

Real Estate Valuation Report

Presented to: AlAhli REIT Fund (1)

Qbic Plaza



Statement

Dear Esteemed : **AlAhli REIT Fund (1)**

Greetings

Subject: Real Estate Valuation Report for Qbic Plaza

We, Qiam Real Estate Valuation Company, extend our sincere thanks and appreciation to you for choosing us and granting you your precious trust to evaluate the property located in the city of **Riyadh, Al-Ghadeer** ,neighborhood, pursuant to the assignment issued by you on **28/06/2025 AD**, based on the license granted to us by the Saudi Authority for Accredited Valuers, following the latest version of the internationally recognized **2025 AD** valuation standards and the rules and ethics of the profession to reach the final neutral evaluation based on the actual inspection by the work team and the study of the market area surrounding the property. The fair price estimate was reached using the various valuation methods contained in each report. Accordingly, we are pleased to present to you the real estate valuation certificate listed below.

Based on the completed study, we attach to you the results of the fair price estimation of the building property for the purpose of periodic valuation of the Fund's assets and their current status on the estimation date of **30/06/2025 AD**, **For an amount of only (282,421,044) Two hundred and eighty-two million, four hundred and twenty-one thousand, and forty-four Saudi riyals.**

With sincere gratitude...

This report was approved by the Executive Director,

Ismail Mohammed Al-Dubaikhi

Under License No. / 1210000052 dated 06-03-1443 AH




Valuation report filing code

At the Saudi Authority for Accredited Valuers

قيـم للتقـيـم

QIAM VALUATION

Content

The specific assumptions and limitations of the report	01
Scope of work	02
An overview of the economy and the real estate sector in the Kingdom of Saudi Arabia	03
Site studies	04
Valuation	05
Value Estimation	06
Appendix	07



- **The specific assumptions and limitations of the report**

Important assumptions and special assumptions

- Based on the type of property, its characteristics, and the purpose of the valuation, the property was evaluated using the Income Approach (**Discounted Cash Flow Method**).
- Based on the purpose of the valuation, which is (**Periodic Valuation of the AIAhli REIT Fund (1)**), the valuation was based on the value (**Fair value**).
- Qiam Valuation Company acknowledges that there is no conflict of interest with the fund managers, property owners and managers, property tenants, and all direct and indirect parties in everything related to the fund.
- Our company does not bear any responsibility for any information received from the customer, which is supposed to be safe and reliable, and our company does not acknowledge the accuracy or completeness of the available data and does not express its opinion and did not offer any kind of guarantee for the accuracy or completeness of the data except as indicated clearly in this report.
- The property has been inspected outwardly and the property has not been structurally inspected, or this appraisal report is considered valid only if it bears the company's seal and the signature of the accredited valuers.
- No legal document was verified for the property that was evaluated or for legal matters involving ownership or mortgage, and it was assumed that the information provided by the client (Ownership documents and Title deed) is current and valid.
- The values estimated in this report are for the property under valuation, and any distribution of the value to parts of the property will not be correct, and this value should not be used for any other purposes, as it could be incorrect if used as well.
- The information provided by other parties, especially with regard to planning, land ownership, leasing, etc., on which all or part of this report was based, was considered reliable, but not all of its authenticity has been confirmed in all cases, and no guarantee has been provided regarding the authenticity of this information if it appears that this information is incorrect. The value shown in this report may change.
- The property was valued in accordance with International Valuation Standards 2025 AD, and the estimated value in this report is for the property under study, and in case of changing the purpose of the valuation, these values may be incorrect.
- Boundaries and lengths are according to the client's information (Ownership documents). The company is not responsible for the boundaries and lengths, and therefore the total area of the lands is taken according to the Title deed data. The company is not responsible for that,
- This report may not be used in whole or in part, or have references to it made without mentioning Qiam and its partner real estate valuation company. It may also not be published in any way without the company's prior written consent, in the form and content in which it appears.
- The company's responsibility with regard to the report and valuation is limited to the client, who is the entity conducting the valuation. Some of the required data was not received from the client, and if any hidden information is available, it could affect the value of the property.



■ Scope of work

Scope of work Standard No. 101

Other users	Client (Report Owner)	Real estate valuer's identity
National Commercial Bank	AIAhli REIT Fund (1)	▪Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052 ▪ Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013 ▪Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981
Assumed value	Value Basis	Purpose of the valuation
Current use	Fair value	Periodic valuation of the assets of AIAhli REIT Fund (1)
Report type for client	Valuation Approach	Asset subject to valuation
Investment or use, and in some cases the property is partly used by the client and partly invested, and has special considerations)	Income Approach (Discounted Cash Flow method)	Commercial and administrative building
Report issuance date	Valuation date (measurement)	Inspection date
20/07/2025 AD	30/06/2025 AD	02/07/2025 AD

Scope of the Valuer search - Standard No. 102

Gathering sufficient information through a field visit, visible inspection, and conducting analyzes. A study was conducted from sites close to the real estate site and from approved real estate offices in the real estate area, and all information was investigated and studied accurately.

Definition of Value Basis

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. (This definition is taken from IFRS (13)) paragraph 9. It is also defined in IVS 104 Bases of Value paragraph 90 among other bases of value for valuation for financial reporting purposes.

Scope of work Standard No. 101

Report currency

Saudi riyal

Description of report type

A narrative report that explains the valuation methodology, steps, and valuation results, and includes illustrative images of the limits of the asset being valued, along with details of the data.

Valuation Standard followed

All work was carried out in accordance with the regulations of accredited valuers and the executive regulations related to real estate valuation issued by the applicable valuation standards published by the magazine of the Saudi Authority for Certified Valuers (Taqeem) and the latest version of the valuation standards and the valuers who adhere to its requirements. Valuations may be subject to follow-up by these bodies, and the review includes the conformity of the valuation with Requirements of International Valuation Standards for the year 2025 AD

Nature and source of information

The information contained in the report was issued by official bodies, real estate offices in the targeted area, or offices specialized in research and studies, and with reference to the database of Qaim and its partner real estate valuation company.

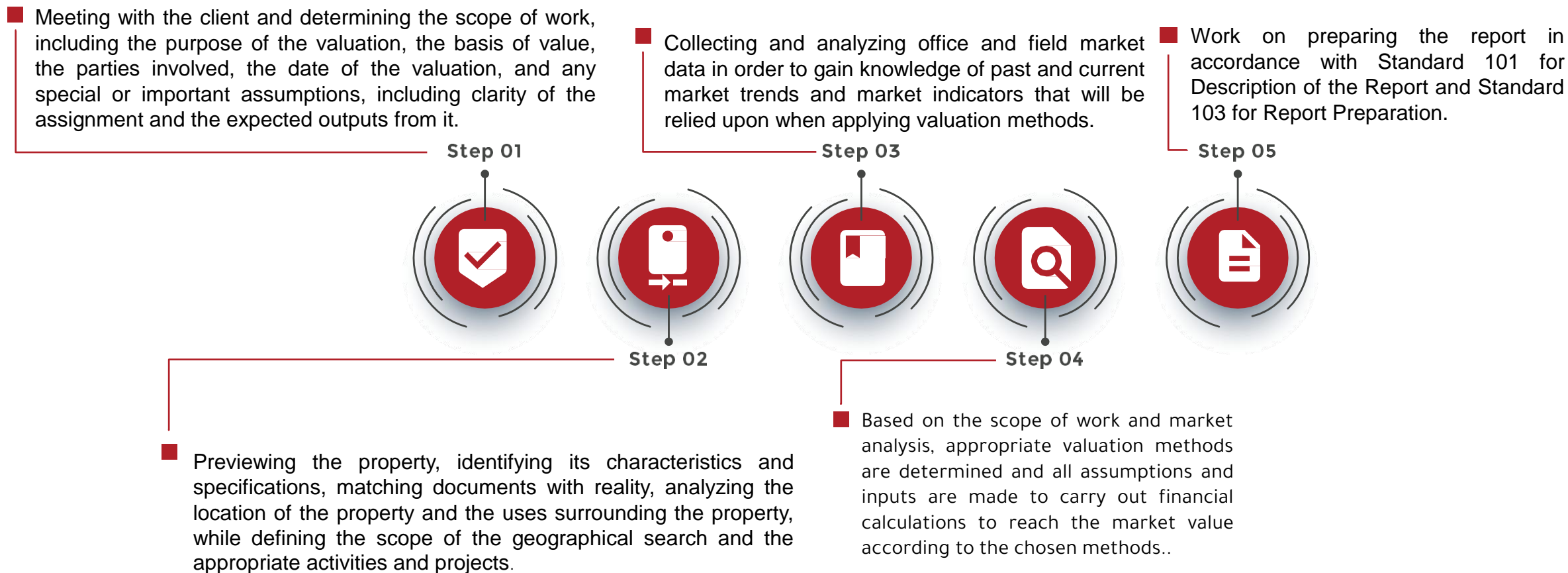
Important assumptions and special assumptions

Our company does not assume any responsibility for any information received from the client, which is supposed to be safe and reliable Also, our company does not endorse the accuracy or completeness of the available data and does not express its opinion, nor did it offer any kind of guarantee for the accuracy of the data or completeness except as indicated clearly in this report

Report usage restrictions

Valuations and reports are confidential to the party to whom they are referred and to whomever they are referred for a specific purpose, with no liability of any kind to any third party. It is not permissible to publish this report in its entirety or any part of it or refer to it in any document or statement or publish it periodically or in any other medium. Communicate with any third party without obtaining prior written consent in the form and context in which it appears. It is a matter of caution that the company and the evaluator reserve the right to make any amendments and make any review of the valuation or support the valuation result under specific circumstances. The company reserves the right, but not any obligation, to review the valuation calculations and amend and revise its results in light of information that existed at the valuation date but became clear to it later.

Work Stages



Standard 102: Compliance with Standards and Research and Inquiry

This valuation work was carried out in accordance with the principle of Standard 102 of compliance with the standards, research and survey work, in the following items:

- The basis of the value (**Fair value**) is commensurate with the purpose of valuation (**Periodic valuation of AlAhli REIT Fund (1)**).
- Gathering evidence through field visits at the time of inspecting the property with the inquiries raised at the time of the evaluation of some accredited offices in the area of the property.
- Evidence from field visits was collected and analysis and computational procedures performed to ensure that evaluation work was adequately supported.
- The data cited was judged to ensure the adequacy of all such information obtained to ensure that it is sufficient for the purpose of the valuation.
- Limitations of the research and survey that were carried out indicate the limitations in the scope of work with the analysis of all valuation inputs mentioned in the report.
- Reliability of the information provided by the real estate offices in the real estate area has been confirmed, and they are accredited and licensed offices in the real estate area.

Judging the reliability of the information provided and taken into the report

Provider	Data and information	Verdict	Judgment reasons
Client	Title deed	Trusted	Title deeds sent by the client has been verified
	Building permit	Trusted	The building permit has been validated in Baladi platform
	Rental contracts	Trusted	The authenticated contracts were reviewed.
Market	Commercial meter prices	Trusted	Based on the market survey - direct interviews - accredited offices in the real estate area - internal company data
	Practical experience of real estate offices	Trusted	Certified by official records in the real estate area
	Source independence	Trusted	A source independent and external to the asset being valued



■ Compliance with Standards ,Research and Inquiry

Compliance with Standards and Research and Inquiry

01

The research and investigations undertaken in the context of the valuation mission are appropriate to the valuation purpose and value basis

02

Carry out calculations and perform analyzes by gathering sufficient evidence by the following means, such as: field visit, inspection, inquiries and ensuring that evaluation work is appropriately reinforced and professional judgment facility to ensure that the information obtained is sufficient and that it fulfills the purpose of the evaluation

03

In the event that there are restrictions on the research and investigation carried out by the evaluator that do not enable him to adequately value the inputs and assumptions, which are clarified in the special assumptions

04

Taking into account the reliability of the information so that the evaluation results do not appear, and the inputs provided to the valuer (and) from the client or his representative) were considered.

05

Consider the credibility and reliability of the information provided
The following matters were taken into consideration:
The purpose of the valuation
The relevance of the information to the outcome of the valuation
The source practical experience in relation to the subject matter of the valuation
Is the source independent of the asset being evaluated or the beneficiary of it.

06

Record the valuation purpose, basis of value, and scope And the limits of research and survey, and the sources of information that reliable in the scope of work, which must Communicating it to all parties to the evaluation task

Regulatory framework on the International Valuation Standards (IVS 2022)

General Standards - Criterion 101
Scope of Work Paragraph 20:
Emphasizing that the valuation will be prepared in accordance with international valuation standards and that the valuer will assess the appropriateness of all important inputs: Deviations from international evaluation standards and their nature must be mentioned

60.3 Some professional appraisal institutions or regulations allow procedures that deviate from the International Appraisal Standards and in such circumstances, except as described in paragraphs 60.1 and 60.2, the resulting valuation will not be in compliance with the Standards.

General framework: the generally accepted valuation principles and the concepts that should be followed when applying these standards with regard to objectivity, discretionary judgment, efficiency, and the possibility of deviating from the standards, Paragraph (60.1-60.2). requirements mentioned in the reports

Note:

Real estate valuations performed in order to prepare financial reports are regarded as situations of systematic deviation from international valuation norms in order to satisfy certain criteria for the purpose of the relevant valuation.

Real estate and investment properties in the preparation of financial reports

Clarifying the difference between real estate and investment properties in the financial statements

Investment properties in the financial statements

IAS 40 defines investment property as any property (land or a building - or part of a building - or both) held (by the owner or by the lessee as a right-of-use asset) to earn rental income or To grow the capital or for both, and not:

- For use in producing, supplying goods, providing services, or for administrative or
- To sell it in the ordinary course of business

Real estates included in the term of real estate, machinery and equipment in the financial statements

The International Accounting Standard No. 16 "property, plant and equipment" IFRS16 defines as the tangible items that:

- It is kept for use in the production or supply of goods or services, or it is kept for rent to others (except for investment real estate) or for use in administrative purposes.
- It is expected to be used during more than one period



■ An overview of the economy and the real estate sector in the Kingdom of Saudi Arabia

2030 Vision

His Royal Highness Prince **Mohammed bin Salman bin Abdulaziz Al Saud**, Crown Prince, Deputy Prime Minister and Chairman of the Council for Economic Affairs and Development.



Our ambition is to build a more prosperous country in which every citizen will find what he desires. For the future of our homeland, which we build together, we will accept nothing but to make it at the forefront of the world, with education and rehabilitation, with opportunities available to all, and advanced services, in employment, health care, housing entertainment and others.

Economic growth in Saudi Arabia

During its modern era, the Saudi economy has witnessed growth in a large number of sectors, taking advantage of the Kingdom's natural resources, and its geographical and cultural position among the three continents of the world. This growth resulted in building a solid economic base, as it became among the twenty largest global economies and an active member of the Group of Twenty, and one of the main players in the global economy and global oil markets, supported by a strong financial system and an effective banking sector, and giant government companies based on highly qualified Saudi cadres.

In the past years, the Kingdom has also witnessed structural reforms on the economic and financial side, which enhance the increase in economic growth rates while maintaining financial stability and sustainability.

In order to develop and diversify the economy and reduce dependence on oil, the Kingdom of Saudi Arabia launched the Saudi Vision 2030 based on many economic and financial reforms, which aimed at transforming the structure of the Saudi economy into a diversified and sustainable economy based on enhancing productivity, raising the contribution of the private sector, and enabling the third sector.

Since the launch of the vision, the Kingdom has succeeded in implementing many supportive initiatives and structural reforms to enable economic transformation.

This transformation consists of several major efforts centered on a sectoral dimension that includes the promotion of local content, national industry, and the launch of various sectors. Promising economy and its development, enabling dimension that aims to maximize the role of the private sector, small and medium enterprises, and enhance the sustainability of Public Finance. It is expected that the pace of this structural transformation towards sustainable economic growth will continue in the coming years, especially in light of the number of Giant investment initiatives, under the umbrella of the Public Investment Fund, and leading companies. It is also expected that the pace of settlement will accelerate Knowledge and innovative technologies.



Business Sectors Overview

Tourism Sector

- Within the framework of the Kingdom's Vision 2030, which aims to lay effective foundations and pillars for the future of the Kingdom of initiatives aimed at reducing the main dependence on oil, through many sectors to support the national economy, including the tourism sector, given what this sector represents from a value, social, civilized and economic dimension. The tourism sector and the hotel sector are closely linked to the Saudi Vision 2030, and it revolves around helping those involved in the hospitality sector, food and entertainment industries to plan for the future.

Office Sector

- The offices contribute to achieving the goals of the Saudi national transformation towards prosperity and sustainability by focusing on the goals of Vision 2030, which leads to raising the participation of the private sector in achieving the Kingdom's Vision 2030, working as a representative of the private sector within the national system of vision realization offices in government agencies. Including Riyadh's endeavor to transform into a regional center for international commercial entities, which made it issue a decision to refuse to contract with any company that does not have a regional headquarters in Saudi Arabia by 2024, especially those that have contracts with government agencies, whether they are bodies, institutions, investment funds or devices. Increases the demand for the office sector.

Retail Sector

- The vision of the Kingdom's national transformation for the post-oil stage 2030 paid great attention to the development of the commercial and industrial sector in the Kingdom, as the vision is based on focusing on the development and development of the local industry that will achieve great economic returns for the Saudi economy, and among the goals of the vision by 2030 is to raise the percentage of exports The Kingdom's rank in the Logistics Performance Index increased from 16% to 25 globally and first regionally, and the private sector's contribution to the GDP increased from 40% to 65%.

Housing Sector

- Vision 2030 has provided sustainable housing solutions that enable Saudi families to own suitable homes according to their needs and financial capabilities. To achieve this, the housing system, in terms of structuring, procedures, and policies for dealing with banks and the private sector, has developed a high percentage of Saudi families' ownership of homes, as the proportion of Saudi families' ownership of homes did not exceed 47% in 2016, and rose to 70% by the end of the first phase of the housing program in 2021.



- **Overview of the economy and the real estate sector in Riyadh city**

Social, service and real estate indicators - Riyadh City - 2024 AD

Social and service indicators:

3.3K Public and private school	+30M Traveler	2.7M Student	6.1M Size of the workforce	7.9M Population	1,973KM Area
1 Airports	+25 M Tourist and visitor	20+ Markets (mall)	4.5K Factory in the area	112 Hospital	12 Universities
110 Number of hotels	68% Hospitality Occupancy	+20K Hotel room	+27 5 Star Class	+45 4 Star Class	+30 3 Star Class

Real estate indicators:

+3.4M Rental spaces Commercial / m²	+23B Total value of residential transactions	+723M Residential rental deal	+101B Total value of rental deals	+837B Total value of sales transactions	+740K Executed transaction
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■ Site studies

Property Risk Analysis

Strength point:

- The property is located in the north of Riyadh.
- The location is close to the main roads that connect it to other parts of Riyadh, such as **(King Abdulaziz Road, Northern Ring Road)**.
- The noticeable urban expansion north of Riyadh with the growing demand for housing

Opportunities:

- Benefit from the proximity of the property to event centers.
- The scarcity of distinctive residential, hotel and administrative projects that meet the market's needs.

Weak points:

- The location is on a secondary commercial street.
- Limited length of the property's main facade

Challenges:

- It seeks to develop in a way that suits the Kingdom's economy and its orientation towards global markets.
- Eliminate all types of risks that threaten the real estate area.
- Achieving revenue is the main factor in estimating the value of the property.

Ownership Data

➤ Title deed information

Owner name	Title Deed number	Title Deed date	Ownership Type
Tamkeen Real Estate Fund Company	410116050972	01/11/1441 AH	Absolute ownership

➤ Location- plan number - plot number - land area:

City - District	Plot number	Plan number	Land area
Riyadh - Al Ghadeer	27+26+25+24	١/2726	17,444.21 square meters

➤ Borders and lengths:

Borders and lengths:

Northen border	Border length	Southern border	Border length	Eastern border	Border length	Western border	Border length
20m wide street	149.8	20m wide street	149.8	60m width road	116.45	20m wide street	116.45

Assumptions regarding ownership of the property

The property being valued for the purposes of this report has been assumed to be in good and valid ownership free from any encumbrances, mortgages, charges, third party interests etc., and if this is not the case, the opinion of the property value may be affected.

Real estate data and Services available in the real estate area

Real Estate Data			
City	Riyadh	Neighborhood	Al Ghadeer
Street	King Abdulaziz Road	Property type	Building
No. land plan	1/2726	Plot number	27+26+25+24
Land Area	17,444.21 square meters	Built-up area	42145 square meters
Services and facilities available in the real estate area			
Electricity network	Telephone network	Water network	Sewerage network
✓	✓	✓	✓
Water drainage network	Mosque	Dispensary	Garden
✓	✓	✓	✓
Public markets	Civil defense	Police station	Hospital
✓	✓	✓	✓
Hotels	Petrol station	Schools	Governmental services and centers
✓	✓	✓	✓

Factors affecting the property

Impact element	Impact determinants	Description
Area overview	Importance of the area	The property is located to the northwest of Riyadh in Al Ghadeer district on King Abdulaziz Road with easy access to the Northern Ring Road.
Natural factors (Environmental)	Lands topography	Flat
	Pollution	N.A.
Planning factors (Urban)	Location from the city	North of the city
	Infrastructure	Completed
	Municipal equipment	Completed
	Land properties	Regular sides and lengths
Building Regulations	Land use	Commercial - Administrative
	Building ratio - number of floors	Ground floor + Mezzanine + First floor + Upper extensions
Economic factors	Supply and demand	High
	Land prices	High
Legal factors	Deficit and trespassing on the property	N,A.

Property Description

- The building area was determined based on the **(According to the documents)**.
- The age of the property was determined to be **(8)** years based on **(According to the aerial photo)**.
- The state of the property on the date of valuation **(30/06/2025 AD)**

When examining the property, it became clear to us that it is a **(Building)**. It consists of 5 floors with a total building area of 42,145 square meters. Detailed as below:

Building components				
#	Floor	Area (m2)	Use	
1	Basement	18,744	Parking lot	
2	Ground floor	7,560	Commercial	
3	Mezzanine floor	1,584	Commercial	
4	First floor	8,412	Commercial	
5	Upper extensions	5,678	Administrative	
6	Other	168	Services	

#	Floor	Number	Area (m2)	Use
1	Restaurant & Terrace Restaurant	35	9029	Commercial
2	Shop	6	4604	Commercial
3	Showroom	11	2629	Commercial
4	OFFICE & Terrace office	26	4991	Administrative

Property Description

INTERIOR FINISHES

Doors	Ceiling	Wall Cladding	Floors
Veneered wood	Gypsum plasterboard suspended ceilings	Paint	Marble - Porcelain
Windows	Health kits	Stairs	Insulation type
Aluminum and double glazing	High quality	Marble	Thermal - Hydro

EXTERIOR FINISHES

Facades	Facilities	Doors	Floors
Stone	Cosmetic implants	Electric Securit Glass	Ceramic

Electromechanical and air conditioning systems

Air Conditioning	Elevators	Electrical wiring and outlets	lighting	Water Feeding System
Split separate	2 Elevators	High quality	High quality energy saving	Automatic electric pump system

Security and safety systems - other facilities

Facilities	Parking	Fire Alarm and Extinguishing Systems	Security Systems
N.A.	Outdoor	Fire Detection Systems - Fire Hose for All Hotel Parts	Indoor and outdoor surveillance cameras

Property location

Property is located in: **Riyadh**

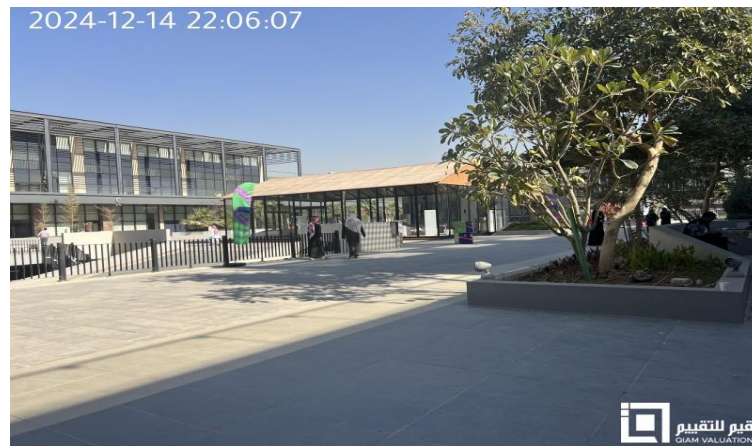
Neighborhood: **Al-Ghadeer**

Street: **King Abdulaziz Road**

Location coordinates	N :	24.772059°	E :	46.666399°
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Photographic survey of the Property





Development



Valuation

Valuation Approaches



❖ Market Approach

The market approach provides an indication of value by comparing the asset with identical or comparable (similar) assets for which price information is available.



❖ Income Approach

The income approach provides an indication of value by converting future cash flows into one current value. According to this method, the value of the asset is determined by reference to the value of the revenue and cash flows generated by the asset or the costs it provides.



❖ Cost Approach

The cost approach provides an indication of value using the economic principle that states that the buyer will not pay an asset more than the cost of obtaining an asset of similar benefit, whether through purchase or construction unless there are time, disturbance, risk, or other related factors. The method provides an indication of value by calculating the current cost of transferring or reproducing the asset, and then discounting the physical wear and tear of all other obsolescence's.

Market Approach-Standard No. 105

It is an approach of estimating the value of a real estate or real estate property based on the market comparison between the property being evaluated and similar properties in the same area that were recently sold. The value indicator of the property being valued is derived by applying appropriate comparison units and making adjustments and adjustments to the selling prices of similar properties based on the comparative elements.

The market approach should be applied and afforded significant weight under the following circumstances:

- ❖ The subject asset has recently been sold in a transaction appropriate for consideration under the basis of value
- ❖ The subject asset or substantially similar assets are actively publicly traded.
- ❖ There are frequent and/or recent observable transactions in substantially similar assets.

The key steps in the comparable transactions method are:

- ❖ Define the units of comparison used by relevant market participants.
- ❖ Determine the relevant comparative transactions and calculate the main evaluation criteria for these transactions.
- ❖ Conduct consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the subject asset.
- ❖ Make the necessary adjustments, if any, to the evaluation scales to reflect the differences between the subject of evaluation and the comparative assets.
- ❖ Applying the revised valuation criteria to the subject asset.
- ❖ Value indicators are reconciled if more than one evaluation scale is used.

Cost Approach - Standard No. 105

It is a valuation method that calculates the capital or market value of a property by adding the value of the real estate's land with the value of the buildings erected on the site.

Cost Approach should be applied and afforded significant weight under the following circumstances:

- ❖ Participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- ❖ The asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or
- ❖ The basis of value being used is fundamentally based on replacement cost, such as replacement value

Used methods of Cost Approach :

a. **Replacement cost method:** A method of arriving at value by calculating the cost of a similar asset

Method of estimating the value of buildings using the straight line method

- The straight-line method: the straight-line method is calculated by the formula (current age of the building / Lifespan) * 100.

Income Approach-Standard No. 105

Income Approach provides an indication of value by converting future cash flows into a single present value. Under this approach, the value of an asset is determined by reference to the value of the revenue and cash flows that the asset generates or the costs it provides.

Income Approach should be applied and given priority or significant weight in the following cases:

- A. When the ability of the asset to generate income is the primary factor that affects the value from the point of view of market participants.
- B. Reasonable expectations are available for the amount and timing of future revenue for the assessed asset but few, if any, relevant market comparisons.

Income Approach Methods:

Although there are many ways to apply the income method, the methods used under the income method depend largely on discounting the amounts of future cash flows to a present value, which are various applications in using the discounted cash flow (DCF) method and the concepts below apply in part or all of the methods of the income method.

Discounted Cash Flow method (DCF)

It is a financial method for estimating the value of a financial or real asset. The value index is derived by calculating the present value of future cash flows. The discounted cash flow method is applied to evaluate a property or real estate that generates income based on the expectation of future income for the property under valuation. The value index of the property is derived through Calculating the present value of net operating income or the expected net rental value of the property.

Direct Capitalization Method:

The direct capitalization method is applied in the event that the net rental value of the property under valuation is fixed and equal in perpetuity.

Residual value method:

The residual value method is a method of evaluating properties that can be valued by identifying the most appropriate development of the site and property and then predicting the value of such development after it is completed.

Used valuation approaches and methods - Fair value hierarchy

Used valuation methods

Valuation Approaches	Market Approach	Cost Approach	Income Approach
Used approach	Used as an assist	---	Mainly used
Used valuation methods	Similar Comparisons	--	Discounted Cash Flow method
Reasons for use / not use	To know the market prices of lands and units	---	The fact that the property is income-generating

Hierarchy:

The fair value hierarchy categorizes the inputs to the valuation techniques used to measure fair value at the measurement date into three levels, as follows:

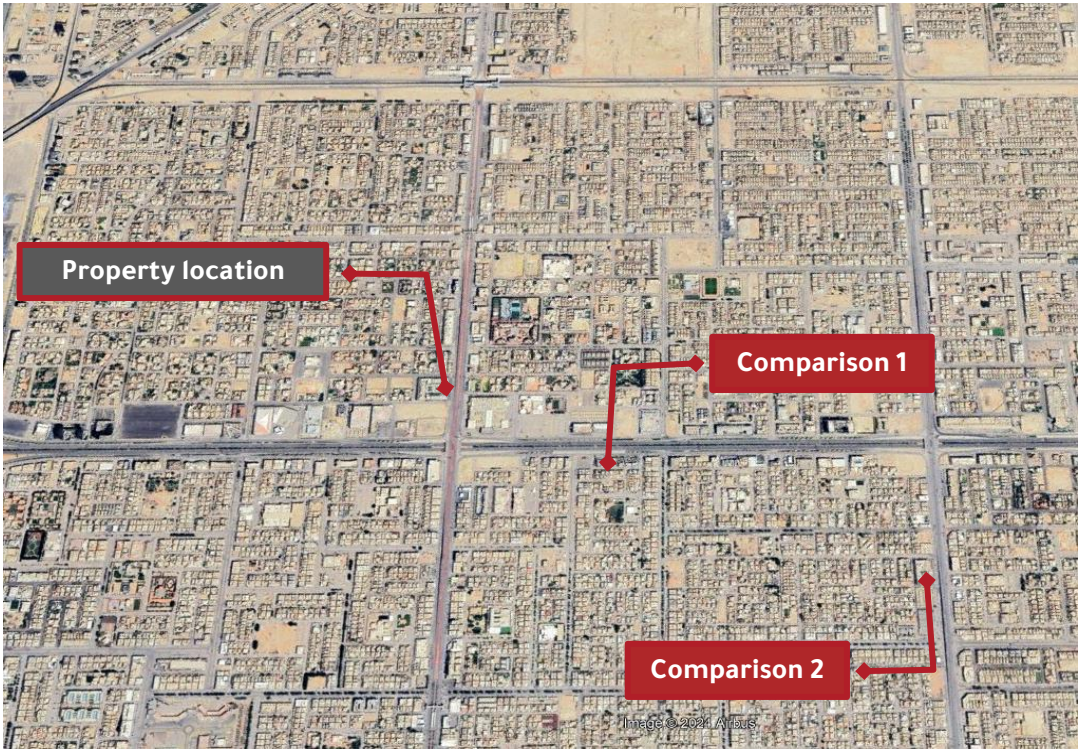
Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.	----	----	----	----
Second	They are the inputs other than the published prices within the first level that can be monitored for the asset or liability, either directly or indirectly	Commercial and commercial residential offers in the real estate area	It is classified under the second level	Accredited real estate offices in the real estate area	Reliable based on similar market analysis, verification following market research and analysis, in-person interviews, and the company's own database of deals and transactions
Third	They are the inputs that cannot be monitored and are given the lowest priority	----	----	----	----



Value Estimation

Market Survey Data Analysis - Trade shows

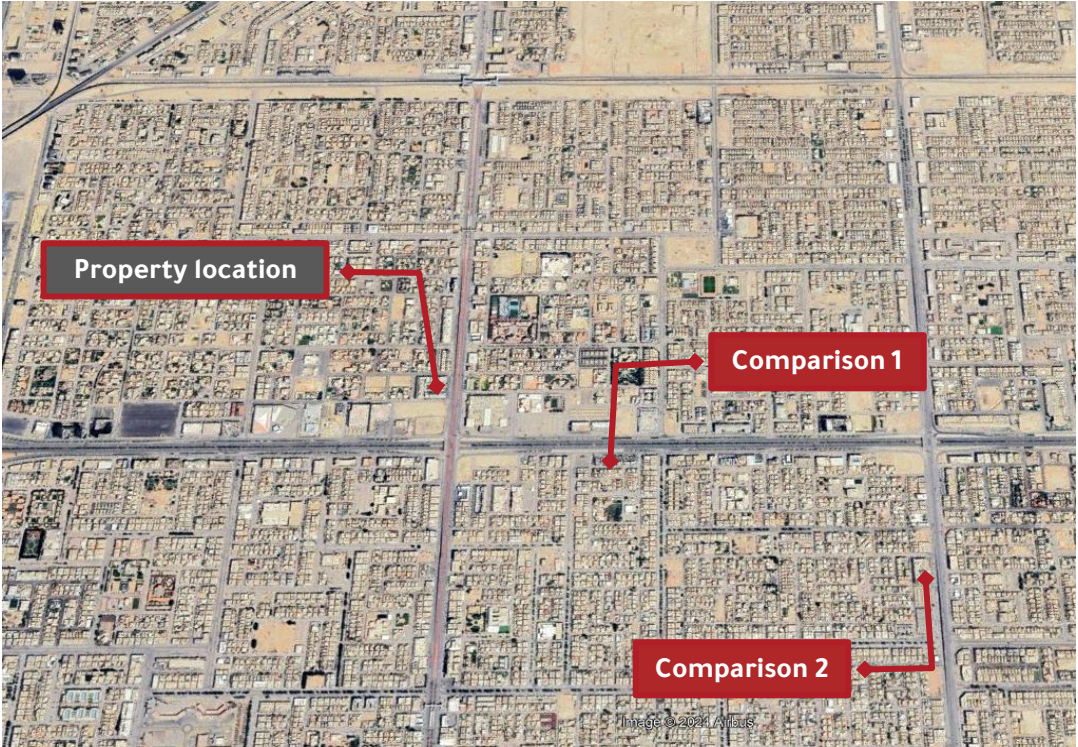
Comparative Properties - Trade Shows		
Comparison factors	Comparison 1	Comparison 2
Finishes	High	High
Ease of access	High	Average
Property location	High	High
Design	High	High
Rental price per meter (SR/m2)	2300	1800
Comparative condition	Rented	Rented



Estimating the value of the rental meter - Trade shows - According to the Market Approach - Comparison method					
Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1		Comparison 2	
		Value	Adjustment	Value	Adjustment
Rental price per square meter	***	2,300		1,800	
Condition	***	Rented		Rented	
valuation/offer date	2025	2025		2025	
Market conditions	***	0.00%	-	0.00%	-
Financing terms	***	0.00%	-	0.00%	-
Market conditions value	***	-		-	
Value after initial settlements	***	2,300		1,800	
Finishes	High	High	0%	High	0%
Ease of access	Average	High	-5%	Average	0%
Property location	Average	High	-5%	High	-5%
Design	Average	High	-5%	High	-5%
Total		-15.00%		-10.00%	
Adjustment value per square meter		345-		180-	
Rental value per meter after Adjustment		1,955		1,620	
Value weighting		50%		50%	
Rental value per meter after Adjustment		978		810	
Net average value per meter (SAR/m2)		1,788			

Market Survey Data Analysis - Administrative Office

Comparative Properties - Administrative Offices		
Comparison factors	Comparison 1	Comparison 2
Finishes	Average	Average
Ease of access	High	High
Property Location	High	High
Parking Availability	Average	Average
Design	Average	Average
Rental Price per Meter (SR/m2)	1200	1300
Occupancy Rate	5%	5%
Comparison Status	Rented	Rented



Estimating the value of the rental meter - Administrative offices - According to the Market Approach - Comparison method					
Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1		Comparison 2	
		Value	Adjustment	Value	Adjustment
Rental price per square meter	***	500		1,300	
Condition	***	Rented		Rented	
valuation/offer date	2025	2025		2025	
Market conditions	***	0.00%	-	0.00%	-
Financing terms	***	0.00%	-	0.00%	-
Market conditions value	***		-		-
Value after initial settlements	***		500		1,300
Finishes	High	Average	10%	Average	10%
Ease of access	High	High	0%	High	0%
Property Location	High	High	0%	High	0%
Parking Availability	High	Average	5%	Average	5%
Design	High	Average	5%	Average	5%
Total		20.00%		20.00%	
Adjustment value per square meter		100		260	
Final meter value after Adjustments		600		1,560	
Net average value per square meter (SAR / m²)		1,080			

Analysis of the rental value of the property according to the results of market data

Income calculation based on market survey data			
Clause	Rental area (m2)	Average rental value per square meter (SAR/m2)	Total rental value (SAR)
Commercial - Ground Floor	9029	1,788	16,139,338
Commercial - Mezzanine	4604	1,608	7,403,232
Commercial First Floor	2629	1,447	3,804,163
Offices	4991	1080	5,390,280
Total Income			32,737,013
Vacancy Rate & Credit Risk (-5%)			1,636,851
Actual Gross Income			31,100,162
Operating Expense Rate (-15%)			4,665,024
Net Operating Income			26,435,138

Analysis of valuation assumptions data - Discounted Cash Flow Methods

Operating return rate:

Capitalization Rate Analysis - Market Extraction Method By looking at market activity and similar Qiam Investments reports, as well as economic reports issued by some research centers and the Qiam Valuation Information Center, it has become clear to us that the return in the region for similar residential projects ranges from 7% to 8%. Accordingly, the return rate was assumed to be 7.5%. There are also many factors that affect the return rate, such as the location of the building, its age and condition, the status of the tenants, and the degree of risk associated with repayment. The capitalization rate is affected by the rates of demand and supply for the same type of real estate.

Vacancy rate and credit risk:

Based on market survey data for similar projects, it was found that the vacancy rate ranges between 5% and 10%. Looking at the property under evaluation, it was found that it is fully rented with one contract. Accordingly, the vacancy rate was assumed to be 0%.

Discount rate:

Discount rate (Cumulative Model Method)			
Government bond rate of return	5.48	Saudi Tadawul Fund	
Inflation rate (current year average)	1.6	Saudi Central Bank	
Market risk premium (recession and recovery)	1	According to the condition and circumstances of the market	
Special risk premium (the resulting costs of the property)	1	According to the condition and circumstances of the property	
Discount rate with all data above	9	%	

Operating Expense Rate:

Based on market survey data, the operating expenses rate in similar properties ranges between 10% and 15%. Looking at the property under evaluation, we found that it is fully rented under one contract, and accordingly, the vacancy rate was assumed to be 0%.

Assumptions :

Discounted Cash Flow method assumptions			
Total property income by contract	21,613,000	Discount rate	9%
Occupancy rate	0%	Capitalization rate	7.5%
Operating Expense Rate	0%	Growth rate - after three years	6%

Income:

After reviewing the property lease contract, it became clear to us that the property is fully leased with a 3-year contract that is automatically renewed for the same period. To verify the rental value, a market survey was conducted to verify the rental value in the current situation. Accordingly, the rental value of the property was adopted according to the contract in calculating the market value with a growth rate of 6% every three years.

Calculating the market value - Discounted Cash Flow method

Cash flow - Inflows		Investment years										Reversion value
		2025	2026	2027	2028	2029	2030	2031	2032	2033	2033	
		1	2	3	4	5	6	7	8	9	10	
Expected growth value		%0.00	%0.00	%0.00	%6.00	%0.00	%0.00	%0.00	%6.00	%0.00	%0.00	
Total rental value	21,613,000	21,613,000	21,613,000	21,613,000	22,909,780	22,909,780	22,909,780	22,909,780	24,284,367	24,284,367	24,284,367	
Occupancy rate	%0	-	-	-	-	-	-	-	-	-	-	
Actual gross income		21,613,000	21,613,000	21,613,000	22,909,780	22,909,780	22,909,780	22,909,780	24,284,367	24,284,367	24,284,367	
Minus operating expense ratio	%0	-	-	-	-	-	-	-	-	-	-	
Net Operating Income (NOI)		21,613,000	21,613,000	21,613,000	22,909,780	22,909,780	22,909,780	22,909,780	24,284,367	24,284,367	24,284,367	
Reversion value of the building												
Net Cash Flow		21,613,000	21,613,000	21,613,000	22,909,780	22,909,780	22,909,780	22,909,780	24,284,367	24,284,367	24,284,367	
Discount Factor		0.9174	0.8417	0.7722	0.7084	0.6499	0.5963	0.5470	0.5019	0.4604	0.4224	0.4224
Present Value of Cash Flows		19,828,440	18,191,230	16,689,202	16,229,866	14,889,785	13,660,353	12,532,434	12,187,505	11,181,197	10,257,979	136,773,053
Net present value of the property												282,421,044
										Final Property Value		282,421,044
										Final Property Value (after rounding)		282,421,044

Final value of the property

Based on the purpose of the valuation and the nature of the property and its characteristics as a commercial and administrative building property ,the valuation of the property using the Income Approach (Discounted Cash Flow Method) is considered the best method for estimating the price on the measurement date of **30/06/2025 AD**, which was reached using the Income Approach as a basis for the fair value of the property subject to valuation, which is as follows:

Price on the date of measurement in numbers (SAR)	Price on the measurement date written (SAR)
282,421,044	Two hundred and eighty-two million, four hundred and twenty-one thousand, and forty-four Saudi riyals

This report was approved by the Executive Director

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Appendix



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