

Qbic Plaza Valuation Report

Al Ghadir District - Riyadh

10 August 2025



Deposit code to the platform qima

Submitted to: SNB Capital Company (Al-Ahli REIT Fund 1)

نحنُ لك سندٌ
We support you

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Part 1

Executive Summary

1 | Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Identity of the client	Addressee (to whom the report is addressed)	SNB Capital Company (Al-Ahli REIT Fund 1)	Intended Users	-
	Contact person	-	Contact information	-
Assets being valued	Assets name	Qbic Plaza	Interest to be valued	freehold interest
	Location	https://goo.gl/maps/dSHWG3NnPd6wPdY9		
Valuation standards	International Valuation Standards 2025	Unless otherwise noted, the Valuation assignment is undertaken in accordance with the TAQEEM Regulations (Saudi Authority for Accredited Valuers) and in conformity with the International Valuation Standards (2025 Edition).		
Valuation	Intended Use (Purpose of valuation)	Periodic valuation of publicly-listed real estate investment traded fund	valuation date	21/07/2025
	Inspection date	21/07/2025	Approved valuation approach and method	Income Approach - Cashflow method
	Basis of value	Market Value	Premise of value	Current Use/Existing Use
		Market value : a Standard of Value considered to represent 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 had each acted knowledgeably , prudently , and without compulsion		International Valuation Standards 2025 defines Current Use/Existing Use premise of value as "Current use/existing use is the current way an asset, liability, or group of assets and/or liabilities is used. The current use may be, but is not necessarily, also the highest and best use."

1 | Executive Summary


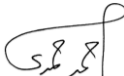



Salient fact and assumptions and IVS 2025 and regulatory compliance

Report	Reference Number	25076000502	Report type	Detailed report
	Report date	10/08/2025	Report version	Final
	Use, publication and distribution restrictions	The valuations and reports are confidential to the intended entity and to those referred to it for a specific purpose, without any liability of any kind to any third party. This report may not be published in whole or in part in any document, statement, periodical publication or any means of communication with any third party without prior written consent in the form and context in which it appears, with the exception of in accordance with the purpose of the valuation, this report is allowed to be traded on the CMA (Tadawul) website and the fund manager's website or in such ways as the fund manager deems appropriate.		
	Status of Valuers	We shall be acting with "Subjectivity" as an External Valuer for the purposes of this instruction. "Subjectivity" is defined in the International Valuation Standards (IVS) as: "The process of valuation requires the valuer to make impartial judgements as to the reliability of inputs and assumptions. For a valuation to be credible, it is important that those judgements are made in a way that promotes transparency and minimizes the influence of any subjective factors on the process. Judgement used in a valuation must be applied objectively to avoid biased analyses, opinions and conclusions".		

1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance			
Investigations and Compliance	Limits on investigations	The lease agreement for the subject property was not provided. However, according to the client's statement, the property remains leased until December 9th, 2025, with an annual rent of SAR 21,613,000.	
	Limits on analysis	—	
	Limits on inspection	—	
Nature and sources of information upon which the valuer relies	<ul style="list-style-type: none">• We have accepted the following documents to be used as input in our valuation assuming they are correct and up to date:• These documents -may be referred to in the appendices- are:<ul style="list-style-type: none">◦ <u>The title deed</u>◦ <u>Statement of BUA and NLA</u>• Market research and analysis have been undertaken by the valuer.		
Assumptions and special assumptions	Assumptions	IVS's instructions	<ul style="list-style-type: none">• International Valuation Standards define it as "the presumed facts that are consistent with, or could be consistent with, those at the valuation date."• Assumptions related to facts that are consistent with, or could be consistent with, those existing at the date of valuation may be the result of a limitation on the extent of the investigations or enquiries undertaken by the valuer.• All assumptions and special assumptions must be reasonable under the circumstances, be supported by evidence, and be relevant having regard to the purpose for which the valuation is required.
		Applications in this report	<ul style="list-style-type: none">• None (except as indicated in the terms and conditions)
Assumptions and special assumptions	Special assumptions	IVS's instructions	<ul style="list-style-type: none">• International Valuation Standards define it as "assumed facts that differ from those existing at the date of valuation."• Where assumed facts differ from those existing at the date of valuation, it is referred to as a "special assumption". Special assumptions are often used to illustrate the effect of possible changes on the value of an asset.• They are designated as "special" so as to highlight to a valuation user that the valuation conclusion is contingent upon a change in the current circumstances or that it reflects a view that would not be taken by participants generally on the valuation date• All assumptions and special assumptions must be reasonable under the circumstances, be supported by evidence, and be relevant having regard to the purpose for which the valuation is required.
		Applications in this report	<ul style="list-style-type: none">• None (except as indicated in the terms and conditions)

1 Executive Summary

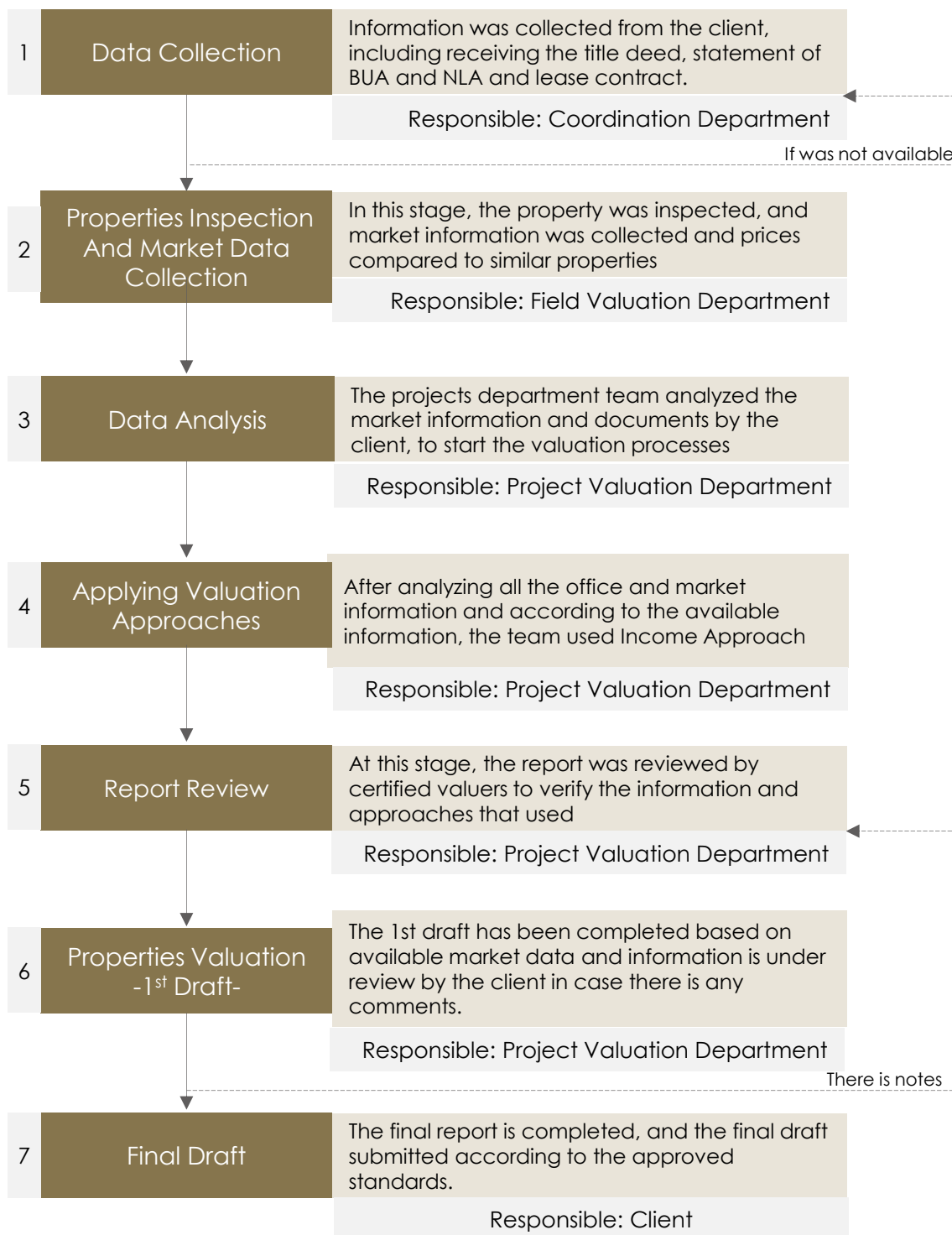
Salient fact and assumptions and IVS 2025 and regulatory compliance						
Opinion of Value	-	273,391,000				
	Written	Only two hundred seventy-three million three hundred ninety-one thousand SAR				
	Currency	Saudi Riyal				
Valuation team	Role	Name	Signature	TAQEEM membership		
Site inspection and field research	Property inspection, its condition, offers, and field survey work	Hossam Saleh al-Shabaan		1210002672	Associate	Real Estate Sector
Valuation, reporting, desk research, and analysis	Desk research, calculations, auditing work, and income analysis	Ahmed Hamdy Elsehamy		1220003393	Associate	
Value review and initial approval	Reviewing valuation results and income data	Belal Ramadan Elsayed		1220003054	Associate	
Signed for and on behalf of Esnad Real Estate Valuation Company		Eng. Almuhanad Alhussami		1210000934	Fellow	
				MRICS Registered Valuer Membership No. : 6601494		
Esnad Real Estate Valuation –Saudi Professional Closed Joint Stock Company -						
Membership Number				11000054		
Valuation Sector				Real Estate		
Commercial Registration Number				4030297772		
Commercial Registration Date				02/ 03/ 1439 H		
Certified Valuer - TAQEEM membership No.				1210000934		
Certified Valuer - TAQEEM membership issue date				10/11/1438 H		
Company Stamp						

Part 2

Reporting Methodology

2 | Reporting Methodology

3. Based on the International Valuation Standards ("IVS") (Standard 100), the figure below shows the steps of the valuation process and the mechanism of work for Esnad:





Part 3

Asset to be valued

- 3.1 Property Location Analysis
- 3.2 Property description and ownership
- 3.3 Property boundaries
- 3.4 Source of information
- 3.5 Property photos
- 3.6 Analysis summary

3.1 | Property Location Analysis

Description of the property at the city level

Riyadh

Riyadh is the capital of the Kingdom of Saudi Arabia, its largest city and the third largest Arab capital by population. Riyadh is located in the middle of the Arabian Peninsula in the Najd Plateau, at an altitude of 600 meters above sea level. It is the headquarters of the Emirate of Riyadh region, according to the administrative division of the Saudi regions.



Property location

Surrounding attractions

Attraction	Distance	Attraction	Distance
King Khalid International Airport	26 km	Kingdom Center	6 km
Al Faisaliah Tower	8 km	King Fahd Library	14 km

3.1 | Property Location Analysis

Description of the property at the neighborhood level	
Description of the surrounding area	The area where the subject property is located is bounded by Prince Mohammed Ibn Abdulaziz Road followed by Ar-Rabi district to the north. Southbound runs Northern Ring Road followed by Al-Muruj district. East side the property area is bounded by King Abdulaziz Road is followed by Al-Manakh district, while to the west is Al-Olaya Street.
Accessibility	The area is easily accessible through several roads, the most important of which is King Abdulaziz Road which overlooks the subject property.



Satellite photo shows property location

3.2 Property description and ownership

Ownership information (based on title deed)			
Client's name	SNB Capital Company (Al-Ahli REIT Fund 1)	Owner's name	Tamkeen real estate fund company
Title deed number	410116050972	Title deed date	01/11/1441 H

Property Information (Based on title deed)			
Province	Riyadh	City	Riyadh
District	Al Ghadir	Street	King Abdulaziz Road
No. of Plot	24 + 25 + 26 + 27	No. of Plan	2726 / 1
Property Type	Commercial building	Notes	-
24.772110° N 46.666486° E			
https://goo.gl/maps/BZF6opHzq6BX3F6q8			

Asset	Land area	BUA	NLA
Property specifications	17,444.21 m ²	42,145 m ²	21,253 m ²
Notes	-		



Satellite photo shows subject property location

3.3 Property boundaries & lengths

Property Dimensions (Based on the title deed)					
Views	length /m	Street	Road Category	Road width/m	Views
North	149,80	Street	Internal	20	2
South	149.80	Street	Internal	20	3
East	116.45	King Abdulaziz Road	Commercial	60	1
West	116.45	Street	Internal	20	4

Property specifications		
Structure	BUA	42,145 m ²
	Height (floors)	Basement + Ground floor + Mezzanine + First floor + Roof floor
	Age	5 years
	Num. of buildings	1
	Finishing	Excellent
	Facilities	Car parking / Restaurants / Fire extinguishing system / Central air conditioning
Zoning	Use	Residential / Commercial / Office
	Maximum footprint	-
	Maximum height	Ground floor + first floor + 50% roof floor
Notes		-

Services and Facilities				
Boys School	Mosque	Sewerage	Water	Electricity
✓	✓	✓	✓	✓
Phone	Civil defense	police station	Health center	Girls school
✓	✓	✓	✓	✓
Municipal works	Post Mail	Commercial	Park	Storm water drainage
✓	✓	✓	✓	✓

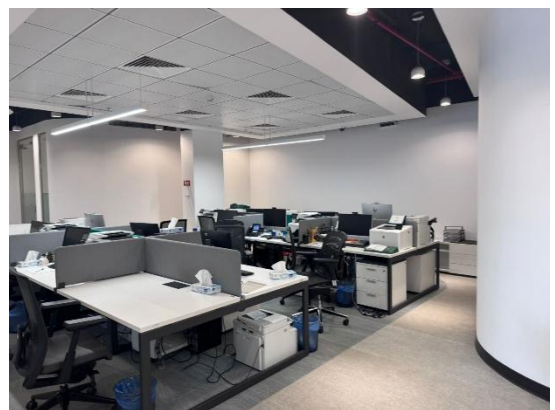
3.4 Source of information

Where we have been provided with information by the addressee, or its agents, we assume that it is correct and complete and is up to date and can be relied upon. We assume that no information that has a material effect on our valuations has been withheld.

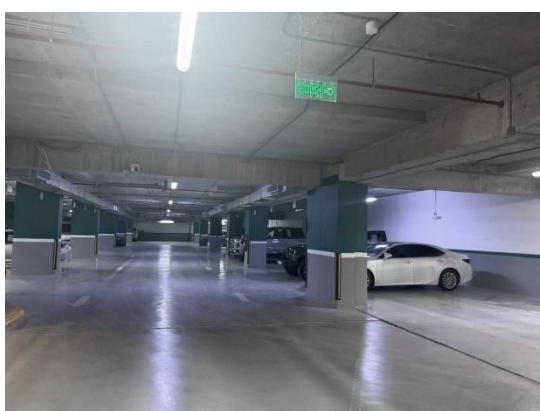
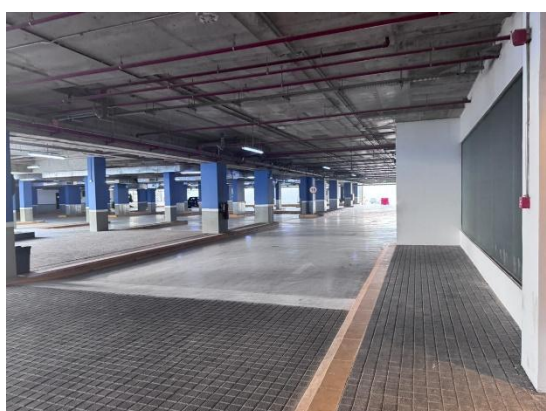
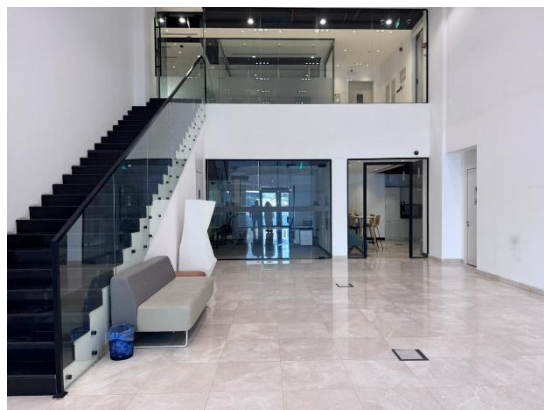
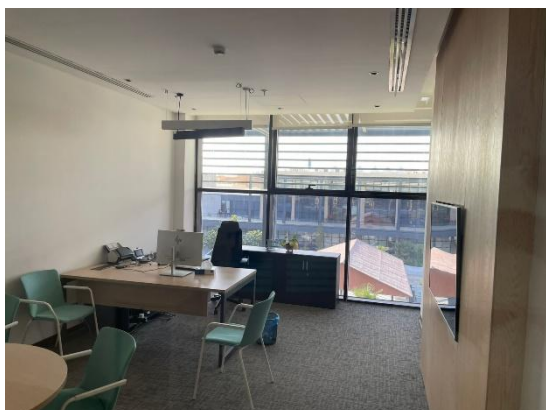
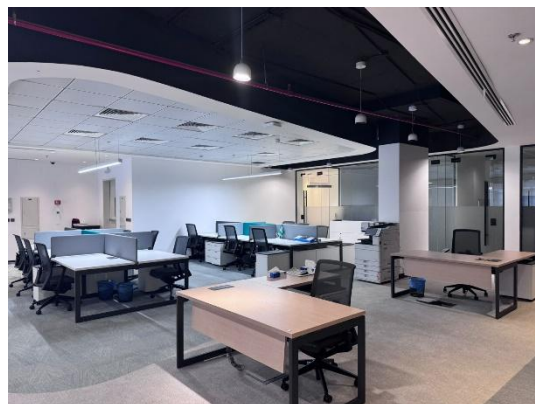
3.5 | Property photos



3.5 | Property photos



3.5 | Property photos



3.6 | Analysis summary

Analysis summary	
Advantages	<ul style="list-style-type: none"> The property is distinguished by its proximity to some of main roads ,the most important of which is King Abdulaziz Road, which facilitates access to the subject property. The Subject property is close to King Abdullah Financial District.
Disadvantages	<ul style="list-style-type: none"> No disadvantages are observed
Opportunities	<ul style="list-style-type: none"> Riyadh Green Project: One of the most ambitious afforestation projects in the world, and it is one of the four major Riyadh projects launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God support him, to contribute to achieving one of the goals of "Saudi Vision 2030" by raising the classification of Riyadh among its peer cities worldwide. King Salman Park Project: This is one of the four major Riyadh projects launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, initiated by His Royal Highness Crown Prince Mohammed bin Salman bin Abdulaziz, with the aim of providing diverse sports, cultural, artistic, and entertainment options for the residents and visitors of Riyadh. It also aims to contribute to improving the quality of life in the city in line with the goals of Saudi Vision 2030 for a vibrant and healthy society, and to elevate Riyadh's global ranking. The Sports Boulevard: The Sports Boulevard project is one of the four major Riyadh projects launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God support him, as part of achieving one of the goals of "Saudi Vision 2030" by raising Riyadh's classification among its peer cities worldwide. The project encourages residents to adopt healthy mobility patterns and motivates them to engage in various sports. Riyadh Art: Riyadh Art is one of the four major Riyadh projects launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God support him, to contribute to achieving one of the goals of "Saudi Vision 2030" by raising Riyadh's classification among its peer cities worldwide. The Riyadh Art project includes the implementation of more than 1,000 artworks and landmarks created by local and international artists and displayed to the public throughout Riyadh. This is part of 10 programs covering residential neighborhoods, natural parks, public squares, public transport stations, road and pedestrian bridges, city entrances, and all tourist destinations in the city.
Overall Risks	<p>Overall risks related to the real estate market.</p> <ul style="list-style-type: none"> Financial, economic and natural disaster risks. Risks related to foreign exchange. Political and security risks. Risks related to VAT application. Risks related to real estate transaction tax application. Risks related to White Land fees. Risks related to the impact of the demand for residential and commercial real estate properties in the Kingdom of Saudi Arabia. Risks related to electricity, water and other services prices. Risks related to competition. Risks related to real estate development. Risks related to the nature of the realization or liquidation of real estate assets. Risks related to the devaluation of real estate assets. Risks related to regulatory requirements and regulatory oversight. Risks related to changes in the applicable laws and regulations.
Property Risks	<ul style="list-style-type: none"> The availability of multiple alternatives in the market, which affects supply and demand .

Part 4

Valuation

4.1 Valuation Approaches

4.2 Valuation Analysis

4.3 Opinion of Value

4.4 Validity of review and clarification

4.1 Valuation Approaches

Principal valuation approaches and Residual Method	
Market Approach	<p>"The market approach provides an indication of value by comparing the asset with identical or comparable (that is similar) assets for which price information is available. The market approach should be applied and afforded significant weight under the following circumstances:</p> <ul style="list-style-type: none"> (a) the subject asset has recently been sold in a transaction appropriate for consideration under the basis of value, (b) the subject asset or substantially similar assets are actively publicly traded, and/or (c) there are frequent and/or recent observable transactions in substantially similar assets."
Income Approach	<p>"The income approach provides an indication of value by converting future cash flow to a single current value. Under the income approach, the value of an asset is determined by reference to the value of income, cash flow or cost savings generated by the asset. The income approach should be applied and afforded significant weight under the following circumstances:</p> <ul style="list-style-type: none"> (a) the income-producing ability of the asset is the critical element affecting value from a participant perspective, and/or (b) reasonable projections of the amount and timing of future income are available for the subject asset, but there are few, if any, relevant market comparables."
Cost Approach	<p>Replacement Cost Method is categorized under Cost Approach in the International Valuation Standards 2025 and is defined as "replacement cost is the cost that is relevant to determining the price that a participant would pay as it is based on replicating the utility of the asset, not the exact physical properties of the asset".</p>
Residual Method	<p>"The residual method is so called because it indicates the residual amount after deducting all known or anticipated costs required to complete the development from the anticipated value of the project when completed after consideration of the risks associated with completion of the project. This is known as the residual value."</p>

4.1 | Valuation Approaches

The main factors that determining the best approach for valuation	
Factors	<ul style="list-style-type: none"> • The purpose of the valuation • Property type • Basis of value • Source of information
Approaches and methods used in the report	
Market Approach	<input type="checkbox"/> Comparison Method
Income Approach	<input type="checkbox"/> Direct Capitalization method <input checked="" type="checkbox"/> Cashflow method <input type="checkbox"/> Profits method
Cost Approach	<input type="checkbox"/> Depreciated Replacement Cost (DRC)
Residual Method	<input type="checkbox"/> Residual Method

4.2 Valuation Analysis

4.2.1 Income Approach Approach- Discounted Cash Flow Method

Discounted Cash Flow Method is categorized under Income Approach in the International Valuation Standards 2025 and is defined as *"Under the DCF method the forecasted cash flow is discounted back to the valuation date, resulting in a present value of the asset"*.

4.2.1.1 Contractual lease data

We were provided with the lease contract for the subject property by the client according to the following data:

- Tenant: Saudi Arabia Ministry of Housing.
- The subject property is leased to the above tenant for a total of 3 years starting February 21st, 2023, at an annual rent of SAR 21,613,000. The lease is set to expire on December 9th, 2025, according to the client's statement.

Income	Value
Total revenue	21,613,000.00
Vacancies 0%	0
Maintenance and operation 0%	0
Net operating income	21,613,000.00

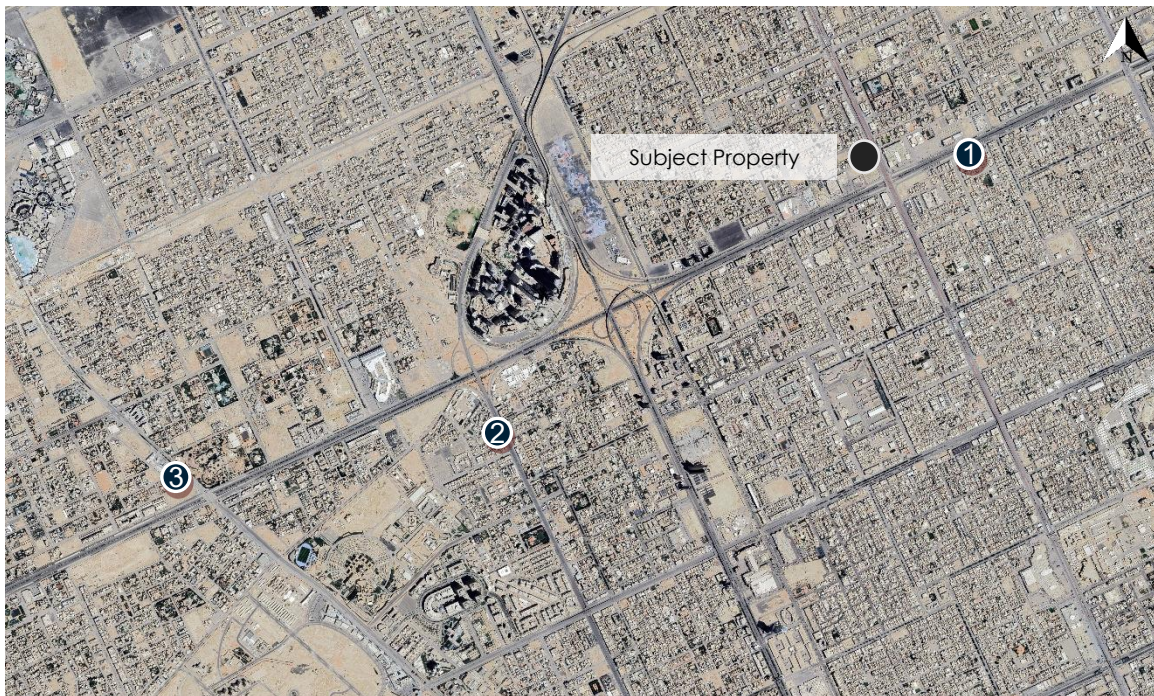
4.2 Valuation Analysis

4.2.1 Income Approach

4.2.1.2 Property Income- (Assumed Market Income) - Ground Floor Showrooms

- An investigation was undertaken for the purpose of disclosing market values of similar type properties which have occurred in the area over the last year. The comparable contained here in are the best available indicators of market value for the subject property. Adjustments between the market data and the subject property were made for the elements identified in the next part.

Comparables List - Ground Floor Showrooms					
Property ID	Transaction Type	Transaction Year	Rental value	Area	Rental value /m ²
Property 1	Offer	2025	SAR 1,300,000	550 m ²	SAR 2,363
Property 2	Offer	2025	SAR 170,000	90 m ²	SAR 1,888
Property 3	Transaction	2025	SAR 600,000	288.35 m ²	SAR 2,081



Satellite photo showing subject property and comparables

4.2 Valuation Analysis

4.2.1 Income Approach

4.2.1.2 Property Income- (Assumed Market Income) - Ground Floor Showrooms

We have conducted comparison to arrive at Showrooms Rents follows:

Comparison Criteria	Subject Property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date	-	12/20/2024		12/20/2024		12/20/2024	
Value/m²	-	SAR/m² 2,363		SAR/m² 1,888		SAR/m² 2,081	
Transaction Type	-	Offer	5.0%-	Offer	5.0%-	Transaction	0.0%
Market conditions	Similar	Similar	0.0%	Similar	0.0%	Similar	0.0%
Adjusted Value / m²		118.15-		94.4-		0	
Value per square meter		SAR/m² 2,245		SAR/m² 1,794		SAR/m² 2,081	
Accessibility	Very easy	Very easy	0.0%	Very easy	0.0%	Very easy	0.0%
Location	Very good	Very good	0.0%	Very good	0.0%	Very good	0.0%
street width	60 m	60 m	0.0%	60 m	0.0%	60 m	0.0%
The vitality of the area	vital	vital	0.0%	vital	0.0%	vital	0.0%
Finishing	Excellent	Excellent	0.0%	Excellent	0.0%	Excellent	0.0%
Availability of parking	Available	Available	0.0%	Available	0.0%	Available	0.0%
Proximity to attractions	Nearby	Nearby	0.0%	Nearby	0.0%	Nearby	0.0%
Value / m²	-	SAR/m² 00	0.0%	SAR/m² 00	0.0%	SAR/m² 00	0.0%
Adjusted Value / m²	-	SAR/m² 2,245		SAR/m² 1,794		SAR/m² 2,081	
Weighting	-	20%		55%		25%	
Subject Property Adjusted Value (SAR/m²)	-	SAR 1,960					

Weighted average of the three comparables is calculated to arrive at the average value per meter for showrooms. The largest weight is awarded to comparable (2) as it carries more similarities to the subject property.

Total income for Ground Floor Showrooms by market	
Net leasable area(m2)	9,029.00
Rental value per square meter (SAR / m2)	1,960
Actual Gross Income	17,696,840

Notes:

- We estimated the price per meter for Ground Floor Showrooms at 1,960 SAR.
- We estimated the price per meter for First Floor Showrooms at 1,764 SAR (10% discount compared to Ground Floor Showrooms).
- We estimated the price per meter for Second Floor Showrooms at 1,568 SAR (20% discount compared to Ground Floor Showrooms) .

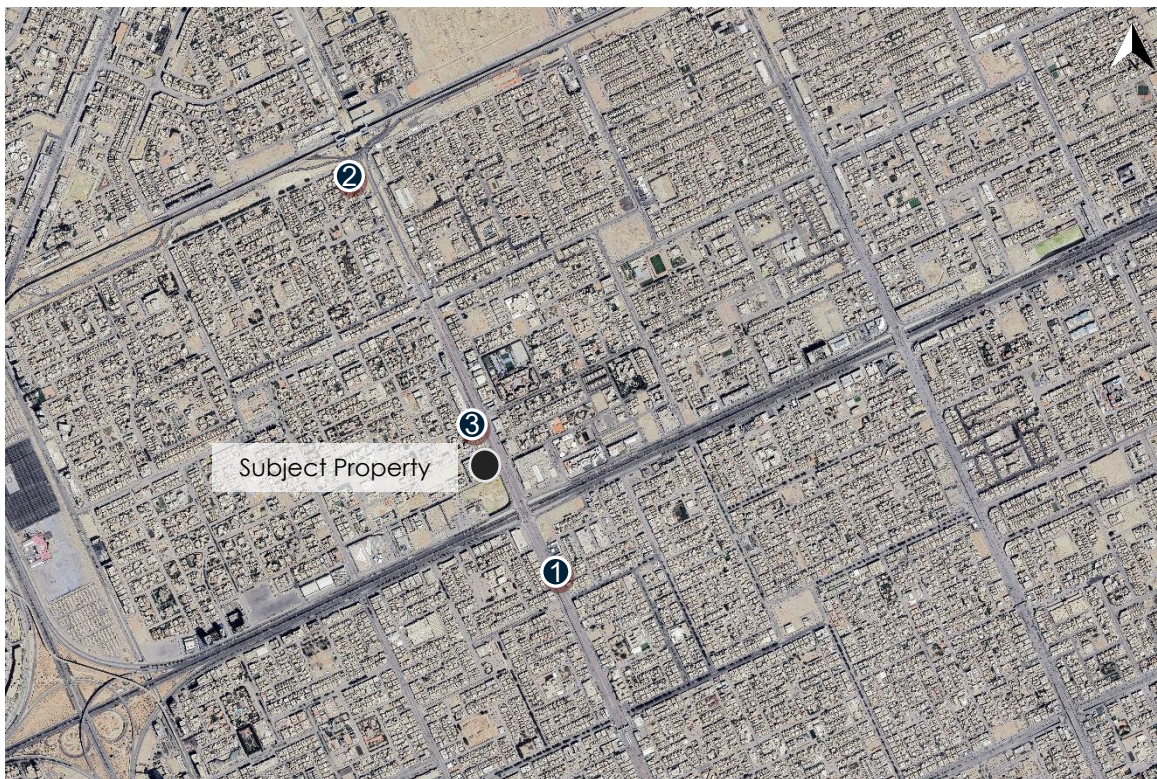
4.2 | Valuation Analysis

4.2.1 Income Approach

4.2.1.2 Property Income- (Assumed Market Income) - Second Floor Offices

- An investigation was undertaken for the purpose of disclosing market values of similar type properties which have occurred in the area over the last year. The comparables contained here in are the best available indicators of market value for the subject property. Adjustments between the market data and the subject property were made for the elements identified in the next part.

Comparables List - Second Floor Offices					
Property ID	Transaction Type	Transaction Year	Rental value	Area	Rental value /m ²
Property 1	Offer	2025	SAR 97,920	72 m ²	SAR 1,350
Property 2	Transaction	2025	SAR 145,903	120.83 m ²	SAR 1,208
Property 3	Transaction	2025	SAR 201,582	175 m ²	SAR 1,152



Satellite photo showing subject property and comparables

4.2 Valuation Analysis

4.2.1 Income Approach

4.2.1.2 Property Income- (Assumed Market Income) - Second Floor Offices

We have conducted comparison to arrive at Office Rents follows:

Comparison Criteria	Subject Property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date		30/06/2025		28/01/2025		1/6/2025	
Value/m²	-	SAR/m² 1,350		SAR/m² 1,208		SAR/m² 1,152	
Transaction Type		Offer	5.0%-	Transaction	0.0%	Transaction	0.0%
Market conditions	Similar	Similar	0.0%	Similar	0.0%	Similar	0.0%
Adjusted Value / m²		67.5-		0		0	
Value per square meter		SAR/m² 1,283		SAR/m² 1,208		SAR/m² 1,152	
Accessibility	Easy	Easy	0.0%	Easy	0.0%	Very easy	2.5%-
Location	Very good	Very good	0.0%	Very good	0.0%	Excellent	2.5%-
street width	60 m	60 m	0.0%	60 m	0.0%	60 m	0.0%
Finishing	Excellent	Excellent	0.0%	Excellent	0.0%	Excellent	0.0%
Availability of parking	Available	Available	0.0%	Available	0.0%	Available	0.0%
Proximity to attractions	Nearby	Nearby	0.0%	Nearby	0.0%	Nearby	0.0%
Value / m²	-	SAR/m² 00	0.0%	SAR/m² 00	0.0%	SAR/m² 58-	5.0%-
Adjusted Value / m²	-	SAR/m² 1,283		SAR/m² 1,208		SAR/m² 1,094	
Weighting	-	40%		35%		25%	
Subject Property Adjusted Value (SAR/m²)	-	SAR 1,210					

Weighted average of the three comparables is calculated to arrive at the average value per meter for offices. The largest weight is awarded to comparable (1) as it carries more similarities to the subject property.

Total income for Second Floor Offices by market	
Net leasable area(m2)	2,457.00
Rental value per square meter (SAR / m2)	1,210
Actual Gross Income	2,972,970.00

Notes:

- We estimated the price per meter for Second Floor Offices at 1,210 SAR.
- We estimated the price per meter for First Floor Offices at 1,089 SAR (10% discount compared to Second Floor Offices).

4.2 Valuation Analysis

4.2.1 Income Approach Approach- Discounted Cash Flow Method

4.2.1.2 Property Income- (Assumed Market Income)

Property income	Area	Value	
Ground Floor Showrooms	9,029.00 m ²	1,960.00 SAR	17,696,840.00 SAR
First Floor Showrooms	4,604.00 m ²	1,764.00 SAR	8,121,456.00 SAR
Second Floor Showrooms	2,629.00 m ²	1,568.00 SAR	4,122,272.00 SAR
First Floor Offices	2,534.00 m ²	1,089.00 SAR	2,759,526.00 SAR
Second Floor Offices	2,457.00 m ²	1,210.00 SAR	2,972,970.00 SAR
Total gross income			35,673,064.00 SAR
Vacancies	15.00%		-5,350,959.60 SAR
Net gross income after deduction of vacancies			30,322,104.40 SAR
Operating & Maintenance	20.00%		-6,064,420.88 SAR
Net operating income (NOI)			24,257,683.52 SAR

4.2.1.3 Income data approved in the valuation

The actual income data of the subject property was compared with the market Income and the following was found:

Element	Actual income data	Market data	The difference	
			SAR	%
Rental value of the property (SAR)	-	35,673,064.00	-	-
vacancy	-	15 %	-	-
Operation and maintenance expenses	-	20 %	-	-
Net Income	21,613,000	24,257,683.52	2,644,683.52	12.24%
Result	The income data provided by the client was found to be consistent with prevailing market conditions and has been utilized as a basis in the valuation process, with capitalization rates applied in accordance with market-derived data.			

4.2.1.4 Assumptions

The valuation was based on the contractual income for the remaining lease term using a cash flow method, with a 5% growth in rent every three years thereafter.

4.2 Valuation Analysis

4.2.1 Income Approach Approach- Discounted Cash Flow Method

4.2.1.4 Assumptions

Project Assumptions	
Project period	10 years

4.2.1.5 Cap Rate Analysis

Cap rate analysis						
Name of the property/fund	Property's name	City	Sector	property value	Net income	Rate of Return
Al Maather REIT	Al Muhammadiyah Tower	Riyadh	Commercial Office	104,500,000 SAR	8,430,225 SAR	8.07%
JADWA REIT SAUDI	Lafeef Office Complex	Riyadh	Office	158,914,000 SAR	11,918,547 SAR	7.50%

- The capitalization rate has been set at 8.00%, based on the average capitalization rates of funds and comparable properties, excluding outliers, with adjustments made to account for the location and condition of the subject property.
- Annex 1 :details the cash flows of the subject property, where a 11.08% discount rate has been approved to calculate the value of the property, accordingly the value of the property is estimated in the manner of cash flows by:

Discount rate by observed or inferred rates/yields		
Rates	Value	Source
Risk-free rate	5.33%	Saudi Exchange
Inflation rate	2.20%	General Authority for Statistics
Market Risk	0.80%	knoema Platform Data
Property Risk	2.75%	Valuer's estimate of the market
Discount rate	11.08%	

4.2.1.6 Valuation Result

Income Approach Valuation Result	
Cap rate	8.00%
Discount rate	11.08%
Income approach value (SAR)	273,391,398.78

4.3 | Opinion of Value

Opinion of value	
Value	273,391,000
Written	Only two hundred seventy-three million three hundred ninety-one thousand SAR
Currency	Saudi Riyal

- The Income Approach was adopted to determine the opinion of value, due to the absence of directly comparable properties with similar characteristics to support a reliable market-based analysis. This method is considered the most appropriate for valuing income-generating assets, as it reflects the property's ability to produce stable financial returns. The approach aims to estimate market value while accounting for limited market data and complying with internationally accepted valuation standards.

4.4 | Validity of review and clarification

- Review is valid (5 days) from the date the first draft was issued.
- The estimated value of the property was reached through the following international methodologies and methods adopted by Saudi Authority for Accredited Valuers.

Part 5

Appendices

- 5.1 Documents
- 5.2 Cash flow analysis
- 5.3 Overview of the Real Estate Sector
- 5.3 Assumptions and Limiting Conditions
- 5.4 Valuation Standards

5.1 Documents

بسم الله الرحمن الرحيم

الجمهورية العربية السورية
وزارة العدل
[٢٧٧]
مكتبة العدل الأولى بالرياض

رقم: ٤١٠١٦٠٥٠٩٧٢
التاريخ: ١٤٤١ / ١١ / ١ هـ

صك

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:

فإن قطعة الأرض ٢٤ و قطعة الأرض ٢٥ و قطعة الأرض ٢٦ و قطعة الأرض ٢٧ من المخطط رقم ٢٧٢٦ / أ الواقع في حي الغدير بمدينة الرياض .

وحدودها وأطوالها كالتالي:

شمالاً: شارع عرض ٢٠ م	بطول: (١٤٩,٨) مائة و تسعة و أربعون متر و ثمانون سنتيمتر
جنوباً: شارع عرض ٢٠ م	بطول: (١٤٩,٨) مائة و تسعة و أربعون متر و ثمانون سنتيمتر
شرقاً: طريق عرض ٦٠ م	بطول: (١١٦,٤٥) مائة و ستة عشر متر و خمسة و أربعون سنتيمتر
غرباً: شارع عرض ٢٠ م	بطول: (١١٦,٤٥) مائة و ستة عشر متر و خمسة و أربعون سنتيمتر

ومساحتها: (١٧,٤٤٤,٢١) سبعة عشر ألفاً و أربعمائة و أربعة و أربعون متر مربعاً و واحد و عشرون سنتيمتراً مربعاً فقط بناء على خطاب الأمانة ٥٤٦٣٤ في ٢١/١٢/١٤٣٥ هـ والمقيد في هذه الإدارة رقم ٤٥٣٤٨٠٤٣٧ وتاريخ ٢٢/١٢/١٤٣٥.

والمستند في إفراغها على الصك الصادر من هذه الإدارة برقم ٧١٠١٢٠٠٣٣٣٣١ في ٣ / ١ / ١٤٣٦ هـ.

قد انتقلت ملكيتها ل: شركة صندوق تمكين العقارية بموجب سجل تجاري رقم ١٠١٠٩٢٨٨٩٠ وتنتهي في ٢٤ / ٣ / ١٤٤٢ هـ .، بثمن وقدره ٢٥٠٠٠٠٠٠٠ مئتين و خمسون مليون ريال وعليه جرى التصديق تحريراً في ١ / ١١ / ١٤٤١ هـ لاعتماده ، وصلى الله على نبينا محمد وآله وصحبه وسلم.

وزارة العدل

مكتبة العدل الأولى بالرياض

كاتب العدل

مسعود بن علي بن مبارك القحطاني

تمت

مصلحة مطابع الحكومة - ٣٩٢١١٥

نموذج رقم (١٢-٥-١)

(هذا النموذج مخصص للاستخدام بالحاسب الآلي ويمنع تغليفه)

5.2 | Cash flow analysis

Cash flow analysis	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenues	236,238,195	21,613,000	22,693,650	22,693,650	22,693,650	23,828,333	23,828,333	23,828,333	25,019,749	25,019,749	25,019,749
Vacancy - 0.0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operation & Maintenance - 0.0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income	236,238,195	21,613,000	22,693,650	22,693,650	22,693,650	23,828,333	23,828,333	23,828,333	25,019,749	25,019,749	25,019,749
Terminal value	-	0	0	0	0	0	0	0	0	0	312,746,864
Net cash flow	236,238,195	21,613,000	22,693,650	22,693,650	22,693,650	23,828,333	23,828,333	23,828,333	25,019,749	25,019,749	337,766,613
Discount rate	-	1.00	0.90	0.81	0.73	0.66	0.59	0.53	0.48	0.43	0.39
Net present value	273,391,399	21,613,000	20,430,005	18,392,155	16,557,575	15,651,291	14,090,107	12,684,648	11,990,350	10,794,337	131,187,930

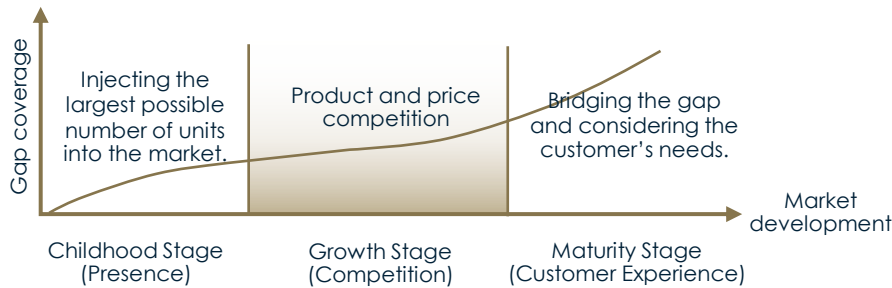
KPI's	Total
NPV at Discount Rate - 11.08%	273,391,398.78

5.3 Overview of the Real Estate Sector




Current State of Real Estate

- The real estate development sector in the Kingdom has witnessed significant growth, as the real estate sector is considered one of the main contributors to the Gross Domestic Product (GDP).
- Several initiatives have been launched to support and empower real estate developers, such as the "Transformation and Empowerment" program, which positively impacts the real estate market.

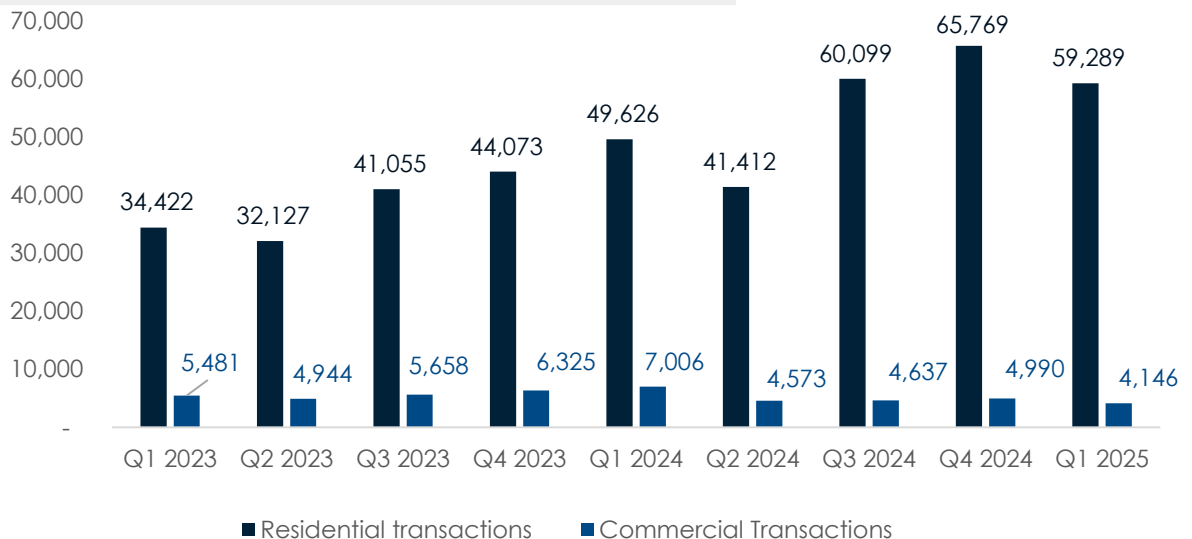
Stages of real estate market development



The Main Driving Forces Of The Real Estate Sectors.

- | | |
|--|---|
|  Residential | <ul style="list-style-type: none"> Population growth Government initiatives and their impact on increasing demand Interest rates and their impact on real estate financing |
|  Office | <ul style="list-style-type: none"> Government initiatives for regional headquarters in the Kingdom. |
|  Commercial | <ul style="list-style-type: none"> Recovery in the food and beverage, and entertainment sectors Growth in retail sales and consumer spending |
|  Industrial | <ul style="list-style-type: none"> Demand for warehouses and the supply volume in the market Increased activity in the manufacturing and logistics sectors |

Real estate transactions executed in the Kingdom.

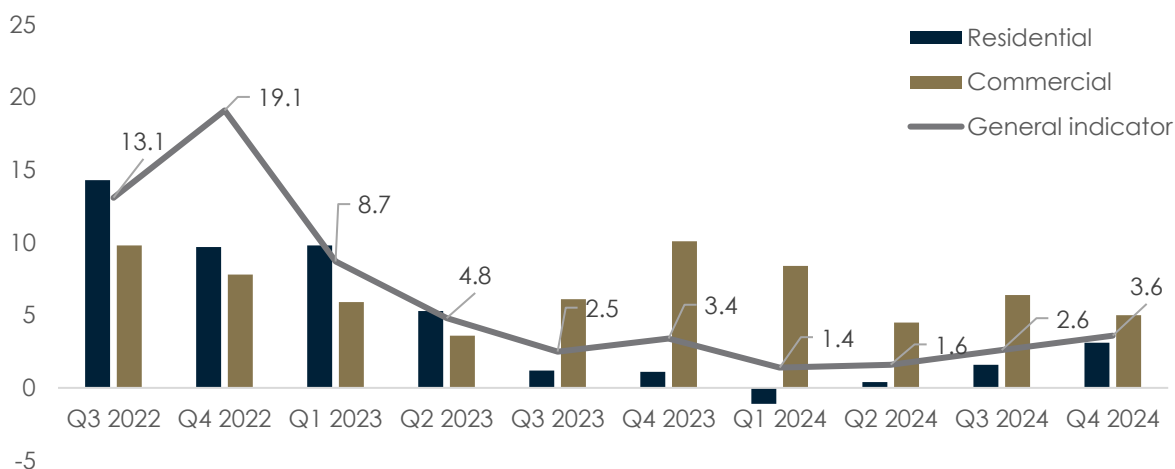


Source: General Authority for Statistics

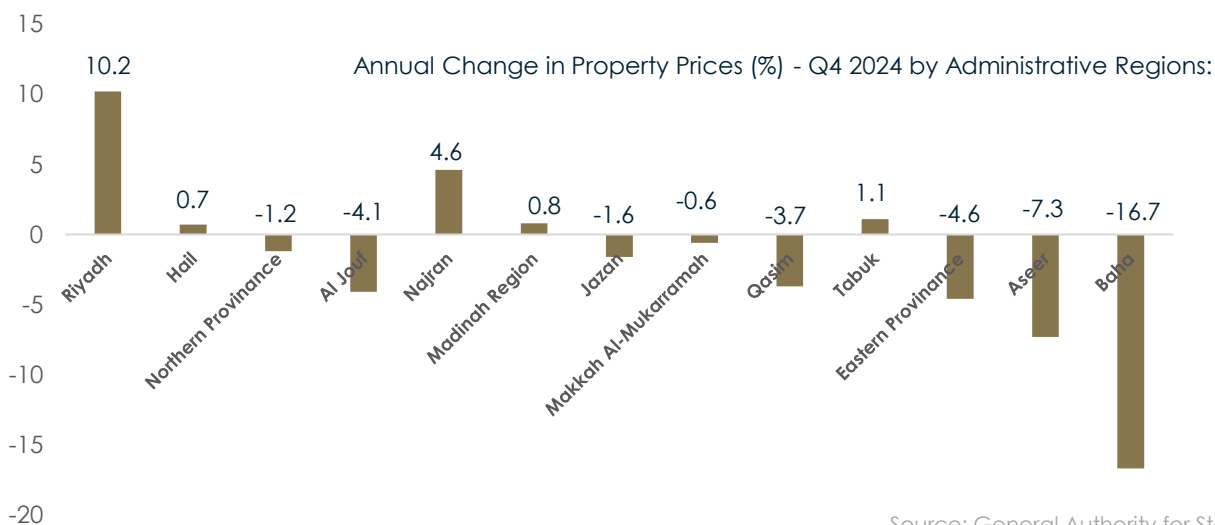
5.3 Overview of the Real Estate Sector

Growth of Real Estate

- Real estate sector data indicates an increase in property prices during the fourth quarter of 2024 compared to the same quarter in 2023. The residential sector saw a rise of 3.1%, which accounts for 72.6% of the price index, driven by a 2.5% increase in residential land prices, which represent 45.7% of the sector's weight. As for the commercial sector, property prices rose by 5.0% in the fourth quarter of 2024, influenced by a 5.2% increase in commercial land prices. Additionally, building prices saw an increase of 5.1%.



- The annual change rate in property prices across the Kingdom of Saudi Arabia was 3.6%, mainly driven by a 10.2% increase in prices in Riyadh, which has the highest relative weight in the price index at 47.8%. In contrast, the Makkah and Eastern regions saw declines in property prices by 0.6% and 4.6%, respectively, with relative weights of 16.1% and 24.1%. Regarding other regions, Najran and Tabuk recorded the highest annual increases after Riyadh, with increases of 4.6% and 1.1%, respectively. Meanwhile, Al-Baha and Asir regions recorded the largest price decreases, with declines of 16.7% and 7.3%, respectively.



Source: General Authority for Statistics

Offices Sector

Office Building Classifications

Class A

These projects are the newest and top-tier in the market, attracting premium tenants who pay the highest rents

- These high-rise towers are located in prime business districts and prominent areas, featuring distinctive architectural designs.
- They also offer well-maintained and serviced office spaces, with ample parking and sufficient elevators to meet tenant needs.

Class B

Slightly older buildings that are well-maintained and leased to mid- to upper-middle-tier tenants. With renovations, they can be upgraded to Grade A offices.

- Relatively old buildings
- Good-quality furnishings and finishes
- Well-managed maintenance and security
- Moderate to above-average rental rates

Class C

These classifications help investors, developers, and tenants understand the quality, location, and rental expectations of office spaces.

- Basic buildings with limited facilities
- Often located in less central or older areas
- Typically older constructions with minimal upgrades
- Target small businesses or budget-conscious tenants

General Overview of Offices Market in Riyadh

• Occupancy rate

Grade A Offices: Recorded an occupancy rate of 98%, up 1% compared to the previous year.

Grade B Offices: Saw an 8% increase in occupancy, reaching 91% by the end of 2024.

Regional Headquarters Program:

The program has accelerated rental growth by aiming to increase the number of regional headquarters from the current 350 to 480 by 2030, according to the Saudi Ministry of Investment.

Office Supply:

The total office supply is expected to reach 6.9 million square meters by 2026.

• Office Rental Growth

- Office rents in Riyadh continued to rise, driven by the growing demand.



- Offices lease rates

• Grade A

- Rents increased by 8% year-on-year, reaching SAR 2,005 per square meter.

• Grade B

- It recorded a 26% year-on-year increase, reaching SAR 1,225 per square meter.

5.4 Assumptions and Limiting Conditions

This report is subject to the following terms and conditions:

- This report is to be used solely for the specified purposes. It remains in the possession of the intended recipient and is available for their use only for these purposes.
- The report has been prepared as a complete unit and should not be separated or used in parts independently.
- No portion of this report may be circulated publicly for advertising, public relations, or any media-related purposes unless explicitly stated otherwise within the report.
- The valuer retains ownership of all documents and files prepared and used in the preparation of this report.
- All information, forecasts, and opinions referenced in this report have been verified to the highest standards; however, their absolute accuracy cannot be guaranteed. Any drawings or maps (if included) are provided solely for visualization purposes and should not be used for any other intent.
- The report has been prepared electronically, including the written content and analytical work, and all related files are retained in the valuer's database.
- The valuer has not identified nor been informed of any latent factors that could affect the property's value at the time of valuation, including but not limited to soil conditions or structural integrity. The valuer assumes no liability should any such issues be discovered afterward.
- It is assumed in this report that no hazardous materials or environmental risks exist within or around the property that could impact its value. If such factors are later identified, this valuation would no longer be valid, and further analysis by specialized environmental consultants would be required.
- The valuation opinion assumes that the subject property is free from contaminants, toxins, or environmental hazards of any kind. The valuer does not hold expertise in these fields and cannot provide assessments related to such matters.
- This report has been prepared based on the best available information at the time of valuation. The valuer is not aware of any material or significant information that has been omitted or withheld.
- The ownership validity of the property title has not been verified, and its accuracy has been assumed, along with the assumption that there are no obstacles or encumbrances on the ownership unless otherwise specified. It is also assumed that the property complies with all municipal requirements and legal boundaries unless stated otherwise. The valuer does not assume responsibility for the accuracy of these documents.
- If any maps or property are provided by the client, only the visible parts will be verified, and this verification should not be considered a substitute for detailed structural, engineering, or environmental inspections.
- This valuation was not requested for the purpose of establishing the minimum value or for bank loan approvals, unless explicitly stated otherwise in the report or the agreement between the valuer and the client.
- The valuer is not liable for any compensations resulting from the use of the analyses or results of the valuation report other than what is outlined in the contractual agreement.
- All information and facts stated in this report are accurate to the best knowledge of the valuer at the time of preparing the valuation. There is no relevant or material information known to the valuer at the time of preparing the report that has been omitted or not considered in valuating its impact.
- All analyses, opinions, and conclusions in this report are subject to the terms and conditions stated herein, and are considered professional, unbiased analyses and opinions.
- This valuation report is valid only if it carries the company's seal and the signatures of the certified valuers.
- Esnad Real Estate Valuation Company affirms that there is no conflict of interest, whether current or potential, with the parties or properties involved.
- Esnad acknowledges that this report has been prepared in full compliance with the International Valuation Standards 2025 (IVS 2025) and has adhered to all professional requirements and technical guidelines outlined in these updated standards, ensuring an accurate and objective valuation that reflects the true value of the appraised assets. Any additional standards applied, alongside the International Valuation Standards, will be clearly referenced in the report to ensure alignment with the latest professional guidelines and applicable standards.

5.5 Valuation Standards

5.5.1 Valuation Standards

- All work is carried out in accordance with the Saudi Authority for Accredited Valuers (Taqeem) and the International Valuation Standards ("IVS") published by the International Valuation Standards Council ("IVSC"), by valuers who conform to the requirements thereof. Our valuations may be subject to monitoring by these entities. The valuations are undertaken by appropriately qualified Taqeem valuers.

5.5.2 Valuation Basis

- Our reports state the basis of the valuation and, unless otherwise noted, the basis of valuation is as defined in the "the Red Book". The full definition of the basis, which we have adopted, is either set out in our report or appended to these General Principles.

5.5.3 Assumptions and Special Assumptions

- Where we make an 'assumption' or 'special assumption' in arriving at our valuations, we define these terms in accordance with the "IVS" as follows:
- These types of assumptions generally fall into one of two categories:
- (a) assumed facts that are consistent with, or could be consistent with, those existing at the date of valuation ("Assumption"), and
- (b) assumed facts that differ from those existing at the date of valuation ("Special Assumption").
- All assumptions and special assumptions must be reasonable under the circumstances, be supported by evidence, and be relevant having regard to the purpose for which the valuation is required.
- We will not take steps to verify any assumptions.

5.5.4 Disposal Costs Taxation and Other Liabilities

- No allowances are made for any expenses of realization, or for taxation, which might arise in the event of a disposal. All property is considered as if free and clear of all mortgages or other charges, which may be secured thereon. However, we consider purchaser's costs in investment valuations in accordance with market conventions.
- No allowance is made for the possible impact of potential legislation which is under consideration. Valuations are prepared and expressed exclusive of VAT payments, unless otherwise stated.

5.5.5 Sources of Information

- Where we have been provided with information by the addressee, or its agents, we assume that it is correct and complete and is up to date and can be relied upon. We assume that no information that has a material effect on our valuations has been withheld.

5.5.6 Title and Tenancy Information

- We assume, unless informed to the contrary, that each property has a good and marketable title, that all documentation is satisfactorily drawn and that there are no encumbrances, restrictions, easements or other outgoings of an onerous nature, which would have a material effect on the value of the interest under consideration, nor material litigation pending. Where we have been provided with documentation, we recommend that reliance should not be placed on our interpretation without verification by your lawyers.
- We have assumed that all information provided by the addressee, or its agents, is correct, up to date and can be relied upon.

5.5 | Valuation Standards

5.5.7 Confidentiality of Information and Responsibility to Third Parties

- This valuation report is confidential and intended solely for the recipient for the specified purpose. The valuer assumes no responsibility towards any third party.
- Under no circumstances is the report, in full or in part, to be published, disclosed, or referred to any third party without the prior consent of the valuer, including the form and content in which the information will be shared.

5.5.8 Maps and Illustrative Drawings

All maps and illustrative drawings included in this report are for illustrative purposes only. While we believe them to be accurate, no warranty is given in this regard, and they should not be relied upon for any contractual purposes.

5.5.9 Nature and Scope of the Valuer's Work and Any Limitations Imposed

In accordance with **International Valuation Standard (IVS) 101 – Scope of Work (IVS 2025)**, specifically paragraph **1-20(i)** concerning the nature and scope of the valuer's work and any limitations imposed, it is required to **identify any constraints that may hinder inspection, inquiry, or analysis in relation to the valuation.**

If relevant information is unavailable due to limitations imposed by the terms of the valuation on investigation or research, these limitations must be disclosed, along with any necessary **assumptions or special assumptions** (see **IVS 102 – Bases of Value**, paragraphs 1-50 to 4-50) that result from such limitations.

It is noted that these aspects, where applicable, will be addressed in the relevant sections of this report.

5.5.10 Material Environmental, Social, and Governance (ESG) Factors

In accordance with **IVS 104 – Data and Inputs** from the **International Valuation Standards 2025**, which states that: *"The impact of material environmental, social, and governance (ESG) factors should be considered,"* an assessment has been made regarding the potential impact of such factors on the subject property and/or the identification and analysis of any tangible influences or consequences they may entail.

Accordingly, any such impacts—if identified—will be disclosed in the section titled **"Property Data and Ownership Information."**

5.5.11 Specialist

In preparing this report, a team of internal specialists was engaged, possessing the technical skills and subject-matter expertise necessary to conduct, support, review, or challenge the valuation process.

In the event that any external specialists were involved, this will be disclosed in the **"Valuation Team"** section, in compliance with the requirements of **IVS 100 – Framework** under the **International Valuation Standards 2025**.

5.5.12 Statement of Compliance with Standards

Esnad Company acknowledges that this report has been prepared in full compliance with the **International Valuation Standards 2025 (IVS 2025)** and adheres to all professional requirements and technical guidelines outlined in these updated standards to ensure the provision of an accurate and objective valuation that reflects the true value of the assessed assets.

Any other standards that are adopted or applied alongside the International Valuation Standards will be clearly indicated in the report, ensuring alignment with the latest professional guidance and applicable standards.

Thank you

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نحنُ لك سندٌ
We support you