



# Umm Al Qura for Development and Construction Company

Q1 2025 earnings presentation



أم القرى  
للتنمية والإعمار



ماسار MASAR





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# Agenda

## 1 Highlights

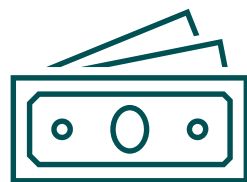
## 2 MASAR

## 3 Market Opportunity

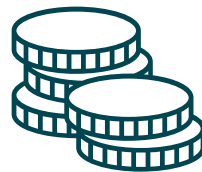
## 4 Financial Review

## 5 Appendix

# Q1 2025 highlights



**Revenue**  
**ﷲ502.0 MN**  
 Vs Q1 2024 ▲172 %



**Operating Profit**  
**ﷲ175.8 MN**  
 Vs Q1 2024 ▲722%



**Net Profit**  
**ﷲ159.7 MN**  
 Vs Q1 2024 ▲3,223 %



**49 Cumulative**  
**number of plots**  
**executed**





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1 Highlights

2 MASAR

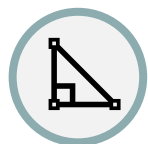
3 Market Opportunity

4 Financial Review

5 Appendix

# MASAR

Strategic location leading to the Holy Mosque with massive catchment opportunities from the peripheral areas of the city



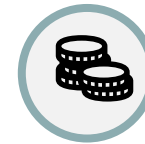
**1.25 Mn sqm**  
Site area



**550 Meters**  
Distance to west of Holy Mosque



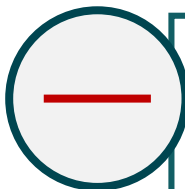
**641K**  
Investment plot area



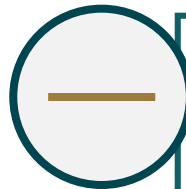
**205**  
Investment plots



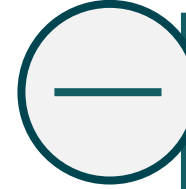
Strategically located adjacent to Haramain High-Speed Railway Station



Adjacent to the 1<sup>st</sup> ring road, 550 m west of the holy mosque



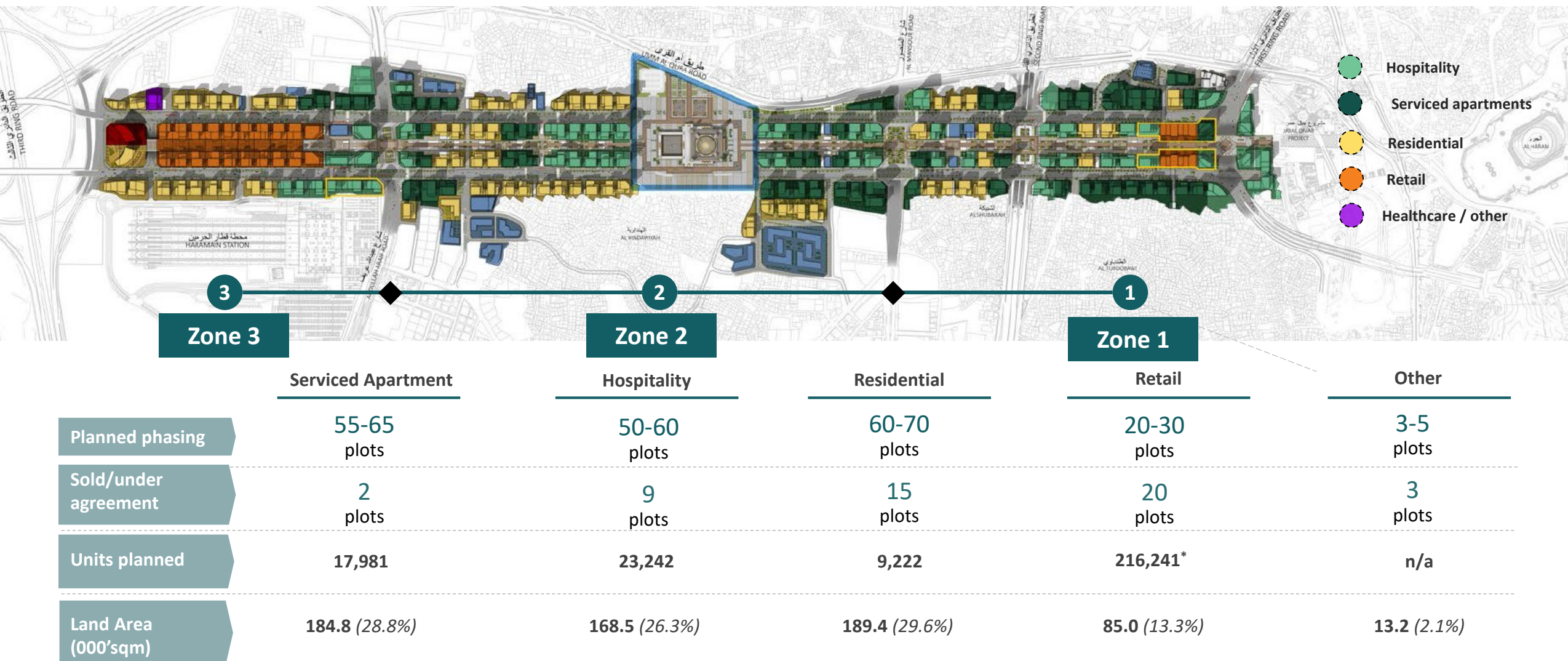
Direct access main road connecting western region to Al-haram, Jeddah, Madinah and King Abdulaziz Airport



Parallel to Prince Mohammad Bin Salman Road providing access to Makkah entrance and main roads alleviating traffic congestion



# Development of a holistic destination with an unparalleled breadth of offerings consisting of synergistic components



# Umm Al Qura has positioned MASAR as a premier investment platform in Makkah

## Vision

*To create a world class destination in the spiritual heart of Saudi Arabia and the Muslim world, offering unparalleled experiences whilst preserving the spiritual nature and authentic culture of Makkah*

## Strategy

*Umm Al Qura to be a premium master developer creating a world class destination*

## The offering

# MASAR Destination

*A mix-use destination promoting a superior quality of life and community living while experiencing Makkah's unique heritage*

*A master plan built around amplifying the site's unique location to serve the regeneration of Makkah's urban environment*

*Investment in innovative and cutting-edge solutions to the challenges of large-scale urban developments, be it mobility, connectivity, or the environment*

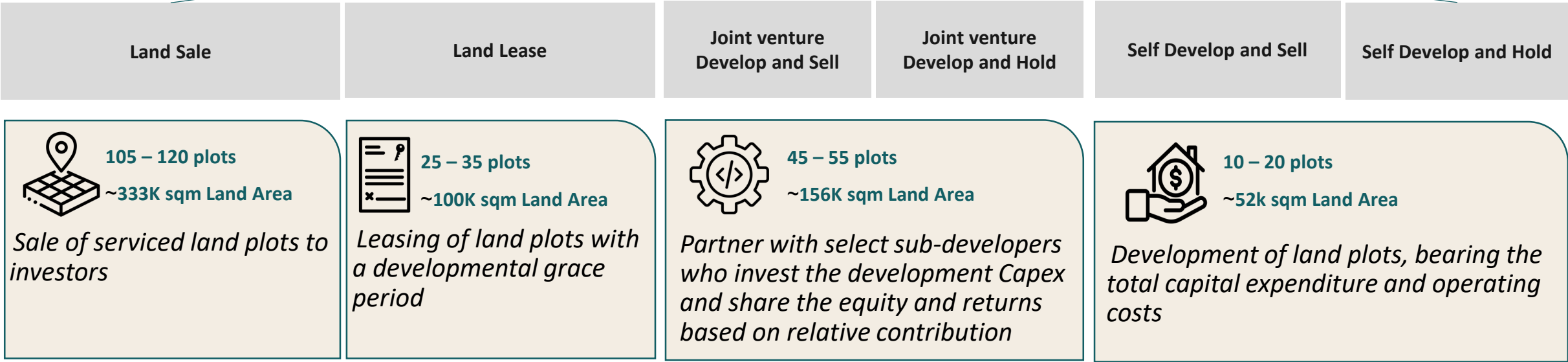
*A low-risk partnership business model leveraging proven delivery capability and different investment archetypes to optimize execution and returns*



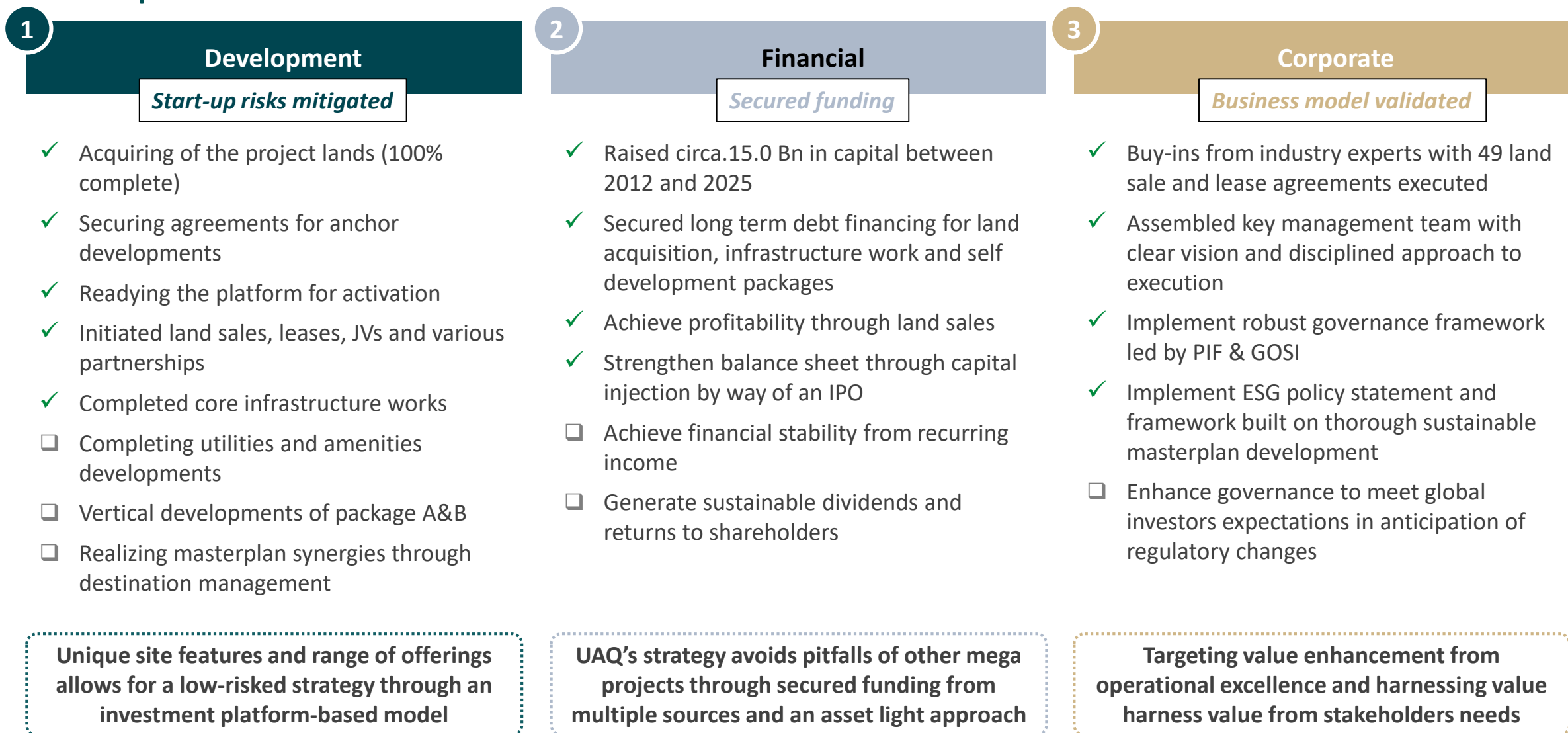
# The master developer model provides Umm Al Qura with an attractive balance of flexibility, risk/return and private sector involvement

## Master developer

*Umm Al Qura will develop the core infrastructure required for MASAR Destination partnering with sub-developers for the development of specific plots/phases in the retail, hospitality, and residential sectors.*



# Strategic objectives underpinned by operational excellence and disciplined execution



Note (1): Infrastructure works are primarily related to the demolition of properties located in the project area and project land levelling works including the construction of various infrastructure works such as, car parks, metro network tunnels, metro stations, pedestrian walkways, and service areas related to the project lands

Source: company information



# Agenda



1 Highlights

2 MASAR

3 Market opportunity

4 Financial Review

5 Appendix

# Tourism is a key focus of Vision 2030

*Makkah is at the heart of the tourism transformation with the Pilgrim Experience and Quality of Life programs promoting investment in infrastructure*

## KSA Tourism Aspirations



Raise the contribution of the tourism sector to the domestic product to more than 10%



Provide one million additional job opportunities and develop the manpower working in the industry



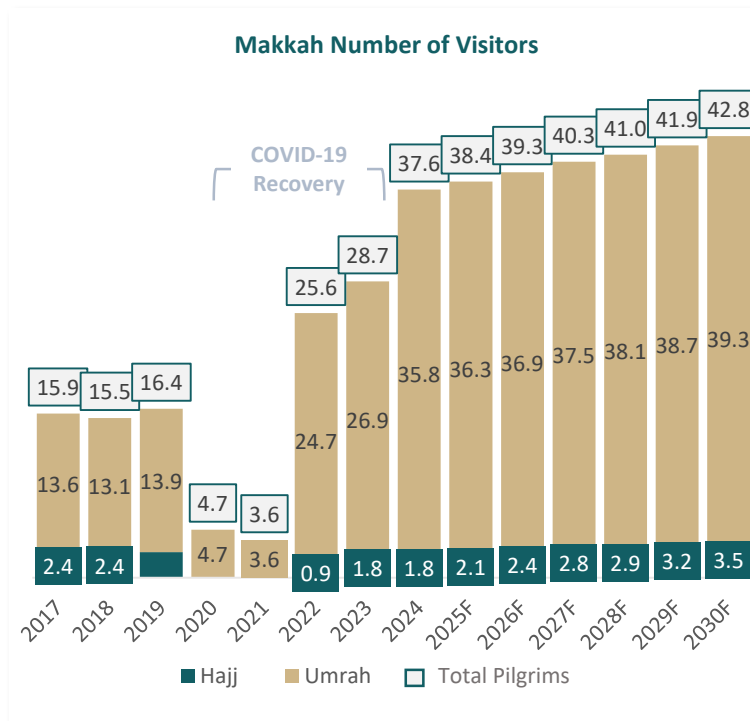
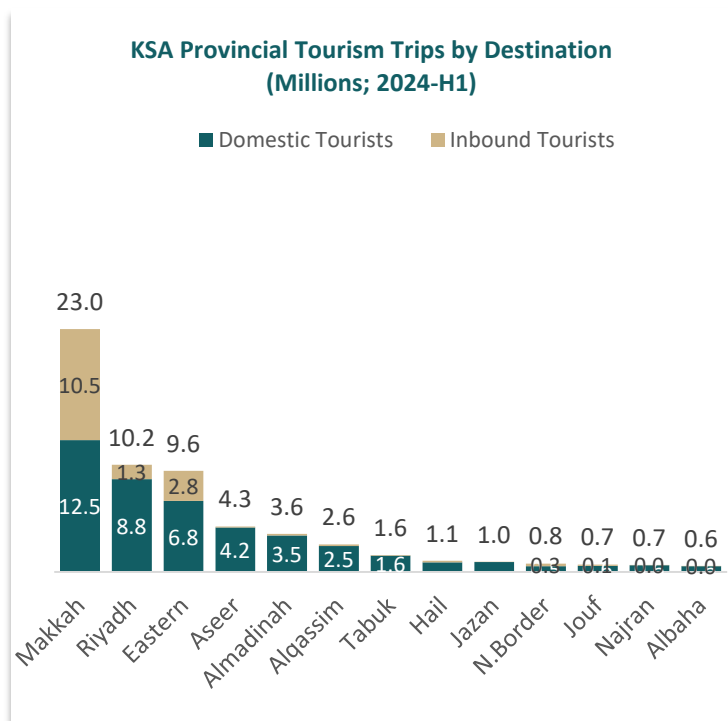
Attracting visitors and tourist from outside the Kingdom to welcome 150 million annual visits by 2030

## Major large-scale tourism projects

							
<b>Red Sea Project</b>	<b>Al Ula</b>	<b>NEOM</b>	<b>Qiddiya</b>	<b>Rua Al Madinah</b>	<b>MASAR</b>	<b>AMAALA</b>	<b>Asir Tourism Master Plan</b>
Tabuk Province	Madinah Province	Tabuk Province	Riyadh Province	Madinah City	Makkah City	Tabuk Province	Asir Province
Large Scale Project with Luxury assets	Heritage-focused mega projects	Mixed-Use mega Project	Leisure & Entertainment Large-Scale Project	Madinah Visitors Mega Project	Makkah Visitors Mega Project	Mixed-Use Large Scale Project	City Development Master Plan
Completion: c. 2024 to 2027	Completion: c. 2030-2035	Completion: c. 2026 to 2029 (Phase 1)	Completion: c. 2025 (Phase 1)	Completion: c. 2029 (Phase 1)	Completion: c. 2035	Completion: c. 2024 to 2027	Completion: c. 2029-2030 (Phase 1)



# Makkah stands to gain significantly from KSA's transformation



## The Makkah tourism market

### Size

Saudi Vision 2030 target of 30 million Umrah visitors by 2030 was achieved in 2024, 6 years ahead of schedule.

Number of visitors to Makkah is expected to keep growing to more than 40 million by 2030.

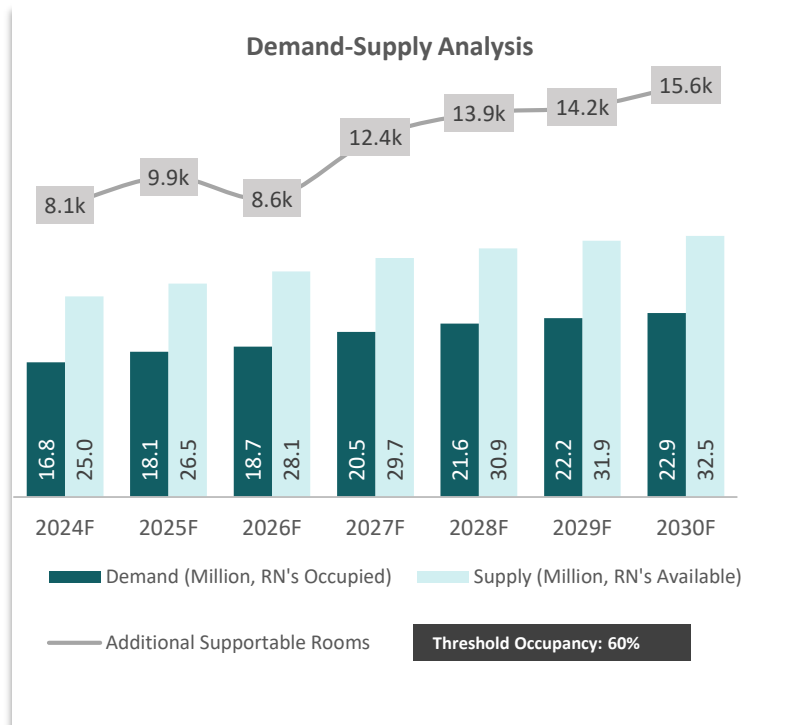
### Vision

Allowing foreign investment in listed real estate listed companies operating in Makkah and Madinah is set to turn Makkah into a global investment hub

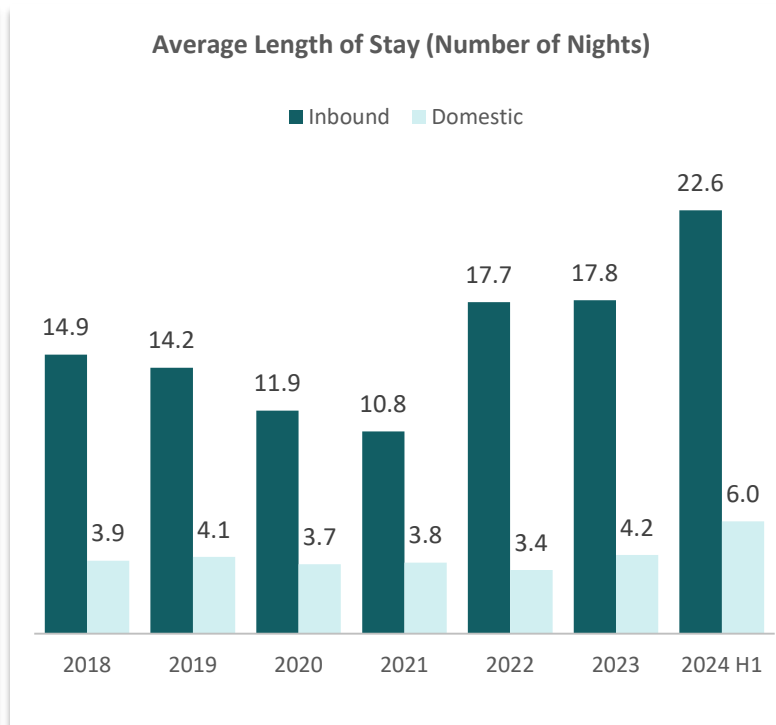
### Tourists

The increase in tourism to Makkah primarily due to Hajj and Umrah is complimented by significant tourism spending on food, souvenirs and accommodation. Tourism spending in H1 2024 reached ~~141~~ 141 Bn, with full year data expected to far exceed 2023.

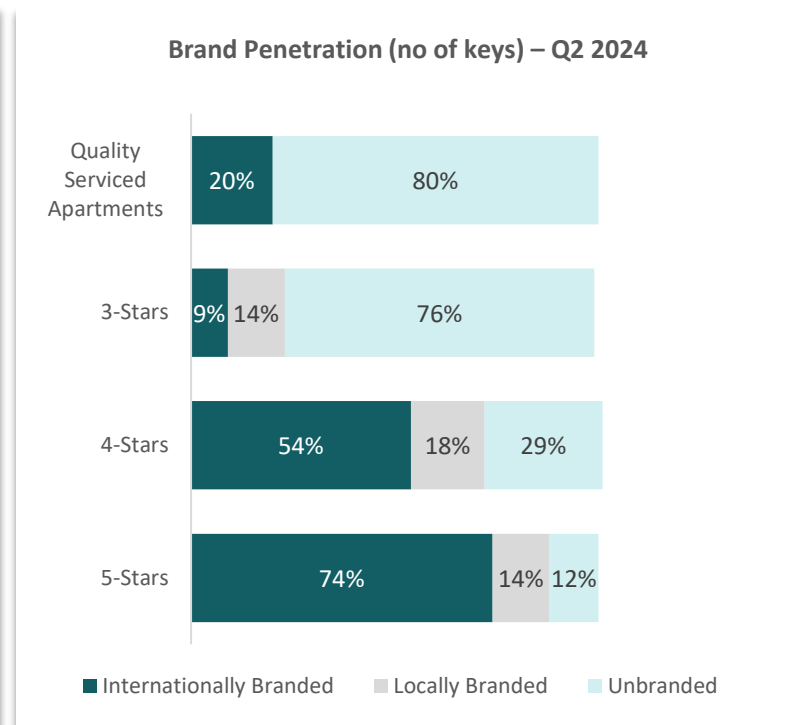
# Makkah hospitality offering is poised for growth and upgrade



- By 2030, Makkah is anticipated to face a shortage in capacity as demand continues to outstrip existing and planned supply, particularly during peak times such as Hajj, Umrah, and the final ten days of Ramadan
- MASAR Destination is projected to account for over 12% of the total confirmed supply in 2030



- The increase in average length of stay is expected to lead to increased demand for quality accommodations which MASAR will address through high quality offerings surrounded by community elements

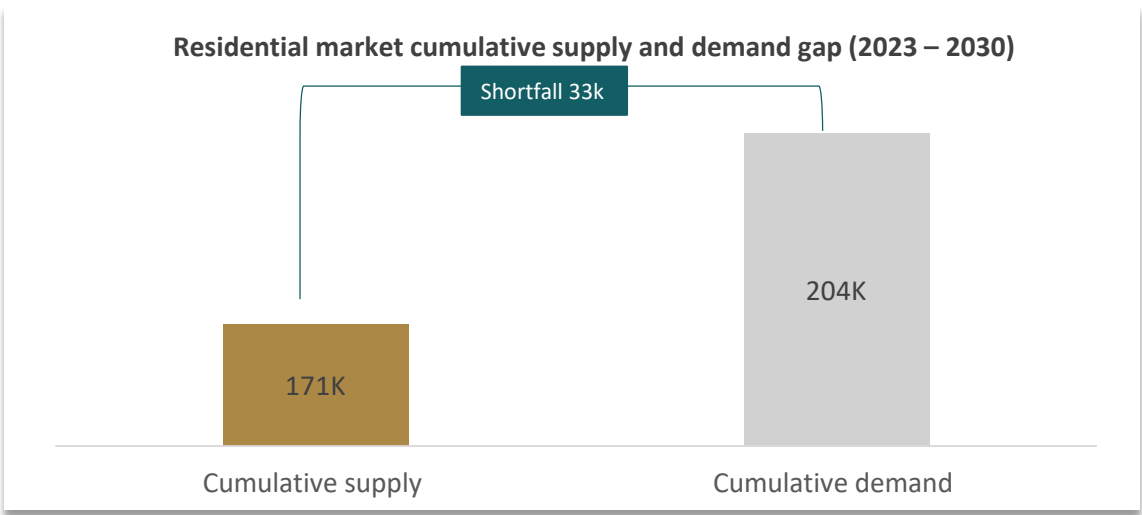
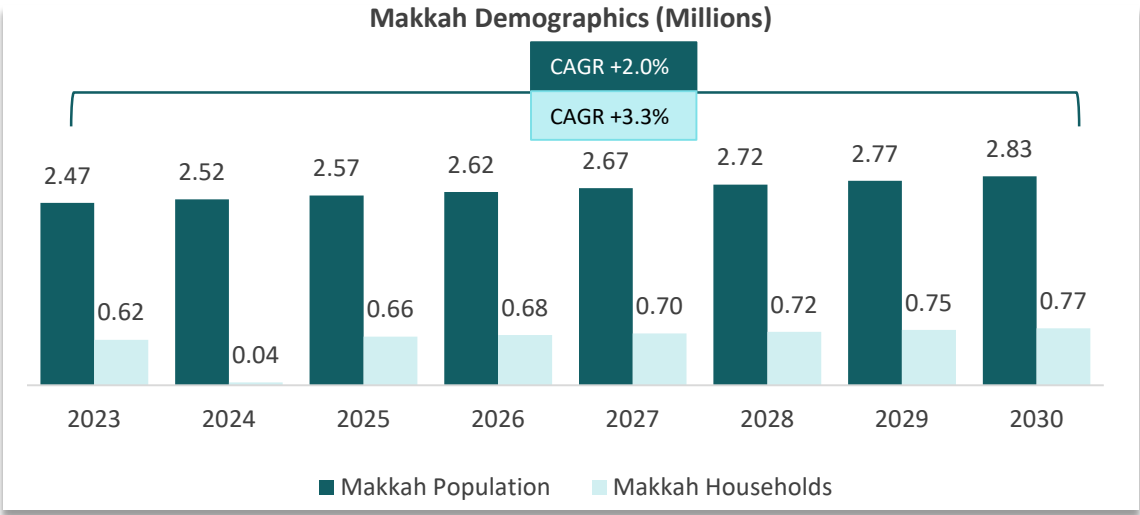


- Of over 250k keys licensed in Makkah in 2022, approximately a quarter can be considered quality supply<sup>(1)</sup>



# The residential market in Makkah benefits from favorable demographics and behavioural trends

*MASAR is strategically situated in central Makkah, providing diverse residential options while also addressing the demand for affordable housing in the eastern section of the master plan, thereby enhancing its capacity to serve this market segment*



Key Drivers

Favourable demographics - Growth in population, household formation and reduction in household size

Increased demand for smaller unit formats such as apartments and townhouses

Better provision and access to home mortgages

Increased demand for community living

Saudi vision 2030 initiatives to increase Saudi home ownership

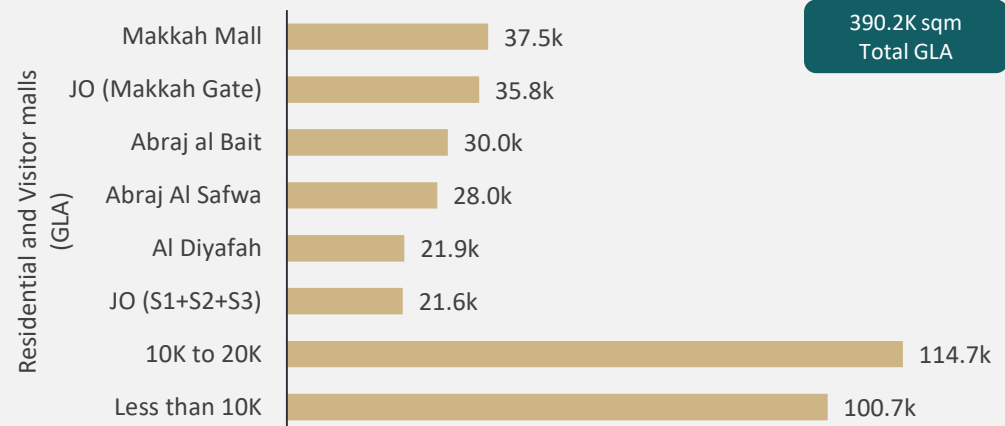
Preference for higher quality units

Increasing demand for 2nd homes in the Holy City

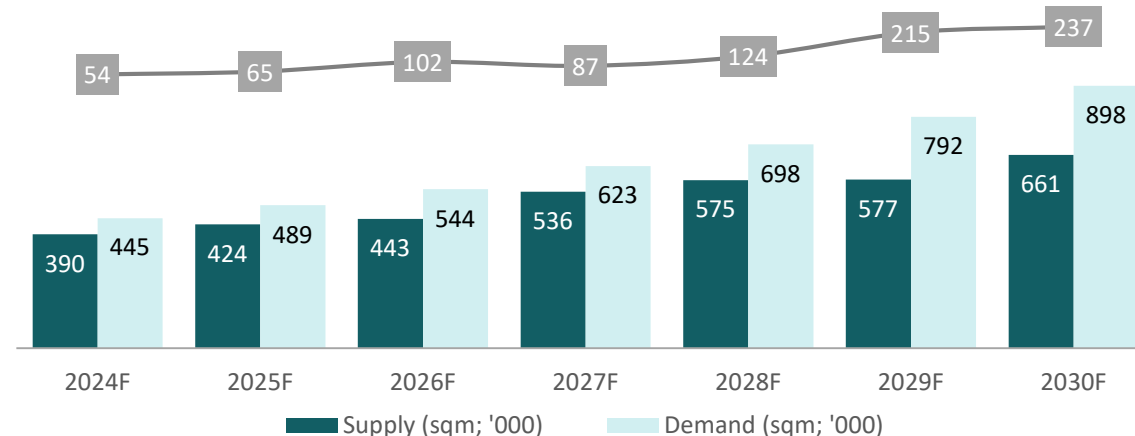
Preference for elevated public spaces with green, leisure and sports facilities

# Makkah's retail landscape is transforming driven by growth and concept innovation

## Existing Supply – organized retail



## Demand – supply analysis



- › Makkah's organized retail supply stood at **390 thousand sqm** as of 2023
- › **55.2%** of this supply comprises small, relatively dated malls that cover an area of less than **20 thousand sqm**.
- › The current retail landscape within Al Haram is focused on souvenirs, Islamic goods and products, and fragrances with minimal supply of F&B and entertainment concepts.

- › **Demand for retail space outpaces supply** which is expected to continue to grow at a **CAGR of 12.4%** driven by consumer retail spending and increased visitors to Makkah, whilst the supply shortfall growth is more pronounced at a **CAGR of 28.0%**.
- › This presents a unique opportunity to elevate the mall landscape of Makkah into next generation lifestyle destinations incorporating F&B, entertainment and experiential offerings like those offered in flagship malls in Jeddah, Riyadh and the rest of the KSA.

# Agenda



1 Highlights

2 MASAR

3 Market Opportunity

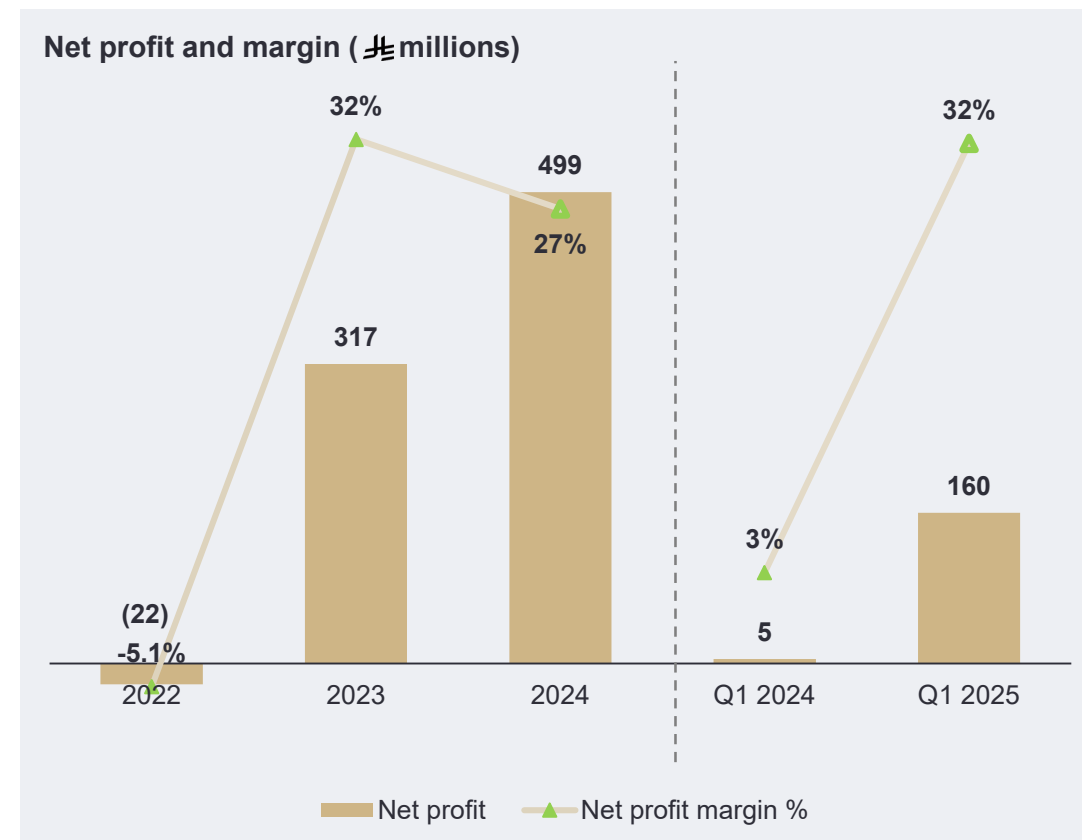
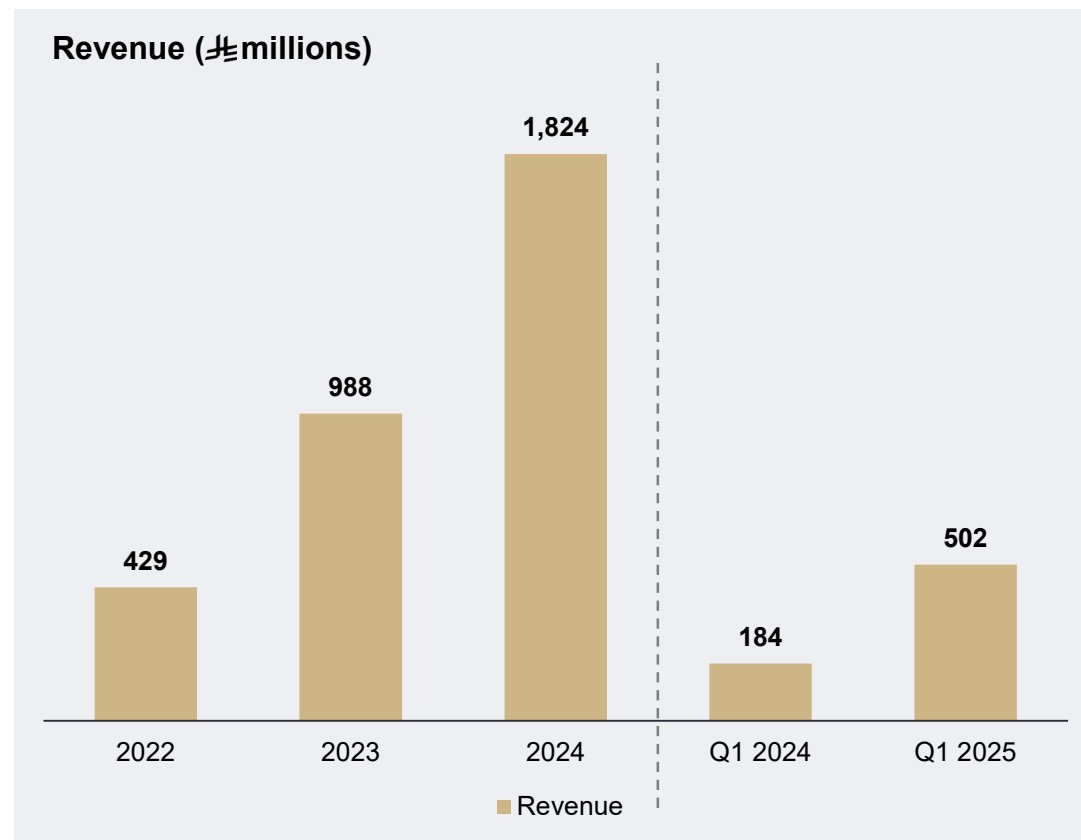
4 Financial Review

5 Appendix



# Strong top line y-o-y revenue growth

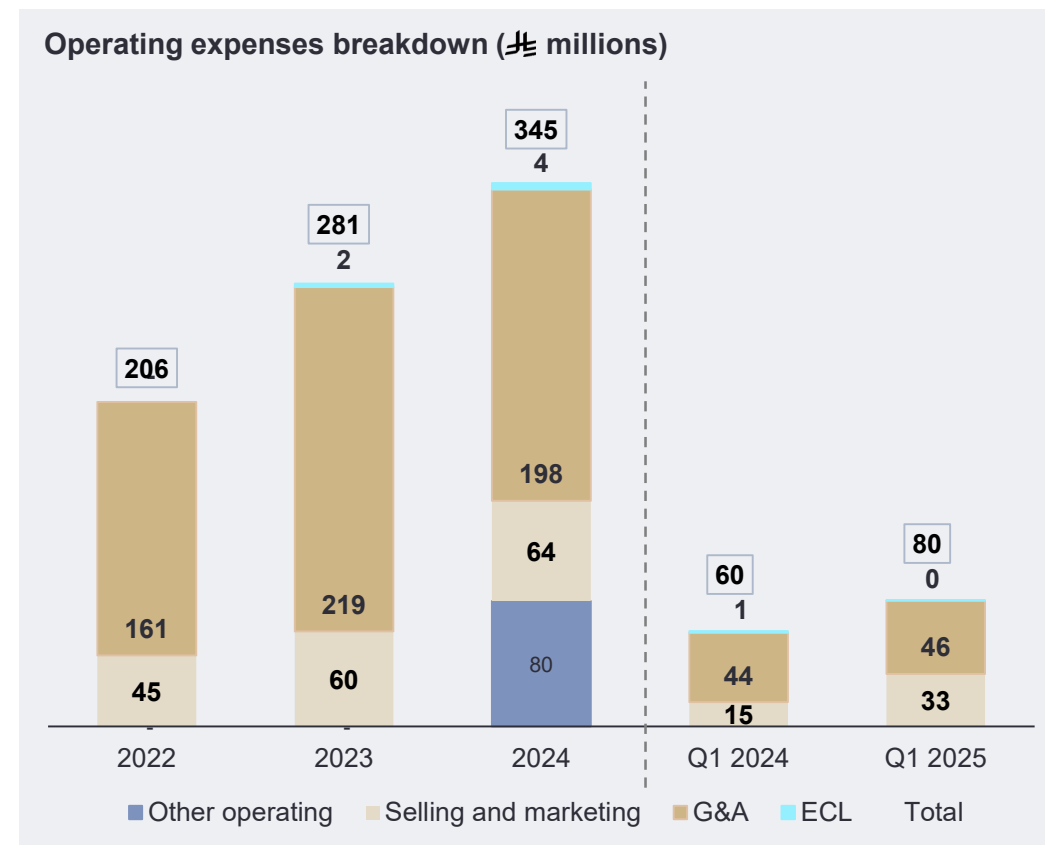
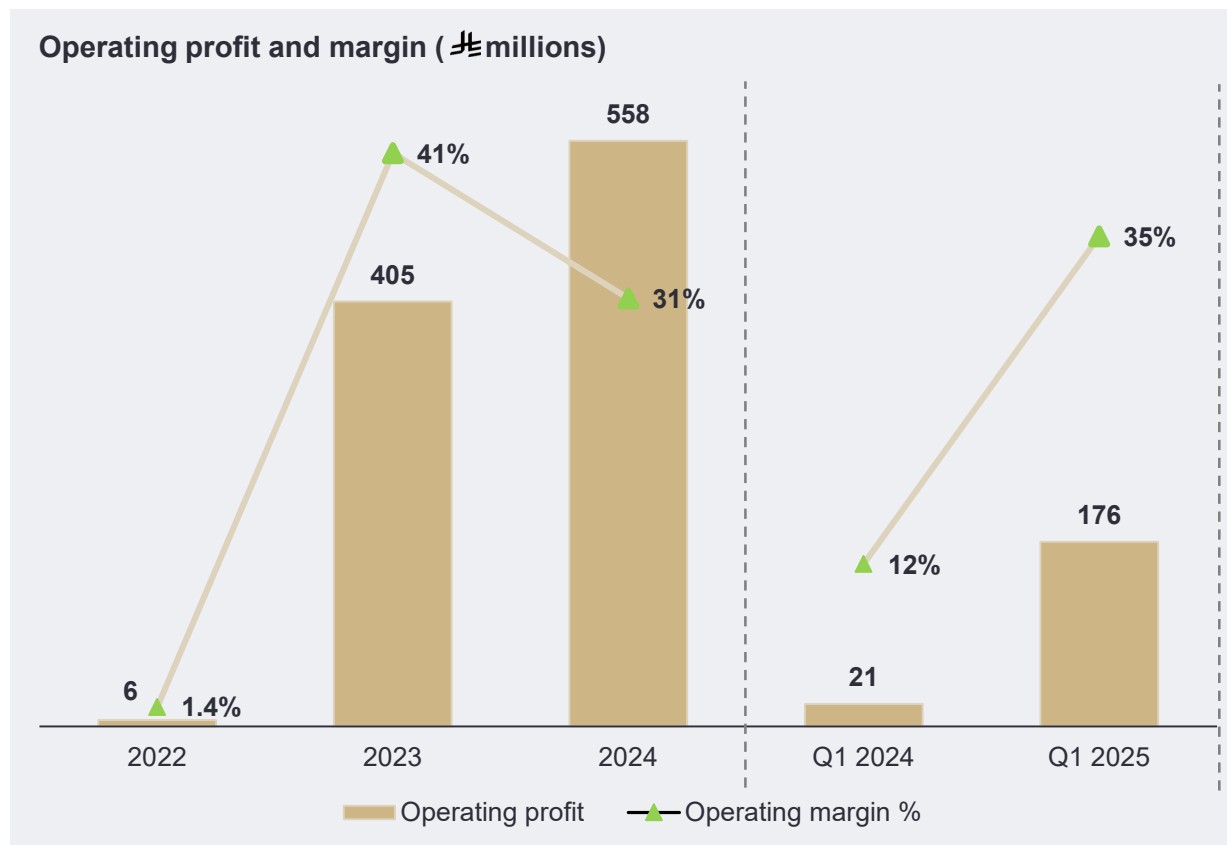
Financial Performance (ﷲ Mn)



- Revenue and net profit increased by ﷲ 317.6m, and ﷲ 154.9m, respectively compared to Q1 2024 (172%, 3,223%), this was driven by the increased revenues from land sales. Umm Al Qura has begun transitioning from its core infrastructure development phase to sales with a focus on offloading its plot holdings.

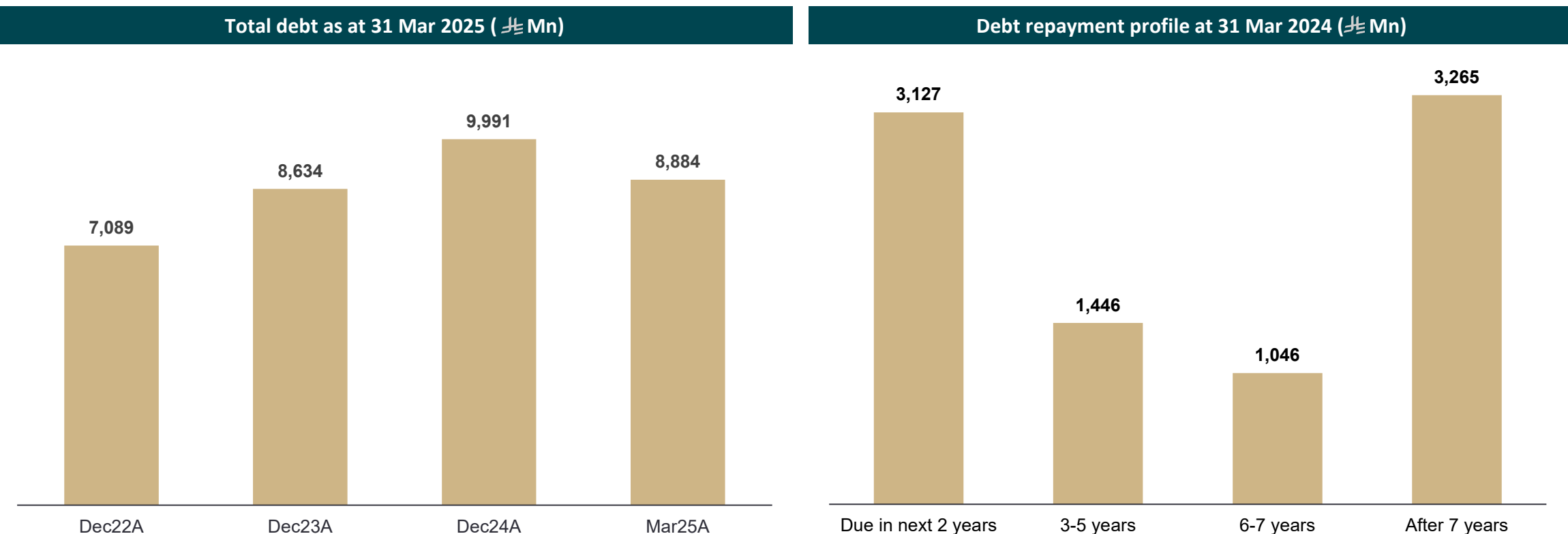
# Operating profit increased by **ﷲ154.4m (722%) y-o-y**

Financial Performance (ﷲMn)



- Operating expenses increased y-o-y by **ﷲ19.7m** primarily driven by an increase in Selling and Marketing expenses ( **ﷲ18.0m**) in Q1 2025 due to one off marketing expenses relating to the IPO as well as increased marketing activity in Q1 associated with Ramadan campaigns

# Leverage indicators improving with a healthy payment schedule



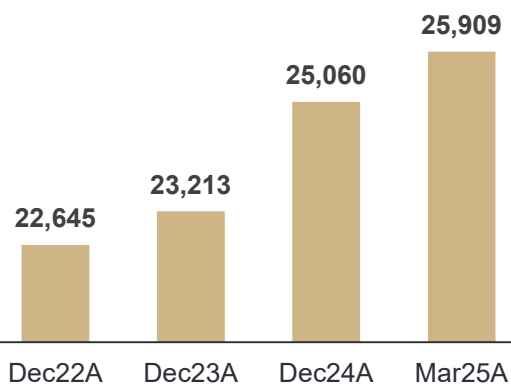
- On 27 March 2025 Umm al Qura used ﷲ1.5 bn of the IPO proceeds to pay down a portion of its existing facilities, for which the settled credit limits have been made available for withdrawal to finance remaining project-related commitments as they come due. This approach is aimed at reducing financing charges and improving financial indicators.



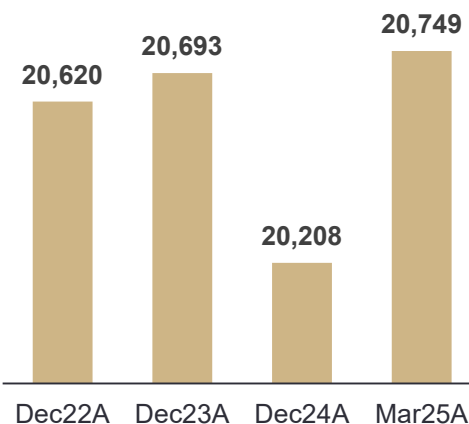
# Healthy financial position enabling a resilient business model

## Assets (₹ Mn)

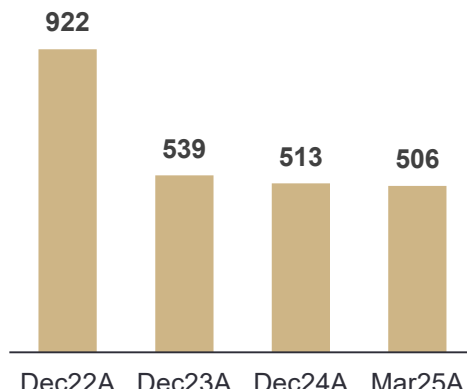
### Total assets



### Investment properties



### Cash and cash equivalents



₹1.9 Bn raised from IPO

Investment properties increase of ₹540.8 Mn as a result of capital work completed

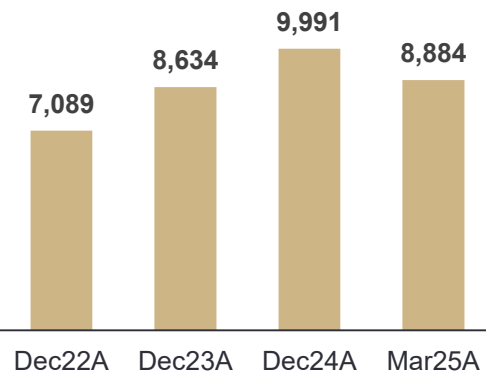
₹1.5 Bn of debt paid down in March 2025

0.34x

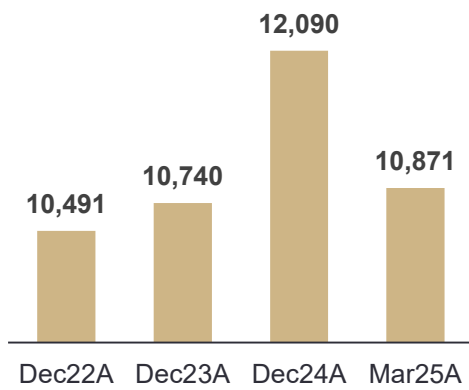
Debt to total assets  
As of March 2025

## Debt & Equity (₹ Mn)

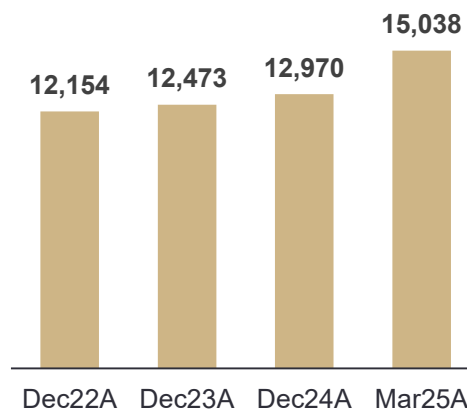
### Total debt



### Total liabilities



### Total equity



# Umm Al Qura: An attractive investment anchored by a low-risk and resilient business model leveraging the unique Makkah market

<p><b>Unique value proposition coupled with a low-risk business model</b></p>	<ul style="list-style-type: none"> <li>» MASAR Destination is poised to be Makkah's gateway location addressing Makkah's mobility and infrastructure challenges</li> <li>» Holistic and unparalleled breadth of offerings with <b>20</b> retail, <b>9</b> hospitality and <b>15</b> residential sector plots sold so far</li> <li>» A masterplan developed by Umm Al Qura with a focus on avoiding the key pitfalls of high-risk infrastructure projects</li> <li>» A low-risk business model with strategic partners, multiple Asset classes, investment archetypes and revenue streams</li> <li>» Phased revenue streams allowing for the recycling of invested capital</li> </ul>
<p><b>Makkah market opportunity</b></p>	<ul style="list-style-type: none"> <li>» The tourism market continues to grow with <b>37.6</b> million visitors in 2024 for Hajj and Umrah.</li> <li>» Real estate continues to attract investment from international high-net worth individuals as residential demand to outpaces supply supported by favorable demographics and evolving trends</li> <li>» Sub-scale and outdated retail offering to benefit from concept innovation and the introduction of flagship lifestyle destinations</li> </ul>
<p><b>Healthy financial position</b></p>	<ul style="list-style-type: none"> <li>» A conservative balance sheet management with a debt to assets ratio of <b>0.34x</b> that enables a resilient business model and guarantees the company comfortably meets its debt and financial obligations</li> <li>» Stellar Q1 2025 revenue growth of <b>172%</b> y-o-y and healthy net profit margin of <b>31.8%</b></li> </ul>
<p><b>Skilled management supported by prominent shareholders</b></p>	<ul style="list-style-type: none"> <li>» Strong management team with years of experience across multiple functions</li> <li>» Backed by a strong board and supportive anchor shareholders</li> </ul>

# Agenda

1 Highlights

2 MASAR

3 Market Opportunity

4 Financial Review

5 Appendix



# Income Statement

Income Statement (﷼ million)	Q1-2025	Q1-2024	y-o-y % change
Revenue	502.0	184.4	172%
Cost of revenue	(270.6)	(111.9)	142%
Gross profit	231.4	72.5	219%
Gross profit margin	46.1%	39.3%	6.8bps
Other operating income	24.5	9.4	162%
Other operating expenses	-	-	0%
General and administration expense	(33.4)	(15.3)	117%
Selling and marketing expenses	(46.4)	(44.1)	5%
Allowance for expected credit losses	(0.4)	(1.0)	-60%
Operating profit	175.8	21.4	722%
Finance income	4.4	4.3	2%
Finance costs	(9.6)	(9.6)	0%
Profit before Zakat	170.5	16.0	963%
Zakat	(10.9)	(11.2)	-3%
Profit for the year	159.7	4.8	3223%
Net profit margin	31.8%	2.6%	29.2bps

## Balance Sheet (1/2)

Balance sheet (ﷵ million)	March 2025	December 2024	change %
Investment properties	20,749	20,208	3%
Development properties	207	203	2%
Property and equipment	566	539	5%
Trade receivables	1,119	1,137	-2%
Right-of-use assets	10	11	-5%
Intangible assets	8	9	-8%
Investment in associate	-	-	0%
<b>Non-current assets</b>	<b>22,658</b>	<b>22,107</b>	<b>2%</b>
Development properties	634	869	-27%
Investment at fair value through profit or loss	218	8	2697%
Trade receivables	1,482	960	54%
Advances and other receivables	280	288	-3%
Short term investment	132	315	-58%
Cash and cash equivalent	506	513	-1%
<b>Current assets</b>	<b>3,251</b>	<b>2,953</b>	<b>10%</b>
<b>Total assets</b>	<b>25,909</b>	<b>25,060</b>	<b>3%</b>

## Balance Sheet (2/2)

Balance sheet (ﷲ million)	March 2025	December 2024	change %
<b>Loans</b>	8,548	9,840	-13%
<b>Lease liabilities</b>	7	9	-27%
<b>Employees' benefits</b>	24	23	4%
<b>Retention payables</b>	149	142	5%
<b>Non-current liabilities</b>	<b>8,728</b>	<b>10,015</b>	<b>-13%</b>
<b>Loans</b>	337	150	124%
<b>Lease liabilities</b>	3	3	0%
<b>Land compensation payable</b>	417	421	-1%
<b>Accounts payable</b>	42	83	-49%
<b>Accrued expenses and other liabilities</b>	1,298	1,382	-6%
<b>Zakat provision</b>	47	36	30%
<b>Current liabilities</b>	<b>2,143</b>	<b>2,075</b>	<b>3%</b>
<b>Total liabilities</b>	<b>10,871</b>	<b>12,090</b>	<b>-10%</b>
<b>Total equity</b>	<b>15,038</b>	<b>12,970</b>	<b>16%</b>
<b>Total liabilities and equity</b>	<b>25,909</b>	<b>25,060</b>	<b>3%</b>





# Thank You



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