

أُمُّ الْقُرَى

U M M A L Q U R A

للتطوير والبناء
Development & Construction Co.

ANNOUNCEMENT OF
INVESTMENT UNDERTAKING
AGREEMENT WITH
CORNERSTONE INVESTOR



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Press Release

UMM AL QURA FOR DEVELOPMENT AND CONSTRUCTION ANNOUNCES ENTRY INTO INVESTMENT UNDERTAKING AGREEMENT BY CORNERSTONE INVESTOR FOR ITS IPO

MAKKAH, Saudi Arabia – February 18, 2025 – Umm Al Qura for Development and Construction (“**Umm Al Qura**”, the “**Company**” or the “**Issuer**”), the owner, developer and operator of MASAR Destination (“**the Project**” or “**MASAR**”) – one of the largest redevelopment projects in Makkah, today announces it has issued a supplementary prospectus and signed a binding investment undertaking agreement for its Initial Public Offering (“**IPO**” or “**the Offering**”) with Takatuf Holding Group Company (“**Cornerstone Investor**” or “**Major Investor**”), a limited liability company wholly owned by Abdullah Sulaiman Al Rajhi Holding Company (“**ASAQ**”).

The Cornerstone Investor has committed to a subscription of 8,875,740 Offer Shares, representing 6.8% of the offer shares (“**Cornerstone Investor Shares**”). The Cornerstone Commitment represents approximately 0.62% of the Company’s share capital after the Offering.

Yasser Abdulaziz Abu Ateek, CEO of Umm Al Qura commented on the occasion, “We are pleased to welcome Takatuf Holding Group Company, a wholly owned subsidiary of Abdullah Sulaiman Al Rajhi Holding Company, as a cornerstone investor for our IPO. This step reaffirms the attractiveness of the investment opportunities Umm Al Qura offers and its ability to attract investors. It also reflects Takatuf’s confidence in the company’s business model and growth strategy. We are delighted to collaborate with such a distinguished partner to create sustainable value for our shareholders.”

The price range for the Offering was announced earlier and set between SAR 14 – 15 per share (the “**Price Range**”). This implies an offering size between SAR 1,831,005,988 (USD 488,268,263) and SAR 1,961,792,130 (USD 523,144,568) reflecting a total market capitalization at listing between SAR 20,141,065,854 (USD 5,370,950,894) and SAR 21,579,713,415 (USD 5,754,590,244). The institutional book building period commenced on 16 February 2025G and ends on 20 February 2025G. The final Offering Price will be determined at the end of the book-building process.

It is also worth noting that the supplementary prospectus included amendments to the information contained in the preliminary prospectus to reflect material developments and clarify some of the information included in the preliminary prospectus.

For more information about the IPO and the supplementary prospectus, visit the Company’s IPO website: ipo.ummalqura.com.sa/en.

CORNERSTONE INVESTOR

- Takatuf Holding Group Company was established in 1433H and is a limited liability company headquartered in Riyadh, Saudi Arabia, and a wholly owned subsidiary of Abdullah Sulaiman Al Rajhi Holding Company. The company

specializes in financial investments and the development of large-scale, multi-use projects in the Kingdom through its subsidiaries. Takatuf Holding Group is a key investor in the Saudi markets.

HIGHLIGHTS OF THE OFFERING

- The CMA and Saudi Exchange approvals have been obtained for the Offering and listing as outlined below.
- The Company's substantial shareholders and shareholders acting in concert will be subject to a lock-up period of 6 months, which will begin from commencement of trading of the shares on the Saudi Exchange.
- The shares will be listed and traded on the Main Market of the Saudi Exchange following the completion of the IPO and listing formalities with the CMA and the Saudi Exchange.
- The Price Range of the Offering has been set between SAR 14 and SAR 15 per share.
- The final price of the Offer Shares will be determined following completion of the book-building process, and prior to commencement of the subscription period for Individual Investors.
- The Offering shall be restricted to the two following groups of investors:
 - Tranche (A): Participating Parties: This tranche comprises investors eligible to participate in the book building process in accordance with the Instructions for Book Building Process and Allocation Method in Initial Public Offerings, as issued by the Capital Market Authority, including investment funds, companies. These parties include investment funds, qualified foreign companies and institutions, GCC corporate investors and other foreign investors under swap agreements (said investors shall be collectively referred to as the "**Participating Parties**" and each as a "**Participating Party**"). The number of Offer Shares to be provisionally allocated to the Participating Parties effectively participating in the book building process is 130,786,142 Offer Shares, representing 100% of the Offer Shares, including eight million, eight hundred and seventy-five thousand, seven hundred and forty (8,875,740) Offer Shares, representing the Major Investor's Shares, which will be allocated to the Major Investor. In the event there is sufficient demand by Individual Investors (as defined under Tranche (B) below), the Lead Manager, in coordination with the Company, shall have the right to reduce the number of Offer Shares allocated to Participating Parties to a minimum of 117,707,528 Offer Shares, representing 90% of the Offer Shares, provided that this reduction shall not apply to the Major Investor and that the final allocation to the Major Investor shall be eight million, eight hundred and seventy-five thousand, seven hundred and forty (8,875,740) Offer Shares in all cases. Accordingly, one hundred and eight million, eight hundred and thirty-one thousand, seven hundred and eighty-eight (108,831,788) Offer Shares will be allocated to the Participating Parties, other than the Offer Shares allocated to the Substantial Shareholders and Individual Subscribers. The Financial Advisors, in coordination with the Company, shall determine the number and percentage of Offer Shares to be allocated to the Participating Parties using the discretionary allocation mechanism. It is possible that certain Participating Parties will not be allocated any Offer Shares, as deemed appropriate by the Company and the Financial Advisors.
 - Tranche (B): Individual Investors: This tranche includes Saudi natural persons, including any Saudi female divorcee or widow with minor children from a marriage to a non-Saudi individual, who is entitled to subscribe for her own benefit in the names of her minor children, provided that she proves that she is a divorcee or widow and the mother of her minor children, any non-Saudi natural person who is resident in the Kingdom, or GCC nationals, in each case, who have an investment account and an active portfolio with one of the Receiving Agents and are entitled to open an investment account with a Capital Market Institution (collectively, the "**Individual Investors**", and each an "**Individual Investor**"). A maximum of 13,078,614 Offer Shares, representing 10% of the Offer Shares, shall be allocated to Individual Investors. In the event that the Individual Investors do not subscribe in full for the Offer Shares allocated to them, the Joint Financial Advisors may reduce the number of Offer Shares allocated to Individual Investors in proportion to the number of Offer Shares subscribed for thereby.
 - The Law of Real Estate Ownership and Investment by Non-Saudis promulgated by Royal Decree No. M/15 dated 17/04/1421H (corresponding to 19/07/2000G) (hereinafter referred to as the "**Law of Real Estate Ownership and Investment by Non-Saudis**") prohibits non-Saudi from acquiring ownership, easement or

usufruct over real property located within the boundaries of the cities of Makkah and Madinah. This includes natural persons who are not nationals of Saudi Arabia, non-Saudi companies and Saudi companies that he establishes, participates in establishing, or owns shares in, any natural or legal person who does not hold Saudi nationality with some limited exceptions. However, under the special controls excluding the companies listed in the Saudi Stock Exchange, the phrase (non-Saudi) has the meaning as per the The Law of Real Estate Ownership and Investment by Non-Saudis issued by the Authority on 27/07/1446H (corresponding to 27/01/2025G). It allows foreigners to invest in Saudi companies listed in the Saudi Stock Exchange that own properties within the boundaries of the cities of Makkah and Madinah , provided that: (i) the foreign strategic investor does not own shares in the Listed Company and (ii) at all times does not exceed 49% of the shares of the Listed Company, which are not jointly owned by persons of natural and legal capacity. Accordingly, the foreign strategic investor is excluded from the investors targeted for the Offering, and the ownership of natural and legal persons who do not collectively hold Saudi citizenship shall not exceed 49% of the Company's shares at all times.

- The Company has appointed Albilad Capital, GIB Capital and AlRajhi Capital as Joint Financial Advisors (“JFAs”).
- Albilad Capital, GIB Capital, AlRajhi Capital and Alinma Investment have been appointed as Joint Bookrunners (“JBRs”).
- Albilad Capital, GIB Capital, AlRajhi Capital and Alinma Investment have been appointed as Co-underwriters.
- Lazard Saudi Arabia has been appointed as Advisor to the Company.
- Individual Investors wishing to subscribe to the Offer Shares must submit their subscription requests electronically through the websites and platforms of the Receiving Agents that provide this service to subscribers, or through any other means provided by the Receiving Agents through which the Individual Investors will be able to subscribe to the Company's shares during the Offering Period.

CONTACT DETAILS

Company	Email	Role
Albilad Capital	investmentbanking@albilad-capital.com	Joint Financial Advisor, Lead Manager, Bookrunner and Underwriter
GIB Capital	UAQ.IPO@gibcapital.com	Joint Financial Advisor, Bookrunner and Underwriter
AlRajhi Capital	ProjectMaqamARC@alrajhi-capital.sa	Joint Financial Advisor, Bookrunner and Underwriter
Alinma Invest	IPO@alinma.com	Joint Bookrunner and Underwriter
Lazard	wgmaqam@lazard.com	Company Advisor
FGS Global	uaqipo@fgsglobal.com	Media and Communications Advisor

Receiving Agents for Individual Investor tranche	<ul style="list-style-type: none"> • Albilad Capital • Riyad Capital • Alinma Investment Company • Al Rajhi Capital • SNB Capital • GIB Capital • Aljazira Capital • ANB Capital • Alkhabeer Capital • BSF Capital
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- Derayah Financial Company
- Alistithmar for Financial Securities and Brokerage Company
- SAB Invest
- Sahm Capital Finance Company
- Yaqeen Capital

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The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein come should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement does not contain or constitute an offer of, or the solicitation of an offer to buy, the Offer Shares to any person in any jurisdiction to whom or in which such offer or solicitation is unlawful. The offer and sale of the Offer Shares has not been and will not be registered under the applicable securities laws of any jurisdiction other than Saudi Arabia.

This announcement is being distributed in accordance with the provisions of the Rules on the Offer of Securities and Continuing Obligations (“**OSCO Rules**”) issued by the CMA for the purposes of ascertaining the extent to which potential investors are willing to participate in the potential initial public offering of the Company, and should not result in any binding undertakings to acquire shares or subscribe in the Offering. This announcement is for information purposes only and under no circumstances shall constitute an offer or invitation, of form the basis for a decision, to invest in any securities of the Company. Neither this announcement nor anything contained herein shall form the basis of, or be relied upon in connection with, any offer or commitment whatsoever in any jurisdiction. Investors may only subscribe in the Offer Shares on the basis of the CMA approved Arabic language prospectus to be issued and published in due course (the “**Prospectus**”). The information in this announcement is subject to change. In accordance with Article 31(d) of the OSCO Rules, copies of the Prospectus will, following publication, be available on the websites of the Company at (www.ummalqura.com.sa), the Saudi Exchange at (www.saudiexchange.sa), the CMA at (www.cma.org.sa) and the Financial Advisors at (www.gibcapital.com), (www.albilad-capital.com) and (www.alrajhi-capital.com).

This announcement is not an offer document for the purposes of the Rules of the OSCO Rules and should not be construed as such. The CMA and the Saudi Exchange do not take any responsibility for the contents of this announcement, do not make any representations as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this announcement.

This announcement may include statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms “aim”, “anticipate”, “believe”, “can”, “consider”, “could”, “estimate”, “expect”, “forecast”, “intend”, “may”, “ought to”, “potential”, “plan”, “projection”, “seek”, “should”, “will”, “would”, or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Any forward-looking statements reflect the Company’s current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company’s business, results of operations, financial position, liquidity, prospects, growth or strategies. Many factors could cause the actual results to differ materially from those expressed or implied by any such forward-looking statements, including, among other things, risks specifically related to the Company and its operations, the development of global economic and industry conditions, and the impact of economic, political and social developments in Saudi Arabia. These factors will be described in more detail in the Prospectus. Forward-looking statements speak only as of the date they are made. Each of the Company, the Financial Advisors and their respective affiliates expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statement contained in this announcement whether as a result of new information, future developments or otherwise.

There is no guarantee that the Offering will occur and you should not base your financial decisions on the Company’s intentions in relation to the Offering at this stage. This announcement does not constitute a recommendation concerning the Offering. Acquiring Offer Shares to which this announcement relates may expose an investor to a significant risk of losing the entire amount invested. Persons considering an investment should consult an investment advisor or an authorized person specializing in advising on such investments.

The Financial Advisors are acting exclusively for the Company and no-one else in connection with the Offering. They will not regard any other person as their respective clients in relation to the Offering and will not be responsible to anyone other than the Company for providing the protections afforded to its respective clients, nor for providing advice in relation to the Offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

The contents of this announcement have been prepared by and are the sole responsibility of the Company. Neither the Financial Advisors nor any of their affiliates or respective directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

In connection with the Offering, the Financial Advisors and any of their affiliates may take up a portion of the Offer Shares in connection with the Offering as a principal position and in that capacity may retain, purchase, sell, offer to sell for their own accounts such Offer Shares and other securities of the Company or related investments in connection with the Offering or otherwise. Accordingly, references in the Prospectus, once published, to the Company's shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, the Financial Advisors and any of their affiliates acting in such capacity. In addition, the Financial Advisors and any of their affiliates may enter into financing arrangements (including swaps or contracts for difference) with investors in connection with which the Financial Advisors and any of their affiliates may from time to time acquire, hold or dispose of securities. The Financial Advisors do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

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