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Valuation Report

SALAMA TOWER, JEDDAH, KSA

AL AHLI REIT (1) / SNB CAPITAL / SNB GROUP

REPORT ISSUED 15 FEBRUARY 2023

ValuStrat Consulting
703 Palace Towers
Dubai Silicon Oasis
Dubai
United Arab Emirates
Tel.: +971 4 326 2233
Fax: +971 4 326 2223
www.valustrat.com

خبير التثمين العقاري
6th floor, South tower
Al Faisaliah Complex
Riyadh
Saudi Arabia
Tel.: +966 11 2935127
Fax: +966 11 2933683

111, Jameel square
Tahlia Road
Jeddah
Saudi Arabia
Tel.: +966 12 2831455
Fax: +966 12 2831530

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1 EXECUTIVE SUMMARY

THE EXECUTIVE SUMMARY AND VALUATION SHOULD NOT BE CONSIDERED OTHER THAN AS PART OF THE ENTIRE REPORT.

1.1 THE CLIENT

AlAhli REIT Fund (1)
SNB Capital / SNB Group
Kingdom of Saudi Arabia

1.2 THE PURPOSE OF VALUATION

The valuation is required for the year-end reporting for AlAhli REIT Fund (1) transaction and submission to the Capital Market Authority (CMA).

1.3 INTEREST TO BE VALUED

The below-mentioned property is the scope of this valuation exercise.

Description	*Property Details*
Property Name	Salama Office Tower with ancillary Retail
Land Area (sq. m.)	7,682
Built-Up Area (sq. m.)	58,919.3
Net Leasable Area (sq. m.)	31,420
Owner	Sandouq Tamkeen Real Estate Company
Location	As Salamah District, Jeddah, KSA
GPS Coordinates	21°36'36.57"N, 39°9'21.28"E
Interest Valued	Assumed Freehold reflecting the Head Lease

Source: Client 2022

1.4 VALUATION APPROACH

We have undertaken the Discounted Cash Flow (DCF) Approach to Valuation.

1.5 DATE OF VALUATION

Unless stated to the contrary, our valuations have been assessed as at the date of our report based on 31 December 2022.

The valuation reflects our opinion of value as at this date. Property values are subject to fluctuation over time as market conditions may change.

1.6 OPINION OF VALUE

Property Name	Passing Income (SAR)	Exit Yield	Discount Rate	Property Value [Rounded]
Salama Tower	23,100,000 p.a.	8.5%	10.5%	SAR 246,000,000

The executive summary and valuation should not be considered other than as part of the entire report. The client is advised that whilst all reasonable measures have been taken to supply an accurate valuation as possible as at the Valuation date, this figure should be considered in the context of the volatility of today's marketplace.

1.7 SALIENT POINTS (GENERAL COMMENTS)

The Kingdom of Saudi Arabia's macroeconomic projections remain strong supported by the increase in oil price and revenue in 2022. Whilst most global markets remain disrupted along with the effects of the extraordinary market conditions over the past two plus years through the COVID-19 pandemic, it appears the KSA economy appears stable and strong within a recovery mode on the back of higher oil demand and private consumption along with KSA's Vision 2030 looks to diversify the economy away from oil through focusing on direct foreign investment, tourism and the increase of locals in the workforce.

The cost of risk is also likely to stay elevated in 2023 reflecting the volatile global health situation, high inflation and rising interest rates, etc. The real estate traditional determinants of location and value for money continue to be a key success influencing property and accommodation preference though investors in KSA are also no less sensitive to asset classes and the location of property providing investor expectations and stable long-term income for portfolios and funds. Equally, strong investor appetite remains for 'best in class / 'Institutional Asset Class – Grade A' / good quality property providing long term income.

With all positive activity and investment by the government creating opportunities through projects across the Kingdom's Vision 2030 and through the creation of the Giga projects has meant a stable KSA economy with positive outlook going forward throughout 2023.

We are unaware of planning or other proposals in the area or other matters which would be of detriment to the subject property, although your legal representative should make their usual searches and enquiries in this respect.

We confirm that on-site measurement exercise was not conducted by ValuStrat International, and we have relied on the site areas provided by the Client. In the event that the areas of the property and site boundary prove erroneous, our opinion of Market Value may be materially affected, and we reserve the right to amend our valuation and report.

We have assumed that the property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoings and good title can be shown. For the avoidance of doubt, these items should be ascertained by the client's legal representatives. ValuStrat draws your attention to any assumptions made within this report. We consider that the assumptions we have made accord with those that would be reasonable to expect a purchaser to make.

We are unaware of any adverse conditions which may affect future marketability for the subject property. It is assumed that the subject property is freehold and is not subject to any rights, obligations, restrictions and covenants.

This report should be read in conjunction with all the information set out in this report, we would point out that we have made various assumptions as to tenure, town planning and associated valuation opinions. If any of the assumptions on which the valuation is based is subsequently found to be incorrect, then the figures presented in this report may also need revision and should be referred back to the valuer.

Note that property values are subject to fluctuation over time as market conditions may change. Valuation considered full figure and may not be achievable in the event of an early re-sale. The client is advised that whilst all reasonable measures have been taken to supply an accurate valuation as possible as at the Valuation date, this figure should be considered in the context of the volatility of today's marketplace.

The valuation assumes that the freehold title should confirm arrangements for future management of the building and maintenance provisions are adequate, and no onerous obligations affecting the valuation. This should be confirmed by your legal advisers.

This executive summary and valuation should not be considered other than as part of the entire report.

2 VALUATION REPORT

2.1 INTRODUCTION

Thank you for the instruction regarding the subject valuation services.

We ('ValuStrat', which implies our relevant legal entities) would be pleased to undertake this assignment for Al Ahli REIT (1) / SNB Capital / SNB Group ('the client') of providing valuation services for the property mentioned in this report subject to valuation assumptions, reporting conditions and restrictions as stated hereunder.

2.2 VALUATION INSTRUCTIONS / PROPERTY INTEREST TO BE VALUED

We have summarised the details of the property referred in this report.

Description	*Property Details*
Property Name	Salama Office Tower with ancillary Retail
Land Area (sq. m.)	7,682
Built-Up Area (sq. m.)	58,919.3
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Location	As Salamah District, Jeddah, KSA
GPS Coordinates	21°36'36.57"N, 39°9'21.28"E
Interest Valued	Assumed Freehold

Source: Client 2022

2.3 PURPOSE OF VALUATION

The valuation is required for the year-end reporting for AlAhli REIT Fund (1) transaction and submission to the Capital Market Authority (CMA).

2.4 VALUATION REPORTING COMPLIANCE

The valuation has been conducted in accordance with Taqeem Regulations (Saudi Authority for Accredited Valuers) and the International Valuation Standards Council (IVSCs') incorporating International Valuations Standard (IVS) 2022.

It should be further noted that this valuation is undertaken in compliance with generally accepted valuation concepts, principles and definitions as promulgated in the IVSCs International Valuation Standards (IVS) as set out in the IVS General Standards, IVS Asset Standards, and IVS Valuation Applications.

2.5 BASIS OF VALUATION

2.5.1 MARKET VALUE

The valuation of the subject property, and for the above stated purpose, has been undertaken on the ***Market Value*** basis of valuation in compliance with the above-mentioned *Valuation Standards* as promulgated by the IVSC and adopted by the RICS. ***Market Value*** is defined as: -

The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties have each acted knowledgeably, prudently and without compulsion.

The definition of ***Market Value*** is applied in accordance with the following conceptual framework:

"***The estimated amount***" refers to a price expressed in terms of money payable for the asset in an arm's length market transaction. *Market value* is the most probable price reasonably obtainable in the market on the *valuation date* in keeping with the *market value* definition. It is the best price reasonably obtainable by the seller and the most advantageous price reasonably obtainable by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of *special value*;

"***an asset should exchange***" refers to the fact that the value of an asset is an estimated amount rather than a predetermined amount or actual sale price. It is the price in a transaction that meets all the elements of the market value definition at the *valuation date*;

"***on the valuation date***" requires that the value is time-specific as of a given date. Because markets and market conditions may change, the estimated value may be incorrect or inappropriate at another time. The valuation amount will reflect the market state and circumstances as at the *valuation date*, not those at any other date;

"***between a willing buyer***" refers to one who is motivated, but not compelled to buy. This buyer is neither over eager nor determined to buy at any price. This buyer is also one who purchases in accordance with the realities of the current market and with current market expectations, rather than in relation to an imaginary or hypothetical market that cannot be demonstrated or anticipated to exist. The assumed buyer would not pay a higher price than the market requires. The present owner is included among those who constitute "the market";

"***and a willing seller***" is neither an over eager nor a forced seller prepared to sell at any price, nor one prepared to hold out for a price not considered reasonable in the current market. The willing seller is motivated to sell the asset at market terms for the best price attainable in the open market after proper marketing, whatever that price may be. The factual circumstances of the actual owner are not a part of this consideration because the willing seller is a hypothetical owner;

"***in an arm's-length transaction***" is one between parties who do not have a particular or special relationship, e.g. parent and subsidiary companies or landlord and tenant, that may make the price level uncharacteristic of the market or inflated because of an element of *special value*. The *market value* transaction is presumed to be between unrelated parties, each acting independently;

"***after proper marketing***" means that the asset would be exposed to the market in the most appropriate manner to effect its disposal at the best price reasonably obtainable in accordance with the *market value* definition. The method of sale is deemed to be that most appropriate to obtain the best price in the market to which the seller has access. The length of exposure time is not a fixed period but will vary according to the type of asset and market conditions. The only criterion is that there must have been sufficient time to allow the asset to be brought to the attention of an adequate number of market participants. The exposure period occurs prior to the *valuation date*;

'***where the parties had each acted knowledgeably, prudently***' presumes that both the willing buyer and the willing seller are reasonably informed about the nature and characteristics of the asset, its actual and potential uses and the state of the market as of the *valuation date*. Each is further presumed to use that knowledge prudently to seek the price that is most favorable for their respective positions in the transaction. Prudence is assessed by referring to the state of the market at the *valuation date*, not with benefit of hindsight at some later date. For example, it is not necessarily imprudent for a seller to sell assets in a market with falling prices at a price that is lower than previous market levels. In such cases, as is true for other exchanges in markets with changing prices, the prudent buyer or seller will act in accordance with the best market information available at the time;

'***and without compulsion***' establishes that each party is motivated to undertake the transaction, but neither is forced or unduly coerced to complete it.

Market value is the basis of value that is most commonly required, being an internationally recognized definition. It describes an exchange between parties that are unconnected (acting at arm's length) and are operating freely in the marketplace and represents the figure that would appear in a hypothetical contract of sale, or equivalent legal document, on the valuation date, reflecting all those factors that would be taken into account in framing their bids by market participants at large and reflecting the highest and best use of the asset. The highest and best use of an asset is the use of an asset that maximizes its productivity and that is possible, legally permissible and financially feasible.

Market value is the estimated exchange price of an asset without regard to the seller's costs of sale or the buyer's costs of purchase and without adjustment for any taxes payable by either party as a direct result of the transaction.

2.5.2 VALUER(S):

The Valuer on behalf of ValuStrat, with responsibility of this report is Ramez Al Medlaj (Fellow Taqeem Member) who has sufficient and current knowledge of the Saudi market and the skills and understanding to undertake the valuation competently.

We further confirm that either the Valuer or ValuStrat have no previous material connection or involvement with the subject of the valuation assignment apart from this same assignment undertaken back in June 2022.

2.5.3 STATUS OF VALUER

Status of Valuer	*Survey Date*	*Valuation Date*
External Valuer	*29 December 2022	31 December 2022

**The inspection was external and visual in nature only*

2.6 EXTENT OF INVESTIGATION

In accordance with instructions received we have carried out an external inspection of the property. The subject of this valuation assignment is to produce a valuation report and not a structural / building or building services survey, and hence structural survey and detailed investigation of the services are outside the scope of this assignment. We have not carried out any structural survey, nor tested any services, checked fittings of any parts of the property.

Our inspection was limited to the visual assessment of the exteriors of the subject property. For the purpose of our report, we have expressly assumed that the condition of any un-seen areas is commensurate with those which were seen. We reserve the right to amend our report should this prove not to be the case.

2.7 SOURCES OF INFORMATION

For the purpose of this report, it is assumed that written information provided to us by the Client is up to date, complete and correct in relation to title, planning consent and other relevant matters as set out in the report. Should this not be the case, we reserve the right to amend our valuation and report.

2.7.1 VALUATION ASSUMPTIONS / SPECIAL ASSUMPTIONS

This valuation assignment is undertaken on the following assumptions:

The subject property is valued under the assumption of property held on a *Private interest* with the benefit of trading potential of existing operational entity in possession;

Written information provided to us by the Client is up to date, complete and correct in relation to issues such as title, tenure, details of the operating entity, and other relevant matters that are set out in the report;

That no contaminative or potentially contaminative use has ever been carried out on the site; we assume no responsibility for matters legal in character, nor do we render any opinion as to the title of the property, which we assume to be good and free of any undisclosed onerous burdens, outgoings, restrictions or other encumbrances. Information regarding tenure and tenancy must be checked by your legal advisors;

This subject is a valuation report and not a structural/building survey, and hence a building and structural survey is outside the scope of the subject assignment. We have not carried out any structural survey, nor have we tested any services, checked fittings or any parts of the structures which are covered, exposed or inaccessible, and, therefore, such parts are assumed to be in good repair and condition and the services are assumed to be in full working order; we have not arranged for any investigation to be carried out to determine whether or not any deleterious or hazardous material have been used in the construction of the property, or have since been incorporated, and we are therefore unable to report that the property is free from risk in this respect. For the purpose of this valuation, we have assumed that such investigations would not disclose the presence of any such material to any significant extent; that, unless we have been informed otherwise, the property complies with all relevant statutory requirements (including, but not limited to, those of Fire Regulations, By-Laws, Health and Safety at work);

We have made no investigation, and are unable to give any assurances, on the combustibility risk of any cladding material that may have been used in construction of the subject building.

We would recommend that the client makes their own enquiries in this regard; and the market value conclusion arrived at for the property reflect the full contract value and no account is taken of any liability to taxation on sale or of the costs involved in effecting the sale.

2.8 PRIVACY/LIMITATION ON DISCLOSURE OF VALUATION

This valuation is for the sole use of the named Client. This report is confidential to the Client, and that of their advisors, and we accept no responsibility whatsoever to any third party. No responsibility is accepted to any third party who may use or rely upon the whole or any part of the contents of this report. It should be noted that any subsequent amendments or changes in any form thereto will only be notified to the Client to whom it is authorised.

2.9 DETAILS AND GENERAL DESCRIPTION

2.9.1 LOCATION & DESCRIPTION OF THE PROPERTY

The subject property, known as Salama Tower (good quality office space with ancillary retail, located along the west side of Al Madinah Al Munawarah Road within As Salamah District, Jeddah, Kingdom of Saudi Arabia.

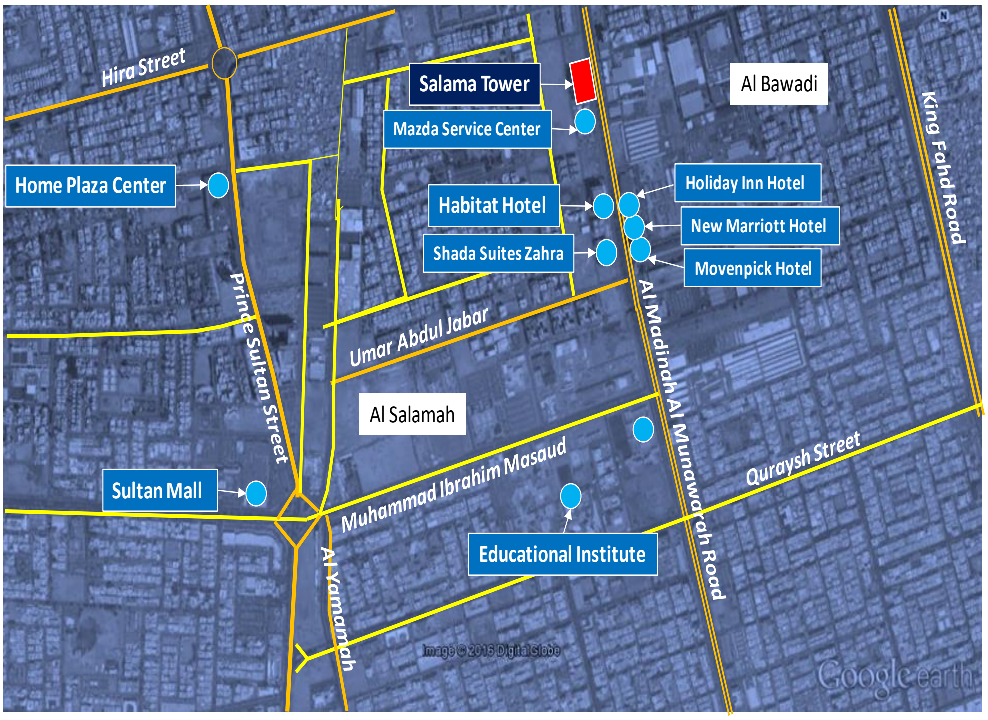
It is situated about 350 meters north of Habitat Hotel, some 400 meters northwest of Holiday Inn Jeddah and approximately 550 meters southeast of Hera International Mall.

Moreover, Salama Tower is further located about 700 meters and 6.5 kilometers southwest of Jeddah International Exhibition Convention Center and King Abdul Aziz International Airport – New Terminal, respectively.

The property's immediate neighborhood is mainly commercial characterized by car showrooms and prominent hotel brands.

It is well accessible via the fronting Al Madinah Al Munawarah Road, a main road in Jeddah linking the district to the City Center on the south and the King Abdul Aziz International Airport on the north.

For ease of reference, refer to the illustration on the below.



Source: Google Extract 2022 - For Illustrative Purposes Only

The illustration below further shows a closer view of the property including its neighborhood & environs.

Source: Google Extract 2022 - For Illustrative Purposes Only.

The Salama Tower is an 18-level, commercial office building built with reinforced concrete structure and glass curtain/aluminium cladding exterior wall finishes.

It was reportedly constructed circa 1434H as per the building permit provided (refer to copy at the appendices section).

It has a total built-up area of 58,919.30 square meters and net leasable area of 31,420 square meters, as detailed below:

	Details of Built-up Area (BUA)	Net Leasable Area (NLA) sq. m
Floor level	BUA (sq. m.)	NLA (sq. m)
Basement	7,685.30	
Ground Floor	4,777	3,952
Mezzanine	2,763	2,530
1st Floor	4,136	2,752
Services (Parking)	4,851	
Services (Parking)	4,851	
2nd Floor – 10th Floor	25,659 (each floor 2,851 sq. m)	19,134 (each floor 2,126 sq. m
11th Floor	2,170	1,644
12th Floor	1,437	908
13th Floor	590	500
Total(s) (sq. m.)	58,919.30	31,420

Source: Client 2022

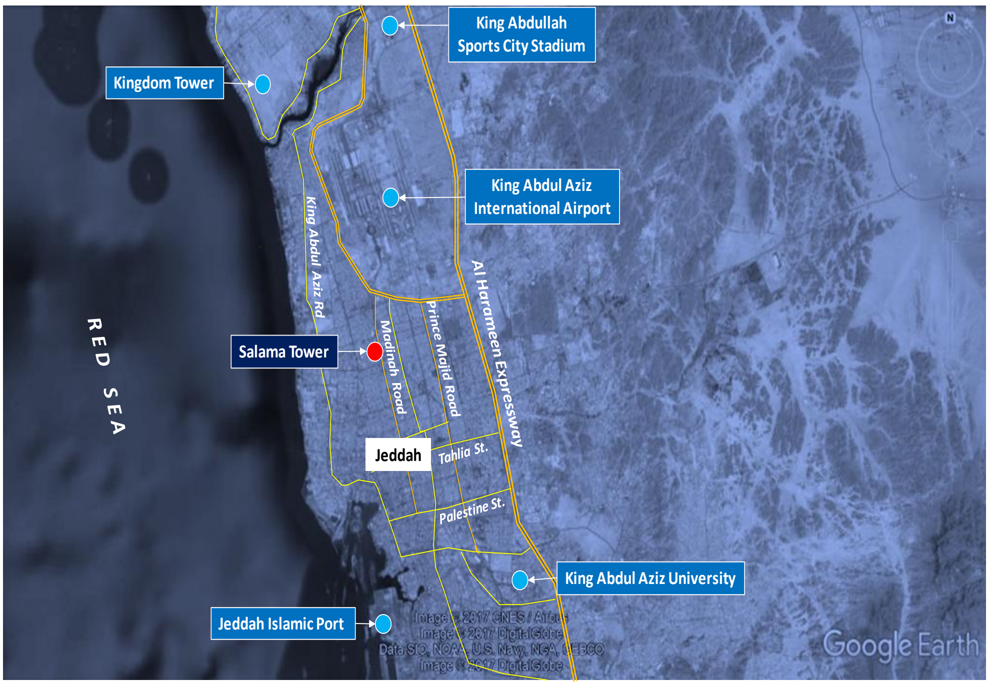
2.9.2 PROXIMITY TO MAJOR DEVELOPMENTS

The subject property is situated in a mainly commercial area due to its frontage along a main road and its proximity to the King Abdul Aziz International Airport, the main gateway via air transportation to the western region of the Kingdom which provides access to the Islam's two holiest cities of Makkah and Madinah.

The fronting Al Madinah Al Munawarah Road provides excellent accessibility for the subject property which traverses the main districts of Jeddah and links the property to important destinations in the City. The nearby Hera Street also provides access to the Corniche Area/Red Sea shores. The table below shows the distance of the subject property to major development:

Landmark	Approx. Distance from the Property (km)
Red Sea shoreline	5
King Abdul Aziz International Airport	6.5
Al Haramain Expressway	6.5
Kingdom Tower	15.5
Jeddah Islamic seaport	15.5
King Abdul Aziz University	16
King Abdullah Sports Stadium	17

For ease of reference, refer to the illustration below.



Source: Google Extract 2022 - For Illustrative Purposes Only.

Jeddah City is the second largest city of Saudi Arabia, after the capital city of Riyadh. It has the largest seaport along Red Sea and is considered an important commercial hub. Some major developments in the city and the Makkah region as follows:

<u>Haramain High Speed Railway</u>

The Haramain High Speed Railway has improved the infrastructure and accessibility within the three main cities of Makkah Region (Jeddah, Madinah & Makkah).

The Haramain High Speed Rail project also known as the "Western Railway" or "Makkah-Madinah high speed railway", is 453 kilometers (281.5 miles) high-speed inter-city rail transport system opened to the public back in October 2018. It links the holy cities of Madinah and Makkah via King Abdullah Economic City, Rabigh, Jeddah, and King Abdulaziz International Airport. It connects with the national network at Jeddah.

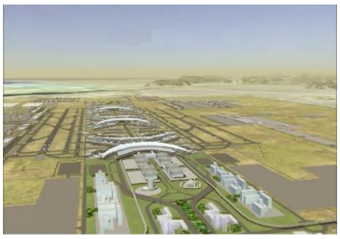
The rail line provides a safe and comfortable transport journey in 300 kilometers per hour (190 mph) on electric trains. The railway carries three million passengers a year, including many Hajj and Umrah pilgrims, helping to relieve traffic congestion on the roads. It allows 9,000 passengers per hour and shortening the travel time from Madinah to Makkah to two hours. The main station is in Al Rusaifah District with arrival and departure halls, commercial stalls, prayer room, parking space, car rental offices, public sector services and offices, and restaurants.

<u>Jeddah Economic City</u>

Previously known as Kingdom City, this project covers 5.3 million square meters of land along the red sea. It will host both commercial and residential developments including villas, apartments, hotels and offices.

The centerpiece of this development is the Jeddah Kingdom Tower which is planned to be the tallest building in the world upon completion. The project is estimated to cost SAR 75 billion and scheduled completion date is around 2024.

<u>King Abdul Aziz International Airport expansion</u>



The airport expansion seeks to meet demand from religious tourism to the holy city of Makkah. Approximately 2.5 million people visit Makkah during the Hajj period alone, and this is projected to rise to 4 million in the next few years. It is designed to increase the airport's yearly capacity from 13 million to 80 million passengers.

Expansion includes a 670,000 square meters passenger terminal complex with a twin crescent footprint. It will include 46 contact gates, 94 boarding bridges, lounges, an airside hotel, food and retail facilities.

The terminal will be able to handle double-deck A380 and include a baggage handling system with nearly 60 kilometers of belts. Automated People Movers will link the new terminal with other facilities of the airport.

2.10 ENVIRONMENT MATTERS

We are not aware of the content of any environmental audit or other environmental investigation or soil survey which may have been carried out on the property and which may draw attention to any contamination or the possibility of any such contamination. In undertaking our work, we have been instructed to assume that no contaminative or potentially contaminative use has ever been carried out on the property.

We have not carried out any investigation into past or present use, either of the property or of any neighbouring land, to establish whether there is any contamination or potential for contamination to the subject property from the use or site and have therefore assumed that none exists. However, should it be established subsequently that contamination exists at the property or on any neighbouring land, or that the premises has been or is being put to any contaminative use, this might reduce the value now reported.

Details	
Area	Based on the document supplied by the client, the land area of the subject property is 7,682 sq. m. with a total built-up area of 58,919.30 sq. m.
Topography	Generally, the property is rectangular shaped and on level terrain
Drainage	Assumed available and connected.
Flooding	ValuStrat's verbal inquiries with local authorities were unable to confirm whether flooding is a point of concern at the subject property. For the purposes of this valuation, ValuStrat has assumed that the subject property is not flood prone. A formal written submission will be required for any further investigation which is outside of this report's scope of work. Note: It is understood that there is no known flooding in the area.
Landslip	ValuStrat's' verbal inquiries with local authorities were unable to confirm whether land slip is a point of concern at the subject property. For the purposes of this valuation, ValuStrat has assumed that the subject property is not within a landslip designated area. A formal written submission will be required for any further investigation which is outside of this report's scope of work.

2.10.1 TOWN PLANNING

Neither from our knowledge nor as a result of our inspection are, we aware of any planning proposals which are likely to directly adversely affect this property. In the absence of any information to the contrary, it is assumed that the existing use is lawful, has valid planning consent and the planning consent is not personal to the existing occupiers and there are no particular onerous or adverse conditions which would affect our valuation.

In arriving at our valuation, it has been assumed that each and every building enjoys permanent planning consent for their existing use or enjoys, or would be entitled to enjoy, the benefit of a "Lawful Development" Certificate under the Town & Country Planning Acts, or where it is reasonable to make such an assumption with continuing user rights for their existing use purposes, subject to specific comments. We are not aware of any potential development or change of use of the property or properties in the locality which would materially affect our valuation.

For the purpose of this valuation, we have assumed that all necessary consents have been obtained for the subject property referred within this report. Should this not be the case, we reserve the right to amend our valuation and report.

2.10.2 SERVICES

The property referred within this report is assumed connected to mains electricity, water, drainage, and other municipality services.

It should be borne in mind that electrical requirements and testing standards have become more stringent in recent years and that the system requires annual inspection, testing and upgrading according to Saudi Electrical Standards. We have not been provided a test certificate and a valid certificate from the owners and should be requested by the client or owners need to satisfy themselves they are complying with Saudi Electrical Standards.

According to Civil Defence regulations in Saudi Arabia known as the Civil Defence system released by Royal Decree No. M/10 on 05-10-1406, corresponding to 20-01-1986]; firefighting system(s) must be in place providing protection to both people, public and private properties.

For the purpose of this valuation exercise, we assume all necessary consents are in place for Civil Defence regulations.

2.11 TENURE/TITLE

Unless otherwise stated we have assumed the freehold title is free from encumbrances and that Solicitors' local searches and usual enquiries would not reveal the existence of statutory notices or other matters which would materially affect our valuation.

We are unaware of any rights of way, easements or restrictive covenants which affect the property; however, we would recommend that the solicitors investigate the title in order to ensure this is correct.

The valuation assumes that the freehold title should confirm arrangements for future management of the building and maintenance provisions are adequate, and no onerous obligations affecting the valuation. This should be confirmed by your legal advisers.

The subject property was registered under the below-mentioned title deed (refer to copy in the appendices section) which we assumed is on a freehold basis. Should this not be the case we reserve the right to amend our valuation and this report.

Description	*Property Details*
Property Name	Salama Office Tower with ancillary Retail
Title Deed No.	320212024018
Title Deed Date	3/12/1440 Hijri
Land Area (sq. m.)	7,682
Owner	Sandouq Tamkeen Real Estate Company
Location	As Salamah District, Jeddah, KSA
Interest Valued	Assumed Freehold

Source: Client 2022

The subject property has a 5-year head lease (started from 04 August 2019) is in place with a fixed rental income of SAR 23,100,000 per annum. Upon expiry it is assumed there is no renewal and property will revert to market rental as a multi-tenant with operational market tenancy terms.

We have not been provided a copy of the Head lease and the tenant is confidential. We have assumed there are no onerous terms and conditions impacting this valuation.

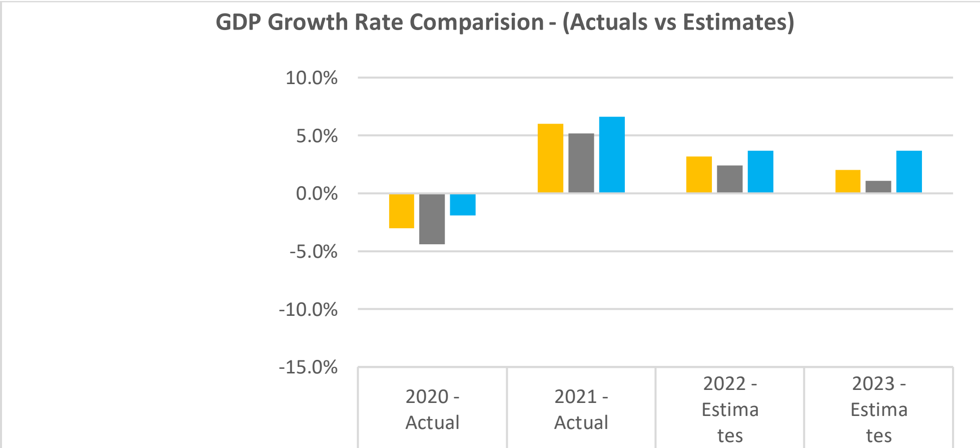
NB: All aspects of tenure/title should be checked by the client's legal representatives prior to transaction completion and insofar as any assumption made within the body of this report is proved to be incorrect then the matter should be referred back to the valuer in order to ensure the valuation is not adversely affected.

2.12 ECONOMIC AND DEMOGRAPHIC OVERVIEW

2.12.1 GLOBAL ECONOMIC OUTLOOK – GDP COMPARISION

The Global Economy has been passing through a volatile period: economic, geopolitical, and ecological changes all impact the global outlook. Inflation has soared to record highest levels across several countries, prompting rapid monetary policy tightening and squeezing household budgets, just as COVID-19-pandemic related financial support and funding is declining across most of the countries.

The Global Economy is projected to witness a shrink in the GDP growth rate. An overall declining trend is observed on a Y-O-Y basis, where the actual global GDP rate was at 6% in 2021 and it is estimated to plummet to 3.2% in 2022 respectively. In the Emerging Market and Developing Economies, The GDP growth rate went down from 5.2% back in 2021 to 2.4% in 2022 as per the estimates.

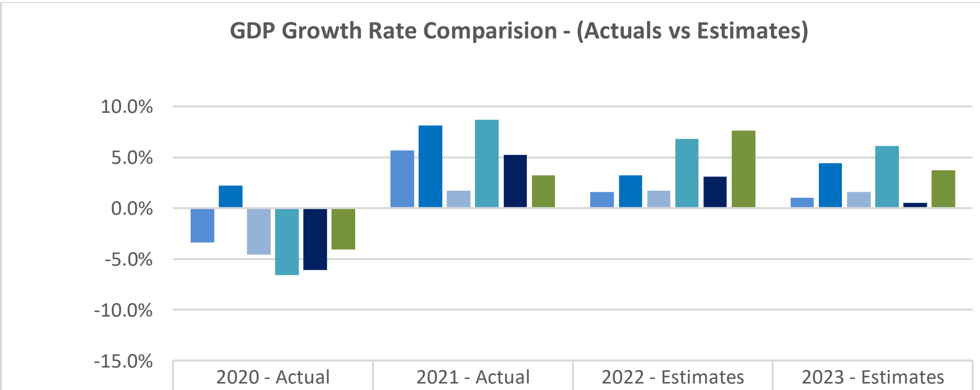


	2020 - Actual	2021 - Actual	2022 - Estimates	2023 - Estimates
Global Economy	-3.0%	6.0%	3.2%	2.0%
Advance Economies	-4.4%	5.2%	2.4%	1.1%
Emerging Markets & Developing Ecomomies	-1.9%	6.6%	3.7%	3.7%

Source: IMF - World Economic Outlook - Oct. 2022; Ministry of Finance (MOF), KSA

Overall, a negative trend is expected across major economies on a Y-O-Y basis, where the actual global GDP rate among USA, China, India and EU Area are projected to plummet between 2021 and 2022 respectively.

Saudi Arabia is projected to witness a steady GDP growth rate on a Y-O-Y basis, where the actual global GDP rate was at 3.2% in 2021 and it is estimated to rise to 7.6% in 2022 respectively before plummeting to 3.7% in 2023 as per the projections.



	2020 - Actual	2021 - Actual	2022 - Estimates	2023 - Estimates
USA	-3.4%	5.7%	1.6%	1.0%
China	2.2%	8.1%	3.2%	4.4%
Japan	-4.6%	1.7%	1.7%	1.6%
India	-6.6%	8.7%	6.8%	6.1%
EU Area	-6.1%	5.2%	3.1%	0.5%
Saudi Arabia	-4.1%	3.2%	7.6%	3.7%

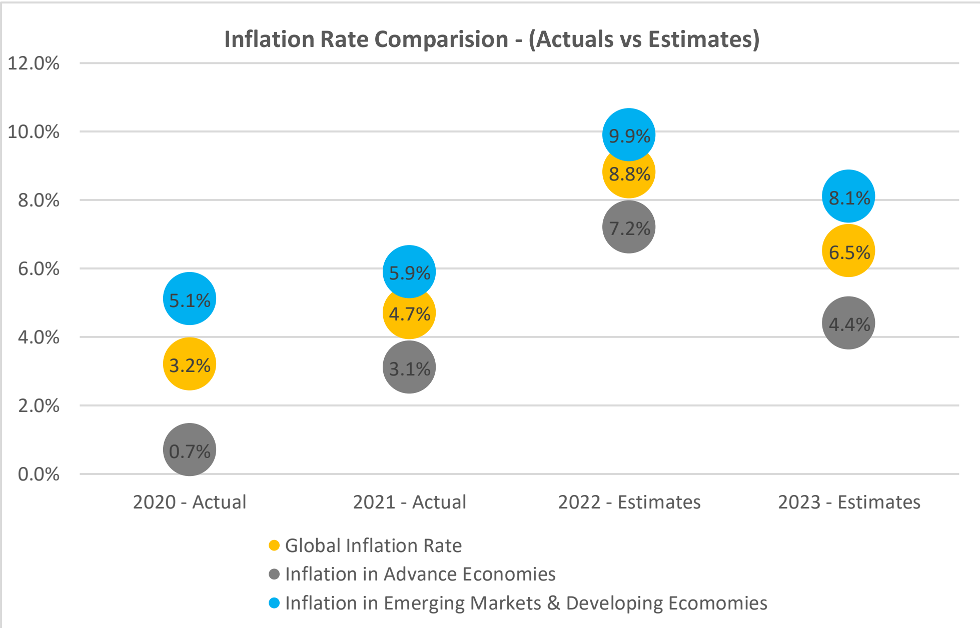
Source: IMF - World Economic Outlook - Oct. 2022; Ministry of Finance (MOF), KSA

WORLD INFLATION RATES TREND

The inflation rates around World have risen to record high levels, for the year 2021 the global inflation rate was at 4.7% which is estimated to soar at 8.8% in 2022 before falling to 6.5% in 2023 as per IMF-WEO Report 2022.

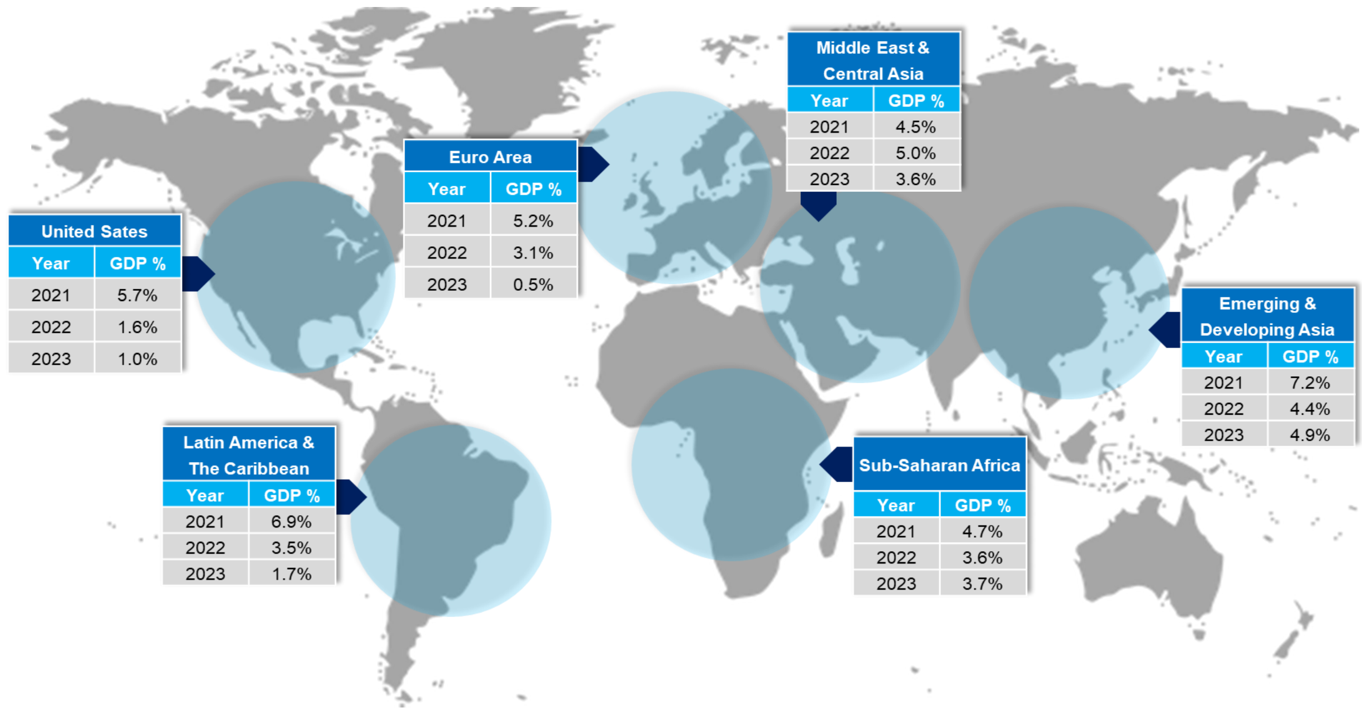
In the Emerging Market and Developing Economies, inflation rate soar from 5.1% back in 2020 to 5.9% in 2021. While it is estimated to rise to 9.9% in 2022, before falling to 8.1% in 2023 respectively.

A similar trend is projected for Advance Economies, where the inflation rate soar from 0.70% back in 2020 to 3.1% in 2021. While it is estimated to rise to 7.2% in 2022, before falling to 4.4% in 2023 respectively.



Source: IMF - World Economic Outlook - Oct. 2022; Ministry of Finance (MOF), KSA

GLOBAL PROJECTIONS BY REGIONS



United Sates

Year	GDP %
2021	5.7%
2022	1.6%
2023	1.0%

Euro Area

Year	GDP %
2021	5.2%
2022	3.1%
2023	0.5%

Middle East & Central Asia

Year	GDP %
2021	4.5%
2022	5.0%
2023	3.6%

Emerging & Developing Asia

Year	GDP %
2021	7.2%
2022	4.4%
2023	4.9%

Latin America & The Caribbean

Year	GDP %
2021	6.9%
2022	3.5%
2023	1.7%

Sub-Saharan Africa

Year	GDP %
2021	4.7%
2022	3.6%
2023	3.7%

Source: IMF - World Economic Outlook - Oct. 2022

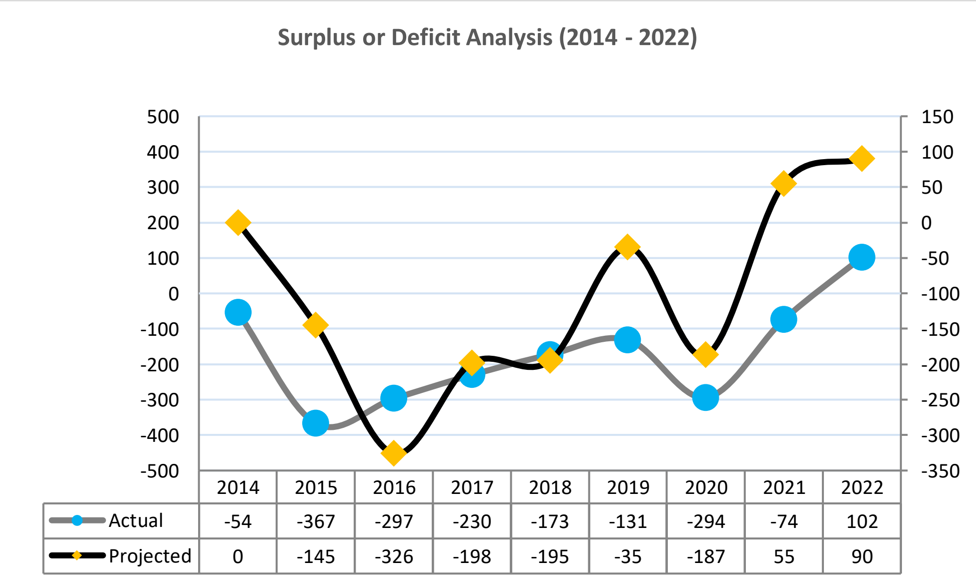
2.12.2 KINGDOM OF SAUDI ARABIA (KSA) ECONOMIC OUTLOOK

The KSA has managed to contain a fiscal deficit or the past 8-years till the year 2021. However, despite the key challenges facing the global economy as a result of geopolitical conditions, global inflation concerns, commodity prices hikes, and the subsequent increase in expenditure to enhance the support and social benefits system and accelerate the implementation of some programs and projects with high economic and social returns as well as the infrastructure projects & strategic projects.

Year	Revenue		Expenditure		Surplus or Deficit	
	Projected	Actual	Projected	Actual	Projected	Actual
2014	855	1,046	855	1,100	0	-54
2015	715	608	860	975	-145	-367
2016	514	528	840	825	-326	-297
2017	692	696	890	926	-198	-230
2018	783	906	978	1,079	-195	-173
2019	975	917	1010	1048	-35	-131
2020	833	782	1,020	1,076	-187	-294
2021	1045	965	990	1039	-141	-74
2022	1045	1234	955	1132	90	102 E

Source: Ministry of Finance (MOF); all amounts are in SAR Billion)

Overall, the government's fiscal policies have succeeded in maintaining the achievement of the fiscal objectives, as a surplus is expected to be achieved in the budget by the end of FY 2022, reaching about SAR 102 bn (2.6% of GDP), which confirms that fiscal sustainability and maintaining the strong fiscal position of the Kingdom is one of the priority goals in the government's program.



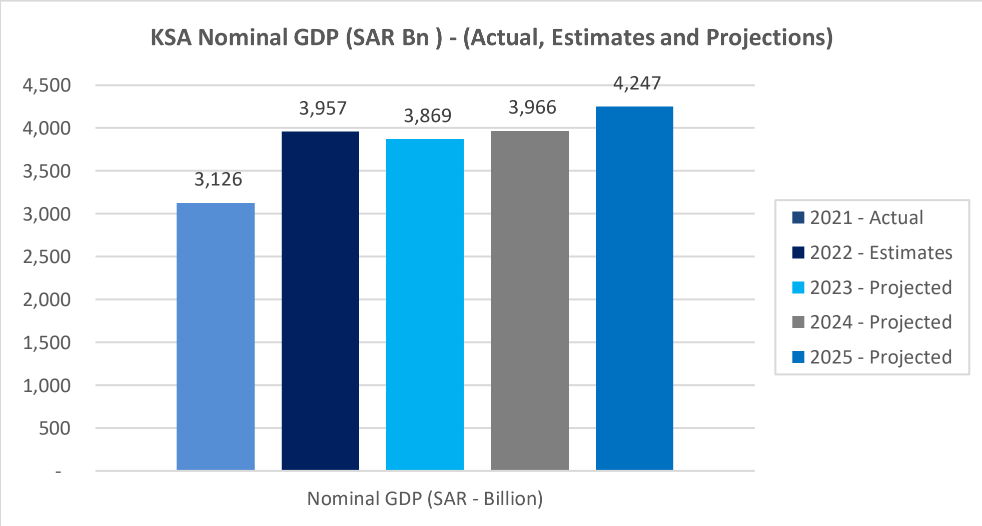
Source: Ministry of Finance (MOF)

2.12.3 ECONOMIC INDICATORS – CURRENT & PROJECTED TREND

KSA NOMINAL GDP TREND

This upward trend is expected to take a slight dip and the estimated nominal GDP to plummet to SAR 3.8 billion in 2023 before soaring back to SAR 3.9 billion in 2024 and SAR 4.2 billion in 2025 respectively.

According to the estimated figures KSA Nominal GDP will reach the levels of SAR 3.9 billion by 2022 when compared to SAR 3.1 billion in 2021 on a Y-O-Y basis.

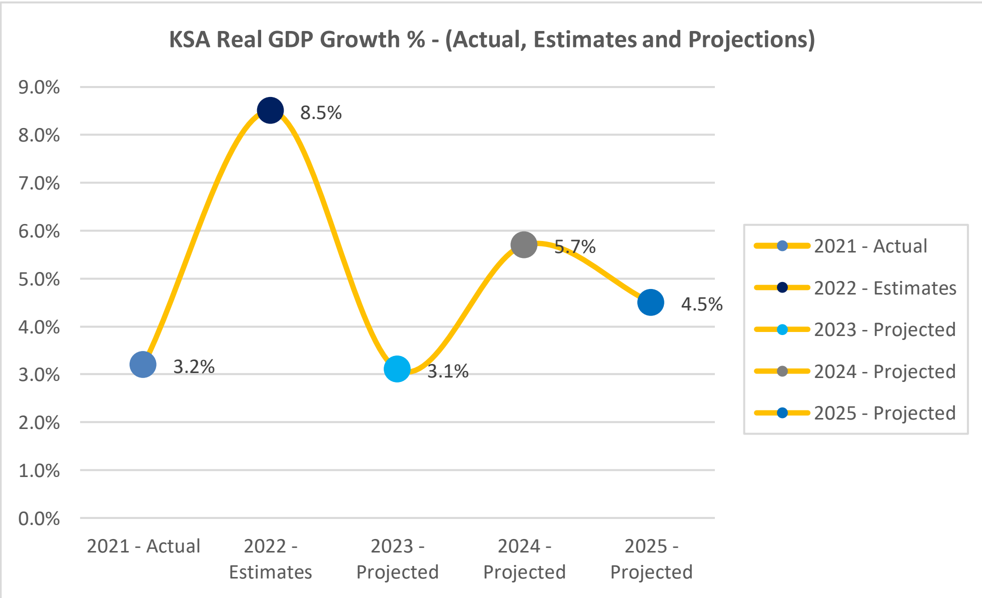


Source: Ministry of Finance (MOF)

KSA REAL GDP GROWTH RATES

With the positive national developments, the increase in economic growth rates in the Kingdom for FY 2023 and the medium-term were reviewed, and it is expected that positive rates of economic growth will continue to be maintained during FY 2023 and in the medium-term, through trough two key factors: Private investment and consumption across the Kingdom.

KSA economy grow by actual real GDP of 3.2% in 2021. While the estimates suggests that the economy will reach the GDP levels of 8.5% in 2022 respectively.

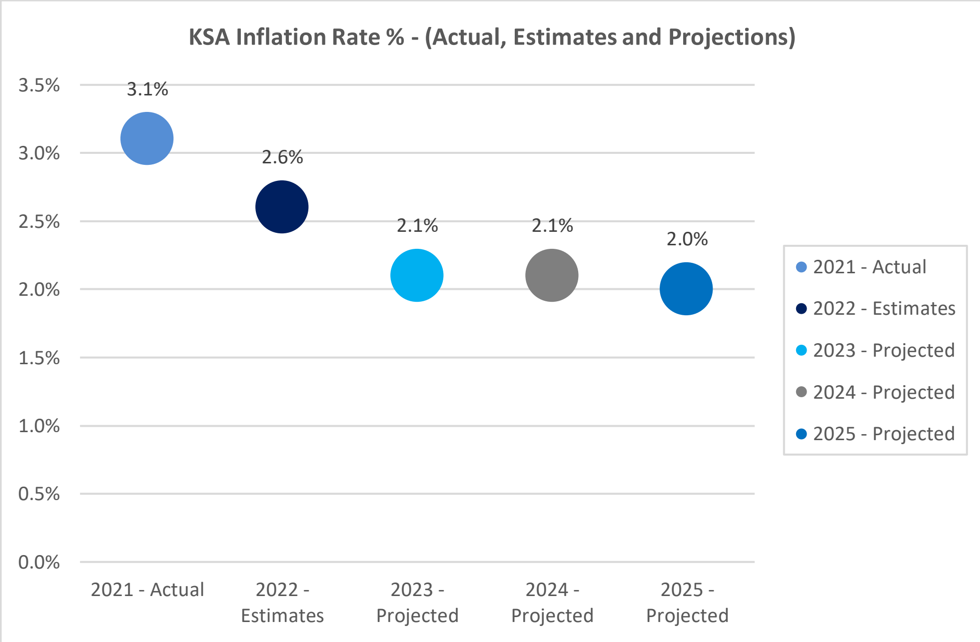


Source: Ministry of Finance (MOF)

SNB Capital, Riyadh, KSA – December 2022

KSA INFLATION RATES

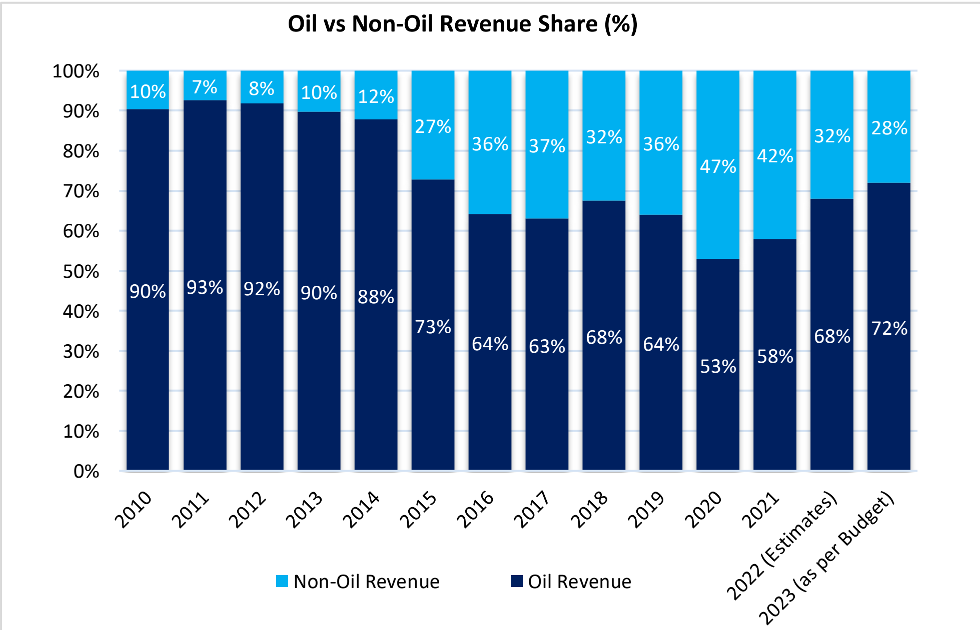
Overall, on Y-O-Y basis the inflation rate plummet from 3.1% in 2021 to 2.6% in 2022 as per the estimated figures. The inflation rate is expected to stabilize in the coming years at 2.0% respectively.



Source: Ministry of Finance (MOF)

2.12.4 OIL VS NON-OIL REVENUES TREND ANALYSIS

KSA's Non-Oil Revenues soar by average of 19% from 2011 to 2021. The non-oil revenues were recorded the highest at 47% in 2020 The key reason behind this was KSA's government medium to long term strategy to reduce reliance on oil-based economy.



Source: Ministry of Finance (MOF)

2.12.5 KSA FISCAL PROJECTIONS

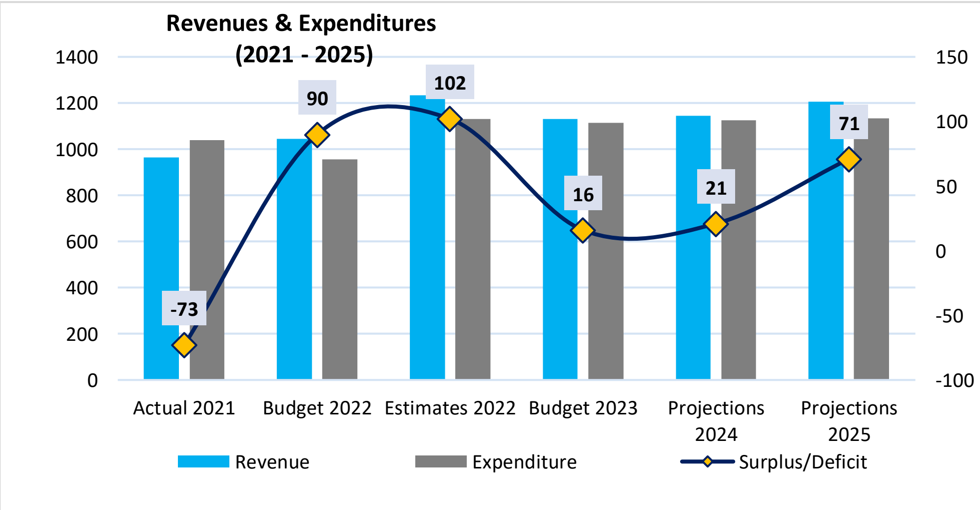
- KSA Economy is expected to continue a positive trend with an estimated budget surplus of SAR 102 bn for FY 2022. This upward curve will follow through tin the next year and it is estimated that the budget will achieve a surplus of around 0.4% of GDP in FY 2023, with the expectation that budget surpluses will continue to be achieved in the medium-term, in line with the objectives of fiscal planning and the indicators of fiscal sustainability.

- The KSA government has estimated the total expenditures for FY 2022 will reach around SAR 1,132 bn, an increase of 9.0% over the actual expenditure of FY 2021, and of 18.5% over the approved budget. This rise is due to the Kingdom's containment of the economic challenges the world has witnessed by controlling inflation levels and compensating for the delay in implementation of some of the strategic and capital projects that were affected by the COVID-19 Pandemic, in addition to accelerating the implementation of the Kingdom's Vision 2030 programs and Giga projects with high economic and social return.

- The government will seek to enhance the localization of military industries as the Kingdom continues to implement the programs and initiatives of the support and social protection system. Thus, it is estimated that the total expenditures will reach around SAR 1,114 bn for FY 2023 and rise to around SAR 1,134 bn in FY 2025.

Indicators	Actual 2021	Budget 2022	Estimates 2022	Budget 2023	Projections	
					2024	2025
Revenues	965	1,045	1,234	1,130	1,146	1,205
Expenditures	1,039	955	1,132	1,114	1,125	1,134
Budget Deficit/surplus	-73	90	102	16	21	71
% to GDP	-2.3%	2.5%	2.6%	0.4%	0.5%	1.7%
Public Debt	938	938	985	951	959	962
% to GDP	30.0%	25.9%	24.9%	24.6%	24.2%	22.6%

Source: Ministry of Finance (MOF)



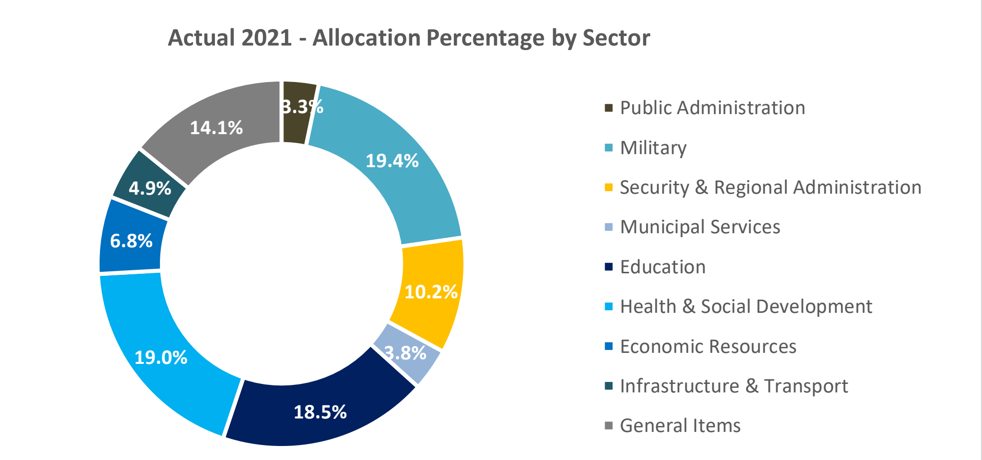
2.12.6 KSA SPENDING COMPARISON (2021, 2022 & 2023)

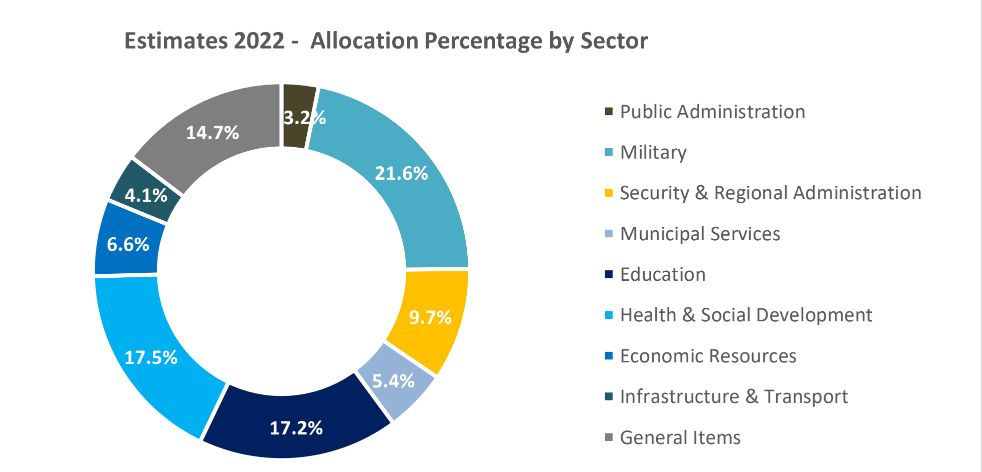
The KSA government actual spending in 2021 reached SAR 1,039 billion. The largest allocation was given to the Military sector at 19.4% followed by the Education sector at 19% and Health & Social Development at 18.5% respectively.

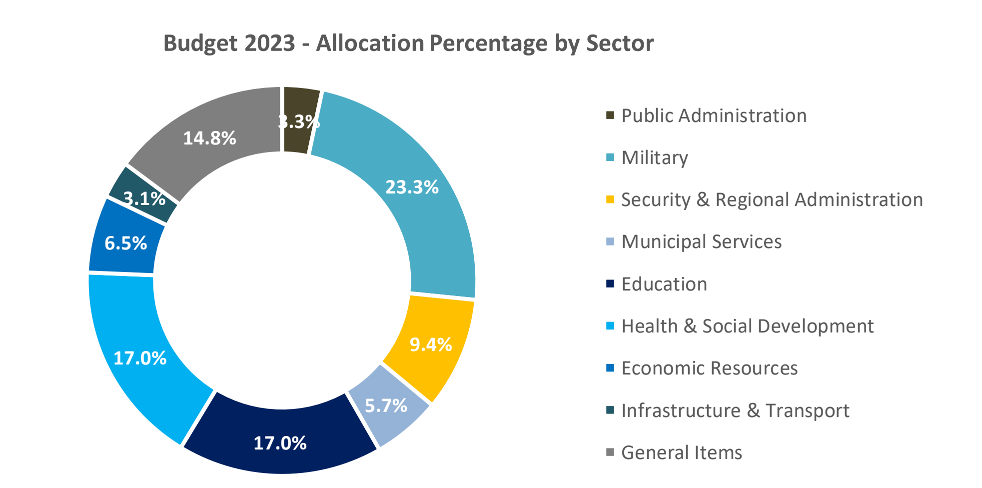
According to the budget statement for the year 2023, the Military sector still tops with the highest allocation at 23.3% followed by Education and Health sectors both at 17% respectively.

Overall, on a year-on-year basis increase of 5.8% has been observed for the Military sector and 4% for Public Administration sector, between the 2022-estimated and 2023 budgeted figures.

While the infra-structure and transportation sector spending dropped by 26.9% on a y-o-y basis between 2022-estimated and 2023 budgeted figures.





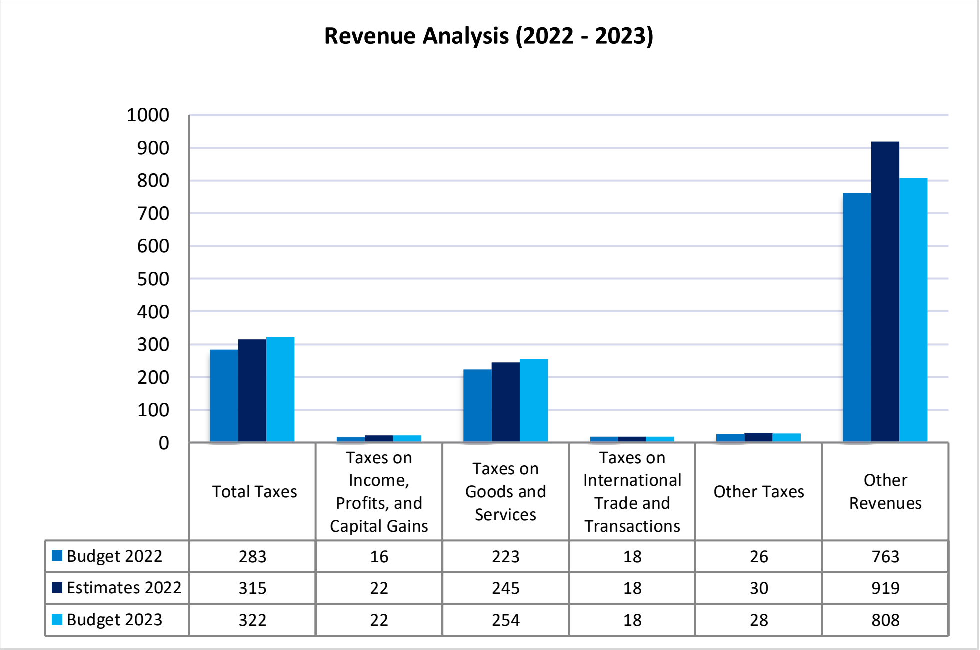


Source: Ministry of Finance (MOF)

2.12.7 KSA BUDGET SUMMARY

According to the budget statement, the total revenues for the year 2023 will reach nearly SAR 1,130 billion, a decrease of 8.4% from what is expected to be achieved in the year 2022. This is due to the approach adopted by the government in building estimates of oil and non-oil revenues in the budget based on standards that are of a conservative nature, being cautious of any developments that may occur in the domestic and global economy.

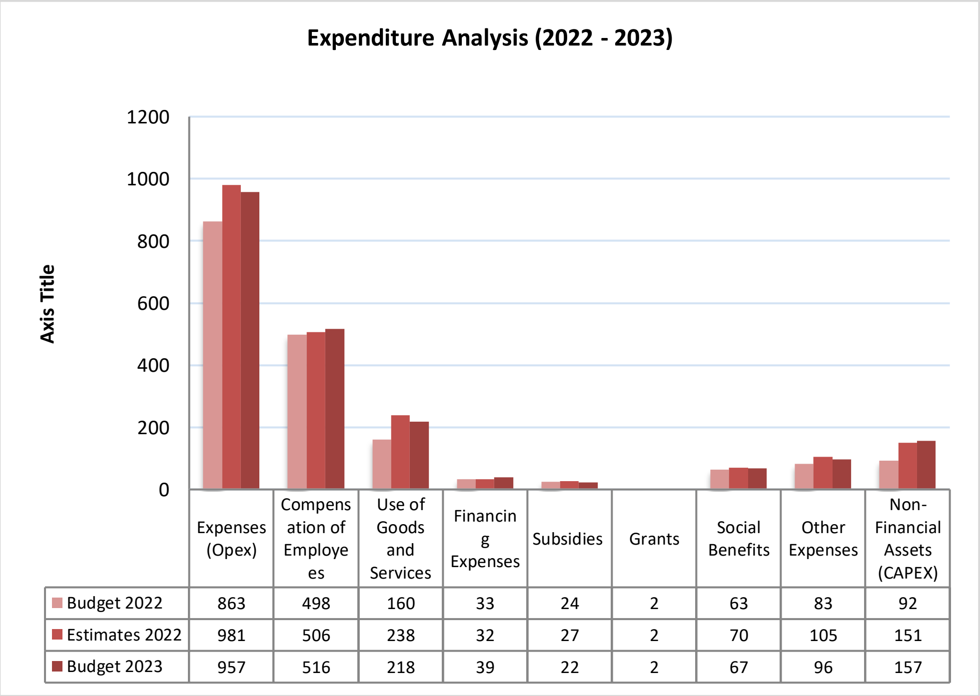
In 2023, the KSA government will continue to implement the initiatives and structural reforms that were adopted during the past years to diversify the economy and enhance non-oil revenues that are inherently linked to economic activity and, thus, increase them because of the increase in non-oil GDP growth rates, which ensures the existence of stable sources of revenue in the medium- and long-term.



	Total Taxes	Taxes on Income, Profits, and Capital Gains	Taxes on Goods and Services	Taxes on International Trade and Transactions	Other Taxes	Other Revenues
Budget 2022	283	16	223	18	26	763
Estimates 2022	315	22	245	18	30	919
Budget 2023	322	22	254	18	28	808

Source: Ministry of Finance (MOF)

The KSA Government is committed to continuing its efforts to raise the efficiency and effectiveness of spending and fiscal discipline in the year 2023 and in the medium-term, while continuing to support and strengthen the support and social benefits system and ensuring their ability to face economic changes, in addition to striving to continue working to maximize the role of the private sector by enabling it to lead investments and increasing the contribution of national funds, which are the effective mobilizer for the development and diversification of the Saudi economy. Accordingly, it is budgeted figures the total expenditures for the year 2023 will reach the levels of SAR 1,114 billion.



	Expenses (Opex)	Compensation of Employees	Use of Goods and Services	Financing Expenses	Subsidies	Grants	Social Benefits	Other Expenses	Non-Financial Assets (CAPEX)
Budget 2022	863	498	160	33	24	2	63	83	92
Estimates 2022	981	506	238	32	27	2	70	105	151
Budget 2023	957	516	218	39	22	2	67	96	157

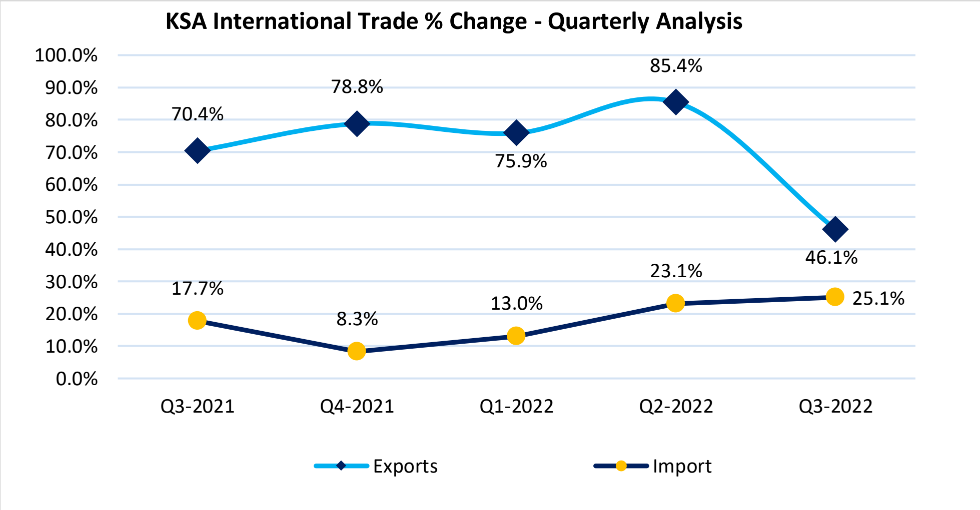
Source: Ministry of Finance (MOF)

2.12.8 KSA INTERNATIONAL TRADE ANALYSIS

Jeddah Islamic Port is one of key ports through which goods crossed into Saudi Arabia at a value of SAR 50.0 billion of imports, corresponding to 27.6% of the total, entered the Kingdom from Jeddah Islamic Sea Port in Q3 2022.

Among the other major ports of entry for the imports were King Abdulaziz Sea Port in Dammam (19.8%), King Khalid Int Airport in Riyadh (10.3%), King Abdulaziz Int. Airport (6.2%), and King Fahad Int Airport in Dammam (6.0%). Those five ports together accounted for 69.9% of the total merchandise imports of the Kingdom.

When compared on a year-on-year basis the merchandise exports soared by 46.1% between Q3-2022 to Q3 2021. The value of exports amounted to SAR 399.7 billion in Q3-2022, up from SAR 273.6 billion in Q3-2021. This increase originated mainly from oil exports, which increased by SAR 117.1 billion i.e., 57.3% in the same period. The share of oil exports in total exports increased from 74.6% in Q3-2021 to 80.4% in Q3-2022. While compared to Q2-2022, total merchandise exports plummeted by SAR 30.8 billion or 7.1%. Non-oil exports (including re-exports) increased by 13.1%, rising to SAR 78.4 billion from SAR 69.4 billion in Q3-2021.



Source: International Trade Report 2022, GSTATs

Quarter	Exports (SAR Million)	Imports (SAR Million)	Total Trade Volume (SAR Million)	Total Trade Balance (SAR Million)
Q3-2021	274	145	419	129
Q4-2021	322	149	471	173
Q1-2022	366	158	524	208
Q2-2022	430	173	603	257
Q3-2022	400	181	581	219

Source: International Trade Report 2022, GSTATs

Overall, the ratio of non-oil exports to imports declined to 43.3% in Q3-2022 from 47.9% in Q3-2021, as a result of a higher growth in imports (25.1%) than in non-oil exports (13.1%) over that time period.

Non-oil exports followed a declining trend compared to Q2-2022 by SAR 8.4 billion or 9.6%. Merchandise imports grew by 25.1% (SAR 36.4 billion) in Q3-2022. The value of imports amounted to SAR 181.1 billion in Q3-2022 compared to SAR 144.8 billion in Q3-2021. Imports also increased compared to Q2 2022 by SAR 8.3 billion or 4.8%.

2.12.9 PIF AND ITS KEY ACHIEVEMENTS

The PIF has achieved exceptional performance and pioneering achievements since the inception back in 2017. So far it has established 66 companies in several diverse sectors, and the volume of assets under management reached more than SAR 2.3 trillion by the end of Q1-2022, in addition to its contribution to the creation of more than 500 thousand jobs directly and indirectly.

The fund also announced its opening of three new regional offices, with the aim of continuing its global expansion in parallel with its local investments. This is in addition to the completion of the fund's issuance of its first international green bonds, with a value of $3 billion, intended for financing green projects. It should also be noted that the PIF borrowed $17 bn as a syndicated loan from international banks, which is part of it refinancing of the previous $11 bn syndicated loan.

Saudi Downtown Company

During FY-2022, the PIF launched a number of companies in various sectors, one of the most prominent of which is the Saudi Downtown Company, which aims to establish and develop urban centers and multiple and diverse destinations across the Kingdom, contribute to the development of the infrastructure of cities, and strengthen strategic partnerships with the private sector and investors.

Saudi Coffee Company

PIF also launched the Saudi Coffee Company in the year 2022, with the aim of developing coffee production and promoting efforts to develop sustainable agriculture in the Jazan Region.

Savvy Games Group

The fund also launched the Savvy Games Group, which aims to develop the electronic gaming and sports sector at the local and international levels.

Halal Food Company

The launch of the Halal Products Development Company to raise the efficiency of the sector's ecosystem locally and export in the future to various markets around the world.

Ceer Motors

During FY-2022, the fund also announced the launch of Ceer as the first Saudi brand to manufacture electric cars in the Kingdom.

Source: Ministry of Finance (MOF)

The fund aims to inject up to SAR 1 trillion into new projects locally and contribute to the non-oil GDP by about SAR 1.2 trillion cumulatively by the end of FY-2025, in addition to having the assets under the management reach about SAR 4 trillion and increasing the contribution of the fund and its subsidiaries to local content to reach 60%. The fund also aims to contribute to the creation of 1.8 million direct and indirect jobs.

2.12.10 GIGA PROJECTS INITIATIVES

The PIF has several initiatives under the GIGA Projects umbrella, below are details of some key projects:-

Saudi Seasons Project

The Project was launched in FY-2019. The project aims to increase the quality of life in cities and their economies through holding events that increase the entertainment choices available to citizens and residents, thereby enhancing the status of the Saudi cities in the rankings among the best global cities. In addition, these seasons contribute to raising the GDP and increasing the number of tourists.

They also enhance the role of the private sector to invest in the events sector. The project also includes several initiatives, one the most important of which is building the national calendar for several cities and tourist destinations distributed throughout the Kingdom.

Green Riyadh Project

The was launched in FY 2019 and is considered one of the largest urban afforestation projects in the world. The project aims to plant more than 7.5 million trees to raise the per capita share of green space in the city of Riyadh from 1.7 square meters to 28 square meters, which is equivalent to 16 times.

It also aims to increase the proportion of total green spaces in the city from 1.5% to 9% through the rehabilitation and afforestation of the main roads, the development of large new parks in the city, and the rehabilitation and afforestation of valleys and their tributaries. The program also includes the afforestation of more than 120 residential neighborhoods in the city of Riyadh, which includes the construction of more than 3 thousand new parks.

Sports Boulevard Project

The Sports Boulevard Project was launched in FY 2019, and it is one of the four Giga projects for the city of Riyadh. The project, which extends for more than 135 km in length, aims to contribute to raising the classification of the city of Riyadh to become among the ten largest city economies in the world in terms of sports, environment, entertainment, and culture to create a sustainable healthy lifestyle that contributes to improving the quality of life in accordance with the objectives of the Kingdom's Vision 2030.

The project aims to cover 4.4 million square meters of green spaces, more than 70 sports sites, and about 2.3 million square meters of areas designated for investment.

The Sports Boulevard Project consists of 8 main areas: the Wadi Hanifa District, the Arts District, Wadi Al-Yasen District, the Entertainment District, the Athletics District, the Eco District, the Wadi Al-Sulai District, and the Sands Sports Park.

King Salman Park Project

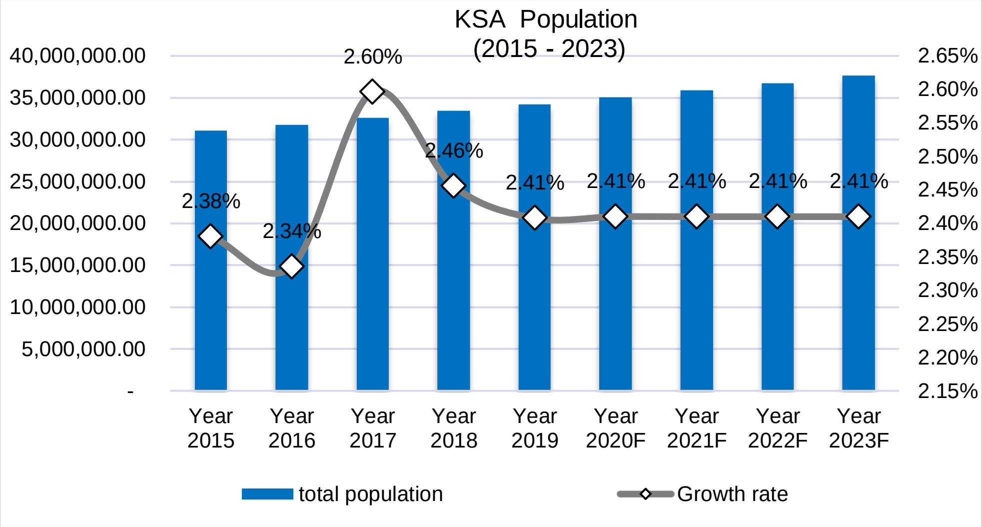
The King Salman Park Project is one of the four Giga Riyadh projects, which was launched in FY 2019. The project works to transform the current King Salman Air Base (the old Riyadh Airport) into one of the largest city parks in the world.

Among the most prominent objectives of the project the increase of the green space in Riyadh for each inhabitant by 80% and placing the city of Riyadh in the ranking of the 100 most livable cities, which contributes to raising the level of quality of life in the city in line with the goals of the Kingdom's Vision 2030 for a vibrant and healthy society.

Source: Ministry of Finance (MOF)

2.12.11 KSA POPULATION AND ITS GROWTH

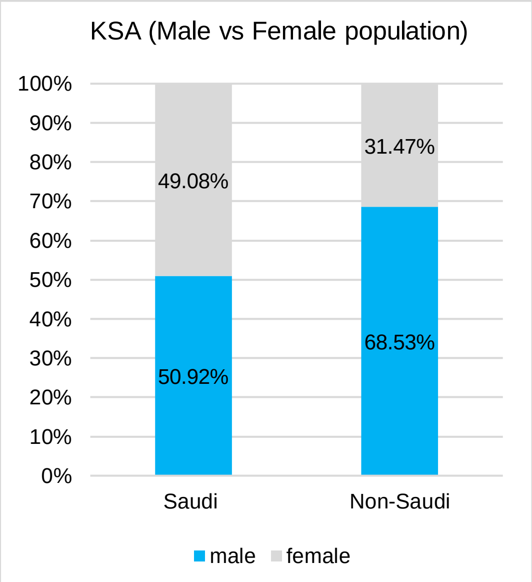
The growth in population has been steady, rising at a CAGR of 2.42% during 2015-23. The population growth rate was the highest in 2017 at 2.60% but plummet to 2.46% in 2018.

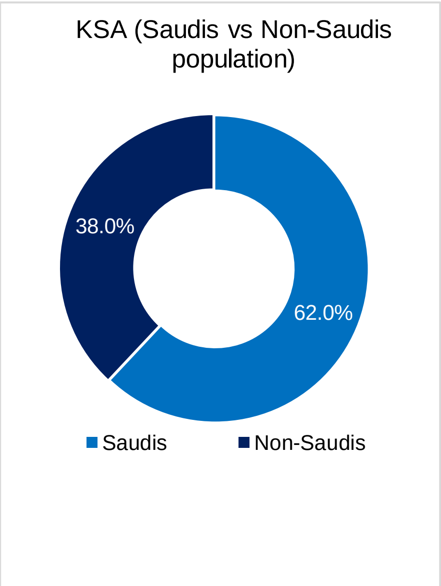


Source: (GSTATs)

2.12.12 KSA POPULATION BREAKDOWN

The population of Kingdom of Saudi Arabia (KSA) splits across approximately 62% Saudis and 38% Non-Saudi population. The Saudi population is more skewed towards male at 50.92% compared to female at 49.08% respectively. While Non-Saudi population is more skewed towards male at 68.53% compared to female at 31.47% respectively.

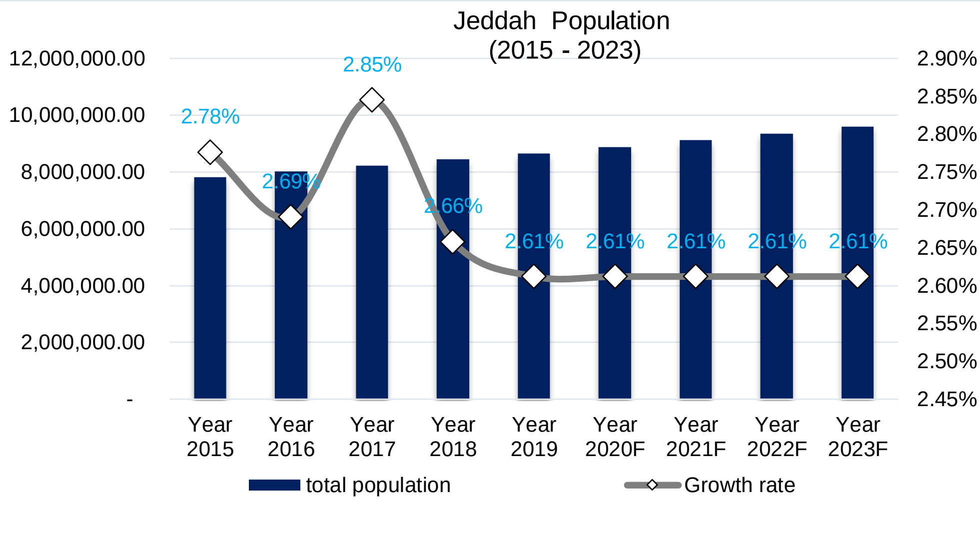




Source: (GSTATs)

2.12.13 JEDDAH POPULATION AND ITS GROWTH

The growth in population has also been steadily, rising at a CAGR of 2.67% during 2015-23. The population growth rate was the highest in 2017 at 2.85% but plummeted to 2.66% in 2018.

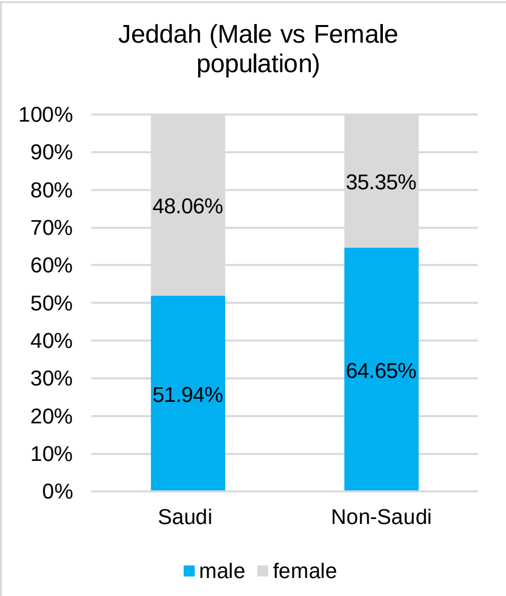


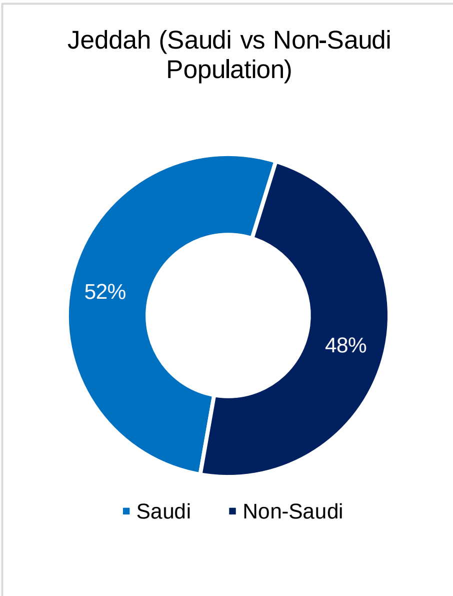
Source : (GSTATs)

2.12.14 JEDDAH POPULATION BREAKDOWN

The population of Jeddah splits across approximately 52% Saudis and 48% Non-Saudi population.

The Saudi population is more skewed towards male at 51.94% compared to female at 48.06% respectively. While Non-Saudi population is more skewed towards male at 64.65% compared to female at 35.35% respectively.





Source : (GSTATs)

2.13 METHODOLOGY & APPROACH

In determining our opinion of Market Value for the freehold interest in the subject property, we have utilized the Discounted Cash Flow (DCF) based on 10-Year horizon with sale and leaseback agreement as mentioned by the Client.

2.13.1 DISCOUNTED CASH FLOW (DCF) APPROACH

The subject property falls into a broad category of investment property with the prime value determinant being the property's ability to generate rentals and rental growth through the ongoing letting and reasonable maintenance.

In determining our opinion of Market Value of the subject property referred in this report, we have utilized the Investment Approach in specific, adopting a Discounted Cash Flow (DCF) technique.

The DCF approach involves the discounting of the net cash flow (future income receivable under lease agreements and forecast take-up of vacant units) on a yearly basis over, in this instance, an assumed 10-year cash flow horizon.

This cash flow is discounted at an appropriate rate to reflect the associated risk premium, in order to determine a Net Present Value of the subject property at that particular Internal Rate of Return (IRR) and exit equivalent yield.

The projected income stream reflects the anticipated rental growth inherent in a property investment based upon the physical, tenancy or market characteristics related to that property.

In addition to projected operating costs and allowances, future capital expenditure can also be reflected in the cash flow. The cash inflows comprise income from the property adjusted to reflect actual and assumed lease conditions and rental growth, whilst cash outflows comprise operating costs adjusted to reflect anticipated inflation.

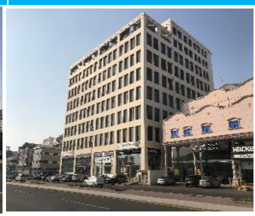
The rental income being capitalised and discounted in the cash flow refers to net rental income, that is, the income stream after deductions for the associated operating expenses of the property as provided by the Client.

2.13.2 MARKET RENTS, VALUATION ASSUMPTIONS & COMMENTARY

Sales or rental evidence for similar properties within Jeddah are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia.

Much if not all of the evidence is anecdotal, and this limitation may place on the non-reliability of such information and impact on values reported.

In forming our opinion of Market Rent for the subject property, we have looked at the following market rental rates of some similar commercial buildings within Jeddah.

Details	Khalidiyah Business Center	Rawdah Business Center	Omnia Center
Type	Office/Commercial	Office/Commercial	Office/Commercial
Location	Khalidiyah District	Rawdah District	Rawdah District
Retail Space Area (m²)	530 - 600	770 - 1,046	217 - 504
Retail Rental Rate per m²	SAR 1,100 - SAR 1,420	SAR 1,350 - SAR 1,500	SAR 1,200 - SAR 1,400
Office Space Area (m²)	142 - 198	270 - 1,100	133 - 320
Office Rental Rate per m²	SAR 700 - SAR 1,020	SAR 600 - SAR 950	SAR 900 - SAR 1,100

Details	Nojoud Center	Marwah Plaza	Unnamed Building
Type	Office/Commercial	Strip Mall	Office
Location	Tahlia Street	Al Marwah District	Al Madinah Rd., As Slalamah
Retail Space Area (m²)	136 - 1,623	29 - 265	-
Retail Rental Rate per m²	SAR 2,250 - SAR 5,100	SAR 700 - SAR 2,000	-
Office Space Area (m²)	105 - 4,225	57 - 304	227
Office Rental Rate per m²	SAR 400 - SAR 1,100	SAR 650 - SAR 900	SAR 650

We have assumed that all lessees are in a position to renew on their forthcoming renewals process. For the purpose of this valuation, we have explicitly assumed that the tenancy schedule provided is accurate and actual.

Should this not be the case, we reserve the right to amend our valuation and this report. We have also further assumed that the rental rates are within the prevailing market rate of commercial and office spaces within Jeddah.

It appears the current head lease rental income of SAR 23,100,000 per annum equates to SAR 735.20 per sq. m which is within prevailing market benchmarks.

In addition, the estimated office market rental ranges from SAR 700 to SAR 850 per sq. m. The estimated retail market ranges from SAR 1,300 to 1,400 per sq. m.

2.13.3 DISCOUNTED CASH FLOW APPROACH

In determining our opinion of Market Value of the subject property, we have utilized the Investment Approach utilizing a Discounted Cash Flow technique.

The subject property falls into a broad category of investment property with the prime value determinant being the property's ability to generate rentals and rental growth through the ongoing letting and reasonable maintenance.

Discounting Cash Flow analysis is defined in the International Valuation Standards as a financial modelling technique based on explicit assumptions regarding the prospective cash flow of the property.

This analysis involves the projection of a series of periodic cash flows a property is anticipated to generate, additionally giving regard to the frequency and timing of associated development costs, contingency allowances etc.

To this projected cash flow series, an appropriate discount rate is applied to establish an indication of the present value of the income stream associated with the property.

The DCF approach involves the discounting of the projected net cash flow on a yearly basis over the explicit cash flow period. In the case of the subject property, the cash flow has been projected over a 10-year period based on the sale and lease back agreement mentioned by the client. The cash flow is discounted back to the date of valuation at an appropriate rate to reflect risk in order to determine the Market Value of the property. The rental income being capitalised and discounted in the cash flow refers to net rental income, that is, the income stream. A contractual agreed growth rate of a fixed rental income per annum has been agreed for the lease and has reflected with a growth rate within the DCF calculations.

The future values quoted for property, rents and costs are projections only formed on the basis of information currently available to us and are not representations of what the value of the property will be as at a future date.

2.13.4 ASSUMPTIONS & COMMENTARY

We have reflected, the subject property taking into consideration the 5-year sale and leaseback agreement with a net annual rent of SAR 23,100,000 per annum on the head lease with approx. 3 years remainder on the head lease (5 years from 04 august 2019).

Thereafter the subject property is assumed on a full rental value basis. We have likewise made the following additional assumptions:

1. The aforementioned sale and leaseback agreement contain no onerous terms and conditions.
2. We understand the head lease is for 5 years with a fixed income with no escalations and may not be renewed. We have also assumed the head lease is signed. Should this not be the case, we reserve the right to amend our valuation and report.
3. We assume should the head lease not be renewed the subject will occupied on a multi-let operational contract basis consisting of market rentals. We have assumed a full market rental on the basis information provided on the units, sizes and current tenant occupation along allowing for 5% vacancy factor. The passing rent in the third year has been forecasted at SAR 25,300,000 per annum with a 2% growth year on year.

4. As mentioned, we have considered the DCF approach taking into consideration the 5-year lease contract with 2 years remaining, although we have assumed at the end of the term, the lease will not be renewed and have considered a market-based rent on a multi-let basis reflecting an operational cost, service charges and voids.

   The operational cost for the remainder of 2 years on the head lease is the obligation of the lessee. Thereafter we understand from the client the multi-let operational tenancies have a built in 10% service charge clause obligations for the maintenance and upkeep of the building.

   Although, we have reflected a OpEx from year 3 of 10% for initial marketing and advertising and void cost of 5%. The void cost period allows for the time, required to find new occupiers and for a rent-free period. For office tenants this will provide period to fit out or in some cases with modest upgrade in a short period allow them commence operation. Thereafter, we have kept the OpEx at 10% throughout the cash flow reflecting the age, type and location requiring additional ongoing maintenance, repair and upkeep.

5. The office market in Jeddah appears to have increased in demand in Q3-2022 and remains stable. We assume all rentals, lease(s) and landlord & tenant information provided by the client is correct and accurate. Should this not be the case, we reserve the right to amend our valuation and report.

   The client is also recommended to consider the benefits in such a market, of having more frequent valuations to monitor the value of the subject property.

6. We have been made aware there is no rent arrears (debt) and all tenants are up to date with rental obligations. Should this not be the case, we reserve the right to amend our valuation and report.

7. The occupancy rates and rents in times of volatility may fluctuate depending on a number of factors, including market and economic conditions resulting in the investment not being profitable.

8. The KSA's oil production and business are a major contributor to Saudi income and strong economic conditions. Therefore, any major fluctuations in oil prices can have a similar effect on the local economy impacting commercial investments and the overall long-term development of the economy in volatile and uncertain times.

9. The growth of the economy is also subject to numerous other external factors, including continuing population growth, increased direct and foreign investment in the local economy and Government and private sector investment in infrastructure, all of which could have a significant impact on the economy and business profitability.

10. It should be noted that the valuation provided is of the property (excluding any element of value attributable to furnishings, removable fittings and sales incentives) as new. It is possible that the valuation figure may not be subsequently attainable on a resale as a' second-hand villa especially if comparable new property is on offer at the same time.
11. As regards property, which are retained, or to retain an ownership interest in, such competition may affect the ability to attract and retain tenants and reduce the rents impacting the property/investment.
12. Any retained or owned property will face competing property/development leading to high vacancy rates resulting in lower rental rates. It is imperative for leasing obligations to be preserved and to keep-up high standard of landlord & tenant (property management) relationship and so it will necessitate that the property be maintained to a good standard to maintain its value.
13. The subject property referred in this report is considered as a full figure and may not be easily achievable in the event of an early re-sale in the short term due to volatile and uncertain times. Refer to our market conditions section below.
14. Property values are subject to fluctuation over time as market conditions may change.
15. We have assumed that the land is not subject to any unusual or especially onerous restrictions, encumbrances or outgoings and good title can be shown. For the avoidance of doubt, these items should be ascertained by the client's legal representatives.

In this instance, we have adopted the following rates:

Components	*Details*
Net Annual Rent (Head Lease)	SAR 23,100,000 per annum
Net Leasable Area (sq. m)	31,420
Operational Expense (OpEx)	The responsibility of the lessee for the remainder of the head lease and thereafter operational expense and service charge obligation at market benchmark. Refer to above commentary at 2.12.4-point 6.
Occupancy	The first 3 years the obligation of the lessee. Thereafter we have assumed market rent on the basis of 95% occupancy throughout the cash flow subject to building being kept in well maintained manner.
Growth Rate (%)	No escalations, although after the expiry of head lease, we have reflected a 2% growth on the market rental.

<u>Operational Expense (OpEx)</u>

Based on the sale & leaseback agreement, we understand the OpEx is the responsibility of the Lessee; however, insurance is taken by the lessor which is currently at 156,132 per annum.

We have assumed that in the 3rd year of cash flow an OpEx will apply at 10% and a 5% void in year 3 considering the head lease may not be renewed and the subject will be leased on the basis market rentals reflecting multi-tenant basis. Refer to commentary above at 2.12.4 point 6.

<u>Discount Rate and Exit Yield</u>

The discount rate reflects the return required to mitigate the risk associated with the particular investment type in question; therefore, echoes the opportunity cost of capital. To this we have to add elements of market risk and property specific risk. The market risk comes in the form of; inter alia, potential competition from existing and latent supply.

Market risk will also reflect where we are in the property cycle and more importantly the location. The subject property is fairly new commercial building and situated along Madinah Road, one of the main thoroughfares in Jeddah. <u>Hence, we have adopted a discount rate of 10.5%.</u>

The exit yield is a resultant extracted from transactional evidence in the market; however, due to anecdotal evidence and limited market activity we have had to rely on anticipated investor expectations from typical property investments. These typically vary between 8% to 9%, depending on the quality of the property, length and condition of the lease, the lessee's reputation and the location of the property.

<u>Based on the above criteria we are of the opinion that a fair exit yield for the subject property is 8.5%.</u>

2.13.5 SUMMARY OF MARKET VALUE - DCF

The resultant value based upon the above variables/assumptions for the subject property is follows:

Property Name	*Passing Income*	*Exit Yield*	*Discount Rate*	*Property Value [Rounded]*
Salama Tower	23,100,000 p.a.	8.5%	10.5%	SAR 246,000,000

2.13.6 INVESTMENT YIELD AND DISCOUNT RATE(S)

Despite the continuance of uncertain conditions, the KSA real estate investment market remains resilient in times of global uncertainty, protectionism, technology innovation disruption and regional volatility.

The divergence between prime yields and secondary continues to widen, reflecting the fact that investors are willing to pay a premium for assets seen as lower risk, in core locations along with strong covenants/tenants/branding. Whilst there remains a lack of transactional evidence in the KSA market and the lack of good quality income generating assets across the KSA market; however, strong investor appetite remains for 'Best in Class' / 'Institutional Asset Class – Grade A' / good quality property providing long term income. The historic strength of asset classes and significant growth in the past few years has meant fairly attractive yields and with the continuance of current stable demand but slower growth. Investors are also no less sensitive to asset classes i.e. office, retail, residential, industrial and the location of property providing investor expectations and stable long-term income for portfolios and funds.

The foreseeable future the subject property(s) referred in this report appear to provide stable investment subject to ongoing maintenance, upkeep of the property and provided that yield stability remains with the real estate sector generally following the fortunes of the greater economy and while the oil reserves are currently fairly strong, then the economy remains stable and backed-by strong fundamentals of the KSA market (i.e. young growing population) and also the economic transformation plan transforming the Kingdom towards a service economy post-oil era. General consensus anticipates a strident improvement in the Saudi economy in the period ahead (vision 2030), supported by both the oil and non-oil sectors.

Accordingly, we can provide investment yield performance indicator in current market conditions as follows:

Transaction Type	Investment Yields (%)
Major Cities & Core Location(s)	7% - 8.5%
Best in Class / Institutional Asset Class – Grade A	7% - 8.5%
Good Quality Income Generating Asset	7% - 8.5%
Strong Covenants / Leases / Tenants / Strong Brands	7% - 8.5%
Secondary / Tertiary Location & Grade	8.5% - 11%

2.14 VALUATION

2.14.1 MARKET VALUE

ValuStrat is of the opinion that the Market Value of the freehold interest in the subject property referred within this report, as of the date of valuation, based upon the Discounted Cash Flow (DCF) Approach and assumptions expressed within this report, may be fairly stated as follows;

Market Value (rounded and subject to details in the full report):

SAR 246,000,000 (Two Hundred Forty-Six Million Saudi Arabian Riyals)

The client is advised that whilst all reasonable measures have been taken to supply an accurate valuation as possible as at the Valuation date, this figure should be considered in the context of the volatility of today's marketplace.

We are currently experiencing a very uncertain property market and due to the reduced level of transactions, there is an acute shortage of comparable evidence upon which to base valuations. Due to this shortage, it may be necessary at times for a Valuer to draw upon evidence which is of a historical nature.'

The valuation assumes that the freehold title should confirm arrangements for future management of the building and maintenance provisions are adequate, and no onerous obligations affecting the valuation. This should be confirmed by your legal advisers.

The value provided in this report is at the top end of the range for properties of this location and character and will necessitate that the property be maintained to a good standard to maintain its value.

2.15 MARKET CONDITIONS SNAPSHOT

2.15.1 MARKET ASSESSMENT, TIMES OF UNCERTAINTY AND VALUATION COMMENTARY OVERVIEW

Since the launch of Saudi Vision 2030 in 2016, the pace of economic diversification has moved at a brisk pace with focus on business growth, tourism, education, manufacturing, entertainment, healthcare and other sectors.

The Vision 2030 will contribute greatly going forward in increasing non-oil GDP growth. Equally with the hike in oil price and revenue in 2022 and the stability of oil price going forward will be a major driver of the Kingdom's economic growth.

The world is rapidly changing with ongoing structural shifts, population growth, urbanization, climate change and the digital revolution continue to profoundly impact our world and societies. Also, Global supply chain disruption, loose monetary policy, pent-up demand and an unfolding energy, food and commodities crisis are among the factors driving consumer prices to their highest levels in decades.

Therefore, price increases, inflation and uncertain supply chains and the food logistics sector is experiencing difficult times. Though the Kingdom of Saudi Arabia has shown resilience with high oil price revenues in 2022 showing surplus of SAR 57 billion and Public Investment Fund (PIF) – sovereign wealth fund going from strength to strength.

Since the lifting of travel bans, the KSA real estate market is in a healthy position with the positive activity and investment by the government unveiling a number of reforms, including recent facilitation of the tourism visa, where citizens of 49 countries are now able to apply e-visas and holders of Schengen, UK or US visas are eligible for visas on arrival.

Also, the government has now allowed the full foreign ownership of retail and wholesale operations along with previously opening up of the Tadawul Stock Market to foreign investment supported by current energy reforms, cutting subsidies, creating jobs, privatizing state-controlled assets and increasing private sector contribution to the country's economy, etc. With all the opportunities throughout the Kingdom and the creation of the Giga projects, there was an ambitious resilience which was suddenly shutdown overnight due to the initial lockdown period. With all the current uncertainty, market stagnation and short-term challenges whereby force majeure (as a result of the pandemic's cause beyond anyone's reasonable control) had created inactivity. As mentioned above the KSA market's ambitions and resilience, we understand investor sentiment remains strong as it was prior to the pandemic and the KSA was on an upward course showing growth in the last quarter of 2019 after a period of subdued market conditions.

The current global crushing of liquidity in economies will have impact on markets and real estate market and this maybe the case with many economies across the globe; however, the KSA market has shown resilience in previous years through a period of downward trend (2016-18), a correction allowing for the market to bottom out with 2019 experiencing growth in the first quarter and subdued market conditions throughout 2019. The latter part of Q4 – 2019 saw positive growth with strong investor appetite, though the market lacking good quality stock. Now with the Saudi government confirming a stimulus package of SR 120 billion plus, we understand the market will bounce back with investors underlying strong appetite. This will delay any evidence in the short term of declining prices and with the government stimulus will assist any short-term losses on transactions, private and public funds, although will need to be sustained in the short-term.

The KSA real estate sector generally follows the fortunes of the greater economy and while the oil reserves were left off prior to the pandemic fairly strong, although currently a price war between major producers is adding to a growing supply glut, though this will help KSA once markets start normalizing again. The KSA economy remains stable and backed-by strong fundamentals of the KSA market (i.e. young growing population) and also the economic transformation plan transforming the Kingdom towards a service economy post-oil era.

In short, the pandemic COVID-19 (2020) was expected to be a short-term shock wave with an eventual surge of business activity leading to a rapid recovery either in the form of a "V-shape" or a more gradual recovery in the form of a "U-shape" bounce back. Accordingly, we expected the KSA market to surge in business through 2021 and 2022 allowing for markets to start flourishing towards long term sustainability in social trends and patterns along with socio-economic distancing in a growing cycle. There is strong evidence that real estate markets have sprung back to strong activity and growth fairly quickly as we are experiencing in the Kingdom of Saudi Arabia.

The KSA real estate market is a developing market with much invested by the government in infrastructure projects, so we expect the government's latest stimulus to preserve liquidity and for demand to hold having limited / no bearing on prices / rates.

2.15.2 MARKET CONDITIONS POST PANDEMIC AND THE KSA VISION 2030

The roll out of vaccinations in 2021 offered confidence in controlling this disease and provide a path of recovery in sight along with recovery in oil price provides further impetus. The Kingdom of Saudi Arabia (KSA) - world's largest exporter of crude oil, embarked four years (2016) ago on an ambitious economic transformation plan, "Saudi Arabia Vision 2030". In a hope to reduce its reliance on revenue from hydrocarbons, given the plummeting oil price revenues from 2014.

Through the current vision 2030 and in a post oil economy, KSA is adapting to times of both austerity measures and a grand ambitious strategy. With an overdue diversification plan Saudi Arabia's economic remodelling is about fiscal sustainability to become a non-dependent nation of oil. This is supported by current energy reforms, cutting subsidies, creating jobs, privatising state-controlled assets and increasing private sector contribution to the country's economy.

Despite economic headwinds, across the region, KSA has shown resilience through a period of subdued real estate market activity. The real estate sector generally follows the fortunes of the greater economy and whilst Saudi Arabia is undergoing structural reforms politically, economically and socially will transform the Kingdom towards a service economy post-oil era. These changes along with significant amounts of investment - estimated to soon be over 1 trillion US dollars will create vast amounts of opportunities for the public and private sectors across all businesses segments.

The KSA economy in the first quarter of 2019 had relied on the current oil price rise to pull it out of recession; however, the previous 18-24 months, KSA faced a protracted spell of economic stress, much of which can be attributed to the falling oil prices coupled with regional political issues. Oil prices starting to surge again around 65 dollars a barrel currently from under 30 dollars a barrel in early in 2016 which resulted in a crash in prices and the economy dipped into negative territory in 2017 for the first time since 2009, a year after the global financial crisis.

General consensus anticipates a strong Saudi economy in the period ahead (2022-2023), supported by both the oil and non-oil sector. So ultimately it appears the economy will still need to rely on oil revenues to bridge the gap in the short term with a budget deficit over the past 3 years and the Kingdom borrowing from domestic and international markets along with hiking fuel and energy prices to finance the shortfall.

The economy slipped into recession in 2018 but returned to growth in 2019, albeit at the fairly modest level of 1.7%, according to estimates from the International Monetary Fund (IMF). However, the return to growth is mainly due to a return to increase in oil prices again and output which, in turn, is enabling an increase in government spending.

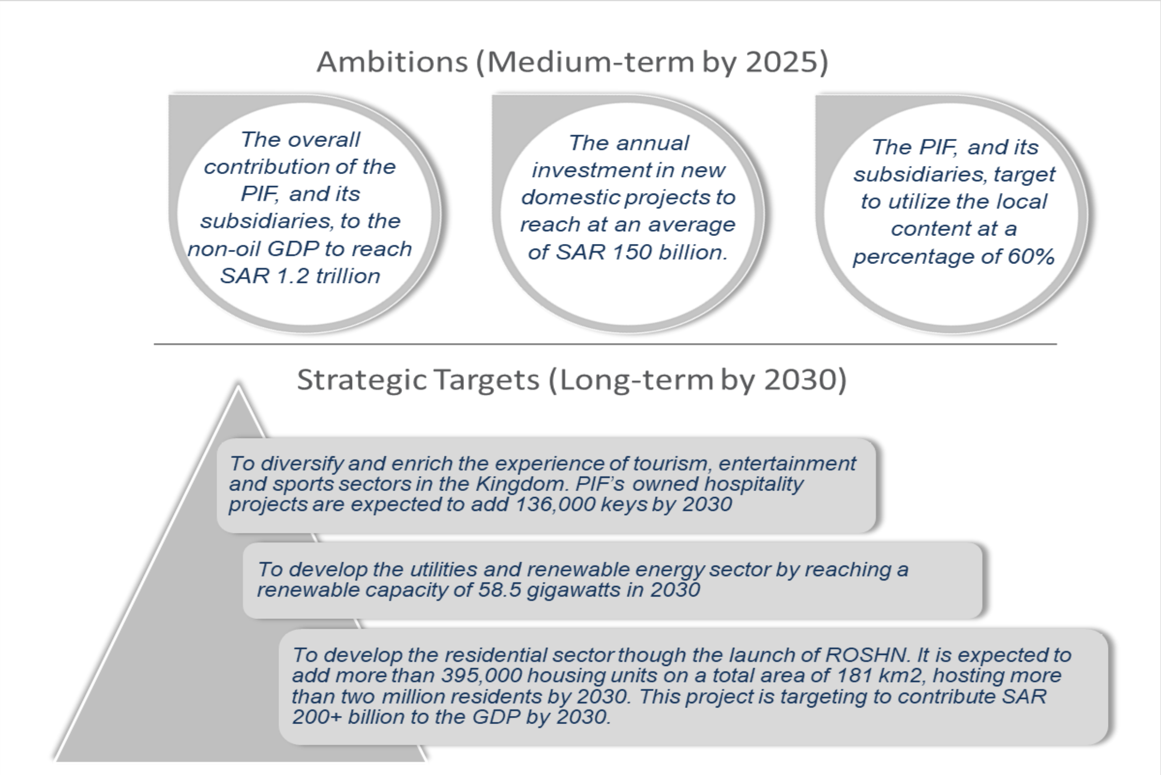
Accordingly, in the short term needs to rely on the oil revenue and this reliance is being channelled into public spending. The reforms that have been pushed through to date have led to important changes aiding the economy.

The opening up of the entertainment industry will create jobs for young locals and women driving makes it easier for millions more people to enter the workforce. Reforms to the financial markets have led indexing firms to bring the Saudi Stock Market (Tadawul) into the mainstream of the emerging markets universe which now assists to draw in many billions of investment dollars. A due enactment of law will encourage public-private partnerships to herald more foreign investment.

The economic transformation that the KSA has embarked upon is complex and multidimensional and will certainly take time to turn around a non-oil serviced economy, although there have been recent positive signs, but it will remain in the short term with the support of oil revenues.

On the other hand, the KSA was resilient in the previous recession in 2007/2008 on strong oil reserves and not only can the Saudi government be relied upon to step in to rescue troubled lenders, reliable institutions for procedural reasons but crucially, it can also afford to do so, although has suffered due to previous oil price declines and it has meant increased spending.

PIF and its Vision



- The PIF by a clear mile is heading in the right and assertive direction with substantial achievements both on the local and global economic levels.
- With launch of quite a few mega investment projects such as Red Sea Project, Amaala, Neom, Alula, Qiddiya, that have contributed to advancing the national economic transformation, as well as deepening the concept of sustainable positive change in the context of global investment efforts.

Vision 2030 to diversify the economy from reliance on oil, has only just commenced in previous years and with a young and increasingly well-educated population, together with its own sovereign wealth fund, the Kingdom has many favourable factors to become a leading service sector economy in the region. Wider reforms have been initiated by the government allowing for the entertainment industry to flourish with the opening of the first cinema in King Abdullah Financial District (KAFD) along with 4 VOX screens opening at Riyadh Park Mall.

The cinema entertainment is spurred on by Public Investment Fund (PIF) in collaboration with AMC Cinemas and led by the Development and Investment Entertainment Company (DIEC), a wholly owned subsidiary of PIF.

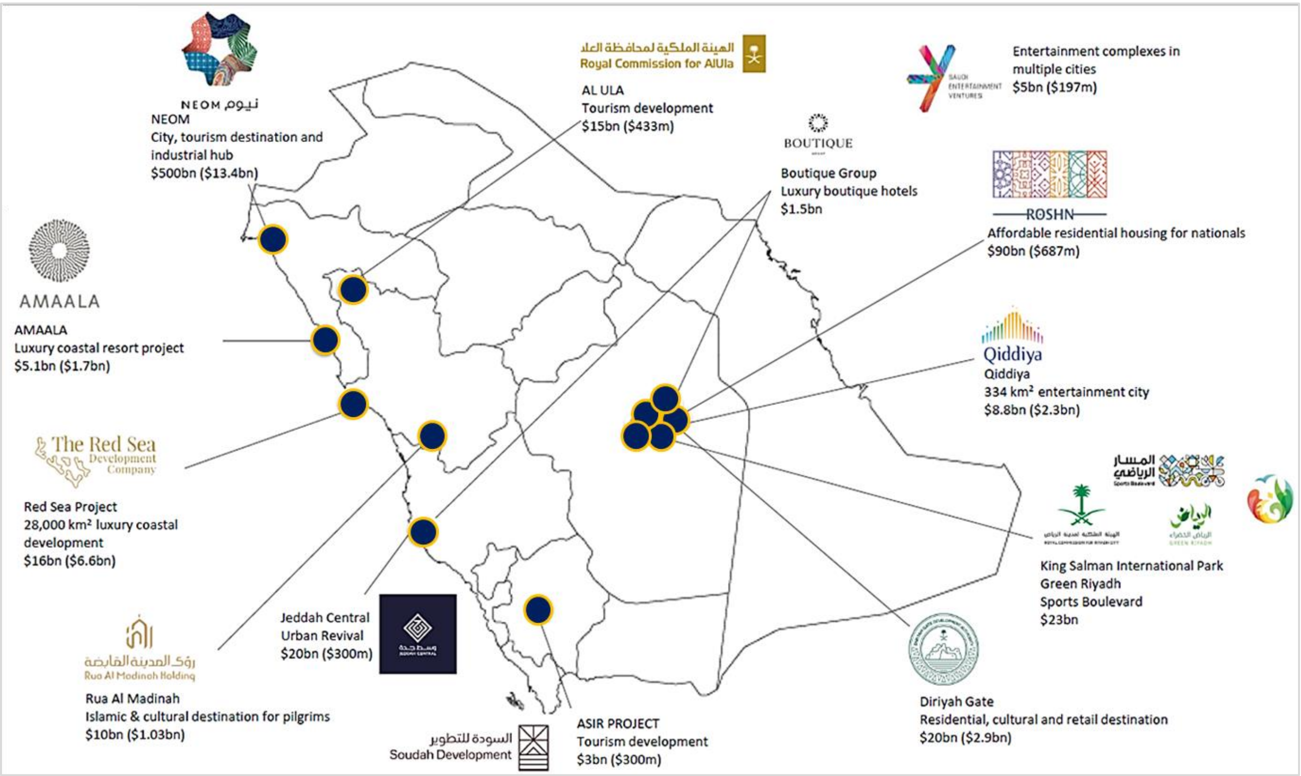
With an objective of 30 to 40 cinemas in approximately 15 cities in Saudi Arabia over the next five years, and 50 to 100 cinemas in about 25 Saudi cities by 2030.

As part of wider reforms to overhaul the economy and to allow for deep rooted diversification, the Public Investment Fund (PIF) have initiated plans to bolster the tourism / entertainment industry by forming ambitious plans such as the following:

Giga Projects and its Entities

The PIF currently has ‘11’ entities under its umbrella which are associated with key giga projects in KSA as per the above illustration. While non-PIF initiatives include the DGDA, Royal Commission of AlUla and many others.

These giga-projects are planned to fuel the economy and their benefits are expected to expand significantly beyond the real estate and infrastructure sectors, helping to diversify the economy away from oil, especially given their steep scale.



The total targeted value for these giga-projects exceeds $700+ billion across the KSA. While the total work awarded by these projects comes to around $29.8 billion. NEOM represents the highest value among them followed by Red Sea project respectively. For ease of reference, refer to the illustration for each project location.

Red Sea Tourism Project

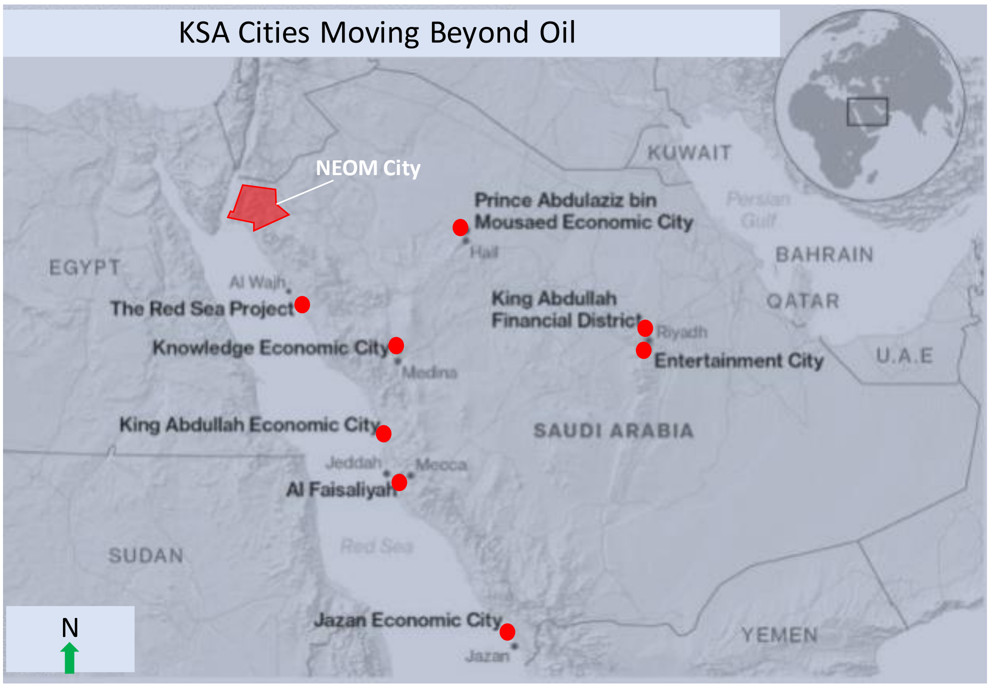
To transform 50 islands consisting of 28,000 square kilometres along the Red Sea coastline into a global tourism destination. For ease of reference to illustration below showing the location in relation to the Kingdom of Saudi Arabia.

Al Faisaliyah Project

The project will consist of 2,450 square kilometres of residential units, entertainment facilities, an airport and a seaport. Refer to the below illustration for the location.

Qiddiya Entertainment City

Qiddiya Entertainment City will be a key project within the Kingdom's entertainment sector located 40 kilometres away from the center of Riyadh. Currently alleged for "The First Six Flags-branded theme park". The 334 square kilometre entertainment city will include a Safari Park too. The project will be mixed use facility with parks, adventure, sports, events and wild-life activities in addition to shopping malls, restaurants and hotels. The project will also consist around 4,000 vacation houses to be built by 2025 and up to 11,000 units by 2030. Again, for ease of reference refer to the below illustration for the location.



Neom City

The NEOM city project will operate independently from the “existing governmental framework” backed by Saudi government along with local and international investors. The project will be part of a ‘new generation of cities’ powered by clean energy. The ambitious plan includes a bridge spanning the Red Sea, connecting the proposed city to Egypt and stretch into Jordan too.

Economic Cities

The overall progress with the Economic Cities has been slow and projects on hold over the past 7-10 years, although KAFD has recently given the go ahead to complete by 2020. Within the Saudi Vision 2030 the governed referenced that they will work to “salvage” and “revamp”.

Real Estate Growth

Overall ValuStrat research reveals that real estate sectors have continued to decline in both sales and rental values. We expect demand to remain stable due to fundamentals of a growing young population, reducing family size, increasing middle-class and a sizeable affluent population – all of which keeps the long-term growth potential intact.

Despite short term challenges, both investors and buyers remaining cautious, the Saudi economy has shown signs of ambition with the government unveiling a number of reforms, including full foreign ownership of retail and wholesale operations along with opening up of the Tadawul Stock Market to foreign investment as well as the reforms mentioned in the previous section referred above.

As mentioned earlier, KSA experienced positive growth by oil price rise in the first quarter of 2021; hence the main driver of the recovery remains oil. Over 2021 we envisage the Kingdom's consumer outlook to be more favourable in economic conditions. Moreover, tax on development land implemented in 2017/18 has kept the construction sector afloat, encouraging real estate developers. Adapting to a new KSA economic reality has been inevitable, although the Kingdom's oil dynamics remain pivotal for future development within the KSA 2030 economic vision plan.

In latter part of 2017, the Public Investment Fund (PIF), Saudi Arabia's sovereign wealth fund set up a real estate refinancing company aimed at advancing home ownership in the Kingdom, which suffers from a shortage of affordable housing. This initiative will create stability and growth in the Kingdom's housing sector by injecting liquidity and capital into the market. Another plan to help kick start the real estate market by boosting the contribution of real estate finance to the non-oil GDP part.

The real estate sector has played an increasingly important role in the Saudi Arabian economy. Growing demand across all sectors combined with a generally limited supply has forced real estate prices to accelerate over the past (2008-2016). The close ties with the construction, financing institutions and many others have provided crucial resources that contributed to the development of the Saudi economy. The real estate market performance in 2019/20 and the general trend in KSA for most sectors have remained subdued given lower activity levels, while prices have been under pressure across most asset classes leading to a gradual softening of rental and sale prices. The real estate sector remains strong but subdued, and prices may have bottomed out across sectors, and we expect in the medium to long term for the market to pick-up further growth given the reforms and transformation in KSA, although we expect the growth to be slow and steady subject to a stable political environment in KSA and across the region.

The outlook remains optimistic for the longer term due to the various KSA initiatives aimed at stimulating the real estate market whilst encouraging the private sector to play a key role in the transformation.

The KSA has experienced continued demand for good quality property which is set to continue into 2023 with strong occupational market appealing investors. A watching brief should be kept on the economy, although we expect the economy to gather further pace in 2023.

Property values are subject to fluctuation over time as market conditions may change. Valuation considered full figure and may not be easily achievable in the event of an early re-sale. It must be borne in mind that both rental and capital values can fall as well as rise.

2.16 VALUATION UNCERTAINTY

This valuation has been undertaken against a background of significant levels of Market volatility is one of the main reasons of Valuation uncertainty in the real estate market in the Kingdom and within the GCC region given the dramatic changes in markets in current oil price slump and other factors too.

We are currently experiencing a very uncertain property market and due to the reduced level of transactions, there is an acute shortage of comparable evidence upon which to base valuations. Given the current uncertainties it may be necessary at times for a Valuer to draw upon evidence which is of a historical nature.

The current shortage of transaction, combined with a rapidly changing market only serves to highlight the unpredictability of the current market, which is subject to change on a day by day basis.

The RICS valuation standards consider it essential to draw attention to foreseen valuation uncertainties that could have a material effect on valuations, and further advises to indicate the cause of the uncertainty and the degree to which this is reflected in reported valuations.

We further state that given the valuation uncertainty stated above our valuation represents our impartial calculated opinion / judgement of the properties, based on relevant market data and perceptions as at the date of valuation.

The client is advised that whilst all reasonable measures have been taken to supply as accurate a valuation as possible as at the Valuation date, this figure should be considered in the context of the volatility of today's marketplace

The client is also recommended to consider the benefits in such a market, of having more frequent valuations to monitor the value of the subject property.

2.17 DISCLAIMER

In undertaking and executing this assignment, an extreme care and precaution has been exercised.

This report is based on information provided by the Client. Values will differ or vary periodically due to various unforeseen factors beyond our control such as supply and demand, inflation, local policies and tariffs, poor maintenance, variation in costs of various inputs, etc.

It is beyond the scope of our services to ensure the consistency in values due to changing scenarios.

2.18 CONCLUSION

This report is compiled based on the information received to the best of our belief, knowledge and understanding.

The information revealed in these reports is strictly confidential and issued for the consideration of the Client.

No part of this report may be reproduced either electronically or otherwise for further distribution without our prior and written consent.

We trust that this report and valuation fulfils the requirement of your instruction. This report is issued without any prejudice and personal liability.

For and on Behalf of, ***ValuStrat,***

Ramez Al Medlaj (Fellow Taqeem Member No. 1210000320) Valuation Manager – Real Estate	Yousuf Siddiki (Fellow Taqeem Member No. 1210001039) Director - Real Estate, KSA

شركة خبير التثمين للتقييم العقاري
س.ت: ١٠١٠٢٦٧٩١٧

APPENDIX 1 - PHOTOGRAPHS






APPENDIX 2 – COPY OF BUILDING PERMIT

الإدارة المركزية لرخص البناء

رخصة بناء مفعلة

٢٠٠٠١٨٢٢٤

الرقم التسلسلي (٤١٧٩)

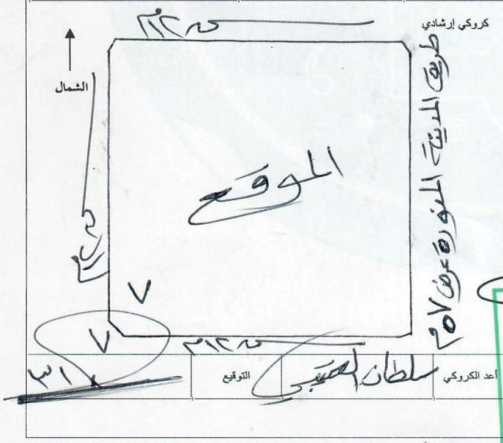
أمانة محافظة جدة

تجديد رخصة

رقم رخصة البناء	٢٧٩٨			تاريخها	١٤٣١/٠٧/٠٢	
رخصة بناء :	اداري تجاري			صالحة إلى	١٤٣٤/٠٧/٠٢	
اسم المالك :	احمد محمد عمر بامعروف					
نوع هوية :	حفيظة نفوس	رقمها	١٠٠٠٤٨٨٣١٠	تاريخها	١٣٧٨/٠٥/٢٥	مصدرها جده
صك ملكية رقم :	٢٢٧٦			تاريخ	١٤١٣/٠٥/١٥	مصدر جدة
رقم المبنى :		شارع		حي	السلامة	
رقم القطعة :	٠			رقم المخطط		

قد رخص للمالك ببناء عدد ١٥ دور بموجب الحدود والأبعاد والارتدادات والبروزات

المحتويات	سكن	تجاري	مواقف سيارات	وحدات أخرى	مساحة الدور
البدروم	٠	٠	٧٦٨٢	٠	٠
طابق خدمة	٠	٠	٦٥٥٨,١	٠	٠
الطابق الأرضي	٠	٤٤٨٦,٥	٠	٠	٤٤٨٦,٥
طابق الميزانيين					
الطابق الأول	٠	٢١٩٢,٥	٠	٠	٢١٩٢,٥
الطابق الثاني	٠	٣٤٨٤	٠	٠	٣٤٨٤
الطابق الثالث	٠	٢٧٠٣	٠	٠	٢٧٠٣
الطابق المتكرر	٠	٢٥٣٨٥,٦٩	٠	٠	٢٥٣٨٥,٦٩



إجمالي طول الأسوار (م – ط)		
رقم رخصة المكتب الهندسي	مكتب المهندس مروان بدر الدين عاشور	
الرسوم	رقم الإيصال	تاريخ الإيصال
٤٣,٥٠٣,٦٠	٣١٠١١٣٧٩١٧	١٤٣١/٠٦/٢٢

* تم إحضار العقود المطلوبة حسب النظام

عدد الوحدات السكنية : ......١.١.٦......

رئيس القسم	التوقيع
م/ تيسير محمد السكيني	
مدير الإدارة المركزية لرخص البناء	التوقيع
م/ عبد الرزاق عبد الرحمن شيخ عمر	١٤٣١/٧/٧
الختم	
رمز التشغيل	

أمانة محافظة جدة
الإدارة العامة
لرخص واشتراطات البناء
إدارة المشاريع الخدمية والتجارية

يجب على صاحب الرخصة إلقاء مخلفات البناء/الهدم/الترميم في المردم المعتمد من الأمانة باستخدام البطاقات الممغنطة الممنوحة له عند إصدار الرخصة. وأن أمانة محافظة جدة في حال تقاعس صاحب الرخصة في توريد الدمارات المقررة ستطبق الجزاءات والعقوبات اللازمة لضمان إزالة المخلفات.

002-01-F09; V 3.0

جدة أمانة
فلنؤدِ الأمانة

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APPENDIX 3 – DISCOUNTED CASH FLOW (DCF) EXTRACT

DISCOUNTED CASH FLOW (DCF) ANALYSIS												
Salama Tower Jeddah							Valuation Date:	Saturday, December 31, 2022				
Tenure:	Freehold											
Growth Rate	2.0%											
Void Cost	5.0%											
OpEx	10%											
Year		1	2	3	4	5	6	7	8	9	10	Exit Value
Full Rental Value		23,100,000	23,100,000	25,300,000	25,806,000	26,322,120	26,848,562	27,385,534	27,933,244	28,491,909	29,061,747	
Occupancy		100%	100%	95%	95%	95%	95%	95%	95%	95%	95%	
Passing Rent / Market Rent		23,100,000	23,100,000	24,035,000	24,515,700	25,006,014	25,506,134	26,016,257	26,536,582	27,067,314	27,608,660	
Operational Costs		-	-	2,403,500	2,451,570	2,500,601	2,550,613	2,601,626	2,653,658	2,706,731	2,760,866	
Void Costs		-	-	63,250	64,515	39,483	40,273	41,078	41,900	42,738	43,593	
Net Current Rent		23,100,000	23,100,000	21,568,250	21,999,615	22,465,929	22,915,248	23,373,553	23,841,024	24,317,845	24,804,201	291,814,134
Present Value of Net Rent		20,904,977	18,918,532	15,985,568	14,755,909	13,636,817	12,587,831	11,619,536	10,725,726	9,900,670	9,139,080	107,518,586

Dubai, United Arab Emirates
Office 702, Palace Towers,
DSO, Dubai, UAE

Phone +971 4 326 2233
Email Dubai@valustrat.com

Riyadh, Saudi Arabia
6th Floor, South Tower,
King Faisal Foundation Building,
Al Fasiliah Complex, Riyadh, KSA

Phone +966 11 293 5127
Email Riyadh@valustrat.com

Jeddah, Saudi Arabia
111 Jameel Square,
Tahlia Road, Jeddah, KSA

Phone +966 12 283 1455
Email Jeddah@valustrat.com

London, United Kingdom
Roxburghe House, 273-287 Regent St.
London W1B 2HA, United Kingdom

Phone +44 796 338 2486
Email London@valustrat.com

Doha, Qatar
Office 503, QFC Tower 2,
West Bay, Doha, Qatar

Phone +974 4 496 8119
Email Doha@valustrat.com

Karachi, Pakistan
H. No. 50/II, Khayaban-e-Shamsheer,
Phase V, DHA, Karachi, Pakistan

Phone +92 213 520 2904
Email Karachi@valustrat.com