WHITE CUBES
REAL ESTATE VALUATION REPORT

Al Khabeer Capital

Elegance Office Tower

Awal Al Malqa Real Estate Company

Riyadh City
30 June 2023

REF: 23-0424
Code:
Date: 30/06/2023
M/S: Awal Al Malqa Real Estate Company

Subject: Valuation Report for an Office Tower (Elegance Tower) in Riyadh City, Saudi Arabia.

Dear Sir,

With reference to your request and approval dated on 29th of May 2023. We will provide you with a detailed report on the property under evaluation, including a market analysis, an economic analysis, and a description of the valuation methods. In addition, we WHITE CUBES guarantee the confidentiality of the client's information and are committed to complete impartiality in the evaluation process and acknowledge that there are no common interests between WHITECUBES and the client.

WHITE CUBES Consulting Services Co.

Mr. Essam M. Al-Husaini – President
Fellow Member of the Saudi Authority of Accredited Valuers
License No. 1210000474
Issued: 01/08/1437 Exp: 24/08/1447
WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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EXECUTIVE SUMMARY

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SUMMARY

Executive Summary

Reference No.	23-0424
Dep. Code	
Report Type	Detailed Report.
Client	Awal Al Malqa Real Estate Company.
Report user	Awal Al Malqa Real Estate Company.
Other users	Investors or those wishing to invest in the Real Estate Investment Trust.
Purpose of Valuation	Inclusion in financial statements.
Subject Property	Commercial Project.
Property Location	Al Muruj district, Riyadh City.
Title Deed No.	393318001500
Title Deed Date	02/03/1442
Ownership Type	Title deed-restricted
Limitations	Mortgaged to Al Rajhi Banking Investment Company.
Owner	Awal Al Malqa Real Estate Company.
Land Use	Commercial
Land Area (Sqm)	The land has an area size of 5,695 Sqm
BUA (Sqm)	As per the provided construction permit, the total BUA is 58,163 Sqm.
GLA (Sqm)	The total gross leasable area is 24,322 Sqm composed of office.
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Comparable Approach, Cost Approach and Income Approach Discounted Cash Flow Approach (DCF).
Currency	Saudi Arabian Riyal
Final Property Value	SAR 494,400,000
Report Date	30/06/2023
Valuation Date	30/06/2023
Inspection Date	30/05/2023
Expiry Date	120 days from date of the inspection, unless there’re any economic changes that affect the subject property.

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SCOPE OF WORK

SCOPE OF WORK

Scope of Work

1.1 Introduction

This report was prepared by WHITE CUBES Co. based on the International Valuation Standards of the Council of International Assessment Standards (IVSC 2022) and the Guide to Practice and Regulations issued by the Saudi Authority of Accredited Valuers (Taqeem), to ensure accurate access to information, the evaluation report must be read in its entirety, our firm is pleased to offer its services to Awal Al Malqa Real Estate Company in order to estimate the fair value of the property that is being evaluated.

1.2 Purpose of valuation

The client requested that we evaluate the subject properties for **Inclusion in financial statements.**

1.3 Basis of Valuation

According to Paragraph 1.2, the appropriate basis for value adopted in the evaluation process is the fair value of the property.

IFRS 13 defines fair value as 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. It is based on the principle of an "exit price,"

1.4 Valuation Methods

Depending on the purpose of the valuation, and upon the request of the client, we will apply the comparable approach, cost approach and income approach Discounted Cash Flow Approach (DCF).

1.5 Currency

Unless otherwise stated, all values in the report are in Saudi Arabian Riyals.

1.6 Scope of Research

Research is an important part of the valuation process. We will conduct extensive research and analysis of various factors that can impact the value of a property or asset, such as market conditions, comparable sales, property characteristics, income potential, and legal and regulatory factors.

1.7 Property Inspection

Inspection refers to visiting and inspecting an asset, testing its performance, and gathering information about it from quantities, specifications, land area, building areas, rental areas, services, public utilities, project components, etc., so that an opinion can be expressed regarding its value. Therefore, we confirm that subject property was inspected on May 30, 2023. We will then use this evidence to assess and evaluate the project. We remain committed to providing the client with an accurate and reliable valuation.

1.8 Information Sources

An on-site field survey was conducted by our team to ensure the accuracy of some market information required for the valuation, including nearby asset prices, occupancy rates, and specific information about the asset under valuation, to determine its actual fair value. The following sources were used during the field research process:

- Property records: In the absence of property ownership documents, the client has provided us with some information about the assets.
- Market trends: Real estate market trends and economic indicators can be used to assess the overall demand and supply for properties in the area.
- Income analysis: Income-producing properties such as rental properties can be valued based on their income potential.
- Physical inspection: A physical inspection of the property can provide valuable information on its condition and any unique features that may affect its value.

1.9 Assumptions and Special Assumptions

As defined by the International Valuation Standards, assumptions are logical matters that can be accepted as facts during valuation work without being specifically checked or scrutinized. They are accepted as soon as they are mentioned. Based on the facts at the time of the valuation.

- It has been assumed that the information provided by the client is accurate, but we were not provided with the ownership documents for the asset.
- Assumed that all information received from the client is accurate and up to date as of the date of the valuation, whether oral or written.
- This is a valuation report rather than a structural survey. As a result, we did not conduct any utility checks, service checks, soil tests, etc.
- The valuation methodologies are based on market data compiled using our relevant market knowledge and experience.
- This report's output (final value) is derived from assumptions used, documents received from the client, and market data. Nevertheless, the output estimates provide an indication of the property's value.
- After studying the market and using the built-up model, a discount rate of 8.50% was assumed for the project.

1.10 Use, Distribution, and Publication Restrictions

To estimate the fair value of the assets being evaluated, WHITE CUBES Co. has prepared this report. There are restrictions on the transfer, referencing, and presentation of this report and its contents to any other party except as stipulated in the contract letter, and the client must obtain our prior written consent in order to use this report for any other purpose other than that stated in this report.

1.11 Legal Notes

As far as we are aware, no legal notices have been served on the property, whether they are in progress or pending in the court system.

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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is an office Tower (Elegance Tower) located in Al Muruj district, Riyadh city with direct view on King Fahad Road. Based on the copy of the title deed and the construction permit provided by the client, the project has a total land area of 5,695 Sqm and a total BUA of 58,163 Sqm and composed of 5 basements, a ground floor and 23 upper floors. Yet, the client informed us that the actual project BUA is 62,362 Sqm and that it consists of 27 floors. As per the site inspection done by our team, the tower's and has a regular shape and open from three sides with a direct view on 3 internal streets.

2.2 Surrounding Area

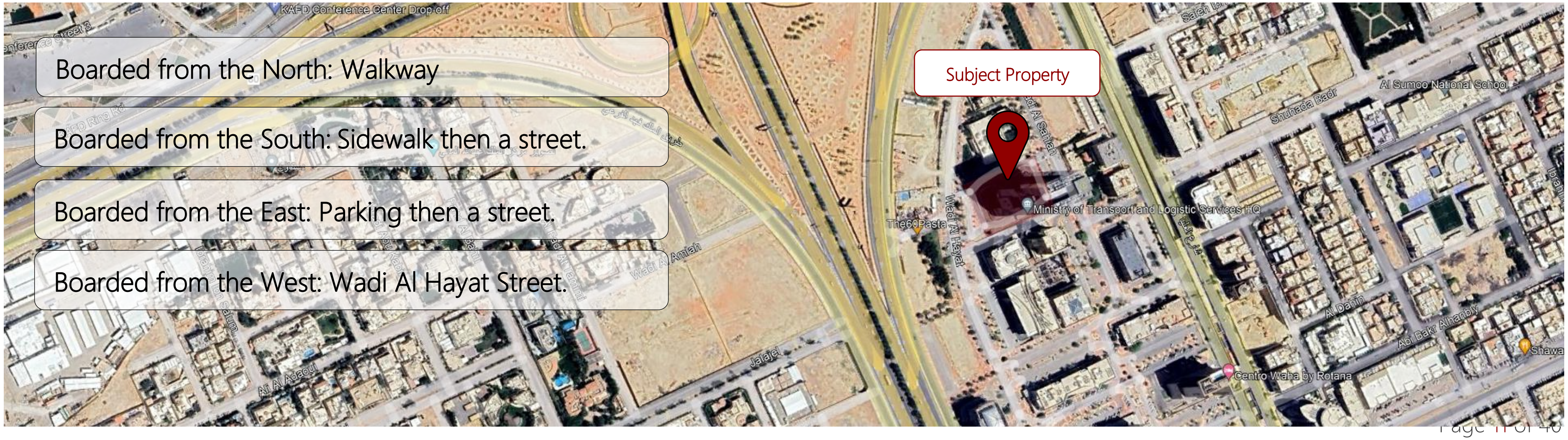
The subject property is surrounded mostly by several residential and commercial buildings.

2.3 Ease of Access

Based on the current location of the subject property, the access level is high since it is located on King Fahad Road.

2.4 Infrastructure

All the infrastructural facilities are available in the surroundings and connected to the subject property.



Boarded from the North: Walkway

Boarded from the South: Sidewalk then a street.

Boarded from the East: Parking then a street.

Boarded from the West: Wadi Al Hayat Street.

2.5 Title Deed and Ownership

The client provides us with a copy of the title deed related to the subject property which is owned by one title deed. The details of the subject property:

City	Riyadh	**Land Area**	5,695 Sqm
District	Al Muruj	**Plot No.**	25/26/27/28
T.D Type	Electronic	**Block No.**	---
T.D Number	393318001500	**Layout No.**	2593
T.D Date	02/03/1442	**Owner**	Awal Al Malqa Real Estate Company
T.D Value		**Ownership Type**	Freehold
Date of Last Transaction		**Limitation of Document**	Mortgaged
Issued From	Notarized by Mishaal Saud Hady Ad Dusari.		
North Side	10 Meters walkway.	**East Side**	Parking & 20 Meters Street.
South Side	10 Meters Sidewalk.	**West Side**	Parking & 20 Meters Street.

Note: The client has provided us with a copy of the Title Deed which was assumed to be correct and authentic. It is not in our scope to run legal diagnosis on any legal document.

2.6 Construction and Buildings

The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit issued by Riyadh Municipality with the below details:

Subject Property	
Construction Permit Type	Replacement of lost copy
Property Type	Office Tower
Construction Permit No.	1432/16564
Construction Permit Date	09/03/1438
Expiration Date	09/03/1441

Description	No. of Units	Area (sqm)	Use
Ground Floor	1	1,285	Reception
5 Basements	0	28,475	Parking
First Floor	1	1,665	Reception
Floor 2 to 4	16	3,855	Offices
Floor 5 to 9	40	6,765	Offices
Floor 10 to 13	16	3,308	Office
Floor 14 to 18	40	6,765	Offices
Floor 19 to 21	24	3,855	Offices
Floor 22	1	1,095	Restaurant
Floor 23	1	1,095	Restaurant
Total BAU (sqm)		**58,163**	

2.7 Property Actual Rental Rates

The project will be leased for 3 years for special tenant with special customization with an annual rent of 30,000,000 SAR. Although, it is expected that such client (governmental authority) will continue renting the project for the same amount, we will conservatively assume that after 3 years the project will be leased as individual offices. In this case, the new upcoming tenants will get the benefit of the special high-tech customization of the project causing higher rental rate compared to the market.

2.8 Gross Leasable Areas

The client provided us with a document showing the total leasable areas of the subject project as follows:

Floor	Use	No of Floors	GLA / Floor	BUA / Floor	GLA
Basement	Parking + Storage	5	161.80	5,695.00	809.01
Lower Ground	Entrance (Rest. & Gym)	1	108.10	1,301.27	108.10
Upper Floor	Reception + Café	1	207.47	1,301.27	207.47
Mezzanine	MZ	3	470.06	763.10	1,410.18
Service Floor	Mechanical	1	478.20	1,406.80	478.20
TF 6-10	Office	5	1,139.20	1,457.15	5,696.00
Service Floor	Gym	1	1,136.05	1,457.15	1,136.05
Service Floor	Pool	1	1,064.00	1,368.65	1,064.00
TF 13-15	Office	3	538.12	842.15	1,614.36
	Office	0	-	1,456.80	-
TF 16-21	Office	6	1,139.20	1,475.00	6,835.20
TF 22-23	Office	2	1,079.45	1,407.30	2,158.90
F 24	Office	1	1,051.72	1,407.30	1,051.72
F 25	Restaurant	1	1,336.10	1,549.00	1,336.10
RF 26	Restaurant	1	417.10	577.45	417.10
Total		**32**			**24,322.39**

GLA Summary	No of Floors	GLA / Floor	GLA
Storage Rooms	5	161.80	809.01
Gym	2	1,127.05	2,254.10
Restaurant & Café	3	671.57	2,014.72
Office	20	962.23	19,244.56
Total			**24,322.39**

The client informed us that the subject property includes several facilities such as a gymnasium, restaurant, café, pool, and a helipad.

2.9 Photographs of the Subject Property

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MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

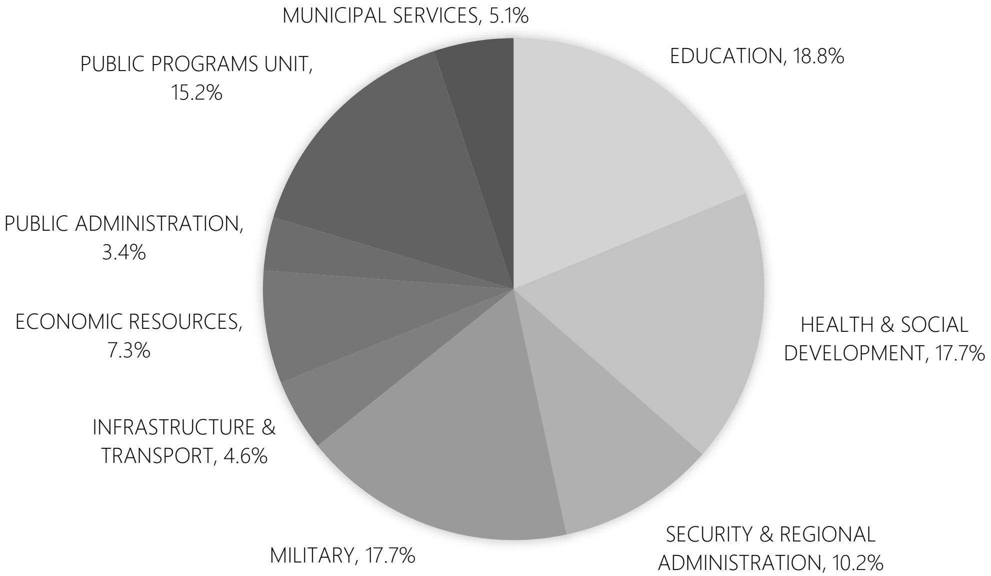
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Budget	Expectations	Estimated	
	2022	2023	2024	2025
Total revenue	1,234	1,130	1,146	1,205
Total expenses	1,132	1,114	1,125	1,134
Budget surplus	102	16	21	71
Debt	985	951	959	962
GDP growth	8.5%	3.1%	5.7%	4.5%
Nominal gross domestic product	3,957	3,869	3,966	4,247
Inflation	2.6%	2.1%	2.1%	2.0%

3.2 Budget Allocation for 2022

Public Administration	37 SAR bn
Military	259 SAR bn
Security & Regional Adm.	105 SAR bn
Municipal Services	63 SAR bn
Education	189 SAR bn
Health & Social Dev.	189 SAR bn
Economic Resources	72 SAR bn
Infrastructure Transport	34 SAR bn
General Items	165 SAR bn

Source: Ministry of Finance



3.3 Sector Brief

In the following we will insert general information about the real estate sector related to the property subject of our valuation and which is intended to give an initial indication on the sector. These information and indicators are estimated based on our experience, the current sector performance and some other historical data collected from our side, In addition to some current economic changes in general.

↓	Indicator showing a decrease in the current performance comparing to last year
↑	Indicator showing an increase in the current performance comparing to last year
↔	Indicator showing a stable position in the current performance comparing to last year

	From 2022 to 2023	Future Expectations
Overall Sector Performance	↔	↑
Overall Sector Stability	↔	↑
Values of Lands Related to The Sector	↔	↑
Sector rental Income	↔	↑
Sector Demand	↔	↑
Investors' Appetite	↔	↑
Sector's occupancy ratios	↔	↑
Sectors Positive Changes	↔	↑

White Cubes Team's Analysis

3.4 Risk Analysis

- Sector Analysis

Risk Factor	Very Low Risk (1) 1-6	Minimal Risk (2) 7-12	Medium Risk (3) 13-18	Elevated Risk (4) 19-24	Very High Risk (5) 25-30
Overall, Economy	----	----	✓	----	----
Sector Current Performance	----	----	✓	----	----
Sector Future Performance	----	✓	----	----	----
Occupancy Rates	----	----	✓	----	----
Supply Rate	----	----	✓	----	----
Demand Rate	----	----	✓	----	----
Total Risk	0	2	15	0	0

Risk Category 17 Risk Points - Medium Risk

-Land Analysis

Risk Factor	Very Low Risk (1) 1-5	Minimal Risk (2) 6-10	Medium Risk (3) 11-15	Elevated Risk (4) 16-20	Very High Risk (5) 21-25
Access	----	✓	----	----	----
Location	----	✓	----	----	----
Land Shape	----	✓	----	----	----
Surrounding Area facilities	----	✓	----	----	----
Total Risk	0	8	0	0	0

Risk Category8 Risk Points – Minimal Risk

-Property Analysis

Risk Factor	Very Low Risk (1) 1-3	Minimal Risk (2) 4-6	Medium Risk (3) 7-9	Elevated Risk (4) 10-12	Very High Risk (5) 13-15
Facilities & Amenities	----	----	✓	----	----
Management Skills	----	----	✓	----	----
Overall Condition	----	✓	----	----	----
Total Risk	0	2	6	0	0

Risk Category8 Risk Points - Medium Risk

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PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4 Valuation Methods

With reference to the valuation purpose, taking into consideration the nature of the subject property, we will use the following ticked methods to estimate the fair value of the subject property:

	Market Approach	Cost Approach	Income Approach			
	Comparable method	DRC method	DCF method	Invest. method	Cap. Rate method	RLV method
Land	✓	----	----	----	----	----
Buildings	----	✓	----	----	----	----
Property	----	----	✓	----	----	----

COMPARABLE METHOD

This is the method most are familiar with as it is the accepted method for valuing residential real estate. Typically, this method involves selecting properties with similar characteristics in the same market area that have recently sold. Once those properties are found they are compared to the property in question and a professional appraiser will deduct value from the subject property for comparative deficiencies and increase value for advantages. Typically, this method is required if the investor is seeking conventional financing. For comparable information, property brokers, dealers and estate agents are contacted to ascertain the asking and selling prices for property of the nature in the immediate neighborhood and adjoining areas. Neighboring properties, which have been recently sold or purchased, are investigated to ascertain a reasonable selling price.

DEPRECIATED REPLACEMENT COST (DRC)

A cost approach is a real estate valuation method that surmises that the price someone should pay for a piece of property should not exceed what someone would have to pay to build an equivalent building. In cost approach pricing, the market price for the property is equivalent to the cost of land plus cost of construction, less depreciation. It is often most accurate for fair value when the property is new. Generally, the cost approach considers what the land, devoid of any structures, would cost, then adds the cost of building the structures, then depreciation is subtracted. The cost approach is most often used for public buildings, such as schools and mosques, because it is difficult to find recently sold comparable properties in the local market, and public buildings do not earn income, so the income approach cannot be used, either. A property that already has improvements will usually contribute a certain amount of value to the site, but improvements can also lower property value if the site's potential buyers wish to use the property for another use that would entail removing some of the improvements to the current site. The cost approach is best used when improvements are new and there is adequate pricing information to value the property components. The cost approach may be less desirable if there are no recent sales of vacant land for which to compare, since the major method of valuing vacant lands is to use the sales comparison approach, or when construction costs are not readily available. The cost approach method includes:

- Estimate what the subject property would be worth.
- Estimate the current cost of building the structures, then add that value to the value of the vacant land.
- Estimate the amount of accrued depreciation of the subject property, then subtract it from the total to arrive at the property’s worth.

DISCOUNTED CASH FLOW (DCF)

The Discounted Cash Flow Method involves estimating net cash flows of an income generating property over specific period of time, and then calculating the present value of that series of cash flows by discounting those net cash flows using a selected "discount rate." A discounted cash flow method (DCF) is a valuation method used to estimate the attractiveness of an income generating property

4.1 Comparable Method

This method aims to collect data and information on actual sales and / or current offers of similar properties within the surrounding market, and then make the necessary adjustments to these comparisons in terms of area, location, shape, quality, content, and others. Below is a summary of the valuation process using the comparable method and the amendments made to the available comparisons.

Characteristics of Samples							
Feature	**Subject Property**	**Sample 1**		**Sample 2**		**Sample 3**	
Quoting	---------	Offering		Offering		Offering	
City	Riyadh	Riyadh		Riyadh		Riyadh	
Sale Price	----------	SAR 46,000,000		SAR 41,250,000		SAR 45,970,000	
Data Source	Client	Market Survey		Market Survey		Market Survey	
Area Size	5,695.00	2,700.00		2,500.00		2,750.00	
SAR / Sqm	--------	SAR 17,037		SAR 16,500		SAR 16,716	
Market Conditions Adjustment Analysis							
	Subject Property	**Sample 1**		**Sample 2**		**Sample 3**	
SAR/ Sqm before Adj.	--------	SAR 17,037		SAR 16,500		SAR 16,716	
Mortgage	--------	Cash	0.00%	Cash	0.00%	Cash	0.00%
Market Conditions	--------	--------	0.00%	--------	0.00%	--------	0.00%
Total Adjustments Ratio			0.00%		0.00%		0.00%
Total Adjustment Amount			SAR 0.00		SAR 0.00		SAR 0.00
Net After Adjustment			SAR 17,037		SAR 16,500		SAR 16,716
Location Adjustment Analysis							
	Subject Property	**Sample 1**		**Sample 2**		**Sample 3**	
Area Size	5,695.00	2,700.00	0.00%	2,500.00	0.00%	2,750.00	0.00%
Location Desirability	Average	Average	0.00%	Average	0.00%	Average	0.00%
Accessibility	Average	Average	0.00%	Average	0.00%	Average	0.00%
Main Street Width (m)	20	20	0.00%	20	0.00%	30	0.00%
Sides Open	3	3	0.00%	2	0.00%	3	0.00%
Land Shape	Regular	Regular	0.00%	Regular	0.00%	Regular	0.00%
Close to main street	Yes	Yes	0.00%	Yes	0.00%	Yes	0.00%
Total Adjustments Ratio			0.00%		0.00%		0.00%
Total Adjustment Amount			SAR 0.0		SAR 0.0		SAR 0.0
Net After Adjustment			SAR 17,037.0		SAR 16,500.0		SAR 16,716.4
Weighted Mean			**65%**		**15%**		**20%**
			SAR 11,074.07		SAR 2,475.00		SAR 3,343.27
SAR / Sqm	**SAR 16,892**						
Rounded Value	**SAR 16,900**						

Property Value	Sensitivity Analysis					
		-10%	-5%	0%	5%	10%
SAR 96,245,500	**Land Area**	5,695	5,695	5,695	5,695	5,695
	SAR / Sqm	SAR 15,210.0	SAR 16,055.0	SAR 16,900.0	SAR 17,745.0	SAR 18,590.0
	Property Value	SAR 86,620,950	SAR 91,433,225	SAR 96,245,500	SAR 101,057,775	SAR 105,870,050

Based on the market samples obtained with the assistance of some real estate experts in the region and the inspection made by our team, the average price for similar properties falls in the range of 16,500 - 17,200 SAR / Sqm with an average of 16,900 SAR / Sqm. When comparing with the results of the analysis of comparisons, we found that the property value falls within the same range and is close to the market average values.

4.2 Depreciated Replacement Cost (DRC) Approach

As a first step, the cost of reconstructing the building (the cost of replacement) was estimated, based on the average construction costs of similar properties and at the same level of finishes, services, utilities, and others. The opinion of some engineering experts was used in this regard. The following table shows the expected replacement costs for such property.

	Min Cost (SAR / Sqm)	Max Cost (SAR / Sqm)	Average Cost
Concrete Cost	SAR 1,100	SAR 1,300	SAR 1,200
MEP	SAR 500	SAR 700	SAR 600
Finishing Materials	SAR 1,200	SAR 1,400	SAR 1,300
Fit outs &Appliance	SAR 80	SAR 120	SAR 100
Site Improvements	SAR 100	SAR 140	SAR 120
Developer Profit	20%	30%	25%

Land			
Land Area	**SAR / Sqm**		**Total Value**
5,695.00	SAR 16,900		SAR 96,245,500
Building			
	Unit	**No of Floors**	**Total BUA**
Basement	Sqm	5	28,475.00
Upper Floor	Sqm	1	29,688.00
Total (SQM)	**58,163.00**		

In the following table, we will estimate the direct replacement cost of the property taking into consideration the main components of the building, such as the concrete structure, electromechanical work, finishes, site improvements, etc. Then we will estimate the value of the indirect costs as a percentage of the total direct costs to estimate the total construction costs of the project

Development Cost					
Hard Cost - (Upper Floors)					
	Area	**SAR / Sqm**	**Total**	**Completion Rate**	**Total Cost**
Skeleton and Block	29,688.00	SAR 1,200	SAR 35,625,600	100%	SAR 35,625,600
Electro Mechanic	29,688.00	SAR 600	SAR 17,812,800	100%	SAR 17,812,800
Finishing	29,688.00	SAR 1,300	SAR 38,594,400	100%	SAR 38,594,400
Fit outs and Appliances	29,688.00	SAR 100	SAR 2,968,800	100%	SAR 2,968,800
Total			**SAR 95,685,000**	**100%**	**SAR 95,685,000**

Hard Cost - (Underground)					
	Area	**SAR / Sqm**	**Total**	**Completion Rate**	**Total Cost**
Skeleton & Block	28,475.00	SAR 1,800	SAR 51,255,000	100%	SAR 51,255,000
Electro Mechanic	28,475.00	SAR 500	SAR 14,237,500	100%	SAR 14,237,500
Finishing	28,475.00	SAR 600	SAR 17,085,000	100%	SAR 17,085,000
Total			**SAR 82,577,500**	**100%**	**SAR 82,577,500**
Overall Soft Cost					
			Total Hard Cost	**Ratio**	**Soft Cost**
Initial Project Pre Cost			SAR 178,262,500	0.10%	SAR 178,263
Design			SAR 178,262,500	0.50%	SAR 891,313
Eng Consultant			SAR 178,262,500	1.00%	SAR 1,782,625
Management			SAR 178,262,500	5.00%	SAR 8,913,125
Contingency			SAR 178,262,500	5.00%	SAR 8,913,125
Others			SAR 178,262,500	0.00%	SAR 0
TOTAL				**11.60%**	**SAR 20,678,450.00**

Total Hard Cost	**SAR 178,262,500**	**BUA**	**58,163.00**
Total Soft Cost	**SAR 20,678,450.00**	**SAR / Sqm**	**SAR 3,420**
Total Construction Cost	**SAR 198,940,950.00**	**Overall Completion**	**100 %**

After knowing the total construction costs at a rate of 3,420 SAR per square meter, we will estimate the economic life of the property according to the type of construction and its general condition, then apply the depreciation rates based on the actual age of the property. The developer's profitability will be added to the property's value after depreciation to reflect the estimated fair value of the building.

DEVELOPMENT VALUE			
Total Dev Cost	**SAR 198,940,950**	**Annual Dep Rate**	2.9%
Total Completion Rate	100%	**Actual Age**	3
Developer Profit Rate	25%	**Total Dep Rate**	8.57%
Dev. Profit Amount	SAR 49,735,238	**Add Appr Rate**	0.00%
Development Value	**SAR 248,676,188**	**Net Dep Rate**	**8.57%**
Economic Age	35	**Cost After Depreciation**	**SAR 227,361,086**

In order to determine the full value of the property, the construction costs will be added to the fair value of the land as follows:

Total Dev. Value	Land Value	Total Property Value	Rounded Value
SAR 227,361,086	**SAR 96,245,500**	**SAR 323,606,586**	**SAR 323,610,000**

4.3 Discounted Cash Flow- Market Rates

Market Rental Analysis

By studying the rental rates for similar properties in the surrounding area of the subject property, we have found that the average renting rates for office units range from 1,100 to 1,300 SAR / Sqm. The following is a table that shows some of the comparisons that were used in analysing the market rental rates, as well as the occupancy rates for similar properties:

	Office Units
Comparable No.	Rental Rate/ Unit
Comparable 1	1,100 SAR/ Sqm
Comparable 2	1,400 SAR/ Sqm
Average	**1,250 SAR/ Sqm**

Analysis of comparison of market rents with actual rents

The project will be leased for 5 years for special tenant with special customization with an annual rent of 30,000,000 SAR. Although, it is expected that such client (governmental authority) will continue renting the project for the same amount, we will conservatively assume that after the 5 years the project will be leased as individual offices. In this case, the new upcoming tenants will get the benefit of the special high-tech customization of the project causing higher rental rate compared to the market.

Analysis of Operating and Maintenance Expenses

The operating expenses of similar properties reached between 10% to 15% of the total expected income for the property. These ratios depend on the condition and quality of the property and the type of services and public facilities available in the property itself. These ratios are divided into several main categories as follows:

Management expenses	3% to 7%
Operating and maintenance expenses	3% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	1% to 3%

Property Operation and Maintenance Expenses

The owner did not provide us with details of the actual maintenance and operation costs of the project and accordingly market averages for similar projects will be assumed. Therefore, we will apply the rate of 10% as the OPEX which will be calculated from the total revenues of the property. This ratio is based on the condition and quality of the property and the type of services and public facilities available in the property itself.

Market Capitalization Rate Analysis

Based on recent transactions of real estate properties and funds, the average capitalization rate of acquiring such property falls in the range of 7% to 9%. This average is mainly driven by several factors such as the quality of the building, finishing materials, the general location, ease of access, actual age of the property, size of the project, and the extent of income stability in it. In addition to the above, the capitalization rates are also affected directly by the supply and demand rates for the same type of real estate.

The Capitalization Rate Used for the Valuation

With regard to the capitalization rate used in the valuation, we will base our analysis on the average capitalization rates based on the market and then make some adjustments based on the property situation in terms of its characteristics, location and some other important elements.

Estimated the Discount Rate of Cash Flows

To estimate the discount rate used in the cash flow method, we will use the CAPM model, which includes a calculation of several risk factors related to the property, for the purpose of determining the value of future cash at the present time. The estimation of the existing risk rates has been based according to the developments in the current property market. As a result, the expected discount rate is 11%. We have used a lower discount rate of 8.5% due to several reasons: 1- The property is fully leased to a special tenant with special customization; 2- Good location on the intersection of 2 main roads the northern ring road and the King Fahd Road in addition to its proximity to King Abdullah Financial City. 3- We assume that after the 5 years the project will be leased as individual offices. In this case, the new upcoming tenants will get the benefit of the special high-tech customization of the project causing higher rental rate compared to the market.

CAPM (Cost of Equity) Calculation	
Risk Free Rate	2.20%
Beta	1.12
Country Risk Premium	2.50%
Equity Risk Premium	4.02%
Indigenous Risk Premium	1.50%
Cost of Equity	**11.00%**

		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Cash Flow		**0**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**
Increase Revision		**3%**	**3%**	**3%**	**3%**	**3%**	**3%**	**3%**	**3%**	**3%**	**3%**
Expected Revenues											
Leasing Contract	SAR	30,000,000	30,000,000	30,000,000	30,000,000	0	0	0	0	0	0
Total	SAR	30,000,000	30,000,000	30,000,000	30,000,000	0	0	0	0	0	0
Offices	Sqm	24,322	24,322	24,322	24,322	24,322	24,322	24,322	24,322	24,322	24,322
Rate	SAR	1,288	1,327	1,366	1,407	1,450	1,493	1,538	1,584	1,632	1,681
Total	SAR	0	0	0	0	35,258,517	36,316,273	37,405,761	38,527,934	39,683,772	40,874,285
Others	SAR	0	0	0	0	0	0	0	0	0	0
Service Charge @ 10%	SAR	0	0	0	0	3,525,852	3,631,627	3,740,576	3,852,793	3,968,377	4,087,429
Overall Revenues		**30,000,000**	**30,000,000**	**30,000,000**	**30,000,000**	**38,784,369**	**39,947,900**	**41,146,337**	**42,380,727**	**43,652,149**	**44,961,714**
Vacancy Rates											
Leasing Contract	0.0%	0	0	0	0	0	0	0	0	0	0
Offices	5.0%	0	0	0	0	1,939,218	1,997,395	2,057,317	2,119,036	2,182,607	2,248,086
Total		**0**	**0**	**0**	**0**	**1,939,218**	**1,997,395**	**2,057,317**	**2,119,036**	**2,182,607**	**2,248,086**
Expenses											
OPEX	10.0%	0	0	0	0	3,878,437	3,994,790	4,114,634	4,238,073	4,365,215	4,496,171
Overall Expenses		**0**	**0**	**0**	**0**	**3,878,437**	**3,994,790**	**4,114,634**	**4,238,073**	**4,365,215**	**4,496,171**
NOI		**30,000,000**	**30,000,000**	**30,000,000**	**30,000,000**	**32,966,714**	**33,955,715**	**34,974,387**	**36,023,618**	**37,104,327**	**38,217,457**
Terminal Value @ -->	**7.0%**										**545,963,665**
Discount Rate	8.50%	1.00	0.92	0.85	0.78	0.72	0.67	0.61	0.56	0.52	0.48
		30,000,000	27,649,770	25,483,659	23,487,243	23,787,933	22,582,093	21,437,379	20,350,691	19,319,089	280,336,647
Market Rate / Net Present Value											**494,434,503**

4.4 Subject Property Value in Different Approaches

Methodology	Subject of Valuation	Value in Numbers	Value in Letters
DCF Approach	Property	SAR 494,434,503	Four hundred ninety-four million four hundred thirty-four thousand five hundred three Saudi Riyals
DRC Approach	Land + Building	SAR 323,600,000	Three Hundred Twenty-Three Million Six Hundred Saudi Riyals

4.5 Subject Property Value

We are of an opinion that the total fair value of the subject property taking into consideration the purpose of valuation by using the Discounted Cash Flow method is:

Property Value: **SAR 494,400,000**
Four Hundred Ninety-Four Million Four Hundred Thousand Saudi Riyals.

4.6 Conclusion

This report was issued based on all the data received from the client or any other party related to the evaluation mission, and on the assumption that all of this information received from us is correct. Also, all the values mentioned in this report express the opinion resulting from the evaluation process in compliance with international evaluation standards, and they are estimates based on preliminary information collected by our work team and it has been assumed to be correct. Any changes in any information contained in the report that would affect the mentioned final value of the property subject to evaluation.

4.7 Accredited Valuers

Essam M. Al Husaini	**Nabeel M. Al Husaini**	**Farah E. Al Husaini**	**Nasser A. Al Arifi**	
President	CEO	Valuation Manager	Valuer	4114000005 1210000474 1010469071
Fellow Member of (RE Valuation)	Member of (RE Valuation)	Member of (RE Valuation)	Member of (RE Valuation)	Membership- RE Branch
License No. 1210000474	License No. 1210002782	License No. 1210001964	License No. 1210002399	Membership No.: 11000171

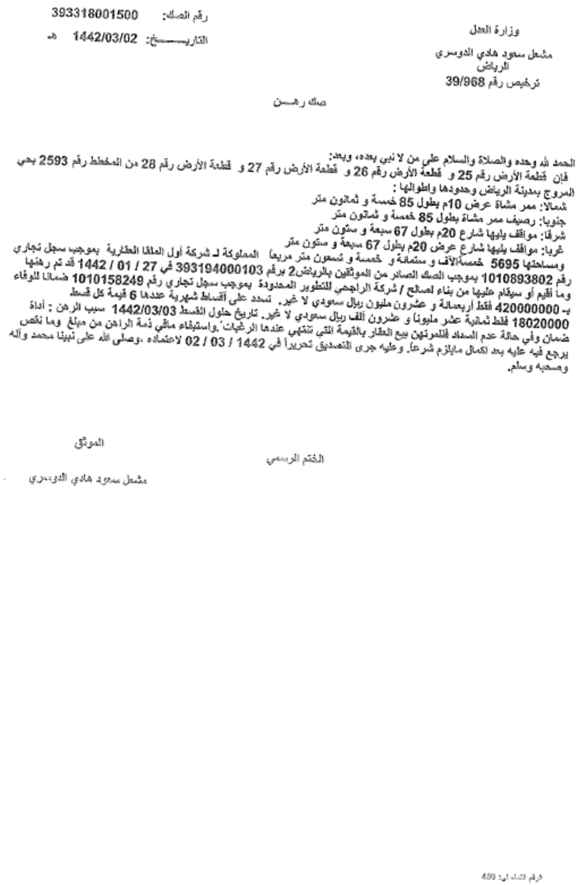
WHITE CUBES

DOCUMENTS

DOCUMENTS

Documents Received

5.1 Title Deed and Construction Permit



رقم الصك: 393318001500

التاريـــــخ: 1442/03/02 هـ

وزارة العدل

مشعل سعود هادي الدوسري
الرياض
ترخيص رقم 39/968

صك رهــن

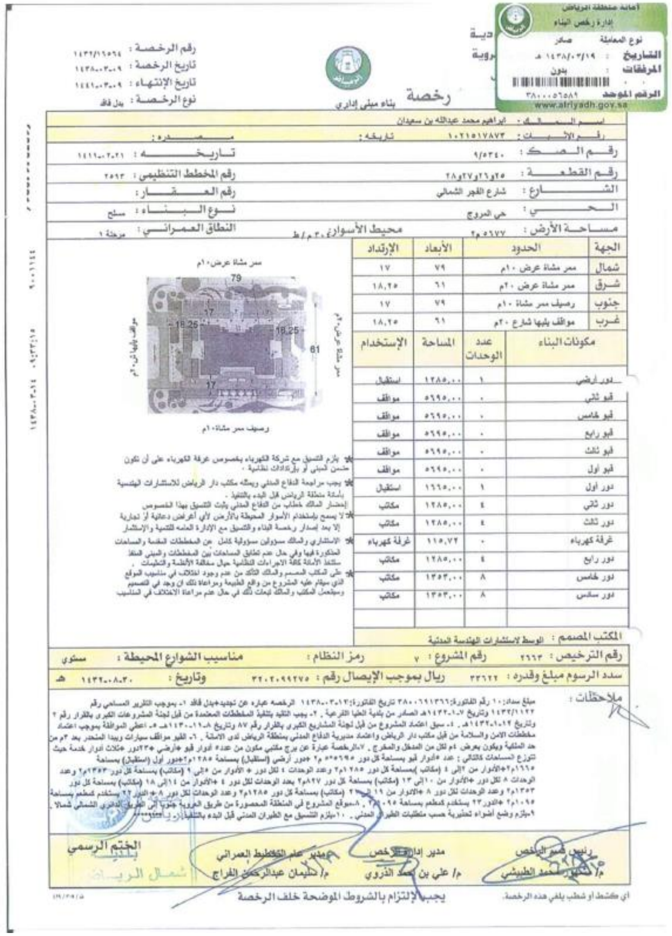
الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:
فإن قطعة الأرض رقم 25 و قطعة الأرض رقم 26 و قطعة الأرض رقم 27 و قطعة الأرض رقم 28 من المخطط رقم 2593 بحي المروج بمدينة الرياض وحدودها واطوالها :
شمالا: ممر مشاة عرض 10م بطول 85 خمسة و ثمانون متر
جنوبا: رصيف ممر مشاة بطول 85 خمسة و ثمانون متر
شرقا: مواقف يليها شارع 20م بطول 67 سبعة و ستون متر
غربا: مواقف يليها شارع عرض 20م بطول 67 سبعة و ستون متر
ومساحتها 5695 خمسةالآف و ستمائة و خمسة و تسعون متر مربعا المملوكة لـ شركة أول الملقا العقارية بموجب سجل تجاري رقم 1010893802 بموجب الصك الصادر من الموثقين بالرياض2 برقم 393194000103 في 27 / 01 / 1442 قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركة الراجحي للتطوير المحدودة بموجب سجل تجاري رقم 1010158249 ضمانا للوفاء بـ 420000000 فقط أربعمائة و عشرون مليون ريال سعودي لا غير. تسدد على أقساط شهرية عددها 6 قيمة كل قسط 18020000 فقط ثمانية عشر مليونا و عشرون ألف ريال سعودي لا غير. تاريخ حلول القسط 1442/03/03 سبب الرهن : أداة ضمان وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات ٫واستيفاء مافي ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً. وعليه جرى التصديق تحريراً في 1442 / 03 / 02 لاعتماده ،وصلى الله على نبينا محمد وآله وصحبه وسلم.

الموثق

الختم الرسمي

مشعل سعود هادي الدوسري

رقم الصادر: 489



أمانة منطقة الرياض
إدارة رخص البناء
نوع المعاملة: صادر
التاريخ: ١٤٣٨/٠٣/١٩ هـ
المرفقات: بدون
الرقم الموحد: ٣٨٠٠٠٥٦٥٨٩
www.alriyadh.gov.sa

رقم الرخصة: ١٤٣٢/١٦٥٦٤
تاريخ الرخصة: ١٤٣٨٠٠٣٠٠٩
تاريخ الإنتهاء: ١٤٤١٠٠٣٠٠٩
نوع الرخصة: بدل فاقد

رخصة
بناء مبنى إداري

اسم المالك: ابراهيم محمد عبدالله بن سعيدان
رقم الإثبات: ١٠٢١٥١٧٨٧٤ تاريخه: مصدره:
رقم الصك: ٩/٥٣٤٠ تاريخه: ١٤١١٠٠٢٠٢١
رقم القطعة: ٢٥و٢٦و٢٧و٢٨ رقم المخطط التنظيمي: ٢٥٩٣
الشارع: شارع الفجر الشمالي رقم العقار:
الحي: حي المروج نوع البناء: مسلح
مساحة الأرض: ٥٦٧٧م٢ محيط الأسوار: ٣٠٤م/ط النطاق العمراني: مرحلة ١

الجهة	الحدود	الأبعاد	الإرتداد
شمال	ممر مشاة عرض ١٠م	٧٩	١٧
شرق	ممر مشاة عرض ٢٠م	٦١	١٨,٢٥
جنوب	رصيف ممر مشاة ١٠م	٧٩	١٧
غرب	مواقف يليها شارع ٢٠م	٦١	١٨,٢٥

مكونات البناء	عدد الوحدات	المساحة	الإستخدام
دور أرضي	١	١٢٨٥,٠٠	استقبال
قبو ثاني	٠	٥٦٩٥,٠٠	مواقف
قبو خامس	٠	٥٦٩٥,٠٠	مواقف
قبو رابع	٠	٥٦٩٥,٠٠	مواقف
قبو ثالث	٠	٥٦٩٥,٠٠	مواقف
قبو أول	٠	٥٦٩٥,٠٠	مواقف
دور أول	١	١٦٦٥,٠٠	استقبال
دور ثاني	٤	١٢٨٥,٠٠	مكاتب
دور ثالث	٤	١٢٨٥,٠٠	مكاتب
غرفة كهرباء	٠	١١٥,٧٢	غرفة كهرباء
دور رابع	٤	١٢٨٥,٠٠	مكاتب
دور خامس	٨	١٣٥٣,٠٠	مكاتب
دور سادس	٨	١٣٥٣,٠٠	مكاتب

- ★ يلزم التنسيق مع شركة الكهرباء بخصوص غرفة الكهرباء على أن تكون ضمن المبنى أو بارتدادات نظامية .
- ★ يجب مراجعة الدفاع المدني ويمثله مكتب دار الرياض للاستشارات الهندسية بأمانة منطقة الرياض قبل البدء بالتنفيذ . إحضار المالك خطاب من الدفاع المدني يثبت التنسيق بهذا الخصوص
- ★ لا يسمح باستخدام الأسوار المحيطة بالأرض لأي أغراض دعائية أو تجارية إلا بعد إصدار رخصة البناء والتنسيق مع الإدارة العامه للتنمية والإستثمار
- ★ الاستشاري والمالك مسؤولين مسؤولية كامل عن المخططات المقدمة والمساحات المذكورة فيها وفي حال عدم تطابق المساحات بين المخططات والمبنى المنفذ ستتخذ الأمانة كافة الاجراءات النظامية حيال مخالفة الأنظمة والتعليمات .
- ★ على المكتب المصمم والمالك التأكد من عدم وجود اختلاف في منسوب الموقع الذي سيقام عليه المشروع من واقع الطبيعة ومراعاة ذلك ان وجد في التصميم وسيتحمل المكتب والمالك تبعات ذلك في حال عدم مراعاة الاختلاف في المنسوب

المكتب المصمم: الوسط لاستشارات الهندسة المدنية

رقم الترخيص: ٢٦٦٣ رقم المشروع: ٧ رمز النظام: مناسيب الشوارع المحيطة: مستوي

سدد الرسوم مبلغ وقدره: ٣٣٦٢٢ ريال بموجب الإيصال رقم: ٣٢٠٢٠٩٩٢٧٥ وتاريخ: ١٤٣٢٠٠٨٠٣٠ هـ

ملاحظات: مبلغ سداد: ١٠ رقم الفاتورة: ٣٨٠٠٦٩١٣٦٦ تاريخ الفاتورة: ١٤٣٨٠٠٣٠١٣ الرخصه عباره عن تجديد+بدل فاقد ١- بموجب التقرير المساحي رقم ١٤٣٢/١١٢٢ وتاريخ ١٤٣٢٠١٠٧هـ الصادر من بلدية العليا الفرعية . ٢- يجب التقيد بتنفيذ المخططات المعتمدة من قبل لجنة المشروعات الكبرى بالقرار رقم ٢ وتاريخ ١٤٣٢٠١٠١٢هـ . ٤- سبق اعتماد المشروع من قبل لجنة المشاريع الكبرى بالقرار رقم ٨٧ وتاريخ ١٤٣٠٠١١٠٨هـ ٥- اعطي الموافقة بموجب اعتماد مخططات الامن والسلامة من قبل مكتب دار الرياض واعتماد مديرية الدفاع المدني بمنطقة الرياض لدى الامانة . ٦- القبو مواقف سيارات ويبدا المنحدر بعد ٣م من حد الملكية ويكون بعرض ٤م لكل من المدخل والمخرج . ٧-الرخصة عبارة عن برج مكتبي مكون من عدد٥ ادوار قبو +ارضي +٢٣دور +ثلاث ادوار خدمة حيث تتوزع المساحات كالتالي : عدد ٥ادوار قبو بمساحة كل دور ٥٦٩٥ م٢ +دور أرضي (استقبال) بمساحة ١٢٨٥م٢ +دور أول (استقبال) بمساحة ١٦٦٥م٢ +الأدوار من ٢إلى ٤ (مكاتب)بمساحة كل دور ١٢٨٥م٢ وعدد الوحدات ٤ لكل دور + الأدوار من ٥إلى ٩ (مكاتب) بمساحة كل دور ١٣٥٣م٢ وعدد الوحدات ٨ لكل دور +الأدوار من ١٠إلى ١٣ (مكاتب) بمساحة كل دور ٨٢٧م٢ بعدد الوحدات لكل دور ٤ +الأدوار من ١٤إلى ١٨ (مكاتب) بمساحة كل دور ١٣٥٣م٢ وعدد الوحدات لكل دور ٨ +الادوار من ١٩ إلى ٢١ (مكاتب) بمساحة كل دور ١٢٨٥م٢ وعدد الوحدات لكل دور ٨ + الدور ٢٢ يستخدم كمطعم بمساحة ١٠٩٥م٢ +الدور ٢٣ يستخدم كمطعم بمساحة ١٠٩٥م٢ . ٨-موقع المشروع في المنطقة المحصورة من طريق العروبة جنوبا إلى الطريق الدائري الشمالي شمالا . ٩-يلزم وضع أضواء تحذيرية حسب متطلبات الطيران المدني . ١٠-يلزم التنسيق مع الطيران المدني قبل البدء بالتنفيذ

رئيس قسم الرخص
م/ [illegible] محمد الطبيشي

مدير إدارة الرخص
م/ علي بن حمد الذروي

مدير عام التخطيط العمراني
م/ سليمان عبدالرحمن الفراج

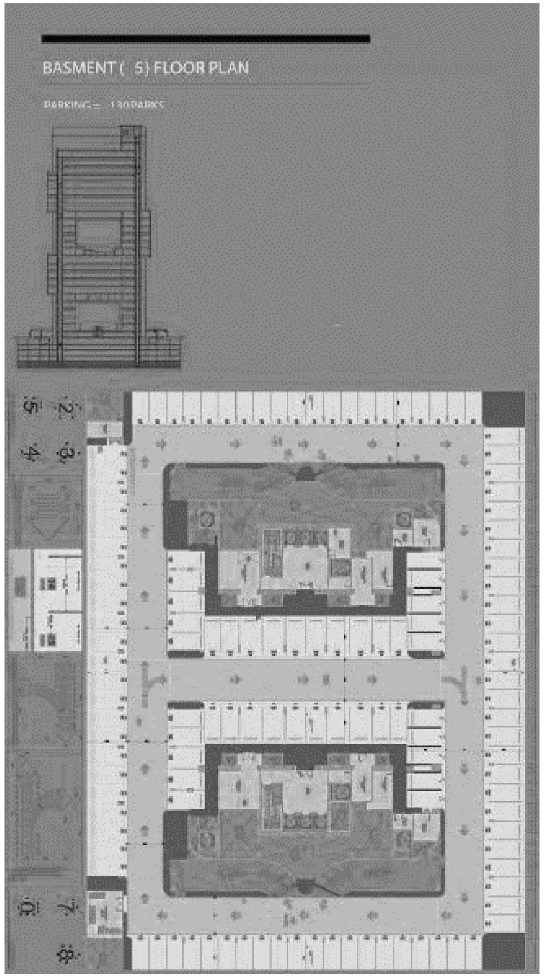
الختم الرسمي
بلدية شمال الرياض

اي كشط أو شطب يلغي هذه الرخصة.

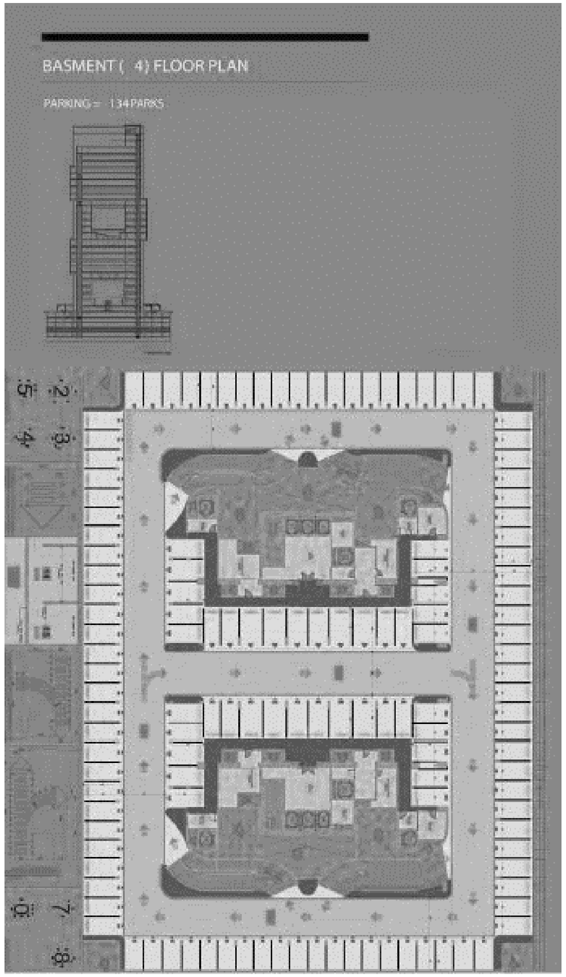
يجب الإلتزام بالشروط الموضحة خلف الرخصة

5.2 Layout

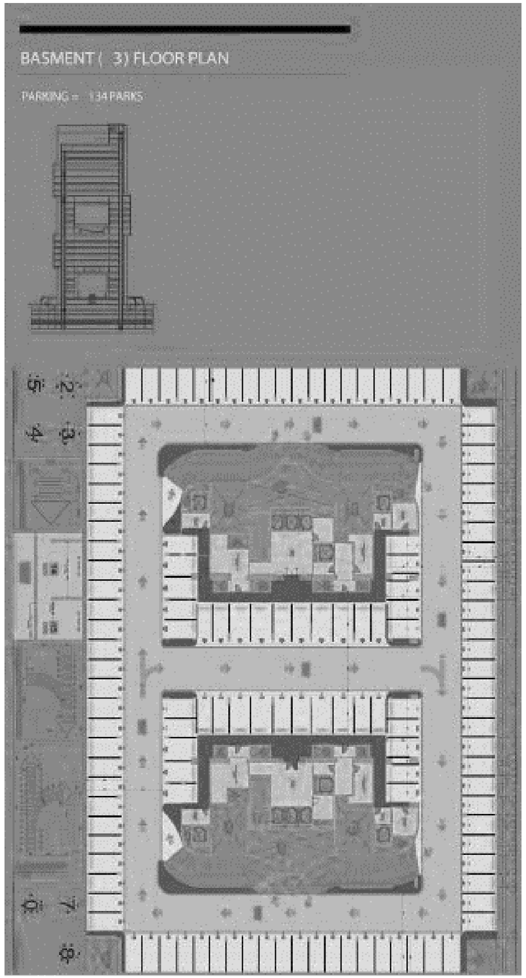
Basement (5)



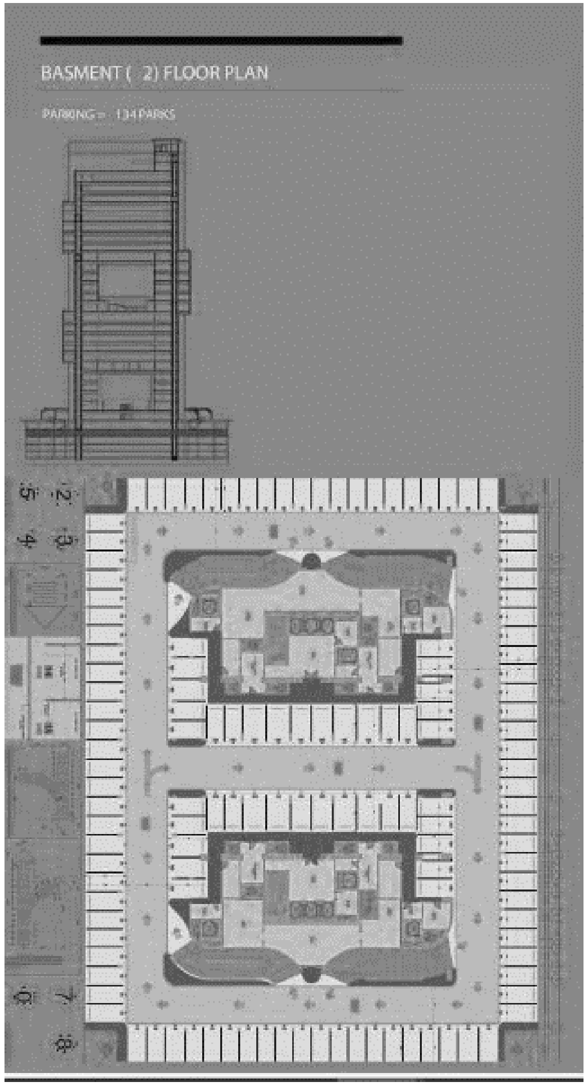
Basement (4)

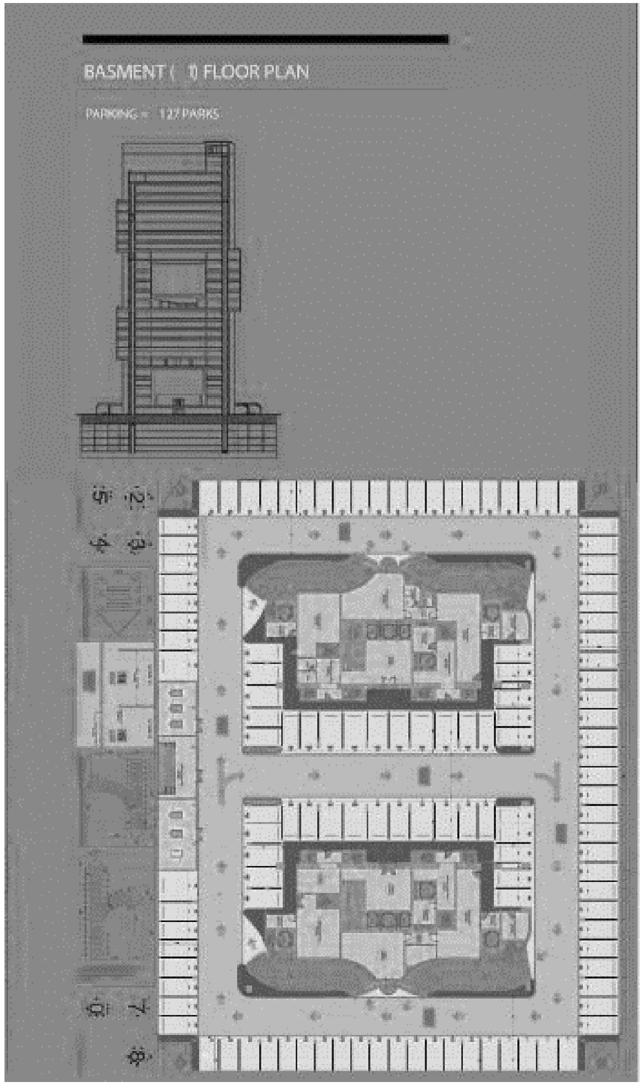


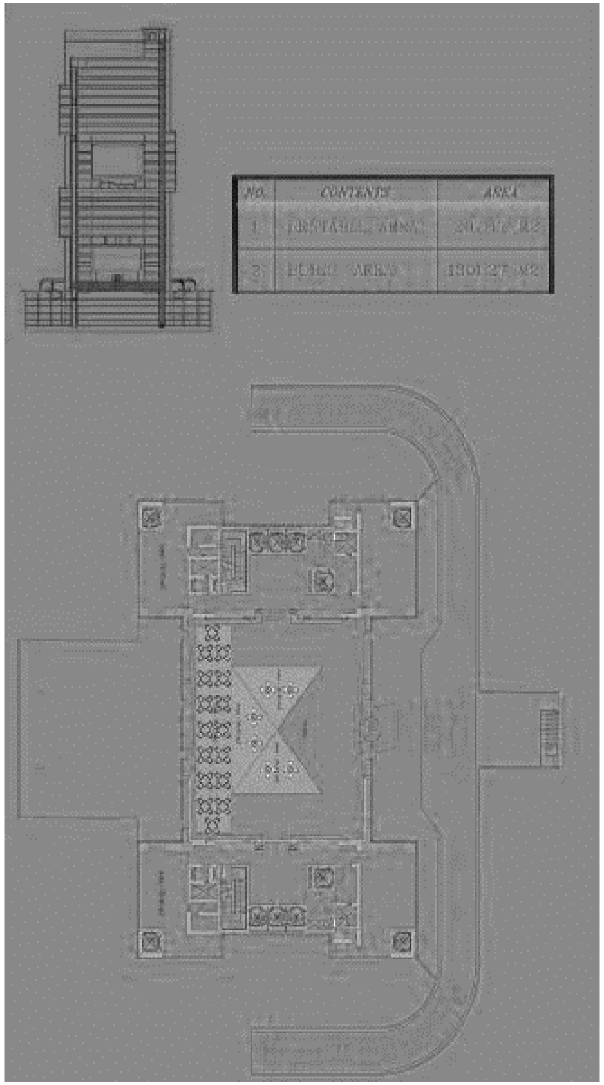
Basement (3)



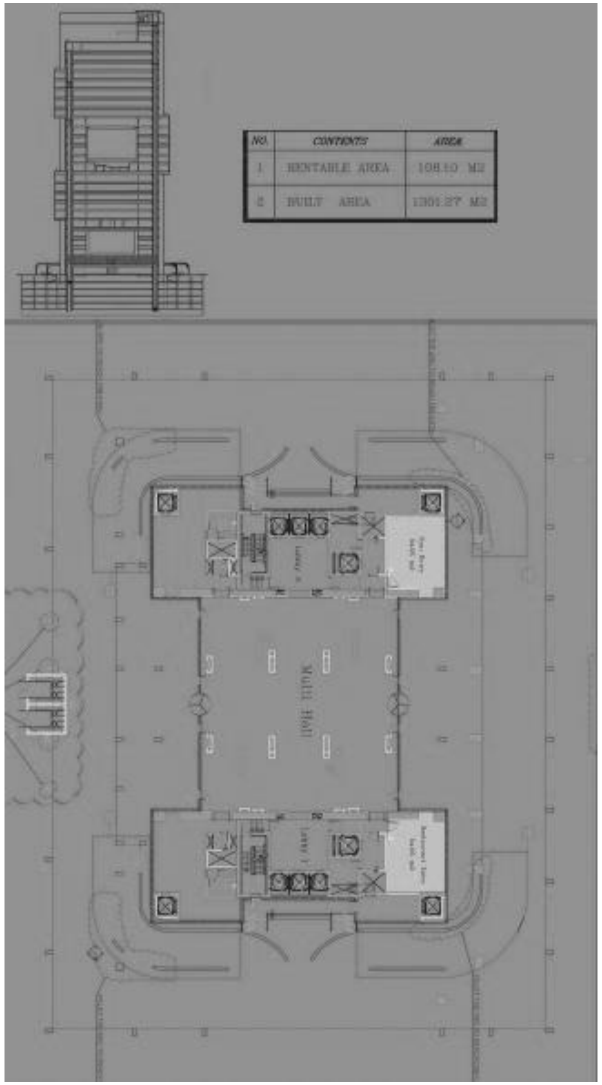
Basement (2)	Basement (1)	Lower Ground Plan





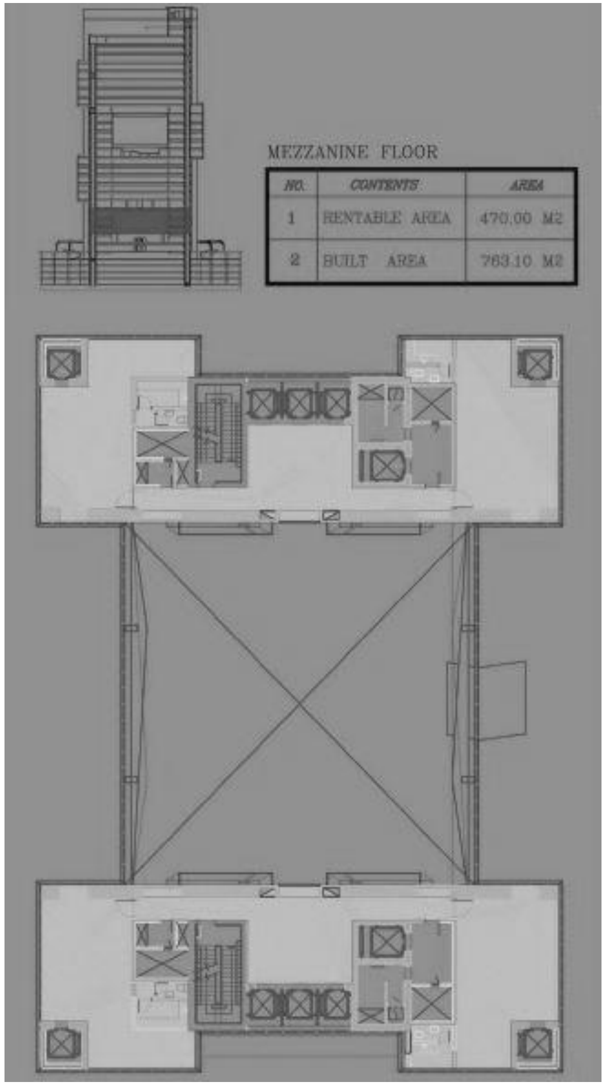


Upper Ground Floor Plan



NO.	CONTENTS	AREA
1	RENTABLE AREA	108.10 M2
2	BUILT AREA	1301.27 M2

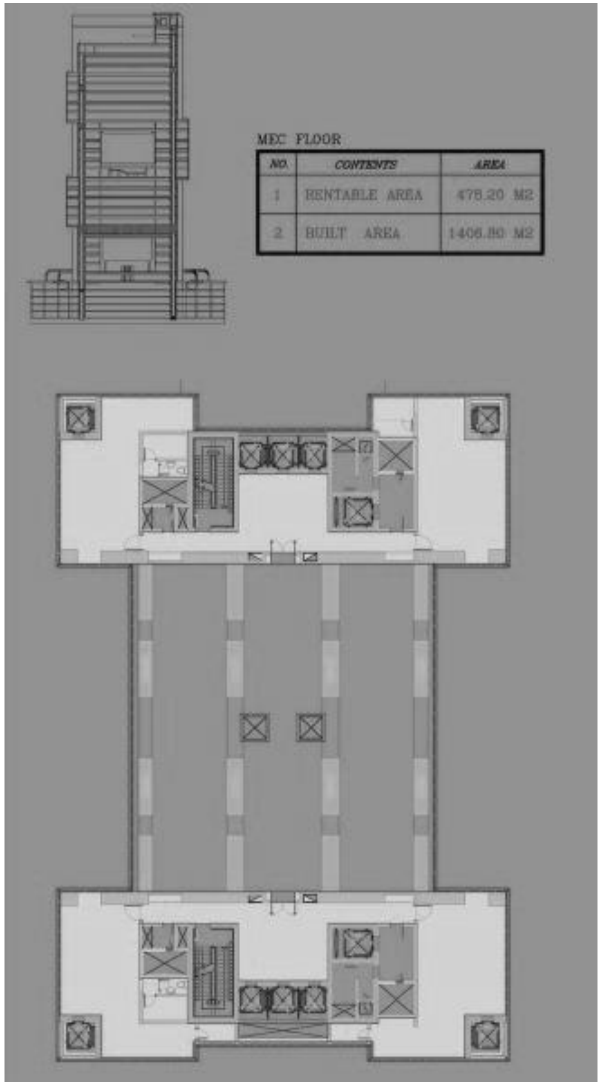
Mezzanine Floor



MEZZANINE FLOOR

NO.	CONTENTS	AREA
1	RENTABLE AREA	470,00 M2
2	BUILT AREA	763.10 M2

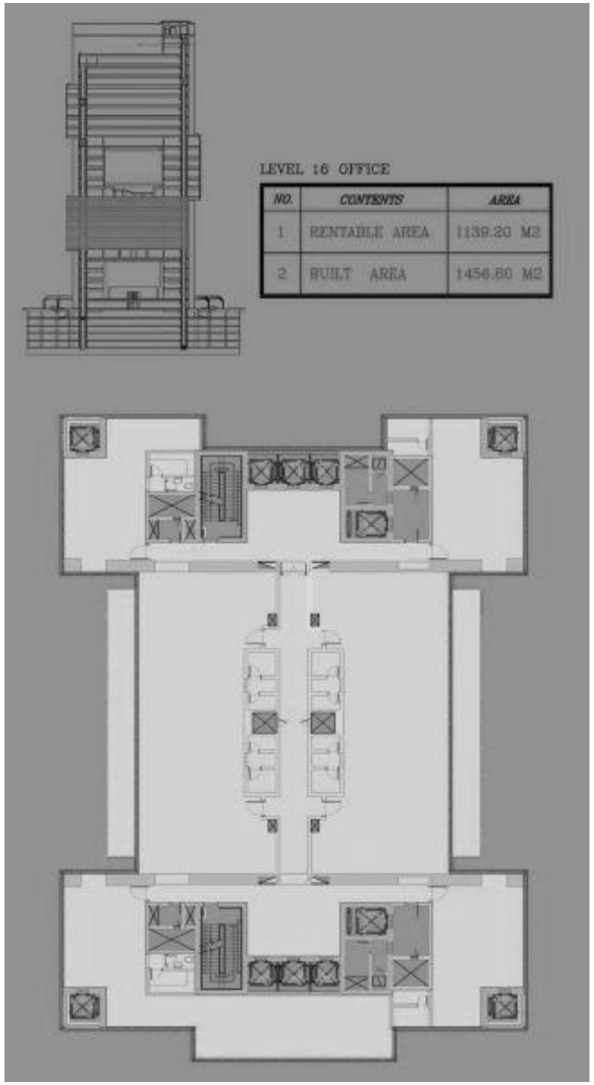
MEC. Floor Plan



MEC FLOOR

NO.	CONTENTS	AREA
1	RENTABLE AREA	476.20 M2
2	BUILT AREA	1406.80 M2

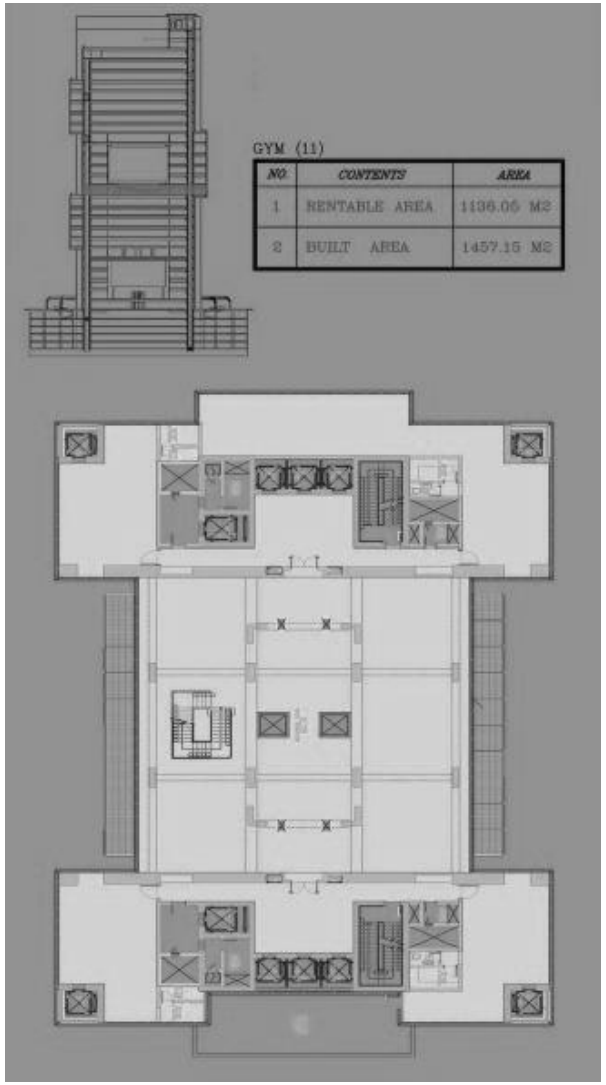
Floor Plan for Typical (6-10)



LEVEL 16 OFFICE

NO.	CONTENTS	AREA
1	RENTABLE AREA	1139.20 M2
2	BUILT AREA	1456.80 M2

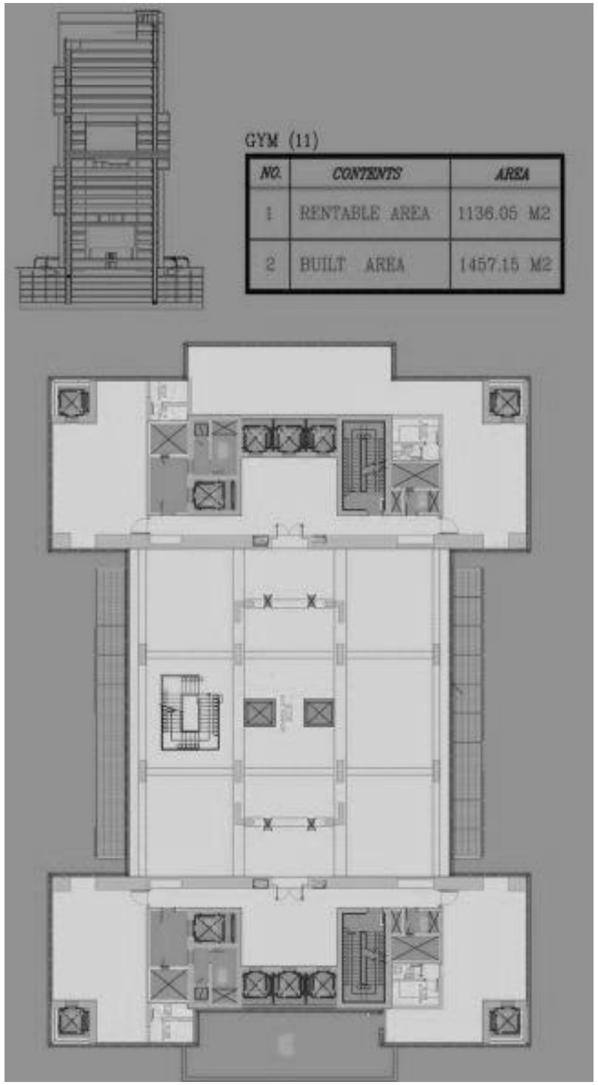
Gym



GYM (11)

NO.	CONTENTS	AREA
1	RENTABLE AREA	1136.05 M2
2	BUILT AREA	1457.15 M2

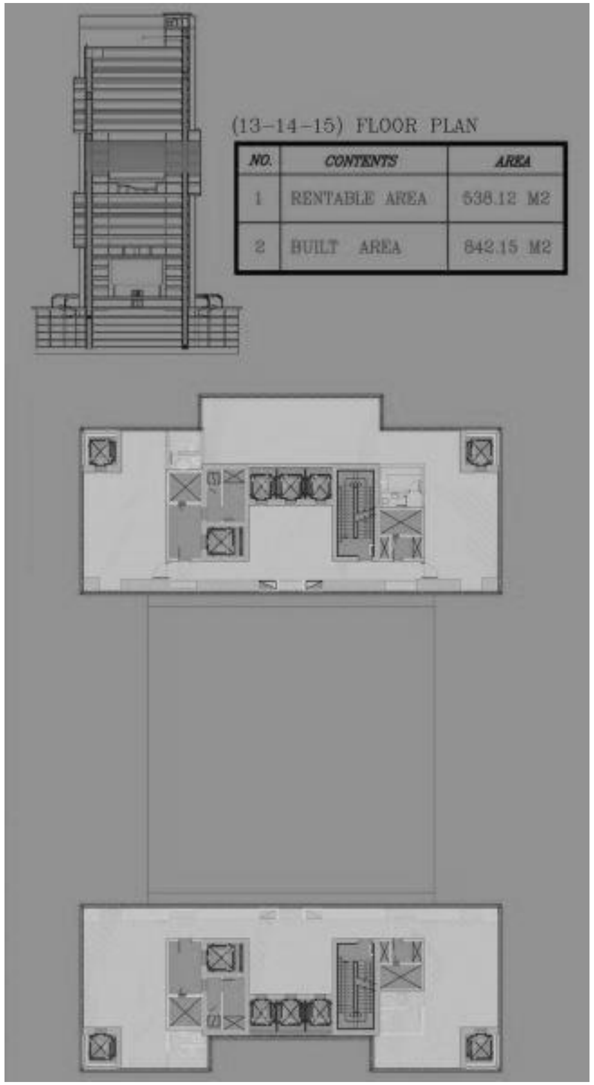
Gym



GYM (11)

NO.	CONTENTS	AREA
1	RENTABLE AREA	1136.05 M2
2	BUILT AREA	1457.15 M2

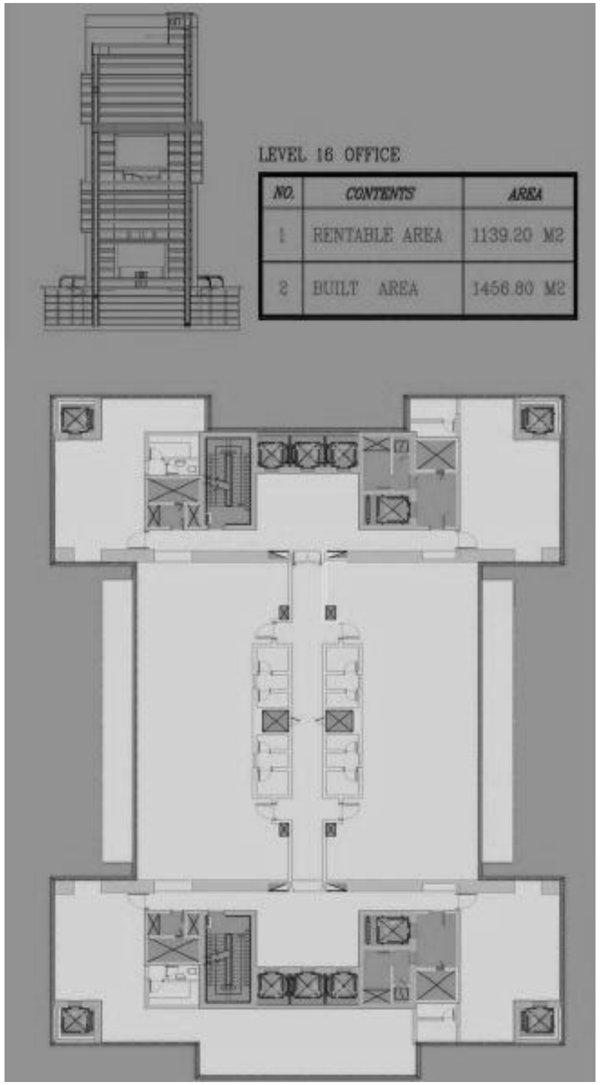
(13-14-15) Floor Plan



(13-14-15) FLOOR PLAN

NO.	CONTENTS	AREA
1	RENTABLE AREA	538.12 M2
2	BUILT AREA	842.15 M2

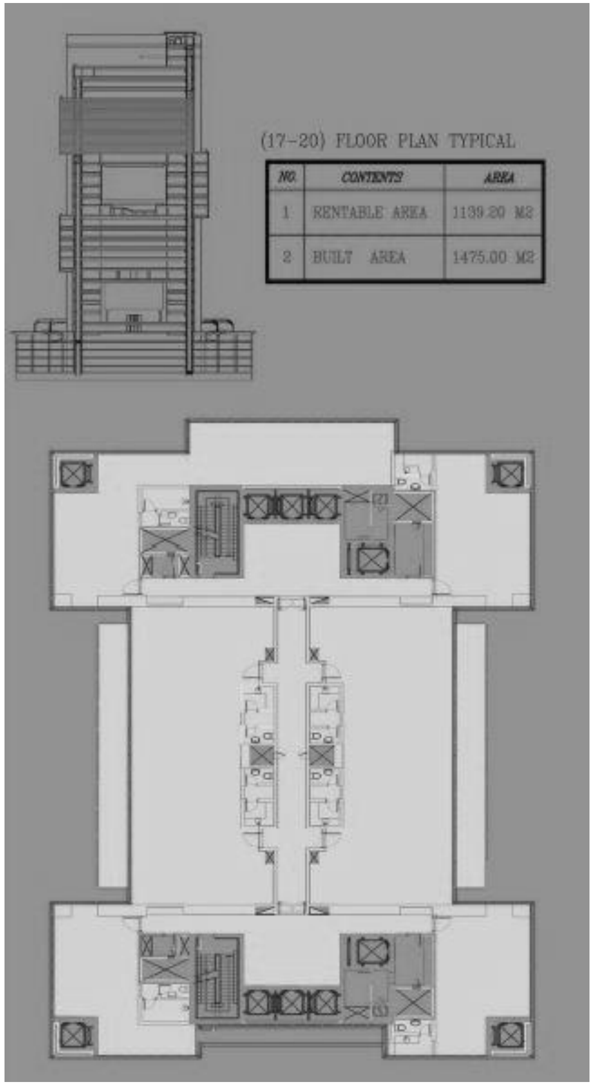
Level 16 Office



LEVEL 16 OFFICE

NO.	CONTENTS	AREA
1	RENTABLE AREA	1139.20 M2
2	BUILT AREA	1456.80 M2

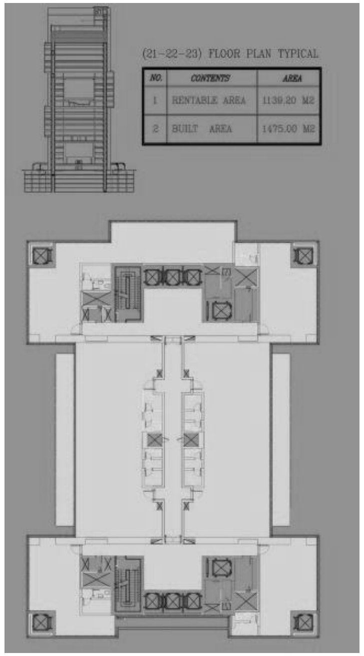
(17-20) Floor Plan Typical



(17-20) FLOOR PLAN TYPICAL

NO.	CONTENTS	AREA
1	RENTABLE AREA	1139.20 M2
2	BUILT AREA	1475.00 M2

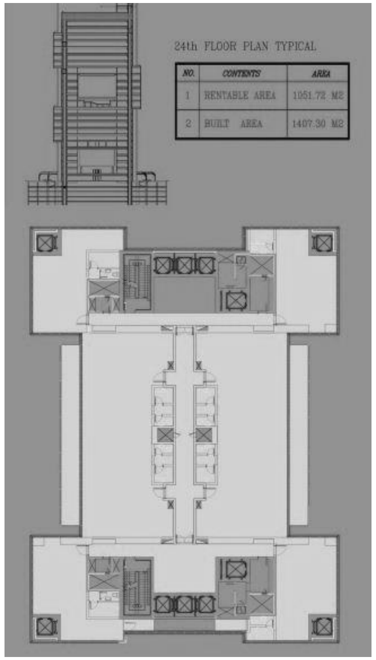
(21-22-23) Floor Plan Typical



(21-22-23) FLOOR PLAN TYPICAL

NO.	CONTENTS	AREA
1	RENTABLE AREA	1139.20 M2
2	BUILT AREA	1475.00 M2

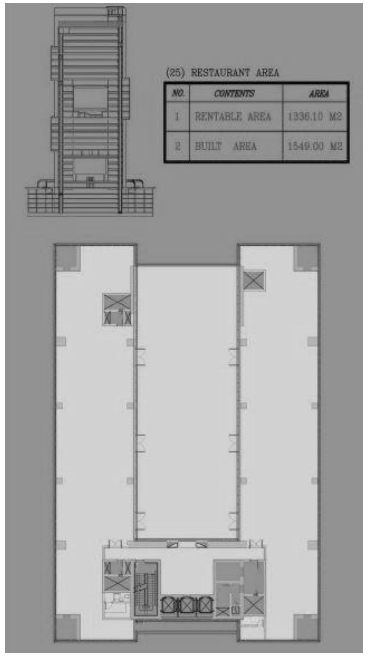
(24) Floor Plan Typical



24th FLOOR PLAN TYPICAL

NO.	CONTENTS	AREA
1	RENTABLE AREA	1051.72 M2
2	BUILT AREA	1407.30 M2

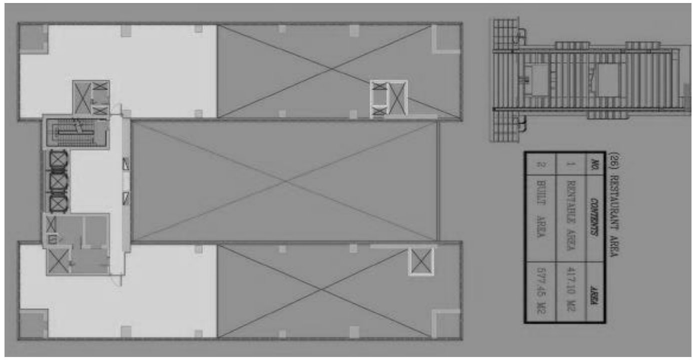
Restaurant Area (25)



(25) RESTAURANT AREA

NO.	CONTENTS	AREA
1	RENTABLE AREA	1336.10 M2
2	BUILT AREA	1549.00 M2

Restaurant Area 2 (26)



(26) RESTAURANT AREA

NO.	CONTENTS	AREA
1	RENTABLE AREA	417.10 M2
2	BUILT AREA	577.45 M2

5.3 Real Estate Valuation License

وزارة التجـارة والاستثمـار
Ministry of Commerce and Investment

ترخيص مزاولة مهنة لفرع تقييم العقارات

فئة العضوية: أساسي

المقر الرئيسي: الرياض

رقم الترخيص **1210000474** تاريخ إصداره 1437/8/1 هـ تاريخ انتهائه 1447/8/24 هـ

يرخص **عصام محمد عبدالله الحسيني** (سعودي الجنسية) سجل مدني رقم 1044275947 لمزاولة المهنة وقد منح هذا الترخيص بعد أن استوفى شروط القيد الواردة في المادة الخامسة من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/9 هـ بموجب قرار لجنة قيد المقيمين رقم (95 /ق3 /42) وتاريخ 1442/5/22 هـ

ختم الوزارة

إدارة المهن الاستشارية

رئيس لجنة قيد المقيمين

أ. وليد بن عبدالله الرويشد

WHITE CUBES