

Daily Bulletin

June 21, 2026

MASAR sells 3 Makkah land plots for SAR 239.8 mn

Last Price: SAR 16.8 | YoY Performance: -23.5%

Umm Al Qura for Development and Construction Co. (MASAR) announced the sale of three land plots in Zone 3 of the Masar Destination Project in Makkah Al-Mukarrama, totalling 6,904.62 sqm, to Osus Abraj Bawabat Alrahmaniyah Company (an SPV of an Alrajhi Capital-managed real estate fund) for SAR 239.8 mn. The plots carry a combined book value of SAR 114 mn, implying a gain of SAR 126 mn, a premium of 110% over book. The buyer intends to develop three residential towers on the plots, advancing the broader Masar Destination development strategy.

The contract is expected to have a positive impact on liquidity and financial results. The transaction will be recognized under the company's land sales segment, which accounted for 99.6% of total revenue in 2025, with revenue increasing 60% YoY to SAR 2.8 bn from SAR 1.8 bn in 2024. Based on the 2025 net margin of 33.9%, the sale is expected to contribute approximately SAR 81.4 mn in net profit. Liquidity is also expected to improve as the sale proceeds finance working capital and ongoing projects.

The company has also sold other land plots over the last 12 months, with total announced sales of SAR 5.1 bn. This total includes six reservation agreements with a combined value of SAR 2.1 bn. However, one contract worth SAR 265 mn, signed on June 30, 2025, was terminated in January 2026 due to the buyer's breach of a material contractual obligation.

MASAR's stock price has fallen 23.5% YoY, significantly underperforming the TASI, which is up 3.8% over the same period. The stock is currently trading at a TTM P/E of approximately 27x.

Relative price chart



Source: Tadawul, anbc research

Land Sales at Masar Destination

Date	No. of Land Plots	Sale Value	Book Value
29-Jun-25	1	255.8	128.1
30-Jun-25***	1	264.9	145.9
30-Jun-25	1	145.3	71.9
9-Jul-25	2	235.1	132.4
28-Jul-25	5	628.5	341.8
17-Aug-25	1	145.1	76.5
2-Sep-25**	2	328.8	180.7
8-Sep-25**	2	438.8	-
21-Sep-25	2	275.0	145.7
1-Oct-25**	1	220.6	-
17-Nov-25**	3	689.3	-
18-Nov-25	1	204.6	103.9
19-Nov-25**	3	427.6	-
20-Nov-25**	1	91.9	-
28-Dec-25	2	228.4	93.4
12-Feb-26	1	89.5	40.3
19-May-26	1	210.8	100.0
21-Jun-26	3	239.9	114.2

Source: Company financials, anbc research

*Excluding taxes and fees borne by the buyer.

**A reservation agreement

***The contract was terminated in January due to the buyer's breach of material contractual obligation.

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