



**MCDC**  
شركة مكة  
للإنشاء والتعمير

**2025**

**Press Release**

## Message from the Chairman

Saleh Mohammed Bin Laden



### Delivering Record Results and Advancing Future Growth

Praise be to Allah for His blessings and guidance, and sincere gratitude to the Kingdom's wise leadership—may Allah preserve them—for their continued support of development and their inspiring vision for the national economy.

The year 2025 marked another important milestone for the Company, as we achieved record revenues and net income. Revenue increased by 28% to SAR 1,072 million, while net income rose by 15% to SAR 474 million, reflecting the strength of our core assets, disciplined execution, and our continued focus on enhancing returns from the existing portfolio.

In hospitality, the Company delivered growth in hotel revenue and profitability despite the ongoing renovation program, demonstrating the resilience of demand and the strength of the asset. A key milestone during the year was the completion of an important phase of the hotel renovation ahead of Ramadan, ensuring upgraded facilities were available during the peak season.

We also continued to make solid progress in the enhancement of the commercial mall, including improvements to tenant mix and the creation of additional leasable space. As part of these initiatives, we commenced works that will allow the transformation of the fourth floor into a dedicated dining area, further strengthening the mall's offering and unlocking additional long-term value.

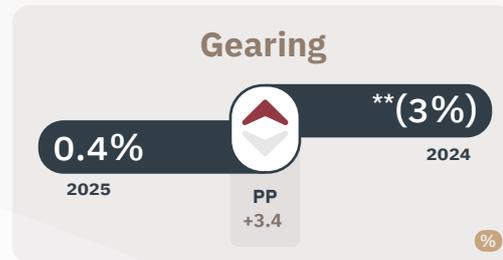
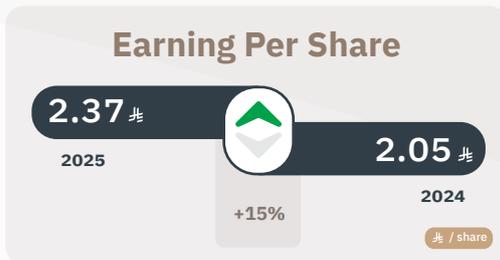
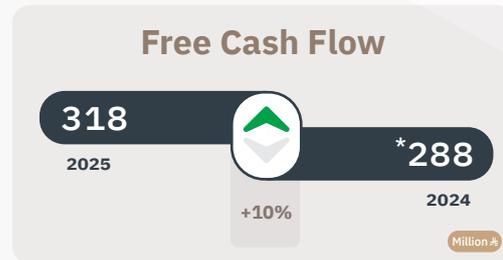
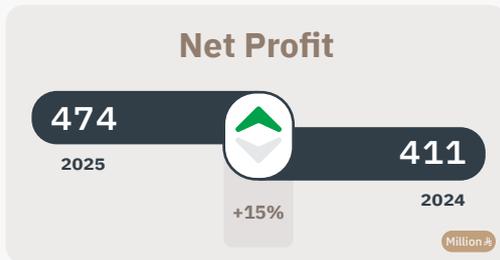
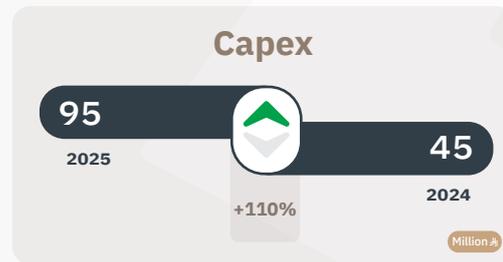
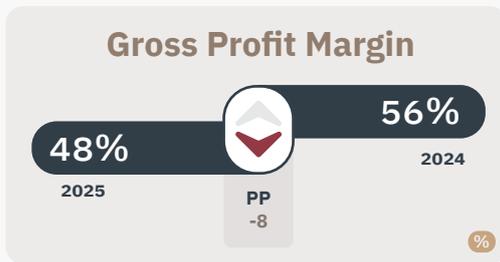
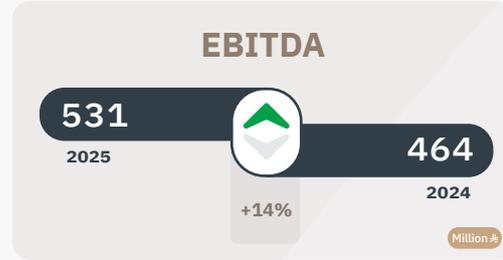
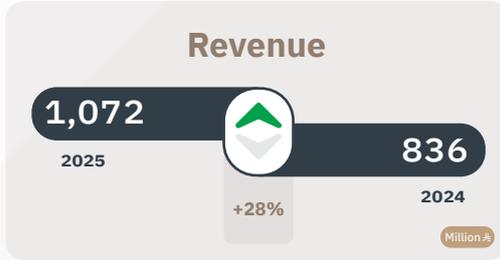
In addition, the acquisition of the Ajyad land adds a new dimension to the Company's future growth pipeline and supports our long-term strategy to expand our integrated hospitality and retail presence in Makkah.

Reflecting the Company's strong performance and financial position, the Board has recommended a cash dividend of SAR 1.5 per share, reaffirming our commitment to delivering sustainable returns to shareholders while continuing to invest in future growth.

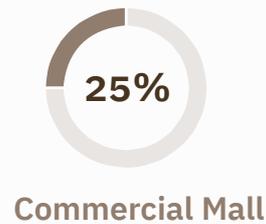
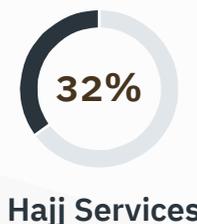
With a clear strategy, strong balance sheet, and high-quality asset base, we remain confident in our ability to continue creating long-term value for our shareholders.

# Key Financial Highlights

2025 Vs. 2024



## Segment Revenue



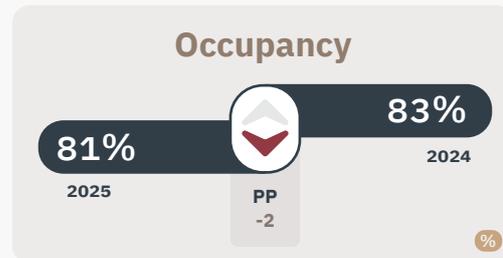
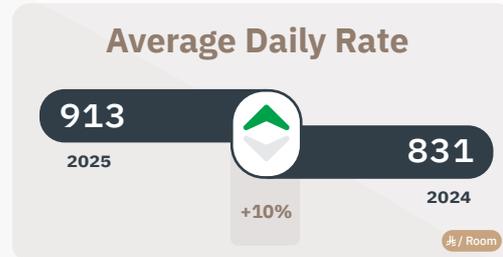
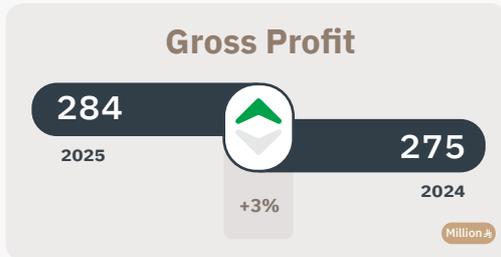
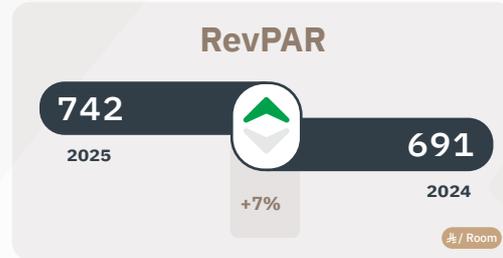
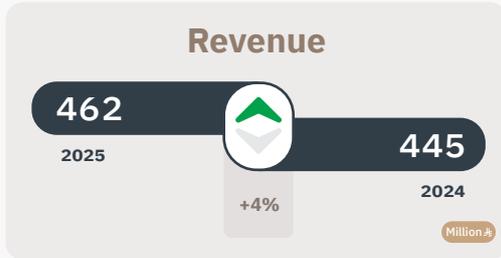
\* Previously disclosed free cash flow of approximately SAR 292 million has been revised to approximately SAR 288 million following a refinement in the calculation methodology.

\*\* The previously disclosed gearing ratio of approximately -0.1% has been revised to approximately -2.9% following the inclusion of the Commodity Fund balance in the calculation.

# Operational Performance

2025 Vs. 2024

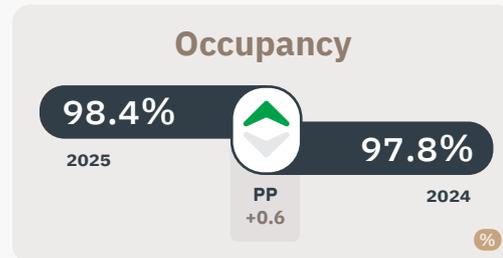
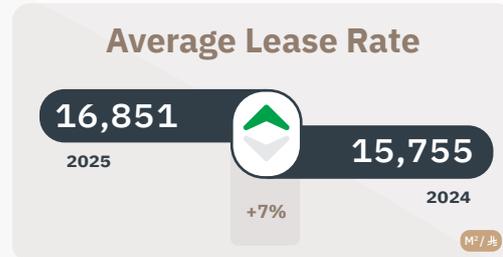
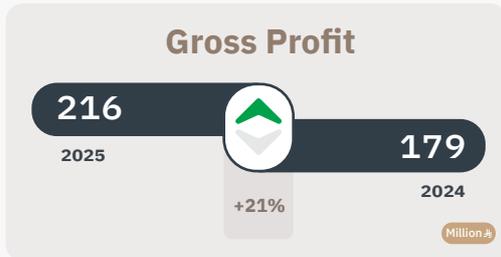
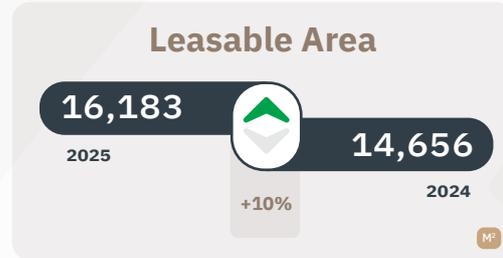
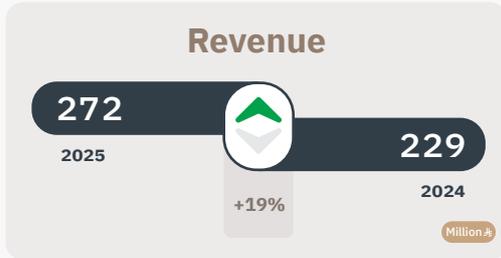
## Hotel & Towers



# Operational Performance

2025 Vs. 2024

## Commercial Mall



## Financial Performance



### Revenue

Makkah Construction and Development Company delivered strong financial performance in FY 2025, with revenue increasing to **SAR 1.072 million** compared to **SAR 836 million** in FY 2024, representing **28%** year-on-year growth. The increase was primarily driven by stronger performance in the Hajj services sector, alongside higher rental rates in the commercial mall, while the hospitality sector maintained stable demand.

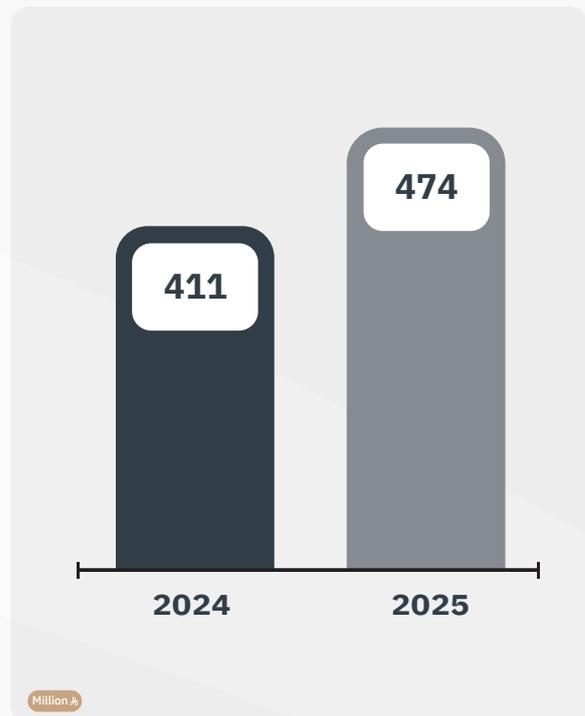
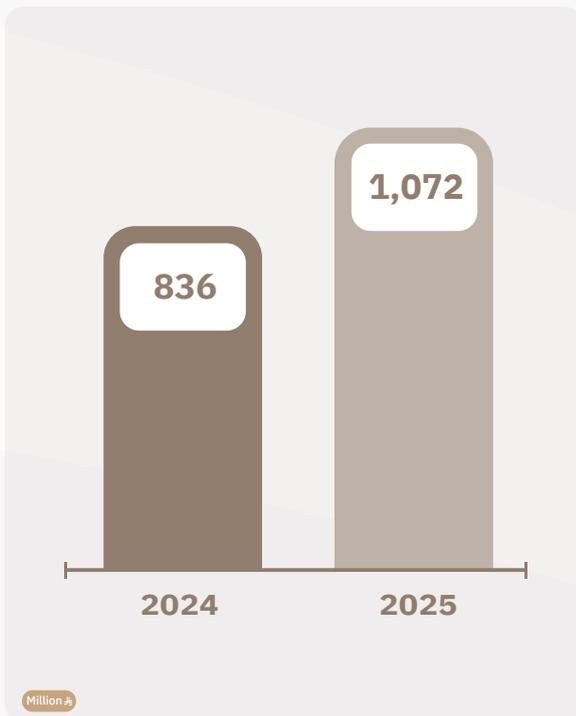
Supported by revenue growth across the Company's operating sectors, gross profit increased to **SAR 515 million** compared to **SAR 472 million** in FY 2024, representing a **9%** increase year-on-year. The decline in gross margin compared to the previous year reflects the expansion of Hajj services, which operate at lower margins relative to hospitality and retail leasing activities.



### Net Income

Net profit increased to **SAR 474 million** compared to **SAR 411 million** in FY 2024, representing **15%** year-on-year growth. The improvement in profitability was primarily driven by higher rental income from the commercial mall resulting from increased leasable area and improved rental rates, supported by higher net investment returns, and higher hotel revenues following improvements in room rates.

The Company also continued to demonstrate strong cash generation during the year, with free cash flow increasing to **SAR 318 million** compared to **SAR 288 million** in FY 2024.



## Company Highlights

### Hotel Renovation Progress

MCDC completed the renovation of four guestroom floors as part of its multi-phase hotel enhancement program. The SAR 32 million project was completed ahead of Ramadan and represents the first milestone in the broader renovation plan.

The renovation includes a reconfiguration of room layouts, reducing the number of standard rooms while increasing the number of premium suites, from 107 standard rooms and 3 suites to 98 rooms and 7 premium suites.

Upon completion of the full renovation program, the Company expects the upgrades to support an estimated ~10% uplift in RevPAR, driven by improved room quality and a higher proportion of premium accommodation.



MAKKAH HOTEL & TOWERS

### Mall Expansion



MCDC commenced redevelopment works within the mall as part of its ongoing asset enhancement program. The renovation will enable the creation of an expanded food court area on the fourth floor.

The project is expected to add approximately 4,700 sqm of gross leasable area (GLA). With an estimated CAPEX of approximately SAR 60 million, the expansion is projected to generate annual rental revenue of approximately SAR 40–50 million, supporting the mall's long-term revenue growth and tenant diversification.

## Disclaimer Statement

The information provided in this press release and any written or verbal accompanying communication regarding or by Makkah Construction and Development Company (“MCDC” or the “Company”) (collectively, the “Information”) is provided for information purposes only. The Information is qualified in its entirety by the information contained in the Company’s financial statements and annual board reports. Certain financial and statistical information in this press release has been subject to rounding off adjustments. Accordingly, the sum of certain data may not conform to the expressed total.

Neither the Company nor any of its directors, officers, employees, agents, affiliates or subsidiaries accept any responsibility or liability whatsoever (whether in contract, tort or otherwise) for, or guarantee or give any explicit or implicit warrantee, representation or undertaking as to the accuracy, fairness or completeness of any of the Information and disclaims all liability and responsibility for any loss or damage (including in respect of direct, indirect or consequential loss or damage) caused by any action taken or not taken as a result or on the basis of the information or otherwise arising in connection therewith.

This press release may contain certain forward-looking statements with respect to MCDC’s financial position, results of operations and business and certain MCDC’s plans, intentions, expectations, assumptions, goals and beliefs regarding such items. These statements include all matters that are not historical fact and generally, but not always, may be identified by the use of words such as “believes”, “expects”, “are expected to”, “anticipates”, “intends”, “estimates”, “should”, “will”, “shall”, “may”, “is likely to”, “plans”, “outlook” or similar expressions, including variations and the negatives thereof or comparable terminology. Such forward-looking statements are based on numerous assumptions and cannot be ascertained, as they involve known and unknown risks, uncertainties and other factors within or beyond the Company’s control that could cause the Company’s actual results, performance or achievements to be materially different from the expected results, performance, or achievements expressed or implied by such forward-looking statements.

Prospective investors should be aware that forward-looking statements are not guarantees of future performance and that MCDC’s actual financial position, results of operations and business and the development of the industries in which it operates may differ significantly from those made in or suggested by these forward-looking statements. In addition, even if MCDC’s financial position, results of operations and business and the development of the industries in which it operates are consistent with these forward-looking statements, those results or developments may not be indicative of results or developments in subsequent periods.

Factors that could cause actual results to differ materially from MCDC’s expectations include, among other things, the following:

Fluctuations in demand for and prices of real estate, hospitality, and retail services in Makkah; Changes in Hajj and Umrah regulations, quotas, or pilgrim demographics; Competition within the real estate development, hospitality, retail, and Hajj services sectors; Construction and project development risks, including delays, cost overruns, and availability of materials; Changes in urban planning, zoning, or other governmental regulations specific to Makkah; Global and regional economic market conditions, including inflation and interest rate fluctuations; Natural disasters, public health pandemics or epidemics, and adverse weather conditions; Geopolitical events, terrorism, armed conflict, political and social instability, and unrest in the MENA region and other areas impacting pilgrim travel and tourism; Operational risks and hazards common in real estate development and hospitality operations; Risks associated with managing MCDC’s growth and strategic objectives, including successful integration of new acquisitions; Asset dispositions or impairments; Government mandated sales, recapitalizations, taxes and tax audits, tariffs, sanctions, or changes in fiscal terms; Material reductions in corporate liquidity and access to debt markets; The receipt of required Board/Shareholder authorizations to pay future dividends; MCDC’s dependence on the reliability and security of its IT systems; MCDC’s exposure to interest rate risk and foreign exchange risk; Risks related to litigation, disputes or agreements; And risks related to the Kingdom.

For additional information on the potential risks and uncertainties that could cause actual results to differ from the results predicted please see our latest periodic reports filed with the Saudi Exchange. In light of these risks, uncertainties and assumptions, the forward-looking events described in this press release may not occur.

The Information, including but not limited to forward-looking statements, applies only as of the date it speaks and is not intended to give any assurances as to future results. We undertake no obligation to update, correct or revise the Information, including any financial data or forward-looking statements, as a result of new information, future events or otherwise, unless required by applicable law or regulation.

All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this press release. In addition, this press release includes certain “non-IFRS financial measures.” These measures are not recognized measures under IFRS and do not have standard meanings prescribed by IFRS. Rather, these measures are provided as additional information to complement IFRS measures by providing further understanding of the Company’s results of operations from Management’s perspective. Accordingly, they should not be considered in isolation or as a substitute for analysis of the Company’s financial information reported under IFRS. These measures are not audited and might not be comparable to similarly titled measures presented by other companies.

# Investor Relations

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If you require any further information or have any question related to the company, please contact our investor relations team.