



Umm Al Qura for Development and Construction Company (“Umm Al Qura”) Continues to Deliver Positive Results for Q1 2026

- Q1 2026 revenue reached SAR 80 million, compared to SAR 502 million in Q1 2025.
- Net profit for Q1 2026 stood at SAR 45 million, compared to SAR 160 million in Q1 2025.
- One land plot was sold during the quarter, bringing the total number of plots sold, leased, or under joint ventures and self-development agreements to 75 out of 203 plots as of 31 March 2026.

Makkah, Kingdom of Saudi Arabia May 3, 2026: Umm Al Qura for Development and Construction (“Umm Al Qura” or “the Company”), the owner, developer and operator of MASAR Destination (“the Project” or “MASAR”) – one of the largest urban development projects in the region – announced its financial results for the first quarter ended 31 March 2026 (“Q1 2026”).

Yasser AbuAteek, Chief Executive Officer, Umm Al Qura, commented: *“Despite the sale of only one land plot during the period, Q1 2026 reflects a positive profitability for the Company. The decline in revenues compared to prior and comparable periods is consistent with the nature of land sales, which are characterized by timing-related volatility linked to deal completion. This is particularly relevant given the presence of approximately 10 active reservation agreements for previously announced plots, which are expected to convert into completed sales during the year.”*

On the operational front, the Company achieved a key milestone with the commencement of trial operations of the ‘Masar’ destination during the Holy Month of Ramadan, marking an important step toward asset activation and long-term value creation.

This progress reflects our commitment to executing a fully integrated strategy that extends beyond land sales to include the development and operation of a comprehensive urban destination in the heart of Makkah. We remain committed to contributing to the growth of the Holy City and enhancing the experience of its visitors.

We look ahead with confidence, supported by increasing investor interest and a solid reservation pipeline that enhances revenue visibility. Our flexible business model continues to mitigate risks, diversify income streams, and support sustainable growth, in line with our vision for ‘Masar’ to become the destination of choice for residents and visitors of Makkah.”

Financial Performance

- **Total revenue** SAR 80 million in Q1 2026, representing an 84% year-on-year decline, primarily due to lower land sales during the period.
- **Operating profit** SAR 96.1 million in Q1 2026, down 45% year-on-year.
- **Operating expenses** SAR 98.5 million in Q1 2026, up 22.8% year-on-year, mainly driven by increased G&A expenses related to pre-operational activities at Masar.
- **Net profit** SAR 45 million in Q1 2026.



Business and Operational Review:

“Masar” destination represents a landmark urban development in Makkah, extending approximately 3.5 km and connecting key roads and central districts. The project spans 1.25 million sqm and includes 203 investment plots aimed at enhancing mobility, improving quality of life, and addressing supply gaps across hospitality, residential, and retail sectors, in alignment with Saudi Vision 2030.

As of Q1 2026, the Company has executed agreements for 75 out of 203 investment plots (excluding reserved plots), including sales, leases, joint ventures, and self-development projects:

- **Hospitality:** 22 plots designated for 3-to-5-star hotels and serviced apartments.
- **Residential:** 28 plots designated for residential development (including the plot sold in Q1).
- **Retail & Commercial:** 22 plots designated for commercial use, including a flagship mall and other retail centers.
- **Other Uses:** 3 plots allocated for healthcare.
- **Reserved Plots:** 10 plots.

On 30 March 2026, the Company announced the signing of a Shariah-compliant credit facility agreement with Saudi Awwal Bank valued at SAR 500 million.

- Tenor: 12 months
- Secured by promissory notes and real estate title deeds
- Purpose: to fund working capital requirements as needed

The facility was executed on 29 March 2026, with no amounts drawn as of 30 March 2026. The facility intends to provide further borrowing flexibility for the Company if and when needed in line with the current stage of the Company’s lifecycle that has strong cash inflows from land sales which still may have timing volatility due to the extent and nature of executing these deals.

Key Announcements During Q1 2026

- 12 February 2026:
 - Signing of a land sale agreement with Al Diyar Al Arabia Real Estate Development Company within the “Masar” destination project.
 - Plot size: 2,915.80 sqm.
 - Transaction value: SAR 89.5 million.
 - Book value: SAR 40.3 million.
 - Proceeds to be used to support working capital and ongoing projects-

Key Drivers Supporting Other Operating Income for the Current Quarter:

- During Q1 2026, the company reversed a provision amounting to SAR 100 million previously recognized to fulfill additional requirements by the Company in relation to the settlement agreement – executed in 2023 - with the General Authority for Awqaf, the provision reversal was preformed during Q1 2026 following the completion of these requirements which accordingly had a positive impact on other operating income.
- In accordance with IFRS 9’s substantial loan modification treatments and as a result of reducing loan pricing for one of the Company’s existing financing agreements, a gain of SAR 31 million was recognized resulting in a positive impact on other operating income for the period.



Income Statement (ﷲ millions):

Income Statement (ﷲ million)	Q1-2026	Q1-2025	y-o-y % change
Revenue	80	502	-84%
Cost of revenue	(40.3)	(270.6)	-85%
Gross profit	40	231.4	-83%
Gross profit margin	%50	%46.1	8%
Other operating income	155.3	24.5	534%
General and administration expense	(74.1)	(46.4)	60%
Selling and marketing expenses	(23.5)	(33.4)	-30%
Allowance for expected credit losses	(0.9)	(0.4)	125%
Operating profit	96.1	175.8	-45%
Finance income	1.6	4.4	-64%
Finance costs	(43.2)	(9.6)	350%
Profit before Zakat	54.5	170.5	-68%
Zakat	(9.5)	(10.9)	-13%
Profit for the year	45	159.7	-72%
Net profit margin	54.4%	%31.8	74%



Balance sheet (in millions):

Balance sheet (in million)	31/03/2026	31/12/2025	Change %
Investment properties	16,347	17,260	-5%
Development properties – non-current portion	2,388	2,415	-1%
Property and equipment	3,702	3,683	1%
Trade receivables - non-current portion	1,094	1,171	-7%
Right-of-use assets	10.5	11.2	-6%
Intangible assets	28.2	29	-3%
Non-Current Assets	21,183	21,156	0%
Development properties	2,388	2,415	-1%
Investment at fair value through profit or loss	1,113	1,616	-31%
Trade receivables – current portion	219.6	187.6	17%
Advances and other receivables	231.1	101	129%
Cash and cash equivalent	106	227	-53%
Current Assets	4,058	4,547	-11%
Total Assets	25,241	25,702.9	-2%
Loans – non-current portion	7,032	7,142.4	-2%
Lease liabilities	6.2	8.7	-29%
Employees' benefits	23.7	22.7	4%
Retention payables	28.2	25.7	10%
Non-current liabilities	7,090	7,199.5	-2%
Loans – current portion	256.6	336.6	-24%
Lease liabilities	3.2	3.2	0%
Land compensation payable	421.1	422.3	0%
Accounts payable	38.2	40.6	-6%



Balance sheet (million)	31/03/2026	31/12/2025	Change %
Accrued expenses and other liabilities	1,467	1,790.2	-18%
Zakat provision	56.2	46.6	21%
Current liabilities	2,242.2	2,639.6	-15%
Total liabilities	9,332.3	9,839.1	-5%
Total equity	15,908.7	15,863.8	0%
Total liabilities and equity	25,241	25,703	-2%

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About Umm Al Qura:

Umm Al Qura for Development and Construction (Umm Al Qura) is the owner, developer and operator of MASAR Destination. Umm Al Qura was established in 2012 by a High Order as a closed joint stock company with a share capital of 916,213,460, divided into 91,621,346 ordinary shares with an equal nominal value 10 per share, the share capital of Umm Al Qura has evolved since then to reach in 2025 14,386,475,610 divided into 1,438,647,561 ordinary shares. Umm Al Qura is headquartered in Makkah. MASAR Destination is one of the largest redevelopment projects in the region extending across 1.2 million square meters of land in Makkah.

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