

H1 2025 Press Release

Message from the Chairman Saleh Mohammed Bin Laden

Record Performance and Strategic Growth



It is with great pleasure, that I begin by first praising Allah Almighty for His guidance and success. I would also like to extend my sincere thanks and appreciation to our wise leadership – may Allah protect them – for their continuous support in fostering a solid and promising business environment, as well as to Saudi Vision 2030, which has provided an inspiring strategic framework that has contributed to driving development and growth across various sectors.

On this occasion, I am pleased to present our half-year financial results. These figures not only reflect exceptional performance but also strongly affirm the strength of our financial position. Makkah Construction and Development Company has achieved record profits for the first half of the year, a milestone that fills us all with great pride and serves as clear evidence of the effectiveness of our strategy and the resilience of our well-established operations.

Our asset enhancement strategy is witnessing remarkable progress. A prime example of this is the outstanding performance of our commercial center, which has excelled by optimizing tenant mix and making the best use of open spaces. This has resulted in an impressive revenue growth of more than 19%.

In parallel, we have significantly expanded our Hajj operations, proudly increasing the number of pilgrims we served from 8,447 to 64,332. This is truly strong growth, underscoring our strong ability to scale operations and serve a broader segment of the market.

These major achievements are the direct result of the dedicated efforts of our exceptional team. We remain firmly committed to continuously delivering value to our shareholders, strengthening our leading market position, and moving forward with our ambitious plans for sustainable growth. We sincerely thank you for your trust and continued support.

With kind regards

Key Financial Highlights

H1 2025 Vs. H1 2024

Revenue

Million SAR



624

H1 2025

536

H1 2024

16%

Net Income

Million SAR



294

H1 2025

256

H1 2024

15%

EBITDA

Million SAR



320

H1 2025

284

H1 2024

13%

Earnings Per Share

SAR/Share



1.47

H1 2025

1.28

H1 2024

15%

Profit Margin

%



47.1%

H1 2025

47.8%

H1 2024

0.7 PP

Free Cash Flow

Million SAR



164

H1 2025

149

H1 2024

10%

Gearing

%



(22%)

H1 2025

(8%)

H1 2024

14 PP

Capex

Million SAR



12

H1 2025

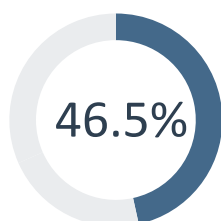
17

H1 2024

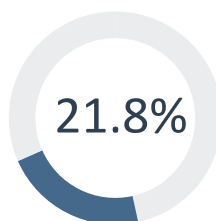
29%

Segment Revenue

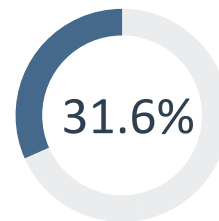
%



46.5%



21.8%



31.6%

Operational Performance

H1 2025 Vs. H1 2024

Hotel & Towers

Average Daily Room

SAR



11%

1,154

H1 2025

1,038

H1 2024

RevPAR

SAR



7%

945

H1 2025

885

H1 2024

Occupancy

%



3 PP

82%

H1 2025

85%

H1 2024

Earnings Before Depreciation

SAR



1%

187

H1 2025

185

H1 2024

Profit Margin

%



65%

H1 2025

65%

H1 2024

Commercial Mall

Leasable Area

M²



3%

15,998

H1 2025

15,580

H1 2024

Occupancy

%



1 PP

99%

H1 2025

98%

H1 2024

Average Lease Rate

SAR/M²



16%

17,000

H1 2025

14,670

H1 2024

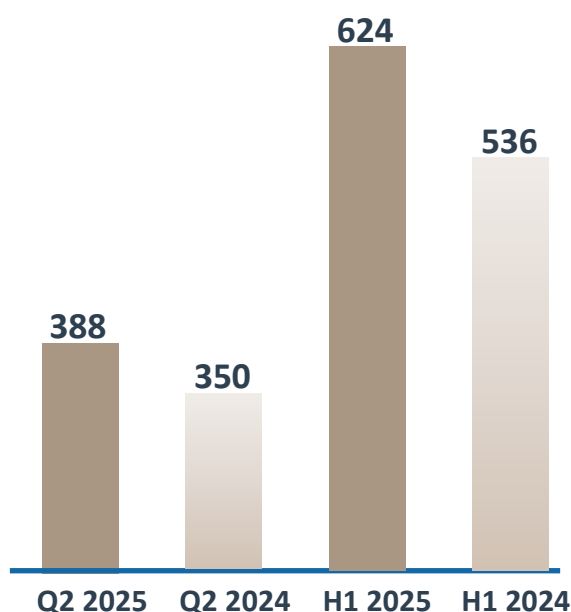
Financial Performance

Revenue

The Company recorded an increase in its second-quarter 2025 revenues to SAR 388 million, compared to SAR 350 million in the second quarter of 2024. This was primarily driven by higher Hajj and commercial mall rental revenue, which offset lower hotel & towers revenue impacted by the shift of Ramadan's last ten days into the first quarter of 2025.

This strong quarterly performance contributed to the overall revenue for the first six months of 2025 reaching SAR 624 million, a notable increase from SAR 536 million in the first six months of 2024, with growth primarily attributable to higher Hajj, increased commercial mall, and improved hotel revenues.

Revenue
Million SAR

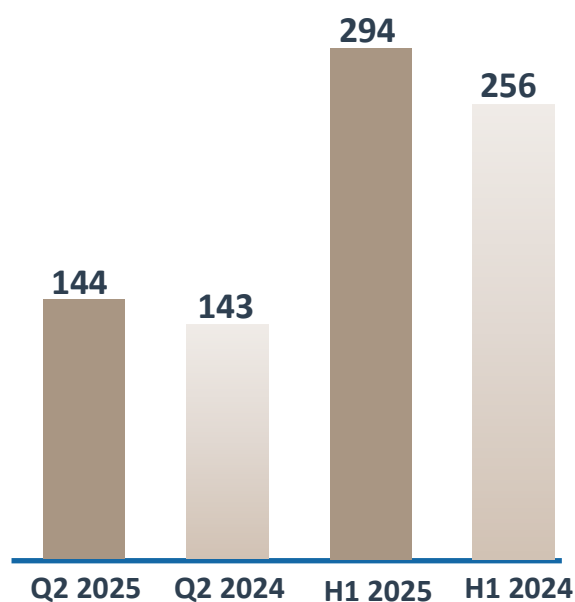


Net Income

Net profit for Second Quarter 2025 increased to SAR144 million compared to SAR 143 million in Second Quarter 2024. This increase was primarily driven by improved income from the commercial mall and the recognition of the company's share in the net profit of an associate company, despite a lower net profit from the hotel & towers impacted by the shift of Ramadan's last ten days into the first quarter of 2025.

This quarterly performance contributed to the overall net profit for the first six months of 2025 reaching SAR 294 million, an increase compared to SAR 256 million in the first six months of 2024, with growth primarily attributable to the inclusion of the company's share in the net profit of an associate company, as well as higher commercial mall and hotel net income.

Net Income
Million SAR





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.

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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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