RISK MANAGEMENT

Overview

The Group's activities may expose it to a variety of financial risks. The Group's overall risk management program focuses on robust liquidity management as well as monitoring of various relevant market variables, thereby consistently seeking to minimize potential adverse effects on the Group's financial performance.

The Group may expose to the following risks from its use of financial instruments:

a) Market risk
b) Credit risks; and
c) Liquidity risk.

This note presents information about the Group's possible exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk.

The Board of Directors has an overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's senior management is responsible for developing and monitoring the Group's risk management policies and reports regularly to the Board of Directors on their activities.

The Group's risk management policies (both formal and informal) are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group's Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Group's main financial liabilities comprise of accounts payable, lease liabilities, other liabilities and loans. The main purpose of these financial liabilities is to finance the Group's operations. The Group's main financial assets include trade receivable, Investment at fair value through profit or loss and cash and cash equivalents.

The Board of Directors review and agree the policies for managing each of the following risks which are summarised below:

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of below risk:

•Foreign currency exchange risk,
•Commission (interest) rate risk
•Other price risk

The Group's overall risk management program focuses on the unpredictability of the financial market and seeks to minimize potential adverse effects on the Group's financial performance.

- ### Foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's functional and reporting currency is in Saudi Arabian Riyal. The Group's transactions are principally in Saudi Arabian Riyals. Management monitors the fluctuations in currency exchange rates and believes that the currency risk is not significant. The Group is not exposed to any significant foreign currency risk from Saudi Arabian Riyal, and US Dollar denominated financial instruments. The Group's management monitors such fluctuations and manages its effect on the consolidated financial statements accordingly.

- ### Interest rate risks

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prevailing interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term borrowing which exposes the Group to cash flow interest rate risk.

The exposure of the Group's borrowing to interest rate changes and the contractual re-pricing dates of the variable interest rate borrowings at the end of the reporting period are as follows:

	2024	2023
Variable interest rate borrowings	**9,990,534,414**	8,633,935,961

Interest rate sensitivity analysis

Non-current assets are impacted by the increase and decrease in interest costs resulting from long-term loans as a result of changes in interest rates, and when the construction works of the project are completed, the impact will be on the profit before Zakat:

	2024	2023
Interest rate - increase by 100 basis points	**99,905,344**	86,339,359
Interest rate - decrease by 100 basis points	**(99,905,344)**	(86,339,359)

- ### Other price risk

The risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Group is not affected by price risk as there are no investments of the Group in equity shares or commodities.

b) Credit risk

Credit risk arising from the other financial assets of the Group, including bank balances and cash, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount as disclosed in the consolidated statement of financial position. The credit risk in respect of bank balances is considered by management to be insignificant, as the balances are mainly held with reputable banks in the Kingdom of Saudi Arabia.

The following is the impact of the total credit risk that the Group is exposed to at the date of the consolidated financial statements:

	2024	2023
Trade receivables	**2,104,577,885**	1,032,362,295
Other receivables	**4,203,884**	2,342,479
Cash at banks	**348,857,637**	94,212,311
stisoped mret-trohS	**479,500,000**	444,300,000
	2,937,139,406	1,573,217,085

At each reporting date, all bank balances and short-term deposits are assessed to have low credit risk as they are held with reputable and high credit rated (A-) domestic banking institutions and there has been no history of default with any of the bank balances. Therefore, the probability of default based on forward-looking factors and any loss given defaults are considered to be negligible.

The following table provides information about the exposure to credit risk and ECLs for trade receivables from individual customers as at 31 December.

31 December 2024	**Weighted-average loss rate**	**Gross carrying amount**	**Expected credit loss**
Current (not past due)	0.35%	2,104,577,885	**(7,312,250)**
		2,104,577,885	**(7,312,250)**

31 December 2023	Weighted-average loss rate	Gross carrying amount	Expected credit loss
Current (not past due)	0.31%	1,032,362,295	**(3,190,238)**
		1,032,362,295	**(3,190,238)**

Concentration risk

The Group has no significant concentration of credit risk. Concentration risk arises when a number of counterparties engaged in similar business activities or activities in the same geographical region or have economic features that would cause them to fail their contractual obligations.
To reduce exposure to credit risk, the Group has developed a formal approval process whereby credit limits are applied to its customers. The management also continuously monitors the credit exposure towards the customers and makes provisions against those balances considered doubtful of recovery.

To mitigate the risk, the Group has a system of assigning credit limits to its customers based on an extensive evaluation based on customer profiles and payment history.

The creditworthiness of counterparties is assessed based on an analysis of quantitative and qualitative data regarding financial standing and business risks, together with the review of any relevant third party and market information.

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures, and control relating to customer credit risk management. The credit quality of a customer is assessed based on an extensive credit rating scorecard, and individual credit limits are defined in accordance with this assessment. The two largest customers account for 54% of outstanding account receivables as at 31 December 2024 (2023: 62%).

The trade receivables are shown net of allowance for expected credit losses of trade receivables. The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped into low risk, fair risk, doubtful, and loss based on shared credit risk characteristics and the days past due. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors (such as GDP forecast and industry outlook) affecting the ability of the customers to settle the receivables.
The calculation reflects the probability-weighted outcome, the time value of money, and reasonable and supportable information that is available at the reporting date about past events, current conditions, and forecasts of future economic conditions.

c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at an amount close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available through committed credit facilities to meet any future commitments. The cash flows, funding requirements and liquidity of the Group's companies are monitored on a centralised basis, under the control of the Group Treasury. The objective of this centralised system is to optimise the efficiency and effectiveness of the management of the Group's capital resources. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank borrowings. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and borrowing facilities, by continuously monitoring forecasted and actual cash flows and matching the maturity dates of financial assets and liabilities.

The table below summarises the maturity dates of the Group's financial liabilities based on contractual undiscounted payments:

31 December 2024	Carrying amount	Less than 1 year	2 years but less than 5 years	More than 5 years	Total
Loans	Less than	768,858,344	9,957,102,504	1,378,490,545	12,104,451,393
Lease liabilities	2 years but less	2,974,675	10,889,559	--	13,864,234
Retention payables	More than	--	--	142,030,478	142,030,478
Accounts payable-compensation of lands		421,353,827	--	--	421,353,827
Accounts payable	83,130,871	83,130,871	--	--	83,130,871
Accrued expenses and other liabilities	1,382,290,119	1,382,290,119	--	--	1,382,290,119
	12,031,095,072	2,658,607,836	9,967,992,063	1,520,521,023	14,147,120,922

31 December 2023	Carrying amount	Less than 1 year	2 years but less than 5 years	More than 5 years	Total
Loans	8,633,935,961	688,332,288	8,309,775,858	2,003,510,397	11,001,618,543
Lease liabilities	10,808,948	2,893,236	6,189,733	3,783,680	12,866,649
Retention payables	133,497,776	--	--	133,497,776	133,497,776
Accounts payable- compensation of lands	460,557,613	460,557,613	--	--	460,557,613
Accounts payable	75,142,964	75,142,964	--	--	75,142,964
Accrued expenses and other liabilities	1,327,158,209	1,327,158,209	--	--	1,327,158,209
	10,641,101,471	2,554,084,310	8,315,965,591	2,140,791,853	13,010,841,754

31 | CAPITAL MANAGEMENT

The Group's policy is to maintain a strong capital base to maintain investors and the confidence of lenders and market and to sustain future development of the business. The primary objective of the Group's capital management strategy is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholders' value.

The Group manages its capital structure and make adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain and adjust the capital, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches of the financial covenants of any borrowings in the current year. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2024 and 31 December 2023.

The ratio of net liability to equity as at 31 December is as follows:

	2024	2023
Total liabilities	**12,090,319,073**	10,740,051,756
Less: Cash and cash equivalent	**(513,357,637)**	(538,512,311)
Net liabilities	**11,576,961,436**	10,201,539,445
Total equity	**12,969,921,428**	12,472,843,677
Net liabilities to equity	**0.89**	0.82

32 | FAIR VALUE OF ASSETS AND LIABILITIES

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 in the principal market or, in its absence, in the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

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

When measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

•Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
•Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
•Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability falls into different levels of the fair value hierarchy, then the fair value measurement is classified under the lowest input level that is significant to the entire measurement.

If the inputs used to measure the fair value of an asset or liability falls into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest input level that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between levels of the fair value hierarchy during the year ended 31 December 2024 and for the year ended 31 December 2023. Additionally, there were no changes in the valuation techniques.

The fair values of financial instruments are not materially different from their carrying values.

	Level 1	Level 2	Level 3	Total
31 December 2024				
Investment at FVTPL - Investment at fair value through profit or loss	**7,803,490**	--	--	7,803,490
31 December 2023				
Investment at FVTPL - Investment at fair value through profit or loss	**7,392,966**	--	--	7,392,966

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, where the carrying amount is a reasonable approximation of fair value.

31 December 2024		**Carrying amount**		
Description	**Amortised cost**	**Fair value through profit or loss**	**Fair value through other comprehensive income**	**Total**
Financial assets not measured at fair value				
Trade receivables	2,097,265,635	--	--	2,097,265,635
Other receivables	8,036,538	--	--	8,036,538
Cash and cash equivalent	513,357,637	--	--	513,357,637
Financial liabilities not measured at fair value				
Loans	9,990,534,414	--	--	9,990,534,414
Retention payables	142,030,478	--	--	142,030,478
Accounts payable - compensation of lands	421,353,827	--	--	421,353,827
Accounts payable	83,130,871	--	--	83,130,871
Accrued expenses and other liabilities	1,382,290,119	--	--	1,382,290,119
Lease liabilities	11,755,363	--	--	11,755,363

31 December 2023		**Carrying amount**		
Description	**Amortised cost**	**Fair value through profit or loss**	**Fair value through other comprehensive income**	**Total**
Financial assets not measured at fair value				
Trade receivables	1,029,172,057	--	--	1,029,172,057
Other receivables	6,915,557	--	--	6,915,557
Cash and cash equivalent	538,512,311	--	--	538,512,311
Financial liabilities not measured at fair value				
Loans	8,633,935,961	--	--	8,633,935,961
Retention payables	133,497,776	--	--	133,497,776
Accounts payable - compensation of lands	460,557,613	--	--	460,557,613
Accounts payable	75,142,964	--	--	75,142,964
Accrued expenses and other liabilities	1,327,158,209	--	--	1,327,158,209
Lease liabilities	10,808,948	--	--	10,808,948

33 | CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in liabilities arising from financing activities:

	Liabilities		
	Lease liabilities	**Loans**	**Total**
Balances as at 1 January 2024	**10,808,948**	**8,672,752,280**	**8,683,561,228**
Changes from financing cash flows			
Proceeds from loans	**--**	**1,346,276,692**	**1,346,276,692**
Repayment of lease liabilities	**(2,222,764)**	**--**	**(2,222,764)**
Finance cost paid on lease liabilities	**(335,236)**	**--**	**(335,236)**
Total changes from financing cash flows	**(2,558,000)**	**1,346,276,692**	**1,343,718,692**
Liability related other changes			
Lease modification during the year	**3,169,179**	**--**	**3,169,179**
Interest expense	**335,236**	**--**	**335,236**
Total liability-related other changes	**3,504,415**	**--**	**3,504,415**
Balance at 31 December 2024	**11,755,363**	**10,019,028,972**	**10,030,784,335**

	Liabilities		
	Lease liabilities	**Loans**	**Total**
Balances as at 1 January 2023	**10,808,948**	**8,672,752,280**	**8,683,561,228**
Changes from financing cash flow			
Proceeds from bank borrowing	**--**	**1,537,721,912**	**1,537,721,912**
Capital repayment of lease liabilities	**(2,137,078)**	**--**	**(2,137,078)**
Finance cost paid of lease liabilities	**(420,922)**	**--**	**(420,922)**
Total changes from financing cash flows	**(2,558,000)**	**1,537,721,912**	**1,535,163,912**
Liability related other changes			
Additions	**593,020**	**--**	**593,020**
Interest expense	**420,922**	**--**	**420,922**
Total liability-related other changes	**1,013,942**	**--**	**1,013,942**
Balance at 31 December 2023	**10,808,948**	**8,672,752,280**	**8,683,561,228**

34 | FUTURE CONTINGENCIES AND COMMITMENTS

As at 31 December 2024 commitments for capital work in progress amounts to SR 4,167 million (2023: SR 5,047 million).

35 | SEGMENTAL INFORMATION

The Group has one reportable segment, as described below, which is the Group's strategic business unit. The strategic business unit offers one product i.e. income from sale of lands. The Group's Board of Directors and Chief Executive Officer (CEO) monitor the results of the Group's operations for the purpose of making decisions about resource allocation and performance assessment. They are collectively the Chief Operating Decision Makers (CODM) for the Group.

The Group operates in one main business segment.

Geographical distribution of revenue:

Income from sale of lands	**31 December 2024**	31 December 2023
aibarA iduaS fo modgniK	**1,813,033,700**	988,143,756
Total	**1,813,033,700**	988,143,756

During the year ended 31 December 2024 land sales consists of sales made to five customers representing 100% of the total sale amounting to SR 1.8 billion (2023: three customers representing 100% of the total sale amounting to SR 0.99 billion) of the Group's total income. Each of these customers individually represents more than 10% of the Group's total income from sale of lands.

36 | RECLASSIFICATION IN PRIOR YEAR

During 2024, the management of the Group reassessed the presentation of certain assets amounting to SR 212.21 million which were classified as held for sale in preceding year and reclassified these to development properties to comply with the requirements of IFRS.

37 | SUBSEQUENT EVENTS

There have been no significant subsequent events since year-end that require disclosure or adjustment in these consolidated financial statements, except for the Company obtaining approval from the Capital Market Authority for the registration and offering of 130,786,142 shares to be listed on the main market (Tadawul). As of the approval date of these consolidated financial statements, the Company is still in the process of completing the necessary steps.

38 | APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorized for issue by the Board of Directors on 11 March 2025 (corresponding to 11 Ramadan 1446H).

Conclusion

This report stands as a testament to a year of dedicated work and accelerated achievements that reinforce the position of the Masar destination as a fully integrated development project at the heart of Makkah. The progress made throughout the year reflects the unwavering commitment of Umm Al Qura for Development & Construction toward a brighter future—one driven by a clear vision that balances innovation and sustainability while offering exceptional investment opportunities that support the national economy.

We remain steadfast in our pursuit, guided by ambition and responsibility, drawing inspiration from the goals of Saudi Vision 2030 and empowered by the continued support of our wise leadership—may Allah protect them. With every milestone achieved, our responsibility to reach new heights grows, pushing us to raise the bar of excellence and transform Masar into a world-class urban destination that delivers an exceptional experience for both residents and visitors of Makkah.
Our aim is to shape a national model built on global standards under the destination concept.

The journey continues... to remain a part of a success story that will stand as a testament to Makkah's growth and prosperity for generations to come.

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