ESNAD
Real Estate Valuation
إسناد للتقييم العقاري

# Office Building Valuation Report (Elegance Tower)

Al Muruj Dist. Riyadh

31 December 2025

Deposit code to the platform qima

نحنُ لك سَنَد
We support you

Submitted to: Al-khabeer Capital
(Awal Al Malqa Real Estate Company)

ESNAD Real Estate Valuation إسناد للتقييم العقاري

# Table of Content

Part 1

# Executive Summary

ESNAD Real Estate Valuation إسناد للتقييم العقاري

# 1 Executive Summary

| Salient fact and assumptions and IVS 2025 and regulatory compliance | | | | |
|---|---|---|---|---|
| Identity of the client | Addressee (to whom the report is addressed) | Al Khabeer Capital | Other users | - |
| | Contact person | - | Contact information | - |
| Assets being valued | Assets name | Office building (Elegance Tower) | Interest to be valued | Assumed to be a freehold interest |
| | Location | https://maps.app.goo.gl/SGpUpzqTKJ7UJdQTA | | |
| Valuation standards | International Valuation Standards 2025 | Unless otherwise stated, the valuation assignment is conducted in accordance with the regulations, executive guidelines, circulars, and directives issued by the Saudi Authority for Accredited Valuers (TAQEEM), as well as the latest edition of the International Valuation Standards (IVS 2025). | | |
| Valuation | Purpose of valuation | REIT periodic valuation for the Capital Market Authority | valuation date | 31/12/2025 |
| | Inspection date | 01/11/2025 | Approved valuation approach and method | Income approach / Discounted cash flow |
| | Basis of value | Market Value | Premise of value | Current use |
| | | According to the International Valuation Standards 2025 (IVS 2025), Market Value is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where both parties act knowledgeably, prudently, and without compulsion. | | Current use: The current way an asset, liability, or group of assets or liabilities is being used. Current use may, but is not necessarily, the highest and best use. |
| Report | Reference Number | 25106074207 | Report type | Detailed report |
| | Report date | 31/12/2025 | Report version | Final |
| | Use, publication and distribution restrictions | Valuation processes and reports are confidential to the intended entity and designated recipients for a specific purpose, with no liability assumed toward any third party. This report, in whole or in part, may not be published, referenced in any document, statement, or periodical publication, or communicated to any third party without prior written consent specifying the format and context in which it appears. | | |
| | Status of Valuers | The valuer certifies that there is no actual or potential conflict of interest with any of the parties or properties involved. | | |

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# 1 Executive Summary

<table>
<tr><th colspan="4">Salient fact and assumptions and IVS 2025 and regulatory compliance</th></tr>
<tr><td rowspan="3">Investigations and Compliance</td><td>Limits on investigations</td><td colspan="2">-We were provided by the client with a certificate approving the renewal of the lease contract for the subject property for an additional four years, such that the agreement will expire in the first half of 2030, at a fixed annual rental value of SAR 30 million.</td></tr>
<tr><td>Limits on analysis</td><td colspan="2">-</td></tr>
<tr><td>Limits on inspection</td><td colspan="2">- The property was inspected externally only, as requested by the client, and the level of interior finishes was assumed based on the condition of the property's exterior finishes.</td></tr>
<tr><td>Nature and sources of information upon which the valuer relies</td><td colspan="3">• We have accepted the following documents to be used as input in our valuation assuming they are correct and up to date:<br>• These documents -may be referred to in the appendices- are:<br>o Title deed<br>o Building permit<br>o Lease contract<br>• Market research and analysis have been undertaken by the valuer.<br>• Disclosures of Al Khabeer REIT Fund Manager on the Saudi Tadawul website.</td></tr>
<tr><td rowspan="2">Assumptions and special assumptions</td><td rowspan="2">Assumptions</td><td>IVS's instructions</td><td>• These are the facts that are consistent with, or may be consistent with, those existing at the valuation date due to one of the restrictions imposed on the scope of the research or inquiry work conducted by the valuer.<br>• All significant assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.</td></tr>
<tr><td>Applications in this report</td><td>• We were provided by the client with a certificate approving the renewal of the lease agreement for the subject property for an additional four years, such that the agreement will expire in the first half of 2030, at a fixed annual rental value of SAR 30 million. The opinion of value has been developed based on the assumption that this information is accurate, and the opinion of value is valid only if this assumption proves to be correct.</td></tr>
<tr><td rowspan="2">Assumptions and special assumptions</td><td rowspan="2">Special assumptions</td><td>IVS's instructions</td><td>• Assumed facts that differ from the facts existing at the valuation date are referred to as 'special assumptions.' Special assumptions are often used to illustrate the impact of potential changes on the value of an asset. These assumptions are described as 'special' because they indicate to the user of the valuation that the valuation is based on a change in current circumstances, or that they reflect a viewpoint not generally accepted by participants at the valuation date.<br>• All significant special assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.</td></tr>
<tr><td>Applications in this report</td><td>• It is assumed that the property is free from any regulatory or ownership-related constraints that could limit its usability or marketability, and the value opinion was established on this basis.<br>• The valuation opinion was developed based on the assumption regarding the level of interior finishes, inferred from the condition of the property's exterior finishes.</td></tr>
</table>

# 1 Executive Summary

<table>
<tr><th colspan="3">Salient fact and assumptions and IVS 2025 and regulatory compliance</th></tr>
<tr><td rowspan="3">Opinion of Value</td><td colspan="2">489,965,000</td></tr>
<tr><td>Written</td><td>Only four hundred eighty-nine million nine hundred sixty-five thousand SAR</td></tr>
<tr><td>Currency</td><td>⃁</td></tr>
</table>

<table>
<tr><th>Valuation team</th><th>Role</th><th>Name</th><th>Signature</th><th colspan="3">TAQEEM membership</th></tr>
<tr><td>Site inspection and field research</td><td>Property inspection, its condition, offers, and field survey work</td><td>Hussam Saleh Al Shaban</td><td></td><td>1210002672</td><td>Associate</td><td rowspan="5">Real Estate Sector</td></tr>
<tr><td>Valuation, reporting, desk research, and analysis</td><td>Desk research, calculations, auditing work, and income analysis</td><td>Mohey Mamdouh Abdulaziz</td><td></td><td>1220003379</td><td>Associate</td></tr>
<tr><td>Value review and initial approval</td><td>Reviewing valuation results and income data</td><td>Omar Mohammed Babahr</td><td></td><td>1220001954</td><td>Primary</td></tr>
<tr><td colspan="2" rowspan="2">Signed for and on behalf of Esnad Real Estate Valuation Company</td><td rowspan="2">Eng. Almuhannad Alhussami</td><td rowspan="2"></td><td>1210000934</td><td>Primary</td></tr>
<tr><td colspan="2">MRICS Registered Valuer Membership No. : 6601494</td></tr>
</table>

| **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 | شركة إسناد للتقييم العقاري<br>شركة مهنية مساهمة سعودية مقفلة<br>س ت ٤٠٣٠٢٩٧٧٧٢ |

Part 2

# Reporting Methodology

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## 2 Reporting Methodology

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

| | | | |
|---|---|---|---|
| 1 | Data Collection | Information was collected from the client, including the title deed, building permit, and lease contract. | Responsible: Coordination Department |
| | | If was not available | |
| 2 | Properties Inspection And Market Data Collection | In this stage, the property was inspected, and market information was collected and prices compared to similar properties. | Responsible: Field Valuation Department |
| 3 | Data Analysis | The projects department team analyzed the market information and documents by the client, to start the valuation processes. | Responsible: Project Valuation Department |
| 4 | Applying Valuation Approaches | After analyzing all the office and market information and according to the available information, the team used Income Approach. | Responsible: Project Valuation Department |
| 5 | Report Review | At this stage, the report was reviewed by certified valuers to verify the information and approaches that used. | Responsible: Project Valuation Department |
| 6 | Properties Valuation -1st Draft- | The 1st draft has been completed based on available market data and information is under review by the client in case there is any comments. | Responsible: Project Valuation Department |
| | | There is notes | |
| 7 | Final Draft | The final report is completed, and the final draft submitted according to the approved standards. | Responsible: Client |

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Part 3

# Asset to be valued

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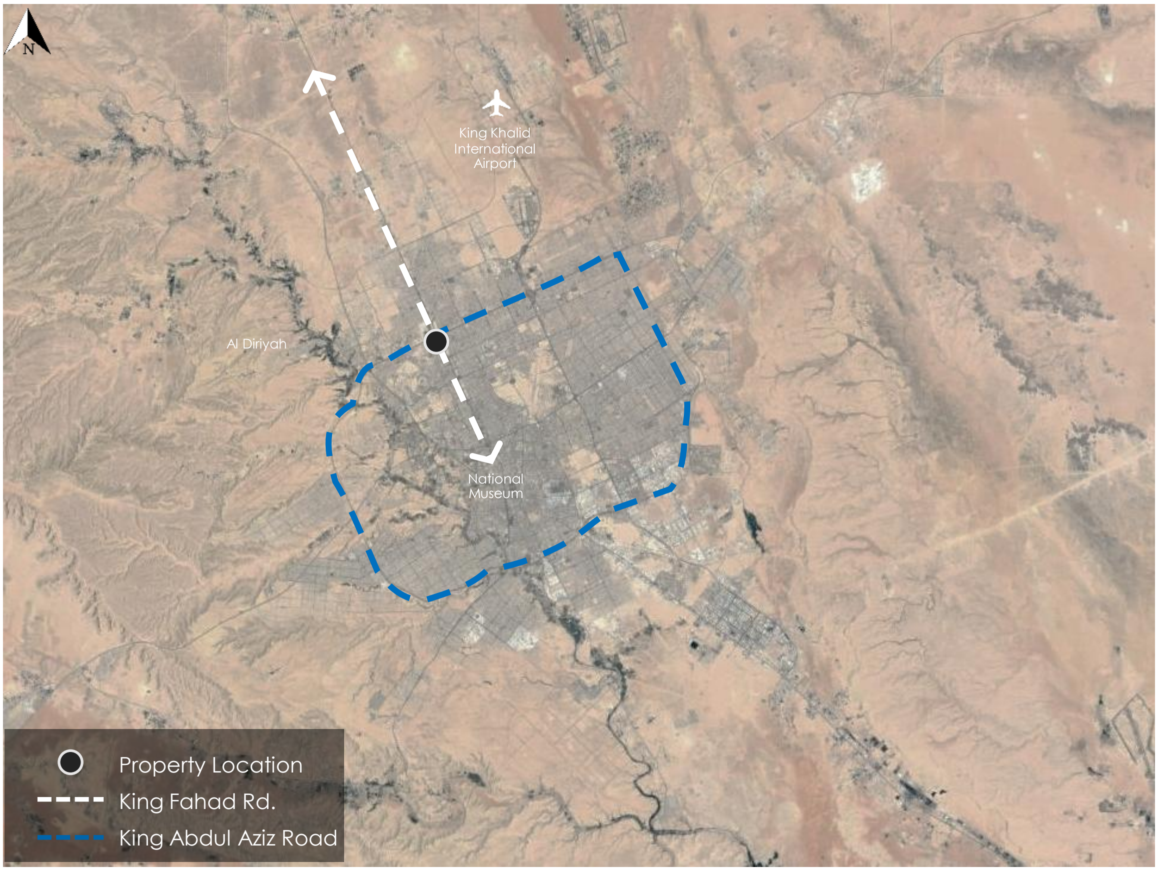
## 3.1 Property Location Analysis

| Description of the property at the city level | |
|---|---|
| About Riyadh | Riyadh is the capital of the Kingdom of Saudi Arabia, its largest city and the third largest Arab capital in terms of population. Riyadh is located in the middle of the Arabian Peninsula on the Najd Plateau, at an altitude of 600 meters above sea level. It is the headquarters of the Emirate of the Riyadh Region, according to the administrative division of the Saudi regions. It is characterized by a group of the most beautiful tourist attractions, which vary between entertainment places, parks, towers, and skyscrapers, in addition to ancient historical monuments. |




Property location

| Surrounding attractions | | | |
|---|---|---|---|
| Attraction | Distance | Attraction | Distance |
| King Khalid International Airport | 29.9 km | Kingdom shopping center | 6.6 km |
| King Abdullah Financial Dist. | 8.7 km | King Saud University | 7.5 km |

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## 3.2 Property Location Analysis

| Description of the property at the neighborhood level | |
|---|---|
| Description of the surrounding area | The property area is distinguished by its geographical location in Riyadh, as it is located on several main roads, the most important of which are the Northern Ring Road and King Fahd Road.<br>The property area is also bordered on one side by the Northern Ring Road, followed by Al-Ghadeer neighborhood. on the southern side, the property area is bordered by Imam Saud bin Abdulaziz bin Muhammad Road. It is followed by King Fahd Neighborhood, and the property area is bordered on the eastern side by King Abdul Aziz Road, followed by Al-Masif District, and on the western side, the property area is bordered by King Fahd Road, followed by Al-Nakheel Neighborhood. |
| About the Neighborhood | Al-Muruj neighborhood, situated in the northwest of Riyadh, boasts a prime geographical location. It is bordered by several major roads, most notably the Northern Ring Road extension and King Fahd Road. |
| Accessibility | The area is easily accessible through several roads, the most important of which are the Northern Ring Road and King Fahd Road |


Property Location

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## 3.3 Property description and ownership

| Ownership information (based on title deed) | | | |
|---|---|---|---|
| Client's name | Al-khabeer Capital | Owner's name | Awal Al Malqa Real Estate Company |
| Title deed number | 393318001500 | Title deed date | 02/03/1442 H |
| building permit Number | 1432/16564 | building permit Date | 09/03/1438 H |

| Property Information (Based on title deed) | | | | | | |
|---|---|---|---|---|---|---|
| Province | Riyadh | | | | City | Riyadh |
| District | Al-Muruj | | | | Street | Wadi Al-sahia |
| No. of Plot | 25 | 26 | 27 | 28 | No. of Plan | 2593 |
| Property Type | Office building | | | | Notes | The property is mortgaged to Al Rajhi Banking and Investment Corporation |
| 24.757806° N 46.650889° E | | | | | | |
| https://maps.app.goo.gl/SGpUpzqTKJ7UJdQTA | | | | | | |

| Property specifications | | | |
|---|---|---|---|
| Land area according to the deed | 5,695 sqm | Land topography | Flat |
| Land area according to Regulations | - | Land Shape | Regular |
| Notes | - | | |


Satellite photo shows the subject property location

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## 3.4 Property boundaries & lengths

| Property Dimensions (Based on the title deed ) | | | | | |
|---|---|---|---|---|---|
| Views | length /m | Street | Road Category | Road width/m | Views |
| North | 85 | Corridor | Corridor | 10 | 3 |
| South | 85 | Sidewalk | Corridor | - | 4 |
| East | 67 | Parking lot next to a street | Internal | 20 | 2 |
| West | 67 | Parking lot next to a street | Internal | 20 | 1 |

| Property specifications | | |
|---|---|---|
| Structure | Basement | 28,475 m² |
| | BUA | 29,688 m² |
| | Height (floors) | 5 Basement floors + Ground floor + 22 typical floors |
| | Age | 4 years |
| | Num. of buildings | 1 |
| | Air conditioning | Central |
| | Finishing | Very good |
| | Facilities | - |
| | Elevators | Available |
| Zoning | Use | Residential/Commercial/Office |
| | Maximum footprint | 35% |
| | FAR | - |
| | Maximum height | Unlimited |
| 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 |
| ✓ | ✓ | ✓ | ✓ | ✓ |

## 3.5 Source of information

- The data was compiled based on documents received by the client on 20/10/2025.
- The location of the property was determined based on the title deed and the property was inspected on 01/11/2025
- The influences were analyzed based on the current market situation.
- Disclosures of Alkhabeer REIT Fund Manager on the Saudi Tadawul website.

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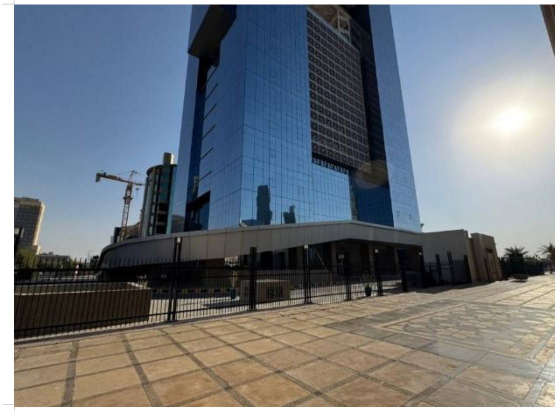
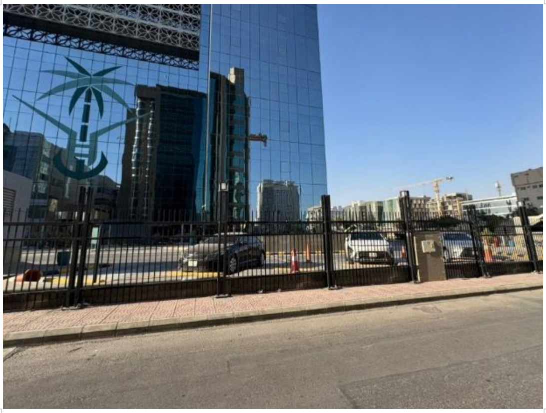
## 3.6 Property photos








## 3.7 SWOT Analysis

| SWOT Analysis | |
|---|---|
| strength | • The subject property is distinguished by its location along the extension of the Eastern Ring Road.<br>• The subject property is exempt from the recently implemented suspension decision in the area where the property is located |
| Weakness | • No defects were observed in the property area. |
| Opportunities | • 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, on Tuesday, 12 Rajab 1440 AH, corresponding to March 19, 2019. It comes within the framework of achieving one of the goals of 'Saudi Vision 2030' by enhancing Riyadh's ranking among its counterparts worldwide. The project encourages residents to adopt healthy commuting habits and motivates them to engage in various sports activities. |
| Threats | General risks related to the real estate market.<br>• Risks of financial, economic and natural disasters.<br>• Risks related to foreign exchange<br>• .Political and security risks<br>• Risks related to the application of value-added tax.<br>• Risks related to the implementation of the real estate transaction tax.<br>• Risks related to white land fees.<br>• Risks related to the impact of demand on residential and commercial real estate in the Kingdom of Saudi Arabia<br>• Risks related to the prices of electricity, water and other services.<br>• Competition-related risks.<br>• Risks related to real estate development.<br>• Risks related to the nature of the realization or liquidation of real estate assets.<br>• Risks related to the reduction in the value of real estate assets.<br>• Risks related to regulatory requirements and regulatory oversight.<br>• Risks related to changes in applicable laws and regulations |
| Property Risks | • The availability of alternatives in the area of the subject property may affect supply and demand |

Part 4

# Valuation

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## 4.1 Valuation Approaches

| Principal valuation approaches and Residual Method | |
|---|---|
| Market Approach | The market approach provides an indication of value by comparing the asset or liability, or both, with similar or matching assets or liabilities for which price information is available. The market approach should always consider the volume of transactions, their frequency, the range of observed prices, and the proximity to the valuation date. The market approach should be applied and given significant weight in the following cases: A) If the subject asset has recently been sold in a transaction suitable for the basis of value. B) If the subject asset or similar assets are frequently traded publicly. C) If there are notable, recent, or repeated transactions in comparable assets. |
| Income Approach | The income approach provides an indication of value by converting expected cash flows into a single present value. According to this approach, the value of the asset is based on the income or cash flows generated by the asset or the costs it saves. The income approach should be applied and given priority and significant weight in the following cases: A) When the asset's ability to generate income is the key factor affecting its value from the perspective of a market participant. B) When reasonable forecasts are available for the amount and timing of future revenues from the subject asset, but reliable and relevant market comparisons are not available. |
| Cost Approach | The cost approach provides an indication of value based on the economic principle that a buyer will not pay more for an asset than the cost of acquiring an asset of similar utility, either through purchase or construction, unless there are unjustifiable factors related to time, inconvenience, risk, or other related factors. This approach provides an indication of value by calculating the current cost to replace or reproduce the asset and applying discounts for all forms of depreciation. The cost approach should be applied and given significant weight in the following cases: A) When market participants are able to recreate the asset with the same characteristics as the subject asset, without regulatory or legal constraints, and the asset can be recreated in a timely manner so that participants do not need to pay a significant additional amount to use the subject asset immediately. B) When the asset does not directly generate income, and the unique nature of the asset prevents the effective use of the income and market approaches. C) When the basis of value used is based on the cost of replacement. |
| Residual Method | The residual method is named as such because it refers to the amount remaining after subtracting all known or expected costs required to complete the development from the expected value of the project upon completion, taking into account the risks associated with completing the project. The resulting value is referred to as the residual value. |

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## 4.1 Valuation Approaches

| The main factors that determining the best approach for valuation | |
|---|---|
| Factors | • The purpose of the valuation<br>• Property type<br>• Basis of value<br>• Source of information |
| **Approaches and methods used in the report** | |
| Market Approach | ◻ Comparison Method |
| Income Approach | ◻ Direct Capitalization method<br>✓ **Discounted Cashflow method**<br>◻ Profits method |
| Cost Approach | ◻ Depreciated Replacement Cost (DRC) |
| Residual Method | ◻ Residual Method |

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## 4.2 Valuation Analysis

### 4.2.1 Income Approach- Discounted Cash Flow Method

According to the International Valuation Standards “2025”, in the discounted cash flow method, the expected cash flows are discounted to the date of valuation, which results in a present value of the asset.... In some cases, discounted cash flows can include a final value that represents the value of the asset. The asset at the end of the explicit forecast period.” Given the expected change in the income of the subject property and its failure to reach full maturity at current revenue levels, the cash flow method was chosen to valuate the property using the income method and the explicit forecast period was determined in accordance with these inputs.

**The explicit forecast period was determined based on the following principles and criteria:**

- **Future financial projections of the property**: Including expected revenues and growth rates, using realistic data grounded in market analysis.
- **Consideration of property maturity phases**: Evaluating the time required to achieve revenue stabilization, based on market dynamics and the property's specific operational conditions.
- **Comprehensive risk analysis**: Covering market risks, operational risks, and assumptions related to occupancy and income levels.
- **Market and economic indicators**: Including demand and supply conditions in the sector, as well as broader economic trends impacting the mark

The analysis was conducted using a forward-looking approach that reflects the property's projected future cash flows. These cash flows were discounted using an appropriate discount rate that accounts for the risks associated with the property and overall market conditions. This approach provides an accurate representation of the property's current market value in accordance with international best practices.

#### 4.2.1.1 Contract Information

- Lessor's Name: Awal Al-Malqa Real Estate Company
- Tenant’s name Al-Saeedan Real Estate Company
- Contract duration: 5 years
- Annual Contract Value: 30,000,000 SAR
- Contract Start Date: Year 2020 AD
- Remaining Contract Duration: 1 year
- Contract Signing date: 28/01/1441 H corresponding with 16/09/2020
- We were provided by the client with a certificate approving the renewal of the lease agreement for the subject property for an additional four years, such that the agreement will expire in the first half of 2030, at a fixed annual rental value of SAR 30,000,000.

#### 4.2.1.1 Market Rent

The subject property consists of rental units categorized as follows:

- **Offices**

A market comparison was conducted to estimate the expected market rent for the property’s components, based on a systematic analysis of available market listings using the following methodology:

- **Collection and analysis** of market listings: Rental offers for comparable properties were analyzed based on location, area, and use type, considering the timing of the offers and their alignment with current market conditions.
- **Comparison with similar properties**: A detailed comparison was made between the subject property and similar units, with differences clarified through an adjustment table.
- **Adjustment for differences**: Necessary adjustments were applied to the comparable rental values to account for variations between the subject property and the reference properties.
- **Adoption of derived results**: The expected market rent for each component of the property was determined based on the analyzed data, with appropriate adjustments reflecting differences from comparable properties. Based on these detailed findings, the overall market rent for all components of the property was calculated.

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## 4.2 Valuation Analysis

### 4.2.1 Income Approach- Discounted Cash Flow Method

### 4.2.1.2 Market Rent (Offices)

Research and investigation were conducted to estimate the expected income the subject property would generate, based on comparables in the surrounding area. The comparables referenced in this section are, in our view, the most relevant and provide a reliable indication of the values and returns for the subject property. Relative and quantitative adjustments were made between the subject property and the selected comparables to reflect differences in characteristics and their impact on value.

| Comparables List | | | | |
|---|---|---|---|---|
| **Property ID** | **Transaction Type** | **Year** | **Value/m2** | **Area** |
| Property 1 | Offer | 2025 | 2,035 SAR | 398 m2 |
| Property 2 | Offer | 2025 | 2,190 SAR | 200 m2 |
| Property 3 | Offer | 2025 | 2,150 SAR | 185 m2 |


Satellite photo showing subject property and comparables

# 4.2 Valuation Analysis

## 4.2.1 Income Approach- Discounted Cash Flow Method

### 4.2.1.3 Relative adjustment – for offices

| Comparison Criteria | Subject Property | Comparable 1 | | Comparable 2 | | Comparable 3 | |
|---|---|---|---|---|---|---|---|
| | | Description | Adjustment % | Description | Adjustment % | Description | Adjustment % |
| Transaction Date | - | 3/9/2025 | | 25/8/2025 | | 11/10/2025 | |
| Value/Year | - | 2,035 SAR/m | | 2,190 SAR/m | | 2,150 SAR/m | |
| Transaction Type | - | Offer | % 2.5- | Offer | % 2.5- | Offer | % 2.5- |
| Market Conditions | - | Similar | % 0.00 | Similar | % 0.00 | Similar | % 0.00 |
| Property type | Office | Office | % 0.0 | Office | % 0.0 | Office | % 0.0 |
| Adjustment Value | | -51 | | -55 | | -54 | |
| Adjusted Value | | 1,984 SAR/m | | 2,135 SAR/m | | 2,096 SAR/m | |
| Accessibility | Very easy | Very easy | % 0.0 | Very easy | % 0.0 | Very easy | % 0.0 |
| Location | Excellent | Excellent | % 0.0 | Excellent | % 0.0 | Excellent | % 0.0 |
| Finishing | Excellent | Very good | % 5.0 | Excellent | % 0.0 | Excellent | % 0.0 |
| Building age | 5 years | 5 years | % 0.0 | 5 years | % 0.0 | 10 years | % 5.0 |
| Area vitality | Very vital | Very vital | % 0.0 | Very vital | % 0.0 | Very vital | % 0.0 |
| Value/m2 | - | 99 SAR | 5.0 % | 00 SAR | 0.0 % | 105 SAR | 5.0 % |
| Adjusted Value | - | 2,083 SAR/m | | 2,135 SAR/m | | 2,201 SAR/m | |
| Weighting | - | % 20 | | % 50 | | % 30 | |
| Subject Property Adjusted Value | - | 2,145 SAR/m | | | | | |

The weighted average was used to estimate the rental value per square meter, with the highest weight assigned to Comparable (2), which is considered the most suitable comparison due to its closer proximity and more similar characteristics to the subject property.

Since the above comparables are offers that had not been executed as of the valuation date, an adjustment was made by applying a 5% discount.

| | |
|---|---|
| **Total BUA** | **24,322** |
| **Value of SAR / SQM** | **2,145** |
| **Total lease value** | **52,170,960** |

- We were provided by the client with the total leasable area, estimated at 24,322 m², and it was assumed to be accurate.

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# 4.2 Valuation Analysis

## 4.2.1.4 Approved income data 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 | % |
| Total income | - | 52,170,690 | - | - |
| Vacancy rate | - | 10% | - | - |
| Opex & maintenance | - | 15% | - | - |
| Net income | 30,000,000 | 39,910,578 | 9,910,578 | 33.03% |
| The result | We found that the contractual income data provided to us by the client is lower than the prevailing market rental levels. Accordingly, the contractual income has been relied upon until the end of the current lease term.<br><br>After that, in the sixth year of the explicit forecast period, the market rent was adopted, and these differences were reconciled by applying discount and capitalization rates based on market data. | | | |

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### 4.2.1.3 Income data approved in the valuation

| Project Assumptions | |
|---|---|
| Project period | 10 years |
| Rate of return | 7.5% |
| Discount rate | 9.33% |

#### 4.2.1.3.1 Income rate analysis

| Capitalization rate analysis | | | | | | |
|---|---|---|---|---|---|---|
| RIET/Fund's Name | Property | City | Sector | Property Value (SAR) | Net income (SAR) | Rate of return |
| AL Maather REIT | Al-Mohammadiah tower | Riyadh | Commercial office | 104,500,000 | 8,430,225 | 8.07% |
| AlAhli REIT | Cubic Plaza | Riyadh | Office | 266,180,000 | 20,532,350 | 7.71% |

- The rate of return was set at 7.5% based on the general average returns of similar funds and properties after excluding outliers.
- Total income was calculated based on market rent after the end of each lease contract, with a 10% vacancy rate assumed for the property to account for potential tenant turnover during the cash flow period.
- A 15% maintenance and operation rate was assumed for the property during the cash flow period.
- A 5% growth rate in the property's income returns was assumed starting from the sixth year of the cash flow period.

**Cash Flow Analysis**

- An analysis of the projected cash flows was conducted, taking into account inflation, occupancy levels, and the absorption rate of units in the market. All costs related to construction, maintenance, and operations—if any—were deducted to arrive at the net cash flows.
- The net cash flows were then discounted at a rate of 9.33% to reflect the risks associated with the construction phases.

| 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% | Aswath Damodaran Patform Data |
| Property Risk | 1.00% | Valuer's estimate of the market |
| Discount rate | 9.33% | |

- **Valuation Result**

| Income Approach Valuation Result | 489,965,349.55 SAR |
|---|---|

## 4.3 Opinion of Value

| Opinion of value | |
|---|---|
| Value | 489,965,000 |
| Currency | ⃁ |
| Written | Only four hundred eighty-nine million nine hundred sixty-five thousand SAR |

The Income Approach was adopted in forming the opinion of value, due to the unavailability of alternative properties with similar characteristics that could be relied upon for an accurate market comparison. This approach is considered the optimal choice when valuing income-generating properties, as it focuses on the property's ability to generate stable financial returns. This methodology aims to form an opinion of value that reflects the market value of the property, overcoming the challenges of insufficient market data while observing the accredited professional standards for real estate valuation.

## 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 by following international methodologies and methods adopted by Saudi Authority for Accredited Valuers.

Part 5

# Appendices

ESNAD إسناد
Real Estate Valuation للتقييم العقاري

# 5.1 Documents

رقم الصك: 393318001500

التاريـــــــخ: 1442/03/02 هـ

وزارة العدل

مشعل سعود هادي الدوسري
الرياض
ترخيص رقم 39/968

صك رهـــن

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 وأطوالها :
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

الرقم التسلسلي: 659

# 5.1 Documents

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

رقم الرخصة : ١٤٣٢/١١٥٦٤
تاريخ الرخصة : ١٤٣٨٠٠٣٠٠٩
تاريخ الإنتهاء : ١٤٤١٠٠٣٠٠٩
نوع الرخصة : بدل فاقد

رخصة
بناء مبنى إداري

| | |
|---|---|
| اسم المالك : ابراهيم محمد عبدالله بن سعيدان | |
| رقم الإثبات : ١٠٢١٥١٧٨٧٣ 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 : ٥٦٧٧ م٢ — محيط الأسوار: ٣٠٠ م/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 | ٥٩٩٥,٠٠ | 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 بإرتدادات 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 بإستخدام الأسوار المحيطة بالأرض لأي أغراض دعائية أو تجارية إلا بعد إصدار رخصة البناء والتنسيق مع الإدارة العامة 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 مناسيب الموقع الذي سيقام عليه المشروع من واقع الطبيعة ومراعاة ذلك ان وجد في التصميم ويتحمل المكتب والمالك تبعات ذلك في حال عدم مراعاة الاختلاف في المناسيب

المكتب المصمم : الوسط لاستشارات الهندسة المدنية

| | | | |
|---|---|---|---|
| رقم الترخيص : ٢٦٦٣ | رقم المشروع : ٧ | رمز النظام : | مناسيب الشوارع المحيطة : مستوي |
| سدد الرسوم مبلغ وقدره : ٢٢٦٢٢ | ريال بموجب الإيصال رقم : ٣٢٠٢٠٩٩٢٧٥ | وتاريخ : ١٤٣٢٠٠٨٠٣٠ هـ | |

ملاحظات : مبلغ سداد:١٠ رقم الفاتورة:٣٨٠٠-٦٩١٣٦٦ تاريخ الفاتورة:١٤٣٨٠٠٣٠١٢ 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 +أرضي +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 الى 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 | مدير إدارة الرخص | مدير عام التخطيط العمراني | الختم الرسمي |
| م/ منصور محمد الطبيشي | م/ علي بن محمد الذروي | م/ سليمان عبدالرحمن الفراج | بلدية شمال الرياض |

أي كشط أو شطب يلغي هذه الرخصة. يجب الإلتزام بالشروط الموضحة خلف الرخصة

ESNAD Real Estate Valuation إسناد للتقييم العقاري

## 5.1 Documents

Shari'a Certificate Ref#: AKC-694-88-03-06-17-09

بسم الله الرحمن الرحيم

عقد إيجار

أنه في يوم الأربعاء بتاريخ ٢٥/ ١/ 1441 هـ الموافق ٢٦/ ٨/ 2020م تم بحمد الله وتوفيقه تحرير هذا العقد في مدينة الرياض بين كل من:

أولاً: السادة / شركة أول الملقا العقارية، وهي شركة ذات مسؤولية محدودة، مقيدة بالسجل التجاري رقم: 1010893802 وتاريخ 1438/10/19 مصدره مدينة الرياض، وعنوانها: الرياض، طريق العروبة، ص.ب 34153، الرمز البريدي 113330، البريد الإلكتروني:(a.ghouth@alkhabeer.com) ، بصفتها الحافظة لأصول صندوق "الخبير ريت" (صندوق استثمار عقاري متداول)، ويُمثلها في التوقيع على هذا العقد السيد/ أحمد بن سعود غوث، بصفته مدير الشركة. ويشار إليها فيما بعد (بالطرف الأول و/أو المؤجر).

ثانياً: السادة/ شركة آل سعيدان للعقارات، وهي شركة مساهمة سعودية مقفلة، مقيدة بالسجل التجاري رقم 1010021678 وتاريخ 1399/5/17هـ مصدره مدينة الرياض، وعنوانها الرياض-حي النخيل طريق الملك فهد – رقم المبنى 1200، ص.ب. 4050، الرمز البريدي 11491، هاتف رقم: 0114944444 البريد الإلكتروني: investment@alsaedan.com و يمثلها في التوقيع على هذا العقد السيد / إبراهيم بن محمد بن عبد الله بن سعيدان. بصفته: رئيس مجلس الإدارة، ويشار إليها فيما بعد (بالطرف الثاني و/أو المستأجر).

أقر الطرفان بكامل أهليتهما المعتبرة شرعاً ونظاماً على التعاقد والتصرف فيما بينهما، حيث اتفقا على ما يلي:

التمهيد:

لما كان الطرف الأول (المؤجر) هو الحافظ لأصول العقار المسمى "إليجانس تاور" لصالح صندوق "الخبير ريت"، والكائن بمدينة الرياض، حي المروج، كونه أحد العقارات المملوكة لصندوق "الخبير ريت" والذي سيشار إليه فيما بعد (بالعقار)، ويرغب في تأجيره بالكامل، وبما أن الطرف الثاني شركة تعمل في مجال تطوير وشراء العقارات، إضافة إلى الاستئجار، وإدارة وصيانة وتأجير العقارات، وأبدت رغبتها في استئجار العقار المذكور كاملاً؛ فقد التقت إرادة الطرفين المتعاقدين بإيجاب وقبول صريح وصحيح فيما بينهما على تحرير هذا العقد وفقاً للشروط الآتية:

المادة الأولى: صفة التمهيد:

يُعدّ التمهيد أعلاه جزءً لا يتجزأ من هذا العقد ومتمم ومكمل له.

المادة الثانية: موضوع العقد:

آجر الطرف الأول بصفته المؤجر " للطرف الثاني (المستأجر) القابل لذلك العقار المسمى "إليجانس تاور" والكائن بمدينة الرياض، حي المروج، والموصوف بالمادة الثالثة من هذا العقد، وذلك من أجل استغلاله والانتفاع به وإعادة

ESNAD إسناد
Real Estate Valuation للتقييم العقاري

## 5.1 Documents

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تأجيره للغير؛ وبما لا يتعارض مع مواد هذا العقد وشروطه، وبما يتوافق مع الأنظمة السارية في المملكة العربية السعودية.

**المادة الثالثة: العين المؤجرة:**

3-1 يقر الطرف الأول المؤجر بأنه حافظ للعقار المسمى "اليجانس تاور" لصالح صندوق "العبير ريت" طبقًا للأنظمة واللوائح ذات العلاقة الصادرة من هيئة السوق المالية.

3-2 يقع العقار في مدينة الرياض، حي المروج، بالقرب من تقاطع طريق الملك فهد وطريق الدائري الشمالي، ومقام على قطع الأراضي أرقام 25 و26 و27 و28 من المخطط 2593 الواقع في مدينة الرياض، والمثبت ملكيته بموجب الصك رقم ........٣٩٣١٩٤٠٠٠١٠٣ والتاريخ ١٤٤٤/١/٢٧هـ....الصادر من كتابة عدل الرياض......... والبالغ مساحة أرضه بإجمالي (5,695) م² خمسة آلاف وستمائة وخمسة وتسعون مترًا مربعًا فقط، وذلك وفقاً للحدود والأطوال التالية:

- شمالاً: ممر مشاة، عرض 10م، بطول 85م.
- جنوباً: رصيف ممر مشاه بطول 85م.
- شرقاً: مواقف يليها شارع 20م، بطول 67م
- غرباً: مواقف يليها شارع عرض 20م بطول 67م.

ويحتوي البرج على مكاتب إدارية، ويشار له لاحقاً بـ" العين المؤجرة أو العقار أو العين"

3-3 يقر الطرف الثاني بأنه قد عاين العين المؤجرة له المعاينة التامة النافية للجهالة شرعاً ونظاماً والتي انتفت عنه جهالة أوصافها وحدودها ومرافقها الداخلية والخارجية، وأنه دخل في التزامات هذا العقد على يقين وعلم تام بالعين المؤجرة، وأن العين جاهزة وصالحة للغرض محل التعاقد.

**المادة الرابعة: الغرض من استئجار العين:**

4-1 اتفق الطرفان المتعاقدان على أن الغرض من استئجار العين هو استثمار الطرف الثاني لمنفعة العقار، وإعادة تأجيره للغير بما لا يتعارض مع مواد هذا العقد وشروطه، وبما يتوافق مع الأنظمة السارية في المملكة العربية السعودية.

4-2 يتعهد الطرف الثاني بأن يستعمل العين في الغرض المحدد في المادة (4-1)، ولا يجوز له أن يغيره إلا بإذن خطي مسبق من الطرف الأول؛ وإلا جاز للطرف الأول فسخ هذا العقد مع أحقيته في مطالبة الطرف الثاني بالتعويض عما يترتب على هذا التصرف من أضرار.

4-3 يحق للطرف الثاني إعادة تأجير العين المؤجرة بالكامل أو مجزئه للغير دون إذن من الطرف الأول؛ على أن يبقى الطرف الثاني مسؤولاً وملتزمًا أمام الطرف الأول بكامل مواد هذا العقد؛ ومنها المادتين (1-4 و2-4) وكذلك ملتزمًا بالقيمة الإيجارية المحددة في هذا العقد.

2

ESNAD Real Estate Valuation
إسناد للتقييم العقاري

## 5.1 Documents

Shari'a Certificate Ref#: AKC-694-88-03-06-17-09

4-4 باستثناء تجديد عقد الإيجار من الباطن القائم حالياً، لا يحق للطرف الثاني توقيع عقد إيجار من الباطن مع مستأجر جديد لمدة تزيد على مدة هذا العقد (عقد الإيجار المباشر مع المستأجر الرئيسي) والمذكورة في المادة الخامسة من هذا العقد إلا بعد الحصول على موافقة الطرف الأول المسبقة والخطية.

**<u>المادة الخامسة| مدة العقد:</u>**

5-1 مدة هذا العقد: خمس سنوات ميلادية، تبدأ من تاريخ / /2020 م وتنتهي في تاريخ / /2025 م، ملزمة للطرفين بحيث لا يحق للطرفين فسخ هذا العقد قبل انقضائها ويعد هذا العقد منتهيًا بانقضاء هذه المدة دون الحاجة إلى إشعار أو إخطار بذلك.

5-2 إذا رغب الطرف الثاني في تجديد العقد لمدة إضافية، يقدم إشعاراً خطياً بنيته في التجديد قبل سنة -على الأقل- من انتهاء المدة الأصلية أو المدد الإضافية؛ وعلى الطرف الأول الموافقة أو الرفض خلال ثلاثة أشهر من تاريخ استلام خطاب الطرف الثاني بطلب التجديد؛ وفي حال عدم رد الطرف الأول خلال تلك المدة المحددة يعتبر رفضاً لتجديد العقد.

5-3 للطرف الأول الحق في زيادة الأجرة عند انتهاء مدة العقد، وعليه -في حال رغبته في زيادة الأجرة- إشعار الطرف الثاني بمقدار تلك الزيادة -ضمن خطاب الموافقة على التجديد خلال المدة المذكورة- في البند أعلاه، ويجب على الطرف الثاني إبداء الموافقة على الزيادة أو الرفض خلال ثلاثة أشهر من تاريخ الإشعار؛ وفي حال عدم رد الطرف الثاني خلال المدة المحددة يعتبر رفضاً لتجديد العقد.

**<u>المادة السادسة| الأجرة:</u>**

6-1 اتفق الطرفان على أن تكون القيمة الإيجارية السنوية للعقار محل التعاقد مبلغ وقدره 30,000,000 ريال سعودي (ثلاثون مليون ريال سعودي فقط لا غير) تستحق مقدماً عن كل سنة ميلادية كاملة تبدأ من تاريخ بداية مدة هذا العقد ("تاريخ استحقاق الأجرة")

6-2 يكون المبلغ المشار إليه في (6-1) مبلغًا صافيًا سالماً من أي خصم؛ فلا يخصم منه -على سبيل المثال لا الحصر- أي تكاليف، أو ضرائب، أو فواتير، أو رسوم، أو أتعاب، أو مستحقات لأي طرف كان.

6-3 يضاف إلى مبلغ كل قسط ضريبة القيمة المضافة، وعلى الطرف الثاني دفعها مع مبلغ الإيجار، ويلتزم الطرف الأول بتوريدها للجهة الحكومية المختصة وفقاً للأنظمة واللوائح السارية.

6-4 يلتزم الطرف الثاني بأن يقوم بإشعار المستأجر من الباطن بتحويل الدفعة الإيجارية المستحقة مباشرة من خلال التحويل البنكي لحساب الضمان الذي سيتم تأسيسه باتفاق الطرفين.

6-5 في حال لم يسدد المستأجر من الباطن كامل الدفعة الإيجارية خلال مهلة قدرها شهرين من تاريخ استحقاق الأجرة، فيلتزم الطرف الثاني بسداد الأجرة المستحقة عن السنة الإيجارية كاملة خلال شهر من تاريخ انتهاء المهلة المتاحة للمستأجر من الباطن ("تاريخ استحقاق الدفعة الإيجارية") وذلك من خلال التحويل البنكي للحساب المصرفي الخاص بالطرف الأول و/أو حسب التعليمات التي يصدرها الطرف الأول، على أن يتم عمل تسوية بين الدفعات

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## 5.2 Assumptions and Limiting Conditions

This report is subject to the following terms and conditions:

- This report has been prepared exclusively for the purposes explicitly stated herein. It is to be used solely by the intended recipient and must not be shared, relied upon, or disclosed to any third party for any other use.
- The report is an indivisible whole and must not be extracted, segmented, copied, or used in any part independently from the full document.
- No part of this report may be circulated, published, or used for advertising, media, public relations, or legal purposes without the preparer's prior written approval.
- The valuer retains exclusive ownership of this report, along with all documentation, data, and files prepared and used in its development.
- While the information, forecasts, and opinions presented herein have been prepared with utmost care and according to the highest standards, their absolute accuracy or completeness is not guaranteed.
- This report was prepared electronically, encompassing all written content and analytical work. All related files are securely retained and archived in the valuer's database.
- The valuer has not identified, nor has been notified of, any latent or concealed conditions that may influence the value of the property as of the valuation date — including, but not limited to, subsurface soil conditions and structural integrity. The valuer shall not be held liable in the event that such conditions are subsequently discovered.
- It is explicitly assumed in this report that no hazardous substances, environmental risks, or harmful factors exist on or around the subject property that may affect its value. Should such conditions be identified, this valuation shall be rendered null and void, and a separate, specialized assessment by qualified professionals — wholly outside the scope of this valuation — shall be required.
- This valuation is predicated on the assumption that the subject property is entirely free from contamination, toxic materials, or environmental hazards of any kind. The valuer disclaims all responsibility for detecting such conditions, as doing so would require specialized expertise that lies wholly beyond the scope of the valuation assignment.
- This report was prepared using the best available information known to the valuer at the time of the valuation. The valuer affirms that no material or impactful information came to their attention during the preparation of this report that has been omitted or withheld.
- The authenticity of the property title deed has not been verified, and it has been assumed to be valid. It is further assumed that there are no encumbrances or restrictions on ownership, unless otherwise stated. Additionally, the property is assumed to be in full compliance with all municipal requirements and legal boundary conditions, unless noted to the contrary. The valuer assumes no responsibility for the validity of these documents.
- In the event that the client provides the valuer with any maps, plans, or property specifications, the valuer's inspection shall be limited strictly to what is externally visible and apparent. Such a review must not, under any circumstances, be construed as a substitute for professional structural, engineering, or environmental valuations.
- This valuation has not been requested for purposes of establishing a minimum value or for mortgage loan approval, unless such intent is expressly stated within the report or explicitly defined in the terms of engagement between the valuer and the client.
- The valuer bears no liability for any claims, losses, or damages resulting from the use of the valuation report's findings, analyses, or conclusions, except as expressly stipulated in the terms of engagement agreed upon with the client.

## 5.2 Assumptions and Limiting Conditions

- To the best of the valuer's knowledge at the time of preparing this valuation, all facts and information included in this report are accurate. The valuer affirms that no material information relevant to the valuation, known at the time of preparation, has been excluded or left unconsidered.
- All analyses, opinions, and conclusions expressed in this report are made in accordance with the stated assumptions and limiting conditions, and represent independent professional judgment without bias or influence in favor of any party.
- This valuation report is deemed valid solely when affixed with the official company seal and signed by the authorized and licensed valuers of the firm.
- Esnad Real Estate Valuation Company affirms that there exists no current or foreseeable conflict of interest with respect to any of the parties or properties subject to this valuation assignment.

ESNAD Real Estate Valuation إسناد للتقييم العقاري

# 5.3 Valuation Standards

### 5.3 Valuation Review Criteria

All work is performed in accordance with the Accredited Valuers System, the Executive Regulations pertaining to Real Estate Valuation issued by the Saudi Authority for Accredited Valuers (Taqeem), and the latest version of the International Valuation Standards (IVS 2025) as published by the International Valuation Standards Council (IVSC). Valuers are bound by their requirements, and the valuations may be subject to monitoring by these bodies.

### 5.3.1 Special Assumptions

This report, in specific instances, incorporates certain 'assumptions' or 'special assumptions' for valuation purposes. All such assumptions are governed by the International Valuation Standards 2025 and are generally classified into two main categories as outlined below:

- These refer to facts that are, or could reasonably be, consistent with the circumstances prevailing at the valuation date, arising from limitations placed on the scope of the valuer's research or due diligence process.
- Assumed facts that diverge from those prevailing as of the valuation date are referred to as 'special assumptions'. Such assumptions are typically employed to demonstrate the effect of hypothetical scenarios or changes on the value of an asset. They are described as 'special' because they inform the user of the valuation that the assessment is based on altered conditions or on perspectives that are not ordinarily held by market participants as of the valuation date."
- All significant special assumptions must be reasonable in light of the prevailing circumstances, substantiated by appropriate evidence, and suitable for the intended purpose of the valuation so as to ensure compliance with applicable valuation standards.

### 5.3.2 Sale Costs, Taxes, and Other Liabilities

- This valuation excludes any consideration of costs, taxes, or expenses that may be incurred upon the sale or disposal of the property. It is further assumed that there are no encumbrances, such as loans or mortgages, that would restrict the free and unencumbered disposition of the property, unless expressly noted otherwise in this report.

### 5.3.3 Sources of Information

- The documents provided by the owner, and appended to this report, are assumed to be authentic, accurate, and valid for use as of the valuation date. These documents include, but are not necessarily limited to, the following:
    - Property Title Deed (if available)
    - Building Permit if (available)
    - Lease Agreements (if available)

### 5.3.4 Environmental Pollution

This valuation does not include any environmental assessment to determine the presence or absence of contamination on the subject property's land. It is therefore expressly assumed that the land is free from environmental pollutants, unless stated otherwise in this report. If any such contamination comes to the valuer's attention, the client will be duly informed.

### 5.3.5 Outstanding Liabilities

The valuation excludes any obligations that were applicable to the property during its construction phase and are considered to have lapsed upon completion of the construction, regardless of whether their closure has been formally documented. This includes any liabilities relating to contractors, subcontractors, and all parties involved in the design and execution teams.

### 5.3.6 Confidentiality of Information and Liability Toward Third Parties

- This valuation report is strictly confidential and intended exclusively for the designated recipient and solely for the specified purpose. The valuer shall not bear any responsibility or liability whatsoever toward any third party.
- Under no circumstances may this report (whether in whole or in part) nor any reference to it or any of the information it contains, be published, disclosed, or communicated to any third party without the valuer's prior written consent regarding both the form and content in which it will appear.

### 5.3.7 Maps and Illustrative Drawings

All maps, diagrams, and illustrative content contained in this report are intended solely for visualization purposes. Although believed to be accurate, no guarantees are made regarding their correctness, and they shall not be relied upon for any contractual, legal, or decision-making purposes

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# 5.3 Valuation Standards

### 5.3.8 Compliance with the Real Estate Investment Funds Regulations (REIT)

Based on the scope specified in the assignment, this report has been prepared in accordance with the Real Estate Investment Funds Regulations issued by the Capital Market Authority.

This report was prepared by Esnad Real Estate Company, an independent valuation company licensed by the Saudi Authority for Accredited Valuers (Taqeem), according to the following conditions and assumptions:

- The Accredited Valuer must be independent of any related parties.
- The Accredited Valuer must hold a Fellowship of the Saudi Authority for Accredited Valuers (Taqeem).

The Accredited Valuer's report must include, at a minimum, the following:

- The valuation approach, method, and the assumptions upon which it was based.
- An analysis of variables relevant to the real estate market, such as supply, demand, and market trends.
- Details and descriptions of the property.
- The risks related to the property subject to valuation.

### 5.3.9 The Nature and Scope of the Valuer's Work and Any Imposed Restrictions

"In accordance with International Valuation Standard (IVS) 101 – Scope of Work – from the International Valuation Standards 2025, specifically paragraph (1-20-i) related to the nature and scope of the valuer's work and any restrictions imposed on it, which states that any limitations that impair inspection, inquiry, or analysis related to the valuation must be identified. If relevant information is not available due to restrictions placed on investigation and inquiry within the valuation terms, these limitations must be identified, along with any necessary or special assumptions (see IVS 102 – Bases of Value, paragraphs (1-50) to (4-50)) arising from such restrictions."

It is noted that these aspects, if present, will be addressed in their designated sections within this report.

### 5.3.10 Material Environmental, Social, and Governance (ESG) Factors

In accordance with International Valuation Standard 104 – Data and Inputs (IVS 2025), which states that the impact of material environmental, social, and governance (ESG) factors should be considered, the potential influence of such factors on the subject property has been reviewed. Any identified or observed tangible impacts resulting from these factors have been analyzed. Accordingly, any such impacts, if applicable, will be detailed in the section titled Property Data and Ownership Information.

### 5.3.11 Specialist

This report has been prepared with the support of an internal team of specialists possessing the technical skills and subject-matter expertise necessary to perform, support, review, or challenge valuation activities. In the event that any external specialists are engaged, such disclosure will be made in the section titled Valuation Team. This approach is in accordance with International Valuation Standard 100 – Valuation Framework (IVS 2025).

### 5.3.12 Statement of Compliance with Standards

Esnad hereby affirms that this report has been prepared in full compliance with the International Valuation Standards 2025, effective as of 31 January 2025. All professional requirements and technical guidelines outlined in these updated standards have been duly followed to ensure the delivery of an accurate, objective valuation that reflects the true value of the assets appraised. Any additional valuation standards adopted or applied alongside the International Valuation Standards will be clearly referenced in the report to ensure consistency with the latest professional guidance and applicable frameworks.

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# 5.3 Valuation Standards

**5.3.13 Nature and Source of Information Relied Upon by the Valuer**
The scope of work included the review and analysis of all relevant information, as well as the necessary verification procedures to assess its accuracy and consistency with actual market conditions. The authenticity of documents referenced in the report was verified using official government platforms, such as the Real Estate Exchange Platform, the Real Estate Registry, and Balady Platform, based on availability and the type of documents submitted by the client, unless otherwise stated.
Information was collected from multiple sources, including client-provided data, market evidence, previous records available to the valuer, and external sources such as licensed brokers and real estate platforms, all as referenced within the report.
Analytical procedures were performed on the data, including price and cost comparisons (if applicable), determination of appropriate discount and capitalization rates (where applicable), and verification of data used in the comparable sales grid and adjustment tables. Other valuation methods—such as the income approach and residual value method—were applied when appropriate, with suitable adjustments made. Contract documents were also examined and compared to prevailing market prices as of the valuation date, if such contracts were provided.

Market-related information was compiled by the valuation team and included the current market conditions, sale or lease prices for each property component, discount and capitalization rates, occupancy, operational costs, and anticipated development returns. All valuation estimates and conclusions in this report were based on market data and comparisons available as of the valuation date.
Some information was also gathered through the valuer's professional network, including brokers, developers, investors, and governmental bodies.

**5.3.14 Intended Use**
This report has been prepared in accordance with the valuation service agreement and the agreed work plan. It is intended for use exclusively by the client for the purpose stated in the executive summary of the report.

ESNAD Real Estate Valuation إسناد للتقييم العقاري

## 5.4 Obligations When Performing a Valuation Under Uncertainty

| | |
|---|---|
| **Uncertainty** | When uncertainty in valuation is disclosed, the purpose is to give notice that the valuation report has been prepared under exceptional and unusual circumstances, which applies to the current situation of valuing this property. This arises from the inability to predict future changes that may affect the market and the value of the subject property. This condition is not intended to imply that the valuation should not be relied upon. Rather, this status is disclosed based on the principle of transparency with all parties related to the valuation, and it signifies that the current level of certainty under these exceptional circumstances is lower than it would be under normal circumstances. |
| **Dealing with uncertainty** | Dealing with uncertainty constitutes an additional challenge, given that it is an inherent element in the valuation process, which is an estimate of the most probable outcome based on a set of assumptions and data available at the valuation date. |
| **professional skepticism** | The highest degree of professional skepticism was exercised throughout all stages of the valuation process, and a critical view was adopted when searching for, selecting, and applying valuation evidence and inputs within the methods and models used, commensurate with the degree of uncertainty prevailing in the market. Special care was also taken and an increased level of professional skepticism was applied when dealing with significant uncertainties that could have a material impact on value. |
| **Valuation risk** | All risks associated with the valuation process were considered when preparing this report, to ensure that the stated opinion of value reflects the intended use. |
| **Valuation Quality Control** | The International Valuation Standards (IVS) 2025 introduced a specific section within the Valuation Framework Standard for the management of valuation quality, which mandates the "application of controls to ensure the quality of the valuation process when performing a valuation," in order to reduce valuation risks. Valuation Quality Control was applied by the certified valuer in accordance with the requirements of this standard. |

ESNAD Real Estate Valuation إسناد للتقييم العقاري

## 5.4 Obligations When Performing a Valuation Under Uncertainty

| | |
|---|---|
| **Professional Procedures Followed in Preparing the Valuation Report** | The quality of the valuation process was monitored and controlled by managing the risks of all stages of the valuation process and reducing them to the lowest possible level.<br>Professional skepticism and professional judgment were exercised when investigating, selecting, modifying, and considering the use of more than one approach, method, or model in the valuation, commensurate with the intended use, the nature of the asset, and the degree of uncertainty. |
| **Disclosures and clarifications** | The valuation report was prepared considering the issuance of resolutions related to the White Land Fees system and vacant real estate, as well as the application of regulatory provisions concerning the relationship between lessor and lessee in the city of Riyadh.<br>The valuation was performed under circumstances characterized by uncertainty and based on data available at the time, in addition to the insufficient ability to predict anticipated future changes and the extent of their impact on the resulting value, and that there is a degree of uncertainty in the resulting value.<br>The resulting value is valid as of the valuation date and for a specified period under normal market conditions, and that this does not include the impact of any unexpected subsequent events on the market or on the asset itself during this period, and consequently, on the resulting value.<br>This disclosure does not conflict with our commitment to professional work that negates the ignorance (or non-disclosure) of any material information likely to affect the valuation result, and to a level higher than that of normal circumstances to reach the opinion of value. |

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## 5.4 Cash flow analysis

| Cash flow analysis | Total | 1 Year | 2 Year | 3 Year | 4 Year | 5 Year | 6 Year | 7 Year | 8 Year | 9 Year | 10 Year |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Property's income as the contract | 423,896,123 | 30,000,000.0 | 30,000,000.0 | 30,000,000.0 | 30,000,000.0 | 30,000,000.0 | 54,779,224.5 | 54,779,224.5 | 54,779,224.5 | 54,779,224.5 | 54,779,224.5 |
| Vacancies - 10.0% | (27,389,612.25) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | (5,477,922.45) | (5,477,922.45) | (5,477,922.45) | (5,477,922.45) | (5,477,922.45) |
| Actual income | 396,506,510.25 | 30,000,000.00 | 30,000,000.00 | 30,000,000.00 | 30,000,000.00 | 30,000,000.00 | 49,301,302.05 | 49,301,302.05 | 49,301,302.05 | 49,301,302.05 | 49,301,302.05 |
| Maintenance & opex - 15.0% | (36,975,976.54) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | (7,395,195.31) | (7,395,195.31) | (7,395,195.31) | (7,395,195.31) | (7,395,195.31) |
| Net income | 359,530,534 | 30,000,000 | 30,000,000 | 30,000,000 | 30,000,000 | 30,000,000 | 41,906,107 | 41,906,107 | 41,906,107 | 41,906,107 | 41,906,107 |
| Termianl value | - | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 558,748,090 |
| Net Cash Flow | 918,278,624 | 30,000,000.00 | 30,000,000.00 | 30,000,000.00 | 30,000,000.00 | 30,000,000.00 | 41,906,106.74 | 41,906,106.74 | 41,906,106.74 | 41,906,106.74 | 600,654,196.64 |
| Discount Rate | - | 1.00 | 0.91 | 0.84 | 0.77 | 0.70 | 0.64 | 0.59 | 0.54 | 0.49 | 0.45 |
| Net present cash flow | 489,965,350 | 30,000,000 | 27,439,861 | 25,098,199 | 22,956,370 | 20,997,320 | 26,827,523 | 24,538,117 | 22,444,084 | 20,528,751 | 269,135,126 |

| KPI's | Total |
|---|---|
| Present value | 489,965,349.55 |
| Total property value | 489,965,000.00 |

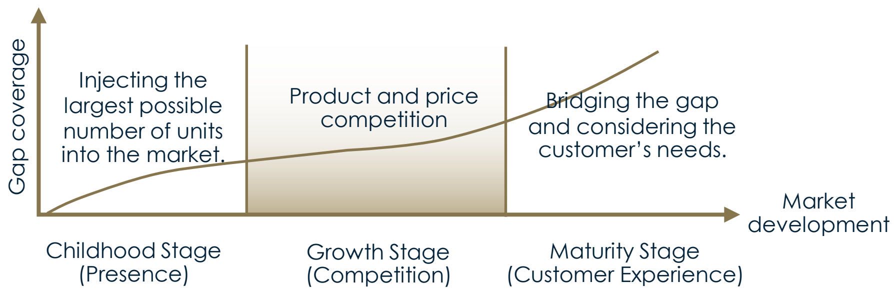
ESNAD Real Estate Valuation إسناد للتقييم العقاري

# 1 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.

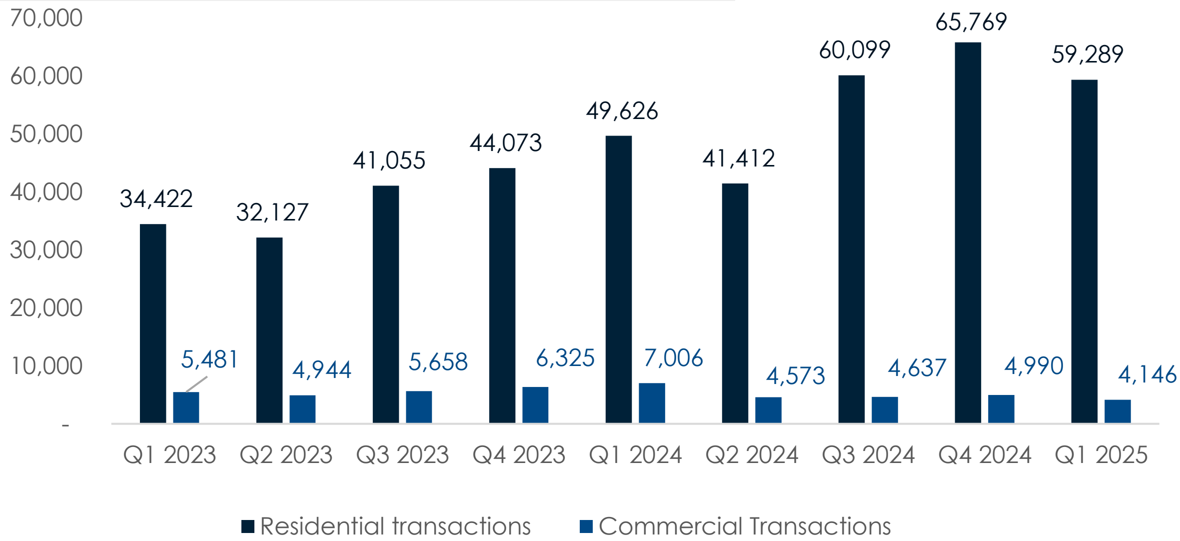
**Residential**
- Population growth
- Government initiatives and their impact on increasing demand
- Interest rates and their impact on real estate financing

**Office**
- Government initiatives for regional headquarters in the Kingdom.

**Commercial**
- Recovery in the food and beverage, and entertainment sectors
- Growth in retail sales and consumer spending

**Industrial**
- 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: Ministry of Justice

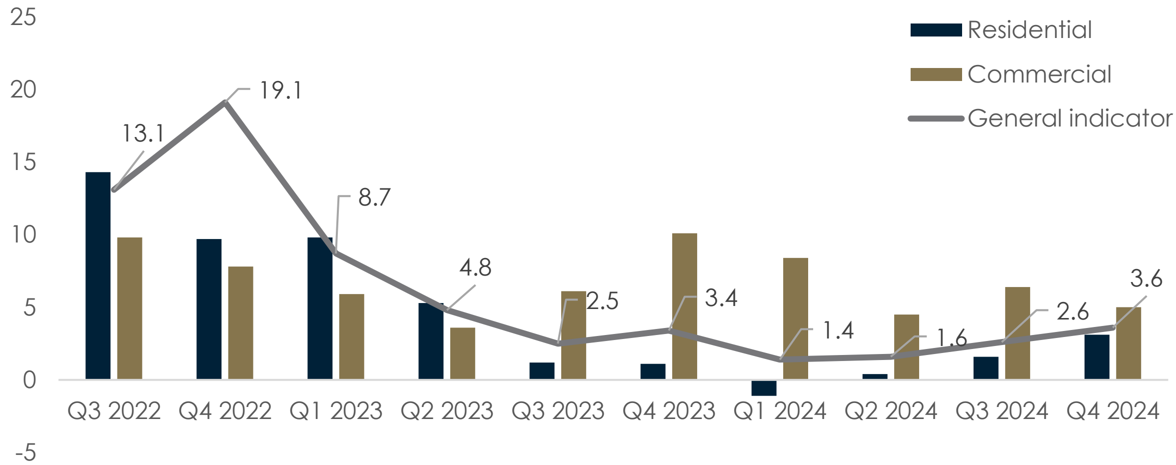
Reference number: 25106074207

ESNAD Real Estate Valuation إسناد للتقييم العقاري

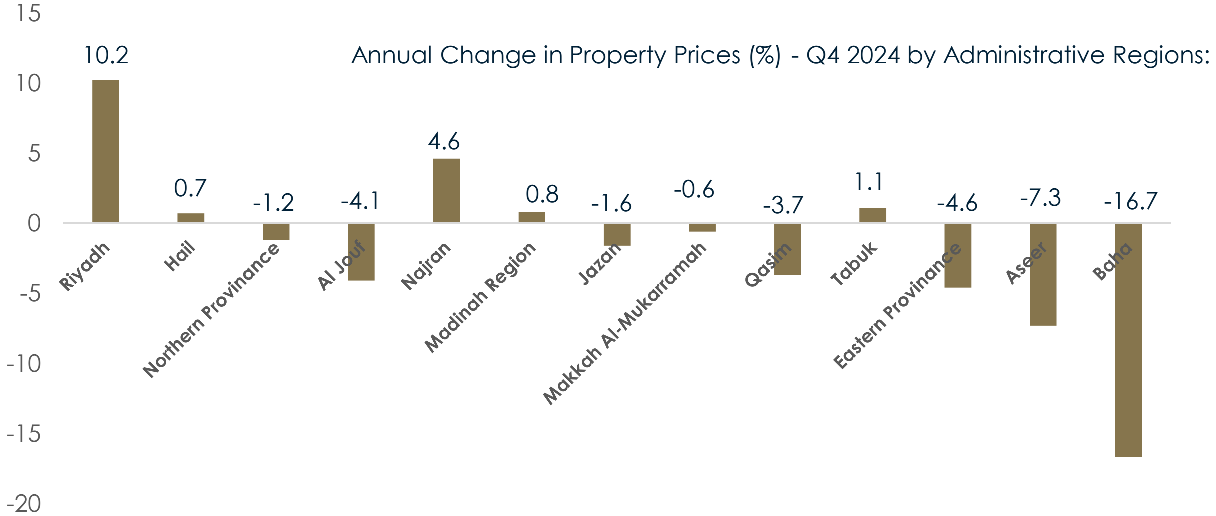
# 1 Overview of the Real Estate Sector

## 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

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# 2 Offices Sector

## Office Building Classifications

| Class A | Class B | Class C |
| --- | --- | --- |
| These projects are the newest and top-tier in the market, attracting premium tenants who pay the highest rents<br>• These high-rise towers are located in prime business districts and prominent areas, featuring distinctive architectural designs.<br>• They also offer well-maintained and serviced office spaces, with ample parking and sufficient elevators to meet tenant needs. | 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.<br>• Relatively old buildings<br>• Good-quality furnishings and finishes<br>• Well-managed maintenance and security<br>• Moderate to above-average rental rates | These classifications help investors, developers, and tenants understand the quality, location, and rental expectations of office spaces.<br>• Basic buildings with limited facilities<br>• Often located in less central or older areas<br>• Typically older constructions with minimal upgrades<br>• 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.


Source: Saudi Authority for Accredited Valuers (TAQEEM)
Source: Research Team at Esnad Company

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## 5.7 Risks Study and Analysis

| Type of Risk | Qualitative Analysis | Quantitative Analysis | Effect on Value |
|---|---|---|---|
| Tenant classification risk | Assessing the variety of tenants, their activities, industries, and financial stability. | Concentration of income from a limited number of main tenants(%100) and estimating its impact on income. | Dependence on a limited number of tenants increases risks and reduces value. |
| Credit and tenant risk | Assessing the quality of tenants in terms of creditworthiness, payment ability, and overall financial performance. | Calculating the expected default rate, rent collection rate, and discount rate adjustment to compensate for risks. | Increased risks reduce expected income and raise the discount rate, thereby lowering value. |
| Management and Operational Risk | Assessing the efficiency of the property management system, leasing policy, maintenance, and financial reporting. | Raising operating expenses as a percentage of income due(%10) to weak management efficiency. | Weak management leads to lower net income and higher risks, thus reducing value. |
| Highest and Best Use (HBU) Risk | Site Analysis and Surrounding Environment to determine the optimal use of the subject property | Comparing current use with potential uses to determine the highest and best use and increase income. | Failure to use the property optimally leads to a lower valuation compared to available alternatives. |
| Market and Economic Change Risk | Analyzing market indicators, supply and demand, and economic trends. | Analyzing rent and return indicators and their relationship to interest rate and inflation trends. | Market fluctuations lead to changes in expected returns and valuation. |
| Planning and Zoning Risk | Review of municipal and regulatory requirements and their compliance with current or intended use. | Estimation of the impact of planning restrictions or reduced buildable area on income. | Regulatory constraints may limit development potential and reduce value. |
| Physical Deterioration and Maintenance Risk | Inspection of building condition, materials used, and estimated remaining useful life. | Estimation of depreciation or obsolescence percentage and required renewal cost. | Deterioration and lack of maintenance lead to value reduction due to physical and market depreciation. |

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# Thank you

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We support you