

SEDCO Capital

SEDCO REIT Fund

Ajdan Entertainment

March 2026

REF: 25-0561
Code: 1682085
Date: 30/03/2026

Subject: Valuation Report for Commercial Complex– Al Khobar City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02nd December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

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WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	1682085
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Accounting Purposes.
Subject Property	Commercial complex
Property Location	Al Khobar City.
Title Deed No.	599181002162
Title Deed Date	1445/05/08
Ownership Type	Title deed-restricted
Limitations	Mortgaged to Bank Al Jazira.
Owner	Saudi Real Estate Funds Development and Economic Company.
Land Use	Commercial.
Land Area (Sqm)	6,865.99Sqm
BUA (Sqm)	16,093.40 Sqm
GLA (Sqm)	5,803 Sqm
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income Approach, Discounted Cash Flow method (DCF)
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 153,800,000
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	07/12/2025



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SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Accounting Purposes**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (ﷲ) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permit.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have Mortgaged to Bank Al Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 7.5%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 8%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
6. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
7. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
8. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
9. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
10. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 07/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The property being evaluated is an open commercial complex - a plaza located in the Aziziya district of Dammam, Saudi Arabia. The property's ownership documents confirm the following:

- Total land area: 6,865.99 square meters.
- Built-up area: 16,093.40 square meters.

During the site inspection conducted for the evaluation, it was noted that the property is open on four sides and is close to Prince Turki Road on the western side.

2.2 Ease of Access

The access level of the subject property is classified as moderate due to its location on near Prince Turki Road.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
26°16'58.9"N 50°13'15.3"E	
76MC+692 Al Khobar	
Google Maps	

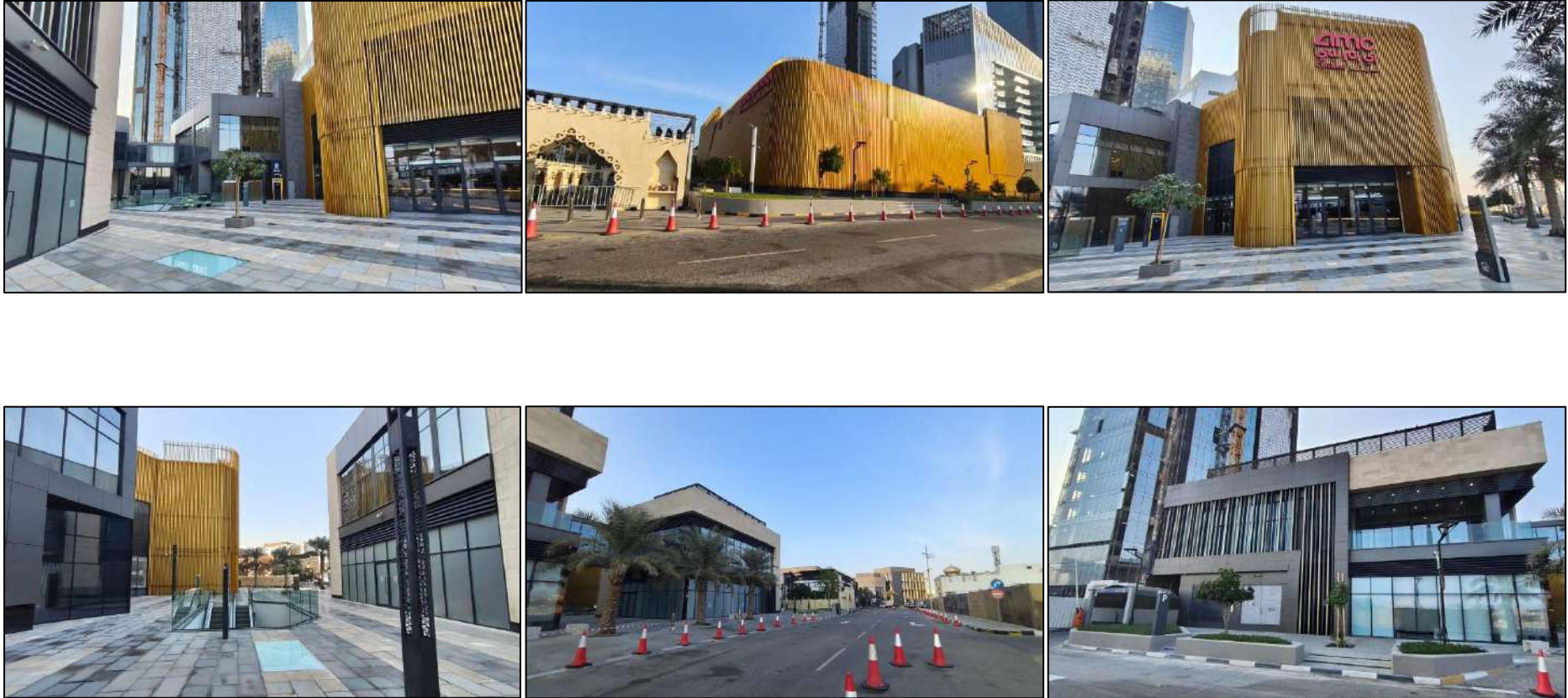
2.5 Title Deed and Ownership

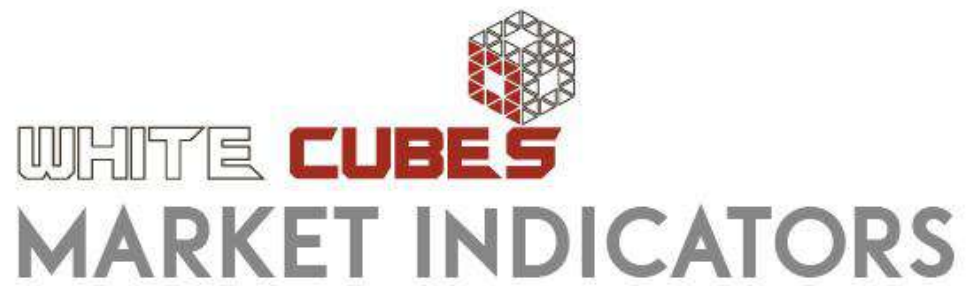
The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Khobar	Land Area	6,865.99
District	----	Plot No.	3/12
T.D Type	Electronic	Block No.	---
T.D Number	499181002146	Layout No.	2/356
T.D Date	1445/05/08	Ownership Type	Mortgage
Owner	Saudi Real Estate Development and Economic Company	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	20m wide street	East Side	Plot No 2/12 1/12
South Side	20m wide street	West Side	20m wide 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 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

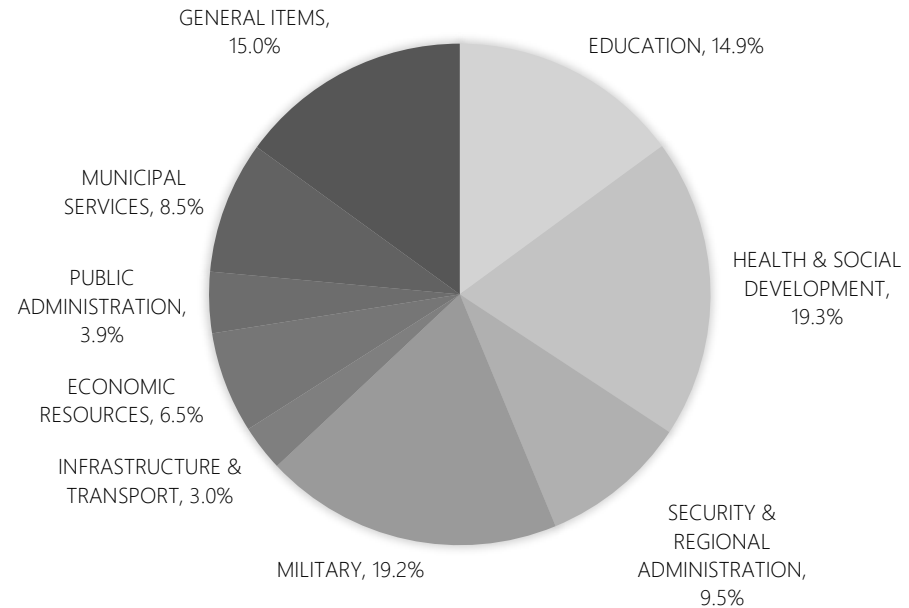
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	-0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	ﷲ 53.00	bn
Military Sector	ﷲ 259.00	bn
Security and Regional Administration Sector	ﷲ 128.00	bn
Municipal Services Sector	ﷲ 115.00	bn
Education Sector	ﷲ 201.00	bn
Health and Social Development Sector	ﷲ 260.00	bn
Economic Resources Sector	ﷲ 88.00	bn
Infrastructure and Transportation Sector	ﷲ 40.00	bn
General Items	ﷲ 202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	8 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **29 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
- Indicator showing an increase in the current performance compared to last year
- Indicator showing a stable position in the current performance compared to last year

Overall Sector Performance

From 2023 to 2024	Future Expectations
	
Values of Lands Related to The Sector	
From 2023 to 2024	Future Expectations
	
Sector Demand	
From 2023 to 2024	Future Expectations
	
Sector's occupancy ratios	
From 2023 to 2024	Future Expectations
	

Overall Sector Stability

From 2023 to 2024	Future Expectations
	
Sector rental Income	
From 2023 to 2024	Future Expectations
	
Investors' Appetite	
From 2023 to 2024	Future Expectations
	
Sectors Positive Changes	
From 2023 to 2024	Future Expectations
	

White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



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PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, Income Approach Discounted Cash Flow (DCF) Method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 7.5% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	133,000,000.00	55,000,000.00	110,000,000.00
NOI	9,975,000	4,125,000	8,250,000
Cap Rate	7.50%	7.50%	7.50%
Average Cap Rate	7.50%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Government Bonds rate%	5.0%	Source	SAMA
Inflation Rate%	2.2%		GASTAT
Systematic Risk Premium%	2.0%		Trading Economic
Unsystematic Risk Premium%	1.0%		Team's Experience
Discount Rate%	8.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030	2031	2032	2033
		0	1	2	3	4	5	6	7	8
Inflation		0.0%	0.0%	0.0%	0.0%	0.0%	5.0%	0.0%	0.0%	5.0%
Expected Revenue										
Cinema	Sqm	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600
Rate (SAR)	SAR	1,760	1,760	1,760	1,760	1,760	1,848	1,848	1,848	1,940
Total	SAR	6,336,000	6,336,000	6,336,000	6,336,000	6,336,000	6,652,800	6,652,800	6,652,800	6,985,440
Commercial	Sqm	2,203	2,203	2,203	2,203	2,203	2,203	2,203	2,203	2,203
Rate (SAR)	SAR	1,900	1,900	1,900	1,900	1,900	1,995	1,995	1,995	2,095
Total	SAR	4,185,700	4,185,700	4,185,700	4,185,700	4,185,700	4,394,985	4,394,985	4,394,985	4,614,734
Overall Revenues		10,521,700	10,521,700	10,521,700	10,521,700	10,521,700	11,047,785	11,047,785	11,047,785	11,600,174

Vacancy and Credit Loss										
Cinema	0.0%	0	0	0	0	0	0	0	0	0
Commercial	0.0%	0	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0	0
Effective Rental Income		10,521,700	10,521,700	10,521,700	10,521,700	10,521,700	11,047,785	11,047,785	11,047,785	11,600,174

Expenses										
OpEx	2.0%	210,434	210,434	210,434	210,434	210,434	220,956	220,956	220,956	232,003
CapEx	2.0%	210,434	210,434	210,434	210,434	210,434	220,956	220,956	220,956	232,003
Overall Expenses		420,868	420,868	420,868	420,868	420,868	441,911	441,911	441,911	464,007

NOI		10,100,832	10,100,832	10,100,832	10,100,832	10,100,832	10,605,874	10,605,874	10,605,874	11,136,167
Terminal Value	7.5%									
Discount Rate	8.0%	1.00	0.93	0.86	0.79	0.74	0.68	0.63	0.58	0.54
Present Value		10,100,832	9,352,622	8,659,835	8,018,366	7,424,413	7,218,179	6,683,499	6,188,425	6,016,525
Net Present Value										

Discounted Cash Flows		2034	2035	2036	2037	2038	2039	2040	2041
		9	10	11	12	13	14	15	16
Inflation		0.0%	0.0%	5.0%	0.0%	0.0%	5.0%	0.0%	0.0%
Expected Revenue									
Cinema	Sqm	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600
Rate (SAR)	SAR	1,940	1,940	2,037	2,037	2,037	2,139	2,139	2,139
Total	SAR	6,985,440	6,985,440	7,334,712	7,334,712	7,334,712	7,701,448	7,701,448	7,701,448
Commercial	Sqm	2,203	2,203	2,203	2,203	2,203	2,203	2,203	2,203
Rate (SAR)	SAR	2,095	2,095	2,199	2,199	2,199	2,309	2,309	2,309
Total	SAR	4,614,734	4,614,734	4,845,471	4,845,471	4,845,471	5,087,745	5,087,745	5,087,745
Overall Revenues		11,600,174	11,600,174	12,180,183	12,180,183	12,180,183	12,789,192	12,789,192	12,789,192
Vacancy and Credit Loss									
Cinema	0.0%	0	0	0	0	0	0	0	0
Commercial	0.0%	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
Effective Rental Income		11,600,174	11,600,174	12,180,183	12,180,183	12,180,183	12,789,192	12,789,192	12,789,192
Expenses									
OpEx	2.0%	232,003	232,003	243,604	243,604	243,604	255,784	255,784	255,784
CapEx	2.0%	232,003	232,003	243,604	243,604	243,604	255,784	255,784	255,784
Overall Expenses		464,007	464,007	487,207	487,207	487,207	511,568	511,568	511,568
NOI		11,136,167	11,136,167	11,692,976	11,692,976	11,692,976	12,277,624	12,277,624	12,277,624
Terminal Value	7.5%								163,701,659
Discount Rate	8.0%	0.50	0.46	0.43	0.40	0.37	0.34	0.32	0.29
Present Value		5,570,856	5,158,200	5,014,917	4,643,442	4,299,483	4,180,053	3,870,419	51,366,675
Net Present Value		153,800,000							

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **ﷲ 153,800,000.00**
One Hundred Fifty-Three Million Eight Hundred Thousand Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Reema K. Al Dhayan
Asst. Manager



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



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DOCUMENTS

DOCUMENT

5.1 Title deeds



5.2 Real Estate Valuation License

رقم الترخيص : 13093
 تاريخ الإصدار : 1437/08/02 هـ
 تاريخ الإنتهاء : 1452/10/20 هـ
 رقم نسخة الترخيص : 3

تقييم
TAQEEM
 الهيئة السعودية للمقيمين المعتمدين
 Saudi Authority of Accredited Valuers

ترخيص مزاوله مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاوله مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
 م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
 من بياناتها عبر رمز QR أو بزيارة موقع الهيئة



التقييم العقاري Real Estate Valuation

تقييم TAQEEM

نبييل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

Membership Type: **Associated** فئة العضوية: **مستطب**

Membership No: **1210002782** رقم العضوية: **1210002782**

ID No: **1014178931** رقم الهوية \ الإقامة: **1014178931**

Membership Exp: **2026-12-31** تاريخ الانتهاء: **2026-12-31**

الحصول على شهادة الترخيص
المراد من التفاصيل يرجى الاتصال
على الرقم 011 444 4444

التقييم العقاري Real Estate Valuation

تقييم TAQEEM

عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHOSAINI

Membership Type: **Main** فئة العضوية: **أساسي**

Membership No: **1210000474** رقم العضوية: **1210000474**

ID No: **1044275947** رقم الهوية \ الإقامة: **1044275947**

Membership Exp: **2026-12-31** تاريخ الانتهاء: **2026-12-31**

الحصول على شهادة الترخيص
المراد من التفاصيل يرجى الاتصال
على الرقم 011 444 4444

التقييم العقاري Real Estate Valuation

تقييم TAQEEM

فرح عصام محمد الحسيني
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Membership Type: **Associated** فئة العضوية: **مستطب**

Membership No: **1210001964** رقم العضوية: **1210001964**

ID No: **1090474196** رقم الهوية \ الإقامة: **1090474196**

Membership Exp: **2026-12-31** تاريخ الانتهاء: **2026-12-31**

الحصول على شهادة الترخيص
المراد من التفاصيل يرجى الاتصال
على الرقم 011 444 4444

التقييم العقاري Real Estate Valuation

تقييم TAQEEM

ريما خالد سليمان الضحيان
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Membership Type: **Associated** فئة العضوية: **مستطب**

Membership No: **1210004007** رقم العضوية: **1210004007**

ID No: **1116638824** رقم الهوية \ الإقامة: **1116638824**

Membership Exp: **2026-12-31** تاريخ الانتهاء: **2026-12-31**

الحصول على شهادة الترخيص
المراد من التفاصيل يرجى الاتصال
على الرقم 011 444 4444

Shaping visions

Building values





REAL ESTATE VALUATION REPORT

SEDCO Capital

SEDCO REIT Fund

Ajdan walk

March 2026

REF: 25-0561
Code: 1682095
Date: 30/03/2026

Subject: Valuation Report for Commercial Complex– Khobar City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02nd December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	1682095
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Accounting Purposes.
Subject Property	Commercial complex
Property Location	Al- Corniche district, Al Khobar City.
Title Deed No.	394753000914
Title Deed Date	1445/05/22
Ownership Type	Title deed-restricted
Limitations	Mortgaged to Bank Al Jazira.
Owner	Saudi Real Estate Funds Development and Economic Company.
Land Use	Commercial.
Land Area (Sqm)	16,965.77 Sqm
BUA (Sqm)	32,212 Sqm
GLA (Sqm)	14,235 Sqm
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income Approach, Discounted Cash Flow method (DCF)
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 303,000,000
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	07/12/2025



WHITE CUBES

SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Accounting Purposes**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (ﷲ) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permit.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have Mortgaged to Bank Al Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 7.5%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 8%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
6. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
7. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
8. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
9. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
10. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 07/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is Administrative Building located in Al-Corniche district, Al Khobar City, Saudi Arabia. The property's title deed and construction permit confirm the following:

- Total Land Area 16,965.77 square meters.
- Building area: 32,212 square meters.

During the site inspection conducted for evaluation purposes, it was noted that the property is open on 4 sides and has a direct view of Prince Turki Street from the western side.

2.2 Ease of Access

The access level of the subject property is classified as moderate due to its location on Prince Turki Street.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
 A wide-angle satellite map of Al Khobar, Saudi Arabia, showing the city's layout along the coast. A red pin marks the project location in the central-eastern part of the city, near the waterfront.	 A closer satellite view of the project area in Al Khobar. The map shows a dense urban grid with a red pin indicating the specific location of the project, situated near a coastal area with some greenery and a small beach.
26°17'00.4"N 50°13'10.8"E	
76M9+9VJ Al Khobar	
Google Maps	

2.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Al Khobar	Land Area	16,965.77
District	Al-Corniche	Plot No.	4/12
T.D Type	Electronic	Block No.	---
T.D Number	394753000914	Layout No.	2/356
T.D Date	1445/05/22	Ownership Type	Mortgage
Owner	Saudi Real Estate Development and Economic Company	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	20m wide street	East Side	20m wide street
South Side	20m wide street	West Side	60m wide street

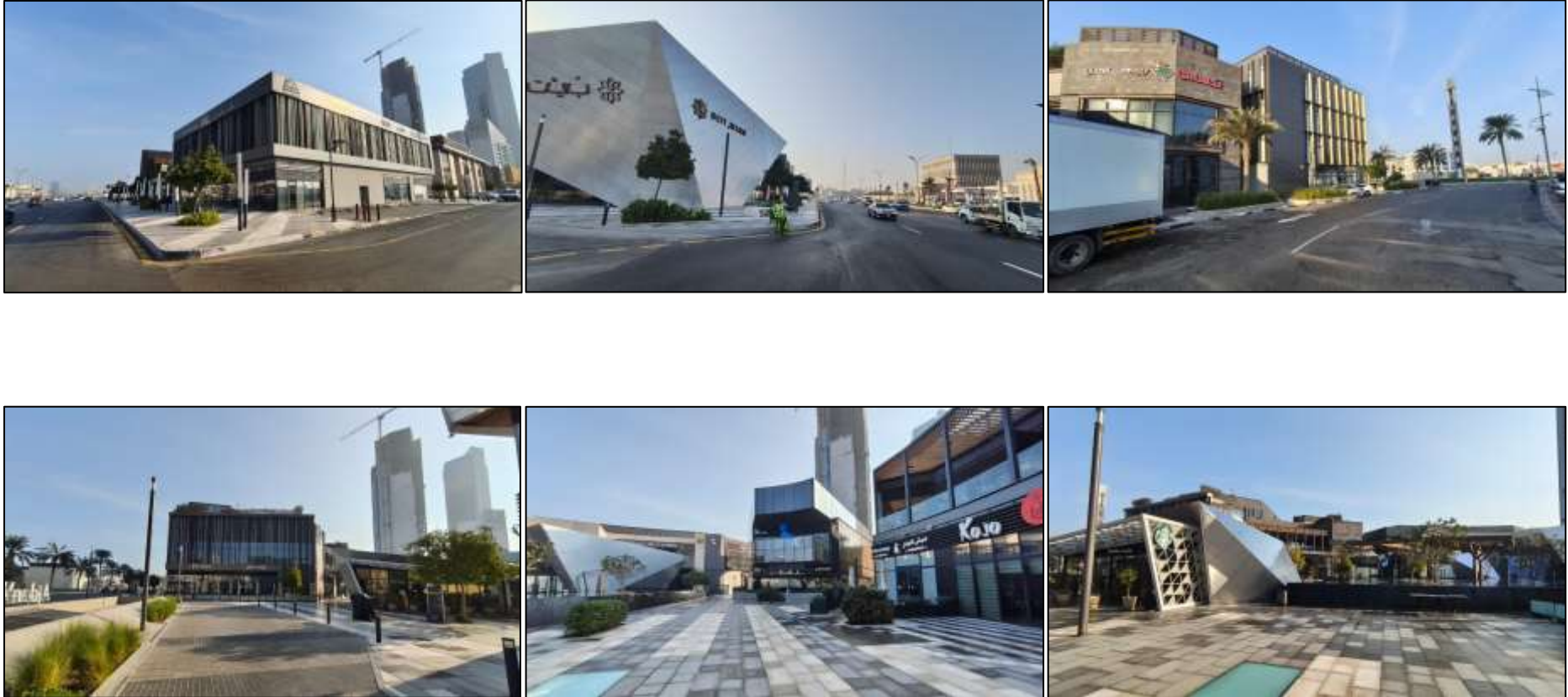
2.6 Construction Permit

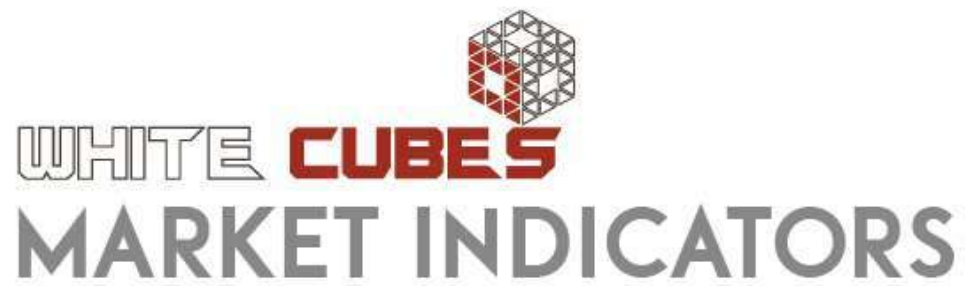
The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	New	Built-Up Area (BUA)	32,304
Property Type	Commercial building	Actual Age	7
Construction Permit No.	1438/10343	State of Property	Fully Constructed
Construction Permit Date	1438/03/30	Completion Rate	100%

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

2.7 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

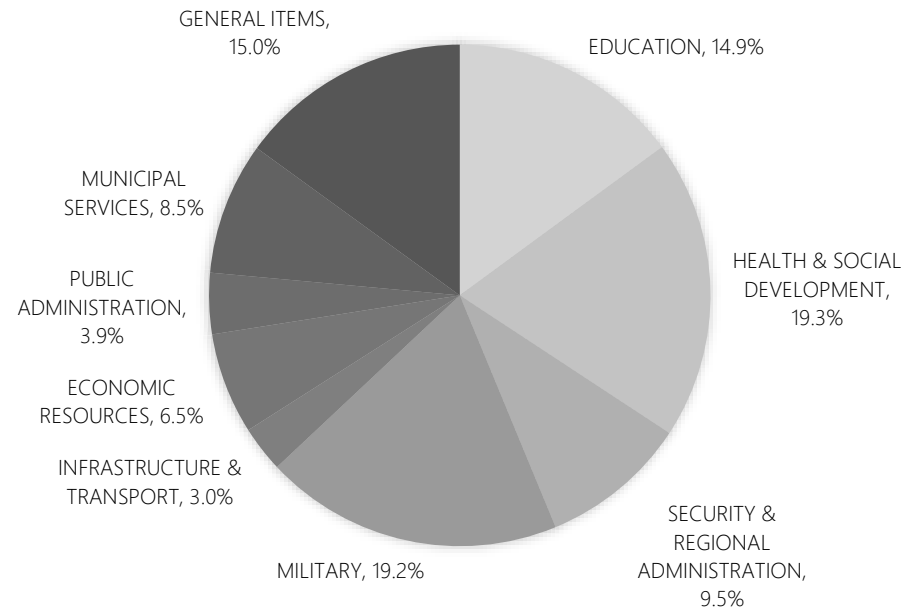
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	-0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	ﷲ 53.00	bn
Military Sector	ﷲ 259.00	bn
Security and Regional Administration Sector	ﷲ 128.00	bn
Municipal Services Sector	ﷲ 115.00	bn
Education Sector	ﷲ 201.00	bn
Health and Social Development Sector	ﷲ 260.00	bn
Economic Resources Sector	ﷲ 88.00	bn
Infrastructure and Transportation Sector	ﷲ 40.00	bn
General Items	ﷲ 202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	8 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **29 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
 Indicator showing an increase in the current performance compared to last year
 Indicator showing a stable position in the current performance compared to last year

Overall Sector Performance

From 2023 to 2024	Future Expectations
	
Values of Lands Related to The Sector	
From 2023 to 2024	Future Expectations
	
Sector Demand	
From 2023 to 2024	Future Expectations
	
Sector's occupancy ratios	
From 2023 to 2024	Future Expectations
	

Overall Sector Stability

From 2023 to 2024	Future Expectations
	
Sector rental Income	
From 2023 to 2024	Future Expectations
	
Investors' Appetite	
From 2023 to 2024	Future Expectations
	
Sectors Positive Changes	
From 2023 to 2024	Future Expectations
	

White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, Income Approach Discounted Cash Flow (DCF) Method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 7.5% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	159,800,000.00	225,000,000.00	253,000,000.00
NOI	11,985,000	16,875,000	18,975,000
Cap Rate	7.50%	7.50%	7.50%
Average Cap Rate	7.50%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Government Bonds rate%	5.5%	Source	SAMA
Inflation Rate%	2.2%		GASTAT
Systematic Risk Premium%	2.0%		Trading Economic
Unsystematic Risk Premium%	0.5%		Team's Experience
Discount Rate%	8.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030	2031	2032
		0	1	2	3	4	5	6	7
Inflation		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expected Revenue									
Commercial complex	Sqm	16,966	16,966	16,966	16,966	16,966	16,966	16,966	16,966
Rate (SAR)	SAR	1,297	1,297	1,297	1,297	1,297	1,297	1,297	1,297
Total	SAR	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000
Overall Revenues		22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000
Vacancy and Credit Loss									
Commercial complex	0.0%	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
Effective Rental Income		22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000
Expenses									
OpEx	0.0%	0	0	0	0	0	0	0	0
CapEx	1.5%	330,000	330,000	330,000	330,000	330,000	330,000	330,000	330,000
Overall Expenses		330,000	330,000	330,000	330,000	330,000	330,000	330,000	330,000
NOI		21,670,000	21,670,000	21,670,000	21,670,000	21,670,000	21,670,000	21,670,000	21,670,000
Terminal Value	7.50%								288,933,333
Discount Rate	8.00%	1.00	0.93	0.86	0.79	0.74	0.68	0.63	0.58
Present Value		21,670,000	20,064,815	18,578,532	17,202,345	15,928,097	14,748,238	13,655,776	181,234,062
Net Present Value									303,000,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **303,000,000.00**
Three Hundred Three Million Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Reema K. Al Dhayan
Asst. Manager



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



DOCUMENT

5.1 Title deeds and Construction Permit

8. BUILDING PERMIT

[illegible]



رقب: 394753000914
التاريخ: 1443/5/22

وثيقة تملك عقار

المملكة العربية السعودية
Kingdom of Saudi Arabia




البيانات الأساسية

رقم الوثيقة	394753000914	طرح الوثيقة	1445/5/22
النوع	مربعون	المساحة (م ²)	16,965.77
تاريخ الوثيقة السابقة	1444/11/12	رقم الوثيقة السابقة	330208016720
نوع الصلة	مقتلة بوسيل		

التقديرات

الحد	المساحة المأخوذة	رقم المئونة	نوع الاستخدام
مربعون	بنك الجزيرة	7000120712	236,111,111.1 دس

الملاك

رقم الهوية	الاسم	نسبة التملك
7001902688	الشركة السعودية للاقتصاد والتنمية لصناديق العقارية	100 %

المقار

رقم الهوية العقارية	نوع المقار	مساحة المقار (م ²)	نوع الاستخدام
لا يوجد	للمسكن الأرض	16,965.77	لا يوجد

المرجع	نوع المقار
لا يوجد	نوع المقار

رقم القسمة	رقم السجل	الحي	البلدية
4 / 12	2 / 356	العري	البحر

الحسابات

الحجم	النوع	وصف الحد	المساحة (م ²)
شمالاً	شارع	عرض 20 متر	31.00 × 7.22 + 7.22 × 7.22 + 7.22 × 7.22 + 7.22 × 7.22 = 28.546
جنوباً	شارع	عرض 20 متر	157.85
شرقاً	شارع	عرض 20 متر	111
غرباً	شارع	الأحد 60 متر	170.5

محرر هذه الوثيقة من وزارة العدل بحسب المخطط من يدها ويرد لها من جهات مصلحة الخدمة العقارية

المساحة: 1 من 1

5.2 Real Estate Valuation License

رقم الترخيص : 13093

تاريخ الإصدار : 1437/08/02 هـ

تاريخ الانتهاء : 1452/10/20 هـ

رقم نسخة الترخيص : 3



الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

ترخيص مزاولة مهنة التقييم

(العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاولة مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي

م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق من بياناتها عبر رمز QR أو بزيارة موقع الهيئة



الجمعية العامة
General Assembly
TAGEEM



نابيل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

Membership Type: Associated
Membership No: 1210002782
ID No: 1014179931
Membership Exp: 2026-12-31

نوع العضوية: مشترك
رقم العضوية: 1210002782
رقم الهوية الوطنية: 1014179931
تاريخ الانتهاء: 2026-12-31

معلومات على شبكة الإنترنت
أخبره من العضول رقم 1210002782
على الإنترنت



الجمعية العامة
General Assembly
TAGEEM



عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHOSAINI

Membership Type: Man
Membership No: 1210000474
ID No: 1044275947
Membership Exp: 2026-12-31

نوع العضوية: انثى
رقم العضوية: 1210000474
رقم الهوية الوطنية: 1044275947
تاريخ الانتهاء: 2026-12-31

معلومات على شبكة الإنترنت
أخبره من العضول رقم 1210000474
على الإنترنت



الجمعية العامة
General Assembly
TAGEEM



فراح عصام محمد الحسيني
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Membership Type: Associated
Membership No: 1210001964
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Membership Exp: 2026-12-31

نوع العضوية: مشترك
رقم العضوية: 1210001964
رقم الهوية الوطنية: 1096474196
تاريخ الانتهاء: 2026-12-31

معلومات على شبكة الإنترنت
أخبره من العضول رقم 1210001964
على الإنترنت



الجمعية العامة
General Assembly
TAGEEM



ريما خالد سليمان الزحيان
REEMA KHALID SULAIMAN ALZHAYANI

Membership Type: Associated
Membership No: 1210004667
ID No: 1116036624
Membership Exp: 2026-12-31

نوع العضوية: انثى
رقم العضوية: 1210004667
رقم الهوية الوطنية: 1116036624
تاريخ الانتهاء: 2026-12-31

معلومات على شبكة الإنترنت
أخبره من العضول رقم 1210004667
على الإنترنت



Shaping visions

Building values





WHITE **CUBES**

REAL ESTATE VALUATION REPORT

SEDCO Capital

SEDCO REIT Fund

Al Hamra Plaza

March 2026

REF: 25-0561
Code: 1682066
Date: 30/03/2026

Subject: Valuation Report for Al Hamra Plaza – Riyadh City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02sc December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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WHITE **CUBES**

EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	1682066
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Inclusion in financial statements.
Subject Property	Commercial project.
Property Location	Al Mansourah district, Riyadh City.
Title Deed No.	399181002149
Title Deed Date	08/05/1445
Ownership Type	Title deed-restricted
Limitations	Mortgaged to Bank Al Jazira.
Owner	Saudi Company for Economics and Development of Real Estate Funds.
Land Use	Commercial.
Land Area (Sqm)	21,120.98 Sqm
BUA (Sqm)	13,012 Sqm.
GLA (Sqm)	9,651 Sqm.
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income approach, DCF method.
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 68,100,000
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	07/12/2025



WHITE **CUBES**
SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Inclusion in Financial Statements**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (﷼) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permits.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have been mortgaged to Bank AL Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 8.5%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 9.5%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
6. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
7. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
8. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
9. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
10. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 07/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is a commercial project located in Al Mansourah district, Riyadh city, Saudi Arabia. The property's title deed and construction permit confirm the following:

- Total Land Area: 21,120 square meters.
- Total Built-Up Area (BUA): 13,012 square meters.

During the site inspection conducted for the purpose of valuation, it was observed that the property is open from 3 sides, the property features a direct view of Al Bathaa Street from the west side.

2.2 Ease of Access

The access level of the subject property is classified as high due to its location on Al Bathaa Street.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
24°36'14.06"N 46°43'58.47"E	
JP3J+WX5, Al Mansourah, Riyadh 12684	
Google Maps	

2.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	2,750 Sqm
District	Al Mansourah	Plot No.	56
T.D Type	Electronic	Block No.	---
T.D Number	399181002149	Layout No.	2303
T.D Date	08/05/1445	Ownership Type	Mortgage
Owner	Saudi Company for Economics and Development of Real Estate Funds	Limitation of Document	Mortgaged to Bank Al Jazira
Issued From	Mistry of justice		
North Side	Privet property	East Side	Privet property
South Side	Privet property	West Side	Street 40m width

City	Riyadh	Land Area	8,250 Sqm
District	Al Mansourah	Plot No.	55/57/59
T.D Type	Electronic	Block No.	---
T.D Number	399181002151	Layout No.	2303
T.D Date	08/05/1445	Ownership Type	Mortgage
Owner	Saudi Company for Economics and Development of Real Estate Funds	Limitation of Document	Mortgaged to Bank Al Jazira
Issued From	Mistry of justice		
North Side	Privet property	East Side	Privet property
South Side	Privet property	West Side	Street 40m width

City	Riyadh	Land Area	2,750 Sqm
District	Al Mansourah	Plot No.	60
T.D Type	Electronic	Block No.	---
T.D Number	999181002156	Layout No.	2303
T.D Date	08/05/1445	Ownership Type	Mortgage
Owner	Saudi Company for Economics and Development of Real Estate Funds	Limitation of Document	Mortgaged to Bank Al Jazira
Issued From	Mistry of justice		
North Side	Privet property	East Side	Privet property
South Side	Privet property	West Side	Street 40m width

City	Riyadh	Land Area	4,620 Sqm
District	Al Mansourah	Plot No.	61/62
T.D Type	Electronic	Block No.	---
T.D Number	499181002153	Layout No.	2303
T.D Date	08/05/1445	Ownership Type	Mortgage
Owner	Saudi Company for Economics and Development of Real Estate Funds	Limitation of Document	Mortgaged to Bank Al Jazira
Issued From	Mistry of justice		
North Side	Privet property	East Side	Privet property
South Side	Privet property	West Side	Street 40m width

City	Riyadh	Land Area	2,750 Sqm
District	Al Mansourah	Plot No.	58
T.D Type	Electronic	Block No.	---
T.D Number	799181002154	Layout No.	2303
T.D Date	08/05/1445	Ownership Type	Mortgage
Owner	Saudi Company for Economics and Development of Real Estate Funds	Limitation of Document	Mortgaged to Bank Al Jazira
Issued From	Mistry of justice		
North Side	Privet property	East Side	Privet property
South Side	Privet property	West Side	Street 40m width

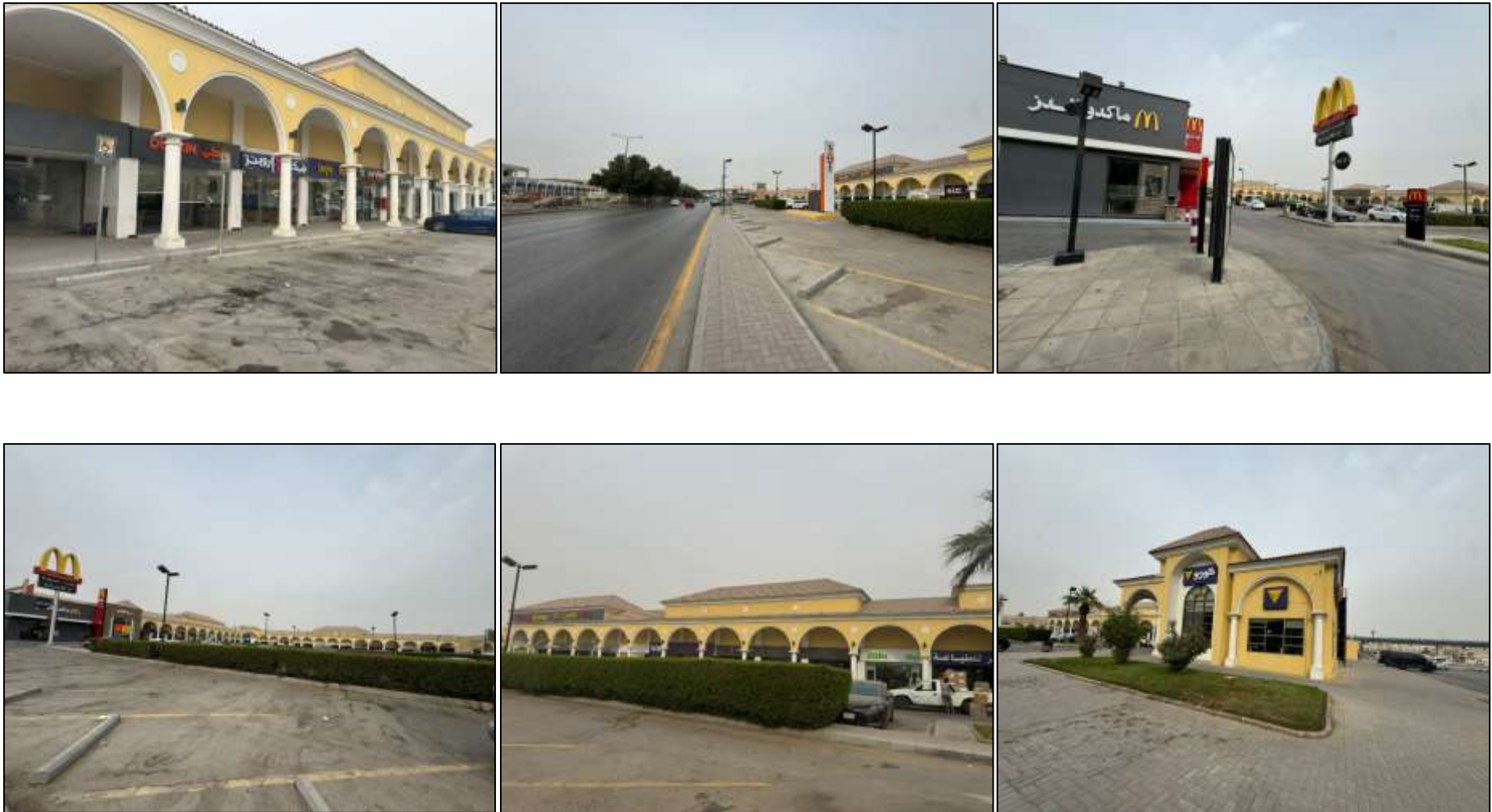
2.6 Construction Permit

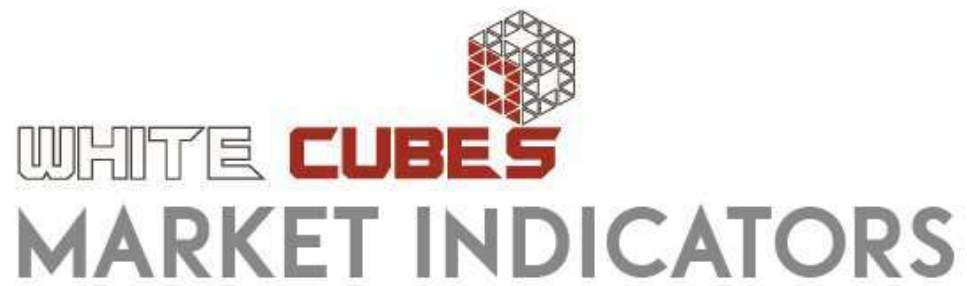
The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	Adding to building plans	Built-Up Area (BUA)	13,130.7
Property Type	Commercial complex	Actual Age	14
Construction Permit No.	1430/5021	State of Property	Fully Constructed
Construction Permit Date	18/04/1430	Completion Rate	100%

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.

2.7 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

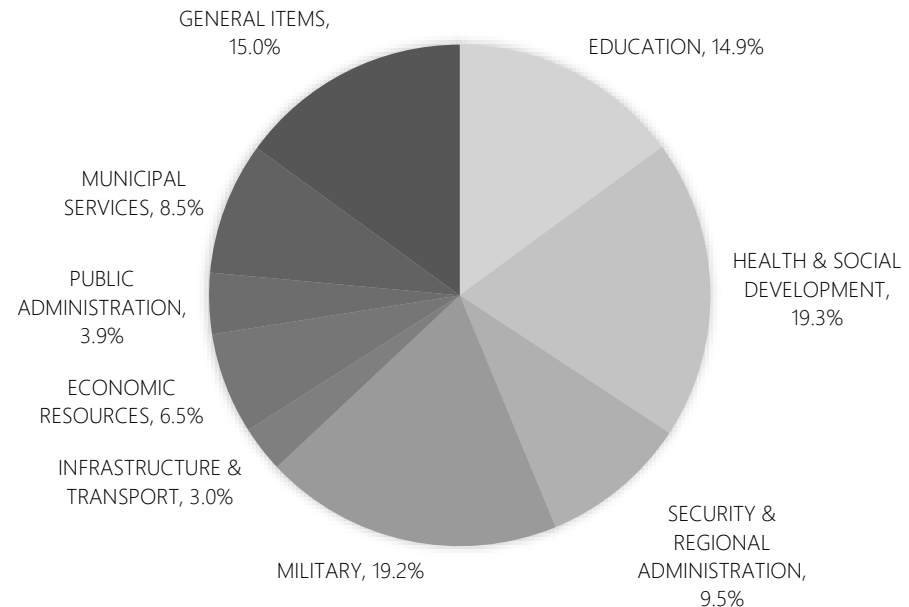
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	ﷲ 53.00	bn
Military Sector	ﷲ 259.00	bn
Security and Regional Administration Sector	ﷲ 128.00	bn
Municipal Services Sector	ﷲ 115.00	bn
Education Sector	ﷲ 201.00	bn
Health and Social Development Sector	ﷲ 260.00	bn
Economic Resources Sector	ﷲ 88.00	bn
Infrastructure and Transportation Sector	ﷲ 40.00	bn
General Items	ﷲ 202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	5 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **26 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
-  Indicator showing an increase in the current performance compared to last year
-  Indicator showing a stable position in the current performance compared to last year

Overall Sector Performance

From 2023 to 2024	Future Expectations
	
Values of Lands Related to The Sector	
From 2023 to 2024	Future Expectations
	
Sector Demand	
From 2023 to 2024	Future Expectations
	
Sector's occupancy ratios	
From 2023 to 2024	Future Expectations
	

Overall Sector Stability

From 2023 to 2024	Future Expectations
	
Sector rental Income	
From 2023 to 2024	Future Expectations
	
Investors' Appetite	
From 2023 to 2024	Future Expectations
	
Sectors Positive Changes	
From 2023 to 2024	Future Expectations
	

White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, the Discounted Cash Flow (DCF) method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.5% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	117,000,000.00	27,500,000.00	92,500,000.00
NOI	9,360,000	2,337,500	8,325,000
Cap Rate	8.00%	8.50%	9.00%
Average Cap Rate	8.50%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	5.0%	Source	SAMA
Inflation Rate%	2.0%		GASTAT
Market Risk Premium%	3.0%		Trading Economics
Company-specific Risk Premium %	1.5%		Team's experience.
Discount Rate%	9.50%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030
		0	1	2	3	4	5
Inflation		0%	0%	0%	0%	0%	0%
Expected Revenue							
Commercial complex	Sqm	9,651	9,651	9,651	9,651	9,651	9,651
Rate (SAR)	SAR	574	574	574	574	574	574
Total	SAR	5,432,000	5,539,674	5,539,674	5,539,674	5,539,674	5,539,674
Overall Revenues		5,432,000	5,539,674	5,539,674	5,539,674	5,539,674	5,539,674
Vacancy and Credit Loss							
Commercial complex	0.0%	0	0	0	0	0	0
Total		0	0	0	0	0	0
Effective Rental Income		5,432,000	5,539,674	5,539,674	5,539,674	5,539,674	5,539,674
Expenses							
OpEx	0.0%	0	0	0	0	0	0
CapEx	0.0%	0	0	0	0	0	0
Overall Expenses		0	0	0	0	0	0
NOI		5,432,000	5,539,674	5,539,674	5,539,674	5,539,674	5,539,674
Terminal Value	8.5%						65,172,635
Discount Rate	9.5%	1.00	0.91	0.83	0.76	0.70	0.64
Present Value		5,432,000	5,059,063	4,620,149	4,219,314	3,853,255	44,918,415
Net Present Value							68,100,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **ﷲ 68,100,000.00**
Sixty-Eight Million One Hundred Thousand Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
 President



Fellow Member of (RE Valuation)
 License No. 1210000474

Nabeel M. Al Husaini
 CEO



Member of (RE Valuation)
 License No. 1210002782

Farah E. Al Husaini
 Valuation Manager



Member of (RE Valuation)
 License No. 1210001964

Reema K. Al Dhayan
 Asst. Manager



Fellow Member of (RE Valuation)
 License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



DOCUMENT

Documents Received

5.1 Title deeds and construction permit.



الرقم: 99918002134
التاريخ: 1443/5/8

وثيقة مملك عقار




البيانات الأساسية

1443/5/8	تاريخ الوثيقة	999181002134	رقم الوثيقة
عقار	النسبة	الرقم وحدة 8	المصدر
مربعون	القيمة	2,750	المساحة (م²)
1443/5/2	تاريخ الوثيقة السابقة	592759000188	رقم الوثيقة السابقة
		مملكة البحرين	نوع المساحة

التقويم

تاريخ الاستحقاق	قيمة الفرض	رقم السداد	قيمة الرافعة
	11,336,381 ريال	7880128712	بكال العمرة

الملك

نسبة الملك	الاسم	رقم القيمة
100 %	الشركة السعودية للاستثمار والتمويل العقاري	7091901888

العقار

نوع الاستخدام	مساحة العقار (م ²)	نوع العقار	رقم القيمة العقارية
لا يوجد	2,750	عقار الأرض	لا يوجد
		الترقيم	
		لا يوجد	لا يوجد
		رقم المنطقة	
الحدائق	الحي	23.5	60
الرياض	المعمورة		

الطرق (م²)

الحد	الرقم	وصف الحد	الطريق (م ²)
شمالا	عقار	رقم 58	58
جنوبا	عقار	رقم 62	58
شرقا	عقار	رقم 60	50
غربا	شارع	عرض القدم	50



الرقم: 443/15/8
التاريخ: 1443/15/8

وثيقة تملك عقار




البيانات الأساسية

443/15/8	رقم الوثيقة	499181002755	رقم الوثيقة
فيل	المكان	الموقع بحد 6	المصدر
مرحون	العدد	4,620	السلطة (م)
443/15/2	تاريخ الوثيقة السابقة	793724000286	رقم الوثيقة السابقة
	ملفها بحد		نوع الملكية

التقيد

تاريخ الاستحقاق	الحصة الممنوعة	رقم السجل	الحصة الممنوعة
	بحد 11,136,381	7880128712	بحد الممنوعة

الملكان

رقم الوثيقة	الاسم	الحصة الممنوعة	الحصة الممنوعة
7981902488	الشركة السعودية للتأمين والتأمين والتأمين	100 %	الحصة الممنوعة

عقار 1 من 2

رقم الوثيقة الحالية	نوع العقار	مساحة العقار (م)	نوع الاستعداد
لا يوجد	الحصة الأرض	-	لا يوجد
البيع	نوع العقار	لا يوجد	لا يوجد
رقم الوثيقة	رقم السجل	الحصة الممنوعة	الحصة الممنوعة
41	2393	الحصة الممنوعة	الحصة الممنوعة

العقار (م)

الحصة الممنوعة	الحصة الممنوعة	الحصة الممنوعة	الحصة الممنوعة
الحصة الممنوعة	الحصة الممنوعة	الحصة الممنوعة	الحصة الممنوعة
الحصة الممنوعة	الحصة الممنوعة	الحصة الممنوعة	الحصة الممنوعة
الحصة الممنوعة	الحصة الممنوعة	الحصة الممنوعة	الحصة الممنوعة

ملاحظات

ملاحظات: هذا الوثيقة هي الوثيقة الحالية، وذلك على أساس ما ورد في الوثيقة السابقة، وذلك على أساس ما ورد في الوثيقة السابقة، وذلك على أساس ما ورد في الوثيقة السابقة.

 	رقب 1441/002104 التاريخ: 1441/5/9		وثيقة تملك عقار		البيانات الأساسية		
	رقم الوثيقة المصدر الاستاذ (م) رقم الوثيقة السابقة نوع المساحة	رقم الوثيقة المساحة القيمة تاريخ الوثيقة السابقة	رقم المساحة رقب المساحة نوع المساحة	رقب المساحة رقب المساحة نوع المساحة	رقب المساحة رقب المساحة نوع المساحة	رقب المساحة رقب المساحة نوع المساحة	رقب المساحة رقب المساحة نوع المساحة
التقديرات							
القيمة المضافة		القيمة المضافة		القيمة المضافة		القيمة المضافة	
مبلغ		مبلغ		مبلغ		مبلغ	
1441/002104		1441/002104		1441/002104		1441/002104	
التفاصيل							
رقم الوثيقة		الاسم		نوع الوثيقة		نوع الوثيقة	
رقب		رقب		رقب		رقب	
1441/002104		1441/002104		1441/002104		1441/002104	
التقديرات							
رقم الوثيقة		الاسم		نوع الوثيقة		نوع الوثيقة	
رقب		رقب		رقب		رقب	
1441/002104		1441/002104		1441/002104		1441/002104	
التقديرات							
رقم الوثيقة		الاسم		نوع الوثيقة		نوع الوثيقة	
رقب		رقب		رقب		رقب	
1441/002104		1441/002104		1441/002104		1441/002104	
التقديرات							
رقم الوثيقة		الاسم		نوع الوثيقة		نوع الوثيقة	
رقب		رقب		رقب		رقب	
1441/002104		1441/002104		1441/002104		1441/002104	
التقديرات							
رقم الوثيقة		الاسم		نوع الوثيقة		نوع الوثيقة	
رقب		رقب		رقب		رقب	
1441/002104		1441/002104		1441/002104		1441/002104	
التقديرات							
رقم الوثيقة		الاسم		نوع الوثيقة		نوع الوثيقة	
رقب		رقب		رقب		رقب	
1441/002104		1441/002104		1441/002104		1441/002104	
التقديرات							
رقم الوثيقة		الاسم		نوع الوثيقة		نوع الوثيقة	
رقب		رقب		رقب			

[illegible]



رقم: 009181002149
التاريخ: 1443/5/8
وثيقة تملك عقار



البيانات الأساسية

1443/5/8	تاريخ الوثيقة	009181002149	رقم الوثيقة
محل	المكان	الرقائق بعدد 8	المصدر
مخرج	المخرج	2,750	المساحلة (م ²)
1443/9/2	تاريخ الوثيقة السابقة	102739000180	رقم الوثيقة السابقة
		مساحة بتسوي	نوع المساحة

القيود

رقم الاستحقاق	قيمة الرهن	رقم المسند	قيمة الامتياز
	92,336,381 ريال	7868120712	ملك الجور

المللاك

نسبة المسند	الاسم	رقم الهوية
100 %	الشركة السعودية للاستثمار والتمويل العقاري	7103503488

العقار

نوع الاستعمال	مساحة العقار (م ²)	نوع العقار	رقم الهوية العقارية
لا يوجد	3,750	ملك الأرض	لا يوجد
		الترسيم	
		مواضع العقار	
		لا يوجد	
		رقم المسند	رقم المساحة
المدينة	الحي	2303	96
الناقص	المستوية		

القيود (م²)

القيود (م ²)	وصف القيد	النوع	الحد
55	رقم 54	عامة	شمالا
55	رقم 58	عامة	جنوبا
50	رقم 55	عامة	شرقا
50	عرض 4م	شوارع	غربا



الرقم: 399181002131
التاريخ: 1443/3/8

وثيقة تملك عقار



المملكة العربية السعودية
Kingdom of Saudi Arabia

البيانات الأساسية

1443/3/8	تاريخ الوثيقة	399181002131	رقم الوثيقة
عقار	النوع	المقابل بمدة 6	المصدر
مهرجن	الموقع	8,290	المساحات (م ²)
1443/3/2	تاريخ الوثيقة السابقة	783750060194	رقم الوثيقة السابقة
		مقتضى بصري	نوع السجل

التقارير

تاريخ الاستحقاق	الجهة (من)	رقم السند	الجهة (إلى)
	رئيس	7008120712	بنك الميزرة
	11,236,381		مهرجن

الملك

تسمية السند	الاسم	رقم الهوية	
100 %	شركة السعودية للصناعات والتجارة العامة	7004963088	

خارطة 1 من 3

نوع الإستخدام	مساحة العقار (م ²)	نوع العقار	رقم الهوية العقارية
لا يوجد	-	قطعة الأرض	لا يوجد
		الطريق	لا يوجد
		نوع الطريق	لا يوجد
		لا يوجد	لا يوجد
المدنية	النوع	رقم المنطقة	رقم المنطقة
الرياض	المنصورة	2303	55

العدد	الترتيب	وصف الحد	الملاحظات (م ²)
شمالاً			
جنوباً			
شرقاً			
غرباً			

ملاحظة: هذه الوثيقة هي وثيقة تملك عقار من مملكة العربية السعودية. هذه الوثيقة هي وثيقة تملك عقار من مملكة العربية السعودية. هذه الوثيقة هي وثيقة تملك عقار من مملكة العربية السعودية.

5.2 Real Estate Valuation License

رقم الترخيص : 13093

تاريخ الإصدار : 1437/08/02 هـ

تاريخ الانتهاء : 1452/10/20 هـ

رقم نسخة الترخيص : 3



الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

ترخيص مزاوله مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاولة مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة








نابيل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

Membership Type:	نوع العضوية:
Associated	مستند
Membership No:	رقم العضوية:
1210002782	1210002782
ID No:	رقم الهوية الوطنية:
1014179931	1014179931
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص






عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHOSAINI

Membership Type:	نوع العضوية:
Man	مستند
Membership No:	رقم العضوية:
1210000474	1210000474
ID No:	رقم الهوية الوطنية:
1044275947	1044275947
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص






فراح عصام محمد الحسيني
FARAH ESSAM MOHAMMED ALHUSAYNI

Membership Type:	نوع العضوية:
Associated	مستند
Membership No:	رقم العضوية:
1210001964	1210001964
ID No:	رقم الهوية الوطنية:
1096474196	1096474196
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص






ريما خالد سليمان الذويان
REEMA KHALID SULAIMAN ALDHAYAN

Membership Type:	نوع العضوية:
Associated	مستند
Membership No:	رقم العضوية:
1210004667	1210004667
ID No:	رقم الهوية الوطنية:
1116036824	1116036824
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص

Shaping visions

Building values



SEDCO Capital

SEDCO REIT Fund

Amjad School

March 2026

REF: 25-0561
Code: 1682046
Date: 30/03/2026

Subject: Valuation Report for Amjad School – Riyadh City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02 December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	1682046
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Inclusion in financial statements.
Subject Property	School.
Property Location	Qurtoba district, Riyadh City.
Title Deed No.	399684003635
Title Deed Date	09/05/1445
Ownership Type	Title deed restricted.
Limitations	Mortgage to Bank AL Jazira.
Owner	Saudi Economic and Development Company for Real Estate Funds.
Land Use	Education.
Land Area (Sqm)	14,300 Sqm
BUA (Sqm)	34,213 Sqm.
GLA (Sqm)	32,344Sqm.
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income approach, DCF method.
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 120,400,000.00
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	07/12/2025



WHITE **CUBES**

SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Inclusion in Financial Statements**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (ﷲ) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permits.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have been mortgaged to Bank AL Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 8%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 9%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
6. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
7. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
8. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
9. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
10. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 07/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is a school located in Qurtoba district, Riyadh city, Saudi Arabia. The property's title deed and construction permit confirm the following:

- Total Land Area: 14,300.00 square meters.
- Total Built-Up Area (BUA): 34,213.00 square meters.

During the site inspection conducted for the purpose of valuation, it was observed that the property is open from 4 sides, the property features near northern Ring Road.

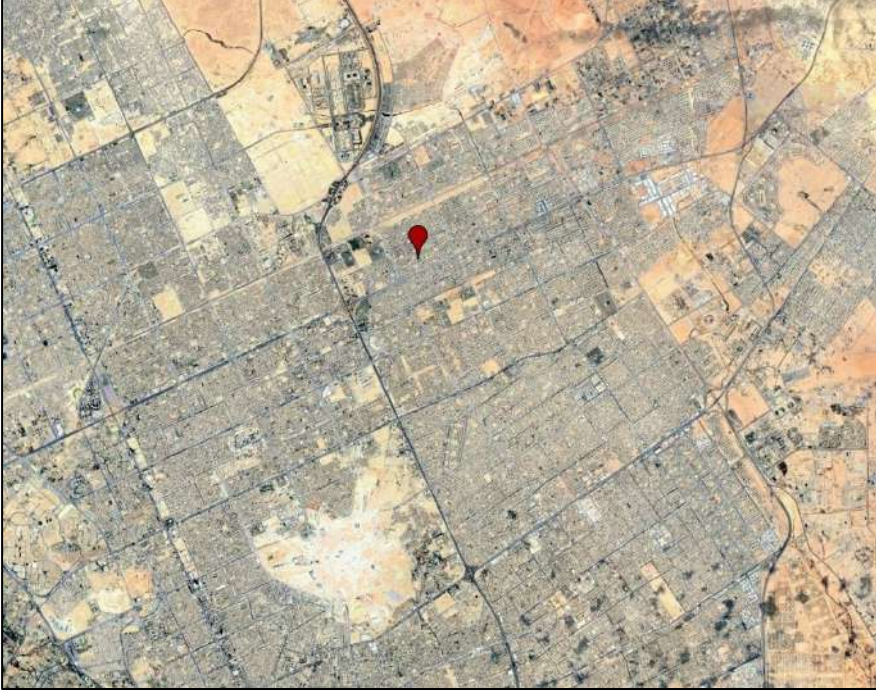
2.2 Ease of Access

The access level of the subject property is classified as moderate due to its location on Raya street.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
24°48'22.68"N 46°44'42.95"E	
Rayah, Qurtubah, Qurtubah, Riyadh 13245	
Google Maps	

2.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	14,300 Sqm
District	Qurtubah	Plot No.	485 to 504
T.D Type	Electronic	Block No.	---
T.D Number	399684003635	Layout No.	1822
T.D Date	09/05/1446	Ownership Type	Mortgage
Owner	Saudi Economic and Development Company for Real Estate Funds	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	Street 20m width	East Side	Street 36m width
South Side	Street 30m width	West Side	Street 20m width

2.6 Construction Permit

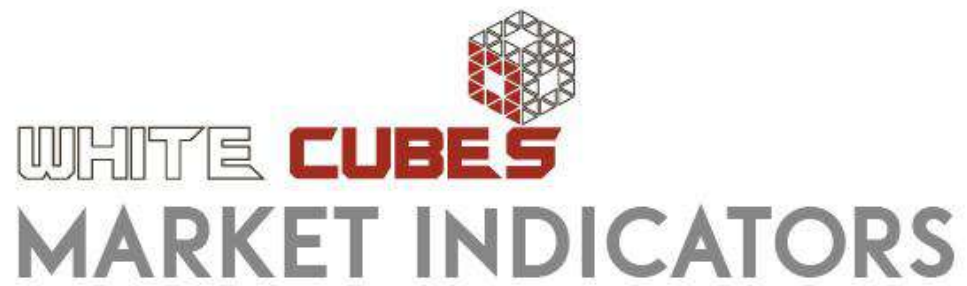
The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	New Permit	Built-Up Area (BUA)	34,213
Property Type	School complex	Actual Age	12
Construction Permit No.	1432/11017	State of Property	Fully Constructed
Construction Permit Date	15/01/1432	Completion Rate	100%

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.

2.7 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

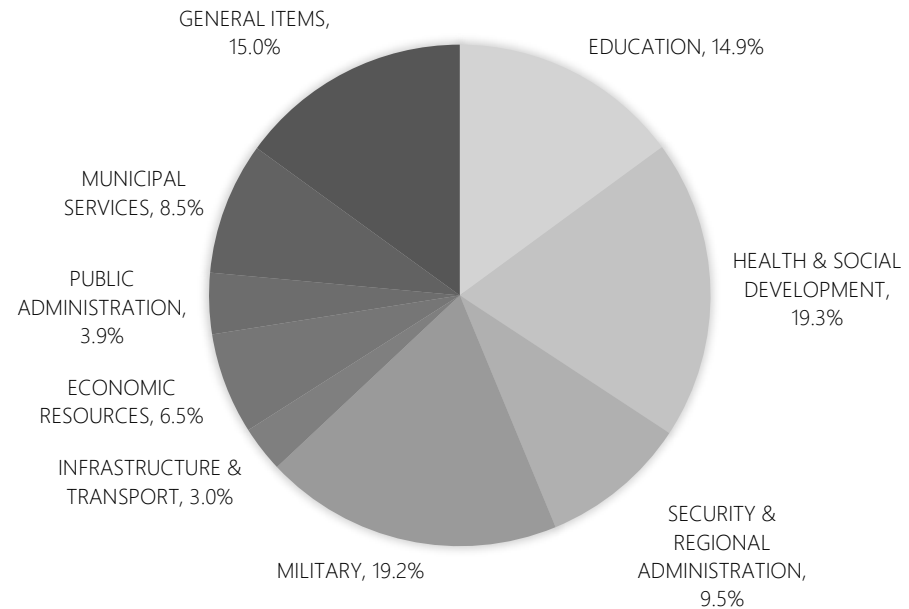
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	-0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	ﷲ 53.00	bn
Military Sector	ﷲ 259.00	bn
Security and Regional Administration Sector	ﷲ 128.00	bn
Municipal Services Sector	ﷲ 115.00	bn
Education Sector	ﷲ 201.00	bn
Health and Social Development Sector	ﷲ 260.00	bn
Economic Resources Sector	ﷲ 88.00	bn
Infrastructure and Transportation Sector	ﷲ 40.00	bn
General Items	ﷲ 202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	5 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

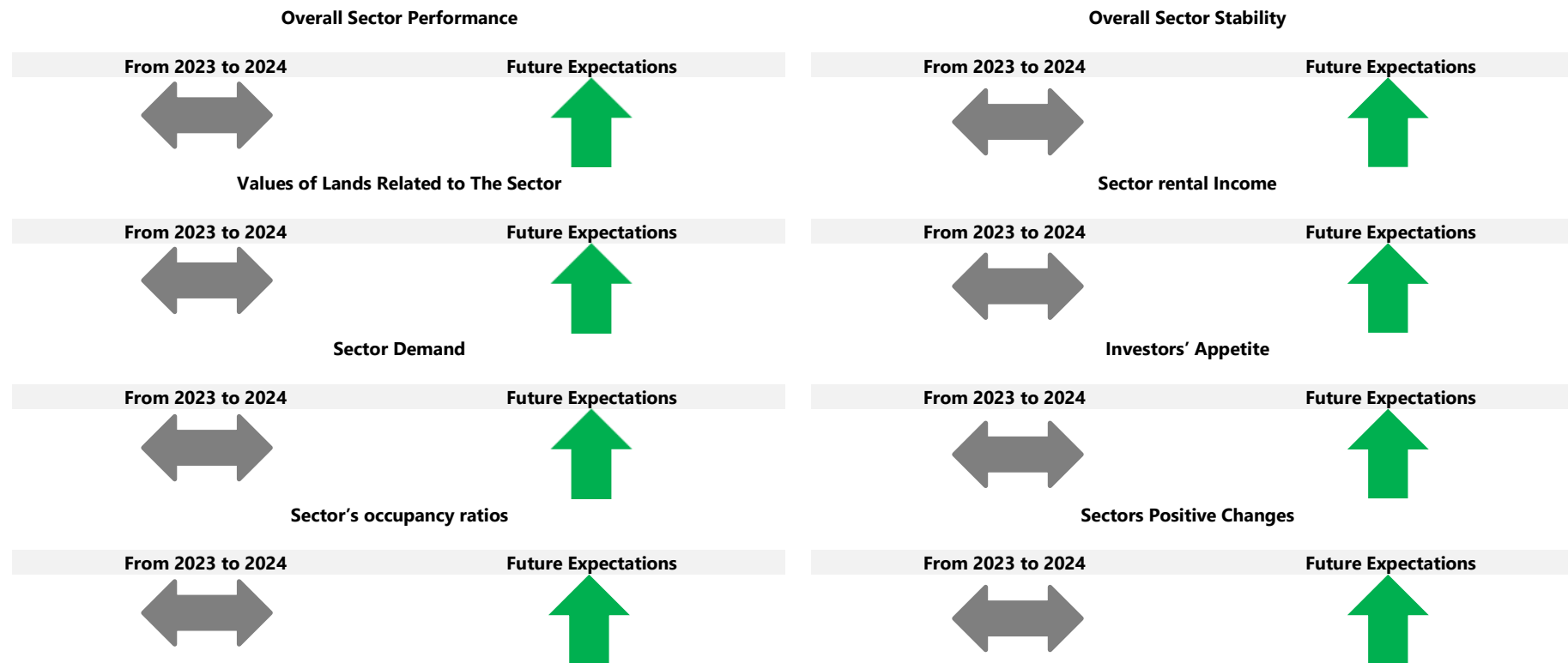
Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **26 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
-  Indicator showing an increase in the current performance compared to last year
-  Indicator showing a stable position in the current performance compared to last year



White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, the Income approach, DCF method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale price	65,000,000.00	60,000,000.00	102,000,000.00
NOI	5,200,000	4,800,000	8,160,000
Cap Rate	8.00%	8.00%	8.00%
Avreage Cap Rate	8.00%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	5.0%	Source	SAMA
Inflation Rate%	2.0%		GASTAT
Market Risk Premium%	2.5%		Trading Economics
Company-specific Risk Premium %	1.5%		Team's experience.
Discount Rate%	9.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030	2031	2032	2033
		0	1	2	3	4	5	6	7	8
Inflation		0%	0%	0%	0%	0%	7%	0%	0%	0%
Expected Revenue										
Educational Complex	Sqm	14,300	14,300	14,300	14,300	14,300	14,300	14,300	14,300	14,300
Rate (SAR)	SAR	624	624	624	624	624	669	669	669	669
Total	SAR	8,923,279	8,923,279	8,923,279	8,923,279	8,923,279	9,560,656	9,560,656	9,560,656	9,560,656
Overall Revenues		8,923,279	8,923,279	8,923,279	8,923,279	8,923,279	9,560,656	9,560,656	9,560,656	9,560,656
Vacancy and Credit Loss										
Educational Complex	0.0%	0	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0	0
Effective Rental Income		8,923,279	8,923,279	8,923,279	8,923,279	8,923,279	9,560,656	9,560,656	9,560,656	9,560,656
Expenses										
OpEx	0.0%	0	0	0	0	0	0	0	0	0
CapEx	2.0%	178,466	178,466	178,466	178,466	178,466	191,213	191,213	191,213	191,213
Overall Expenses		178,466	178,466	178,466	178,466	178,466	191,213	191,213	191,213	191,213
NOI		8,744,813	8,744,813	8,744,813	8,744,813	8,744,813	9,369,443	9,369,443	9,369,443	9,369,443
Terminal Value	8.0%									
Discount Rate	9.0%	1.00	0.92	0.84	0.77	0.71	0.65	0.60	0.55	0.50
Present Value		8,744,813	8,022,765	7,360,335	6,752,600	6,195,046	6,089,495	5,586,693	5,125,406	4,702,207
Net Present Value										

Discounted Cash Flows		2034	2035	2036	2037	2038	2039	2040	2041
		9	10	11	12	13	14	15	16
Inflation		0%	7%	0%	0%	0%	0%	7%	0%
Expected Revenue									
Educational Complex	Sqm	14,300	14,300	14,300	14,300	14,300	14,300	14,300	14,300
Rate (SAR)	SAR	669	716	716	716	716	716	767	767
Total	SAR	9,560,656	10,243,560	10,243,560	10,243,560	10,243,560	10,243,560	10,975,243	10,975,243
Overall Revenues		9,560,656	10,243,560	10,243,560	10,243,560	10,243,560	10,243,560	10,975,243	10,975,243
Vacancy and Credit Loss									
Educational Complex	0.0%	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
Effective Rental Income		9,560,656	10,243,560	10,243,560	10,243,560	10,243,560	10,243,560	10,975,243	10,975,243
Expenses									
OpEx	0.0%	0	0	0	0	0	0	0	0
CapEx	2.0%	191,213	204,871	204,871	204,871	204,871	204,871	219,505	219,505
Overall Expenses		191,213	204,871	204,871	204,871	204,871	204,871	219,505	219,505
NOI		9,369,443	10,038,689	10,038,689	10,038,689	10,038,689	10,038,689	10,755,738	10,755,738
Terminal Value	8.0%								134,446,727
Discount Rate	9.0%	0.46	0.42	0.39	0.36	0.33	0.30	0.27	0.25
Present Value		4,313,952	4,240,451	3,890,322	3,569,102	3,274,406	3,004,042	2,952,859	36,572,110
Net Present Value									120,400,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **ﷲ 120,400,000.00**
One Hundred Twenty Million Four Hundred Thousand Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Reema K. Al Dhayan
Asst. Manager



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



WHITE **CUBES**
DOCUMENTS

DOCUMENT

5.1 Title deeds and construction permit.



الرقم: 399684003635
التاريخ: 1445/5/9

وثيقة تملك عقار

Real Estate Market
سوق العقارات



البيانات الأساسية

رقم الوثيقة	399684003635	تاريخ الوثيقة	1445/5/9
المصدر	الوقوف بالرياس	الحالة	فعل
المساحة (م²)	14,300	القيود	مرهون
رقم الوثيقة السابقة	310122049152	تاريخ الوثيقة السابقة	1443/10/23
نوع العملة	عملة سعودي		

القيود

التيد	الجهة الراحة	رقم المنشأة	قيمة الزمن	تاريخ الاستحقاق
مرهون	بنك الجزيرة	7000126712	ر.س 88,606,115.56	

الملاك

رقم الهوية	الاسم	نسبة المالك
7001902688	الشركة السعودية للتجارة والتنمية للمصارف المالية	100 %

عقار 1 من 20

رقم الهوية العقارية	نوع العقار	مساحة العقار (م²)	نوع الاستخدام
لا يوجد	قطعة الأرض	625	لا يوجد
الموقع	نموذج العقار		
لا يوجد	لا يوجد		
رقم المنطقة	رقم المخطط	الحي	المدينة
486	1822	قرنية	الرياس

الحد

الحد	النوع	وصف الحد	الطول (م)
شمالا			
جنوبا			
شرقا			
غربا			

[illegible]

5.2 Real Estate Valuation License

تقييم
TAQEEM
الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

رقم الترخيص : 13093
تاريخ الإصدار : 1437/08/02 هـ
تاريخ الإنتهاء : 1452/10/20 هـ
رقم نسخة الترخيص : 3

ترخيص مزاوله مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاوله مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة



التقييم العقاري Real Estate Valuation

التقييم العقاري Real Estate Valuation

نابيل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

Membership Type: Associated
Membership No: 1210002782
ID No: 1014178931
Membership Exp: 2026-12-31

نوع العضوية : مشترك
رقم العضوية : 1210002782
رقم الهوية \ الإقامة : 1014178931
تاريخ الانتهاء : 2026-12-31

مستند على شهادة الزيادة
تتميز من التفاصيل برقم الإطلاع
على البرنامج

التقييم العقاري Real Estate Valuation

التقييم العقاري Real Estate Valuation

عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHOSAINI

Membership Type: Main
Membership No: 1210000474
ID No: 1044275947
Membership Exp: 2026-12-31

نوع العضوية : أساسي
رقم العضوية : 1210000474
رقم الهوية \ الإقامة : 1044275947
تاريخ الانتهاء : 2026-12-31

مستند على شهادة الزيادة
تتميز من التفاصيل برقم الإطلاع
على البرنامج

التقييم العقاري Real Estate Valuation

التقييم العقاري Real Estate Valuation

فرح عصام محمد الحسيني
FARAH ESSAM MOHAMMED ALHUSAYNI

Membership Type: Associated
Membership No: 1210001964
ID No: 1090474196
Membership Exp: 2026-12-31

نوع العضوية : مشترك
رقم العضوية : 1210001964
رقم الهوية \ الإقامة : 1090474196
تاريخ الانتهاء : 2026-12-31

مستند على شهادة الزيادة
تتميز من التفاصيل برقم الإطلاع
على البرنامج

التقييم العقاري Real Estate Valuation

التقييم العقاري Real Estate Valuation

ريما خالد سليمان الضحيان
REEMA KHALID SULAIMAN ALDHAYAN

Membership Type: Associated
Membership No: 1210004007
ID No: 1116638824
Membership Exp: 2026-12-31

نوع العضوية : مشترك
رقم العضوية : 1210004007
رقم الهوية \ الإقامة : 1116638824
تاريخ الانتهاء : 2026-12-31

مستند على شهادة الزيادة
تتميز من التفاصيل برقم الإطلاع
على البرنامج

Shaping visions

Building values





WHITE **CUBES**

REAL ESTATE VALUATION REPORT

SEDCO Capital

SEDCO REIT Fund

Atelier La Vie

March 2026

REF: 25-0561
Code: 1682083
Date: 30/03/2026

Subject: Valuation Report for Commercial Project – Jeddah City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02nd December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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WHITE **CUBES**

EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	1682083
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Accounting Purposes.
Subject Property	Commercial project.
Property Location	Ash Shati district, Jeddah City.
Title Deed No.	420208037288 / 320208037287
Title Deed Date	03/12/1444
Ownership Type	Free hold
Limitations	None.
Owner	Saudi Company for Economics and Development of Real Estate Funds.
Land Use	Commercial.
Land Area (Sqm)	29,745.70 Sqm
BUA (Sqm)	27,489.58 Sqm.
GLA (Sqm)	21,428 Sqm.
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income Approach, Discounted Cash Flow method (DCF)
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 515,000,000
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	08/12/2025



WHITE **CUBES**

SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Accounting Purposes**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (ﷲ) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permit.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have absolute ownership, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 7%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 9%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
6. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
7. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
8. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
9. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
10. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 08/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is a commercial project located in Ash Shati district, Jeddah city, Saudi Arabia. The property's title deed and construction permit confirm the following:

- Total Land Area: 29,745.70 square meters.
- Total Built-Up Area (BUA): 27,489.58 square meters.

During the site inspection conducted for the purpose of valuation, it was observed that the property is open from 4 sides, the property features a direct view of King Abdul Aziz Street from the east side.

2.2 Ease of Access

The access level of the subject property is classified as moderate due to its location on King Abdul Aziz Street.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
 A satellite map of Jeddah, Saudi Arabia, showing the city's layout along the Red Sea coast. A red pin marks the location of the project, situated near the city center and the coast.	 A detailed satellite map of the district in Jeddah, showing a dense urban area with a grid-like street pattern. A red pin marks the project location, which is adjacent to a major road and a large open area.
21°36'47.2"N 39°07'05.1"E	
J479+66W Ash Shati, Jeddah	
Google Maps	

2.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Jeddah	Land Area	16,954.8 Sqm
District	Ash Shati	Plot No.	Í/21 to Í/32
T.D Type	Electronic	Block No.	---
T.D Number	320208037287	Layout No.	ε/462/3
T.D Date	03/12/1444	Ownership Type	Freehold
Owner	Saudi Company for Economics and Development of Real Estate Funds	Limitation of Document	None
Issued From	Mistry of justice		
North Side		East Side	
South Side		West Side	

City	Jeddah	Land Area	12,790.9 Sqm
District	Ash Shati	Plot No.	Í/ 6 to Í/20
T.D Type	Electronic	Block No.	---
T.D Number	420208037288	Layout No.	ε/462/3
T.D Date	03/12/1444	Ownership Type	Freehold
Owner	Saudi Company for Economics and Development of Real Estate Funds	Limitation of Document	None
Issued From	Mistry of justice		
North Side		East Side	
South Side		West Side	

2.6 Construction Permit

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 with the below details:

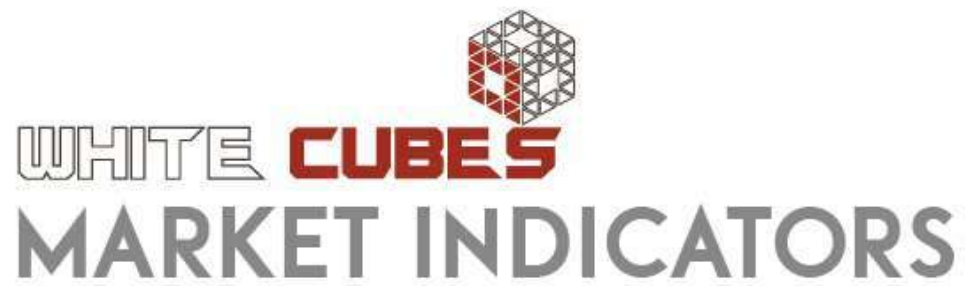
Construction Permit Type	Adding and modifying	Built-Up Area (BUA)	11,229.07
Property Type	Commercial project	Actual Age	7
Construction Permit No.	3900178239	State of Property	Fully Constructed
Construction Permit Date	26/12/1438	Completion Rate	100%

Construction Permit Type	Adding and modifying	Built-Up Area (BUA)	16,260.51
Property Type	Commercial project	Actual Age	7
Construction Permit No.	3900178244	State of Property	Fully Constructed
Construction Permit Date	27/12/1438	Completion Rate	100%

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.

2.7 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

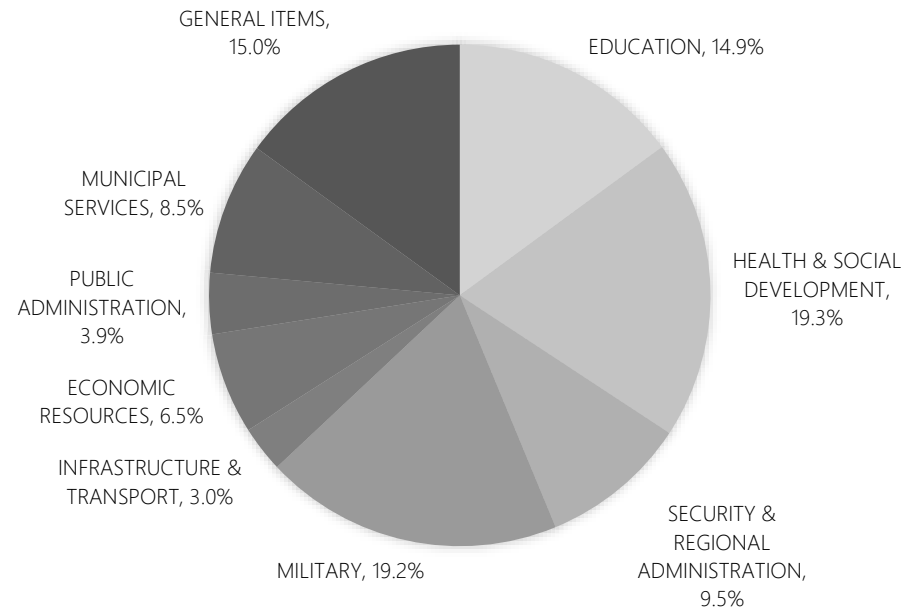
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	ﷲ 53.00	bn
Military Sector	ﷲ 259.00	bn
Security and Regional Administration Sector	ﷲ 128.00	bn
Municipal Services Sector	ﷲ 115.00	bn
Education Sector	ﷲ 201.00	bn
Health and Social Development Sector	ﷲ 260.00	bn
Economic Resources Sector	ﷲ 88.00	bn
Infrastructure and Transportation Sector	ﷲ 40.00	bn
General Items	ﷲ 202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	8 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

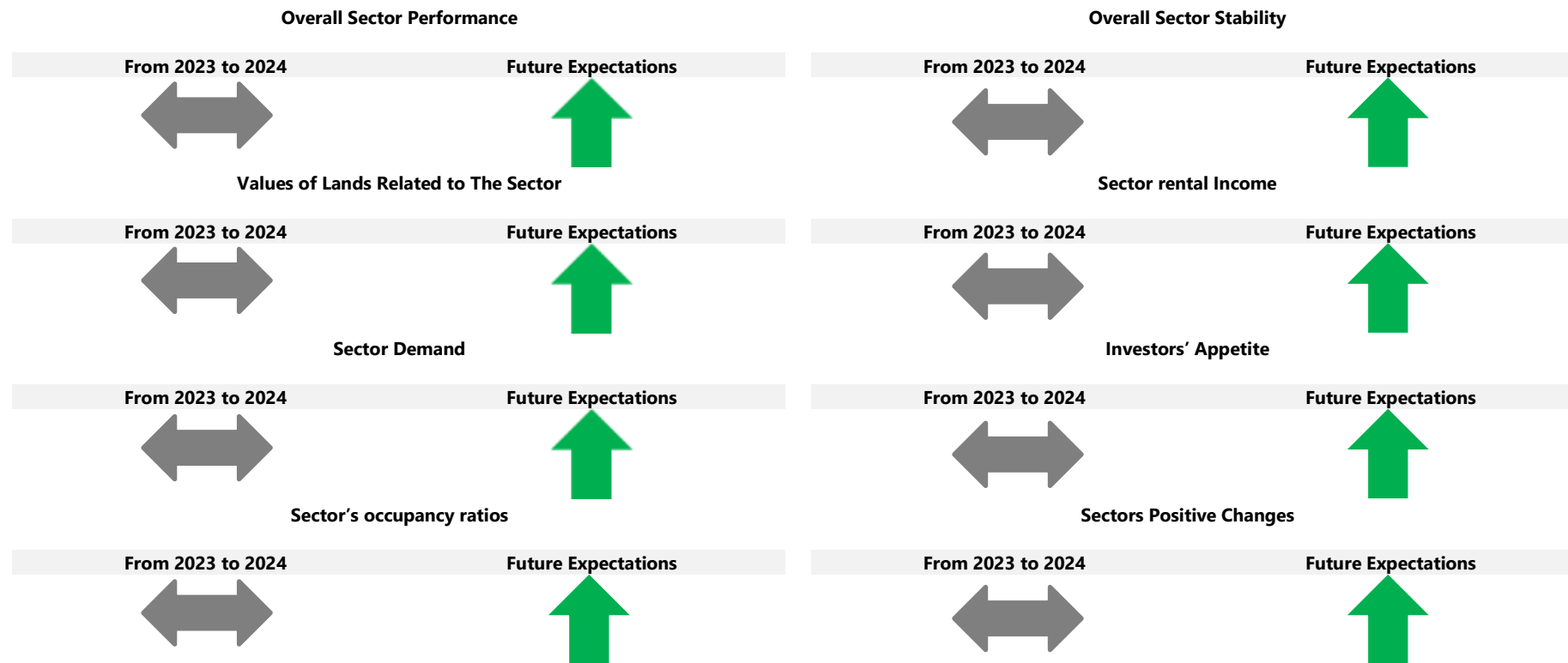
Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **29 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
-  Indicator showing an increase in the current performance compared to last year
-  Indicator showing a stable position in the current performance compared to last year



White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, Income Approach Discounted Cash Flow (DCF) Method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 7.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	89,300,000.00	115,700,000.00	263,000,000.00
NOI	6,251,000	8,099,000	18,410,000
Cap Rate	7.00%	7.00%	7.00%
Average Cap Rate	7.00%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Government Bonds rate%	5.0%	Source	SAMA
Inflation Rate%	2.2%		GASTAT
Systematic Risk Premium%	2.0%		Trading Economic
Unsystematic Risk Premium%	2.0%		Team's Experience
Discount Rate%	9.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030
		0	1	2	3	4	5
Inflation		0%	5%	5%	5%	5%	5%
Expected Revenue							
Commercial complex	Sqm	21,428	21,428	21,428	21,428	21,428	21,428
Rate (SAR)	SAR	1,659	1,742	1,829	1,921	2,017	2,118
Additional income	SAR	1,753,000	1,753,000	1,753,000	1,753,000	1,753,000	1,753,000
Total	SAR	37,307,164	39,084,873	40,951,466	42,911,390	44,969,309	47,130,125
Overall Revenues		37,307,164	39,084,873	40,951,466	42,911,390	44,969,309	47,130,125
Vacancy and Credit Loss							
Commercial complex	10.0%	3,730,716	3,908,487	4,095,147	4,291,139	4,496,931	4,713,012
Total		3,730,716	3,908,487	4,095,147	4,291,139	4,496,931	4,713,012
Effective Rental Income		33,576,448	35,176,385	36,856,320	38,620,251	40,472,378	42,417,112
Expenses							
PM Fees	3.5%	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
FM Fees	10.0%	3,136,272	3,136,272	3,136,272	3,136,272	3,136,272	3,136,272
Overall Expenses		4,336,272	4,336,272	4,336,272	4,336,272	4,336,272	4,336,272
NOI		29,240,176	30,840,113	32,520,048	34,283,979	36,136,106	38,080,840
Terminal Value	7.0%						544,012,001
Discount Rate	9.0%	1.00	0.92	0.84	0.77	0.71	0.65
Present Value		29,240,176	28,293,682	27,371,474	26,473,522	25,599,729	378,320,407
Net Present Value							515,000,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **ﷲ 515,000,000.00**
Five Hundred Fifteen Million Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
 President



Fellow Member of (RE Valuation)
 License No. 1210000474

Nabeel M. Al Husaini
 CEO



Member of (RE Valuation)
 License No. 1210002782

Farah E. Al Husaini
 Valuation Manager



Member of (RE Valuation)
 License No. 1210001964

Reema K. Al Dhayan
 Asst. Manager



Fellow Member of (RE Valuation)
 License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



DOCUMENT

Documents Received

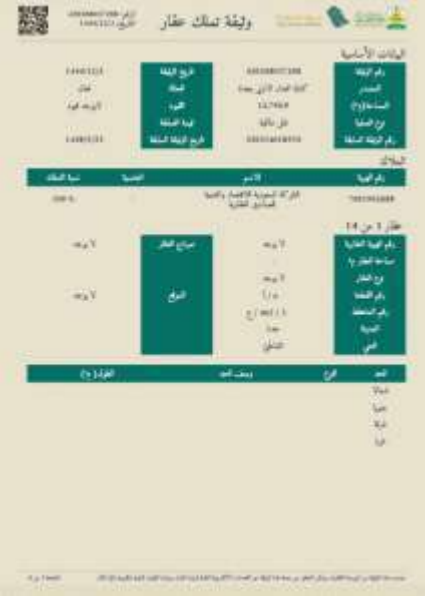
5.1 Title deeds and Construction Permit



وثيقة تملك عقار

البيانات الأساسية:
 رقم التملك: 10010010000
 رقم القيد: 10010010000
 رقم التسجيل: 10010010000
 رقم التملك: 10010010000
 رقم القيد: 10010010000
 رقم التسجيل: 10010010000

البيانات التفصيلية:
 رقم التملك: 10010010000
 رقم القيد: 10010010000
 رقم التسجيل: 10010010000



وثيقة تملك عقار

البيانات الأساسية:
 رقم التملك: 10010010000
 رقم القيد: 10010010000
 رقم التسجيل: 10010010000
 رقم التملك: 10010010000
 رقم القيد: 10010010000
 رقم التسجيل: 10010010000

البيانات التفصيلية:
 رقم التملك: 10010010000
 رقم القيد: 10010010000
 رقم التسجيل: 10010010000



رخصة بناء

البيانات الأساسية:
 رقم التملك: 10010010000
 رقم القيد: 10010010000
 رقم التسجيل: 10010010000
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البيانات التفصيلية:
 رقم التملك: 10010010000
 رقم القيد: 10010010000
 رقم التسجيل: 10010010000



رخصة بناء

البيانات الأساسية:
 رقم التملك: 10010010000
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 رقم التسجيل: 10010010000
 رقم التملك: 10010010000
 رقم القيد: 10010010000
 رقم التسجيل: 10010010000

البيانات التفصيلية:
 رقم التملك: 10010010000
 رقم القيد: 10010010000
 رقم التسجيل: 10010010000

5.2 Real Estate Valuation License

رقم الترخيص : 13093

تاريخ الإصدار : 1437/08/02 هـ

تاريخ الانتهاء : 1452/10/20 هـ

رقم نسخة الترخيص : 3



الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

ترخيص مزاولة مهنة التقييم

(العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاولة مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي

م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق من بياناتها عبر رمز QR أو بزيارة موقع الهيئة








نابيل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

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Membership No:	رقم العضوية:
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ID No:	رقم الهوية / الرقم:
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Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص






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Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
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Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
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ID No:	رقم الهوية / الرقم:
1116036824	1116036824
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص

Shaping visions

Building values





REAL ESTATE VALUATION REPORT

SEDCO Capital

SEDCO REIT Fund

Ban Abdulaziz

March 2026

REF: 25-0561
Code:
Date: 30/03/2026

Subject: Valuation Report for Office Building – Riyadh City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02 December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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WHITE **CUBES**

EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Accounting Purposes.
Subject Property	Office Building
Property Location	Al Yasmin District, Riyadh City.
Title Deed No.	5054113021000000
Title Deed Date	---
Ownership Type	Title deed-freehold
Limitations	---
Owner	Saudi Real Estate Funds Development and Economic Company.
Land Use	Commercial.
Land Area (Sqm)	3,850.3 Sqm
BUA (Sqm)	13,460 Sqm
GLA (Sqm)	5,630 Sqm
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income Approach, Discounted Cash Flow method (DCF)
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 153,000,000
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	07/12/2025



WHITE CUBES

SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Accounting Purposes**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (ﷲ) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permits.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have been absolute ownership, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 8%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 9%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Vacancy Rate:** For income-generating properties, it is assumed that the property maintains an average vacancy rate of 0% over the valuation period.
6. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
7. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
8. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
9. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
10. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
11. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 07/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is Office Building located in Al Yasmin District, Riyadh City, Saudi Arabia. The property's title deed and construction permit confirm the following:

- Total Land Area: 3,850.30 square meters.
- Total Built-Up Area (BUA): 13,460.00 square meters.
- Gross Leasable Area (GLA): 5,630.00 square meters.

During the site inspection conducted for evaluation purposes, it was noted that the property is open on 3 sides and has a direct view of King Abdulaziz Road.

2.2 Ease of Access

The access level of the subject property is classified as moderate due to its location On King Saud bin Abdulaziz Road.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
24°49'32.6"N 46°38'27.4"E	
RJGR+79W Alyasmin, Riyadh	
Google Maps	

2.5 Title Deed and Ownership

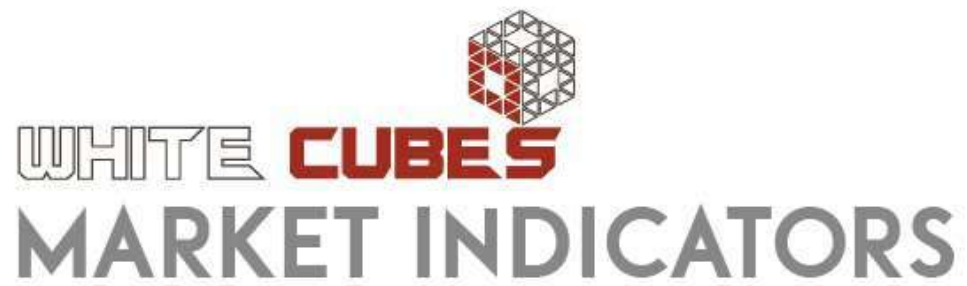
The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	3,850.2
District	Al Yasmin	Plot No.	46
T.D Type	Electronic	Block No.	9
T.D Number	5054113021000000	Layout No.	3229
T.D Date	---	Ownership Type	Freehold
Owner	Saudi Real Estate Development and Economic Company	Limitation of Document	N/A
Issued From	Real Estate Registry		
North Side		East Side	
South Side		West Side	

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 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

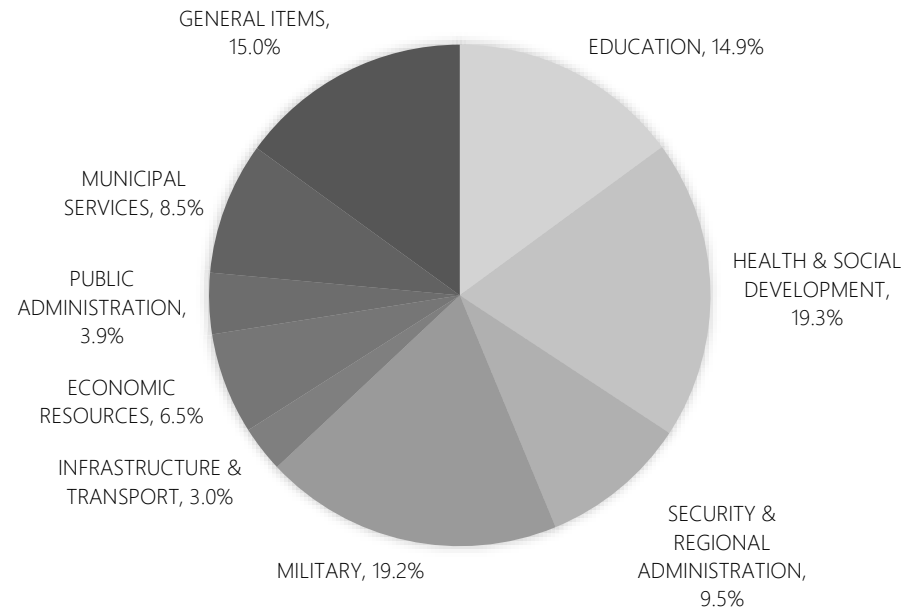
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	53.00	bn
Military Sector	259.00	bn
Security and Regional Administration Sector	128.00	bn
Municipal Services Sector	115.00	bn
Education Sector	201.00	bn
Health and Social Development Sector	260.00	bn
Economic Resources Sector	88.00	bn
Infrastructure and Transportation Sector	40.00	bn
General Items	202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	5 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

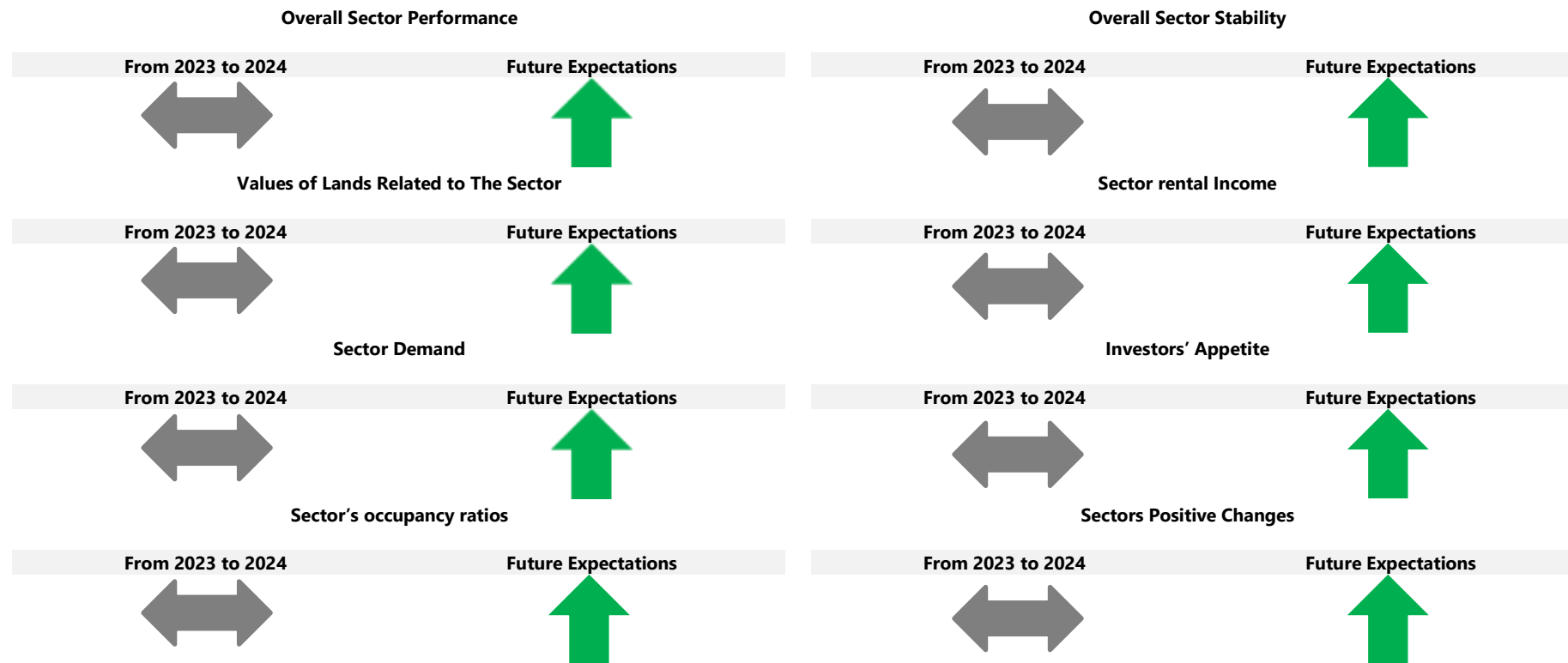
Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **26 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
-  Indicator showing an increase in the current performance compared to last year
-  Indicator showing a stable position in the current performance compared to last year



White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, the Market approach, Comparable method Income approach, DCF method- Cost Approach, DRC method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	88,000,000.00	45,000,000.00	110,000,000.00
NOI	7,040,000	3,825,000	8,800,000
Cap Rate	8.00%	8.50%	8.00%
Average Cap Rate	8.00%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	5.0%	Source	SAMA
Inflation Rate%	2.2%		GASTAT
Market Risk Premium%	2.0%		Trading Economics
Company-specific Risk Premium %	2.0%		Team's experience.
Discount Rate%	9.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030
		0	1	2	3	4	5
Inflation		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expected Revenue							
Office Building	Sqm	5,420	5,420	5,420	5,420	5,420	5,420
Rate (SAR)	SAR	2,170	2,170	2,170	2,170	2,170	2,170
Total	SAR	11,761,400	11,761,400	11,761,400	11,761,400	11,761,400	11,761,400
Overall Revenues		11,761,400	11,761,400	11,761,400	11,761,400	11,761,400	11,761,400
Vacancy and Credit Loss							
Office Building	0.0%	0	0	0	0	0	0
Total		0	0	0	0	0	0
Effective Rental Income		11,761,400	11,761,400	11,761,400	11,761,400	11,761,400	11,761,400
Expenses							
OpEx	0.0%	0	0	0	0	0	0
CapEx	0.0%	0	0	0	0	0	0
Overall Expenses		0	0	0	0	0	0
NOI		11,761,400	11,761,400	11,761,400	11,761,400	11,761,400	11,761,400
Terminal Value	8.0%						147,017,500
Discount Rate	9.0%	1.00	0.92	0.84	0.77	0.71	0.65
Present Value		11,761,400	10,790,275	9,899,335	9,081,959	8,332,072	103,195,391
Net Present Value							153,000,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **ﷲ 153,000,000.00**
One Hundred Fifty-Three Million Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Reema K. Al Dhayan
Asst. Manager



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



DOCUMENT

Documents Received

5.1 Title deeds



السجل العقاري

صك تسجيل ملكية

رقم العقار / 5054113021000000



الهيئة العامة للعقار
REAL ESTATE GENERAL AUTHORITY

بيانات قطعة الأرض						
المدينة	الحي	المحيط	البلد	القطعة	المساحة	استعمالاتها
الرياض	الرياض	3229	9	46	3856.3	استعمال مختلط

معلومات العقار			
نوع العقار	حالة التطار	قيمة انتقال الملكية	تاريخ الشراء
أرض فضاء	أرض فضاء	135000000 ريال سعودي	2025-07-06

ملوك العقار				
مالك العقار	النسبة	نسبة التملك	نوع الهوية	رقم الهوية
الشركة السعودية للتطوير والتنمية للاستشارات العقارية		100.000 %	الرقم الموحّد للمساهمات	7001902688

رقم القسط (١)
 تاريخ إصدار القسط 2025/07/06
 يمكن التحقق من بيانات الصك عبر الرابط التالي: <https://www.rera.gov.sa>
 هذه الوثيقة مصدقة من السجل العقاري
 الصك مكتوب باللغة العربية وفقاً للغة الرسمية من نظام التسجيل العقاري
 نسخة (١)



5.2 Real Estate Valuation License

رقم الترخيص : 13093

تاريخ الإصدار : 1437/08/02 هـ

تاريخ الانتهاء : 1452/10/20 هـ

رقم نسخة الترخيص : 3



الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

ترخيص مزاولة مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاولة مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة








نابيل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

Membership Type: Associated	نوع العضوية: مستفيد
Membership No: 1210002782	رقم العضوية: 1210002782
ID No: 1014179931	رقم الهوية الوطنية: 1014179931
Membership Exp: 2026-12-31	تاريخ الانتهاء: 2026-12-31









عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHOSAINI

Membership Type: Man	نوع العضوية: مستفيد
Membership No: 1210000474	رقم العضوية: 1210000474
ID No: 1044275947	رقم الهوية الوطنية: 1044275947
Membership Exp: 2026-12-31	تاريخ الانتهاء: 2026-12-31









فراح عصام محمد الحسيني
FARAH ESSAM MOHAMMED ALHUSAYNI

Membership Type: Associated	نوع العضوية: مستفيد
Membership No: 1210001964	رقم العضوية: 1210001964
ID No: 1095474196	رقم الهوية الوطنية: 1095474196
Membership Exp: 2026-12-31	تاريخ الانتهاء: 2026-12-31









ريما خالد سليمان الدحيان
REEMA KHALID SULAIMAN ALDHAYAN

Membership Type: Associated	نوع العضوية: مستفيد
Membership No: 1210004007	رقم العضوية: 1210004007
ID No: 1119536024	رقم الهوية الوطنية: 1119536024
Membership Exp: 2026-12-31	تاريخ الانتهاء: 2026-12-31




Shaping visions

Building values



SEDCO Capital

SEDCO REIT Fund

Banque Saudi Fransi

March 2026

REF: 25-0561
Code: 1682087
Date: 30/03/2026

Subject: Valuation Report for Administrative Project – Dammam City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02nd December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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WHITE **CUBES**

EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	1682087
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Accounting Purposes.
Subject Property	Administrative project.
Property Location	Al-Rayyan district, Dammam City.
Title Deed No.	799684003636
Title Deed Date	09/05/1445
Ownership Type	Title deed-restricted
Limitations	Mortgaged to Bank Al Jazira.
Owner	Saudi Company for Economics and Development of Real Estate Funds.
Land Use	Commercial.
Land Area (Sqm)	5,191.44 Sqm
BUA (Sqm)	879 Sqm.
GLA (Sqm)	879 Sqm.
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income Approach, Discounted Cash Flow method (DCF)
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 30,000,000
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	07/12/2025



WHITE CUBES

SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Accounting Purposes**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (ﷲ) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have Mortgaged to Bank Al Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 7%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 9%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
6. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
7. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
8. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
9. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
10. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 07/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is an administrative building located in Al-Rayyan district, Dammam city, Saudi Arabia. The property's title deed and construction permit confirm the following:

- Total Land Area: 5,191.44 square meters.
- Total Built-Up Area (BUA): 879 square meters.
- Gross Leasable Area (GLA): 879 square meters.

During the site inspection conducted for the purpose of valuation, it was observed that the property is open from 4 sides, the property features a direct view of Imam Ali bin Abi Talib Street from the southern side.

2.2 Ease of Access

The access level of the subject property is classified as moderate due to its location on Imam Ali Bin Abi Talib Street.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
26°24'13.5"N 50°06'08.2"E	
C432+GW3 Dammam	
Google Maps	

2.5 Title Deed and Ownership

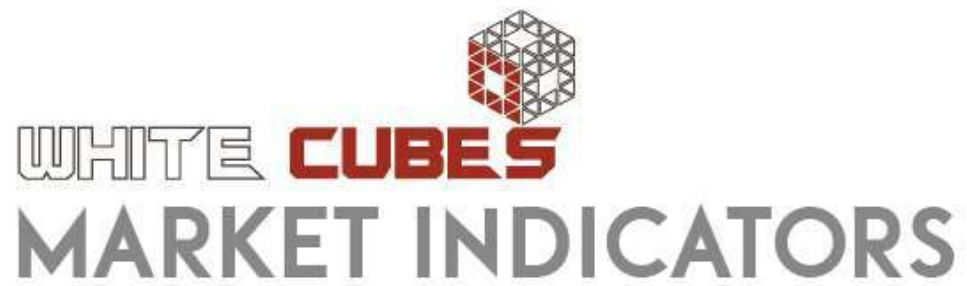
The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Dammam	Land Area	5,191.44 Sqm
District	Al-Rayyan	Plot No.	108-110
T.D Type	Electronic	Block No.	---
T.D Number	799684003636	Layout No.	د.ش/832
T.D Date	1445/05/09	Ownership Type	Mortgage
Owner	Saudi Real Estate Development and Economic Company	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	18m wide street	East Side	Plot No 105
South Side	Plot No 109 +110	West Side	Plot No 111

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 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

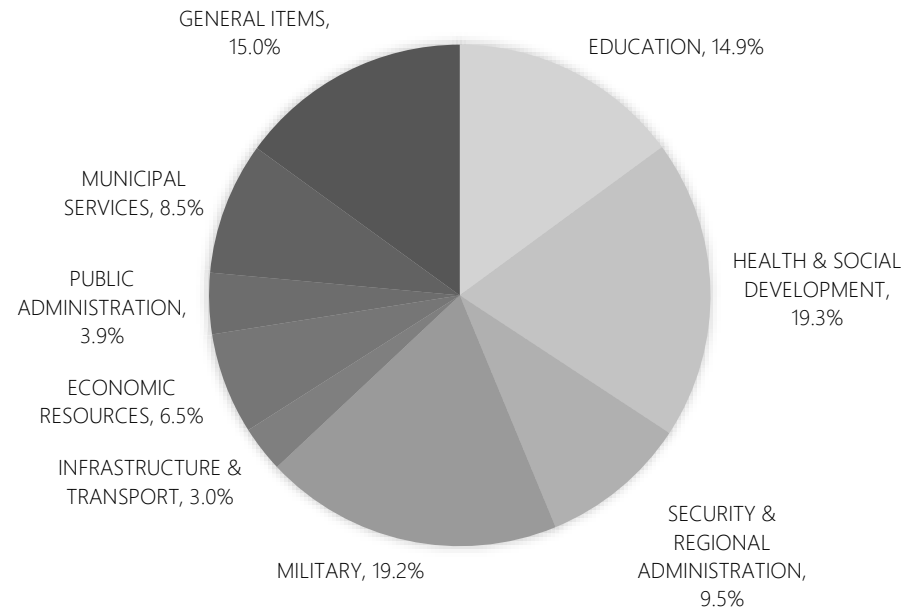
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	-0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	53.00	bn
Military Sector	259.00	bn
Security and Regional Administration Sector	128.00	bn
Municipal Services Sector	115.00	bn
Education Sector	201.00	bn
Health and Social Development Sector	260.00	bn
Economic Resources Sector	88.00	bn
Infrastructure and Transportation Sector	40.00	bn
General Items	202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	8 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **29 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
-  Indicator showing an increase in the current performance compared to last year
-  Indicator showing a stable position in the current performance compared to last year

Overall Sector Performance

From 2023 to 2024	Future Expectations
	
Values of Lands Related to The Sector	
From 2023 to 2024	Future Expectations
	
Sector Demand	
From 2023 to 2024	Future Expectations
	
Sector's occupancy ratios	
From 2023 to 2024	Future Expectations
	

Overall Sector Stability

From 2023 to 2024	Future Expectations
	
Sector rental Income	
From 2023 to 2024	Future Expectations
	
Investors' Appetite	
From 2023 to 2024	Future Expectations
	
Sectors Positive Changes	
From 2023 to 2024	Future Expectations
	

White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, Income Approach Discounted Cash Flow (DCF) Method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 7.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	27,000,000.00	86,000,000.00	120,000,000.00
NOI	1,890,000	6,020,000	8,400,000
Cap Rate	7.00%	7.00%	7.00%
Average Cap Rate	7.00%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Government Bonds rate%	5.0%	Source	SAMA
Inflation Rate%	2.0%		GASTAT
Systematic Risk Premium%	2.5%		Trading Economic
Unsystematic Risk Premium%	1.5%		Team's Experience
Discount Rate%	9.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030	2031	2032
		0	1	2	3	4	5	6	7
Inflation		0%	5%	0%	0%	5%	0%	0%	5%
Expected Revenue									
Commercial complex	Sqm	879	879	879	879	879	879	879	879
Rate (SAR)	SAR	2,275	2,389	2,389	2,389	2,503	2,503	2,503	2,503
Total	SAR	2,000,000	2,100,000	2,100,000	2,100,000	2,200,000	2,200,000	2,200,000	2,200,000
Overall Revenues		2,000,000	2,100,000	2,100,000	2,100,000	2,200,000	2,200,000	2,200,000	2,200,000
Vacancy and Credit Loss									
Commercial complex	0.0%	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
Effective Rental Income		2,000,000	2,100,000	2,100,000	2,100,000	2,200,000	2,200,000	2,200,000	2,200,000
Expenses									
OpEx	0.0%	0	0	0	0	0	0	0	0
CapEx	0.0%	0	0	0	0	0	0	0	0
Overall Expenses		0	0	0	0	0	0	0	0
NOI		2,000,000	2,100,000	2,100,000	2,100,000	2,200,000	2,200,000	2,200,000	2,200,000
Terminal Value	7.0%								31,428,571
Discount Rate	9.0%	1.00	0.92	0.84	0.77	0.71	0.65	0.60	0.55
Present Value		2,000,000	1,926,606	1,767,528	1,621,585	1,558,535	1,429,849	1,311,788	18,395,980
Net Present Value									30,000,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **ﷲ 30,000,000.00**
Thirty Million Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Reema K. Al Dhayan
Asst. Manager



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



DOCUMENT

Documents Received

5.1 Title deeds

799684003636 الرقم
1445/5/9 التاريخ وثيقة تملك عقار

الهيات الأساسية

رقم الوثيقة	799684003636	طريق الوثيقة	1445/5/9
المصدر	المرحون بالرخس 9	المحلا	محال
المساحة (م ²)	5,191.44	المورد	مرحون
رقم الوثيقة السابقة	393010010161	طريق الوثيقة السابقة	1444/11/1
نوع الصلة	حقلقة بتحويل		

القيود

الجهة الراعية	رقم التفتاة	قيمة الزم	طريق الاستحقاق
مرحون	7000120712	رسم 14,990,328	

الملاك

رقم الهوية	الاسم	نسبة الملاك
7001902688	الشركة السعودية للاقتصاد والتنمية للصناديق العقارية	100 %

عقار 1 من 3

رقم الهوية العقارية	نوع العقار	مساحة العقار (م ²)	نوع الاستخدام
لا يوجد	قطعة الأرض	1,691.36	لا يوجد
لا يوجد	الموقع	نموذج العقار	لا يوجد
رقم القطعة	رقم المخطط	الحي	البلدية
108	832 / ش.د	الريان	الدمام

الحد	النوع	وصف الحد	الطول (م ²)
شمالاً	شارع	عرض 18 متر	28.14
جنوباً	قطعة	رقم 110+109	59.42
شرقاً	قطعة	رقم 105	38.34
غرباً	قطعة	رقم 111	40

مصدر هذا الوثيقة من الوزارة العقارية: يسكن المظهر من صيغة هذا الوثيقة من المصادق الالكترونية الكلية لوزارة العدل، ووزارة الشؤون البلدية والقروية والإسكان، ووزارة المالية العامة - الصفحة 2 من 2

799684003636 الرقم
1445/5/9 التاريخ وثيقة تملك عقار

عقار 2 من 3

رقم الهوية العقارية	نوع العقار	مساحة العقار (م ²)	نوع الاستخدام
لا يوجد	قطعة الأرض	1,861.72	لا يوجد
لا يوجد	الموقع	نموذج العقار	لا يوجد
رقم القطعة	رقم المخطط	الحي	البلدية
109	832 / ش.د	الريان	الدمام

الحد	النوع	وصف الحد	الطول (م ²)
شمالاً	قطعة	رقم 108	29.71
جنوباً	شارع	عرض 30 متر	48.24
شرقاً	قطعة	رقم 107	49.29
غرباً	قطعة	رقم 110	45.16

عقار 3 من 3

رقم الهوية العقارية	نوع العقار	مساحة العقار (م ²)	نوع الاستخدام
لا يوجد	قطعة الأرض	1,638.36	لا يوجد
لا يوجد	الموقع	نموذج العقار	لا يوجد
رقم القطعة	رقم المخطط	الحي	البلدية
110	832 / ش.د	الريان	الدمام

الحد	النوع	وصف الحد	الطول (م ²)
شمالاً	قطعة	رقم 108	29.71
جنوباً	شارع	عرض 30 متر	48.02
شرقاً	قطعة	رقم 109	45.16
غرباً	قطعة	رقم 112	40

مصدر هذا الوثيقة من الوزارة العقارية: يسكن المظهر من صيغة هذا الوثيقة من المصادق الالكترونية الكلية لوزارة العدل، ووزارة الشؤون البلدية والقروية والإسكان، ووزارة المالية العامة - الصفحة 2 من 2

5.2 Real Estate Valuation License

تقييم
TAQEEM
الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

رقم الترخيص : 13093
تاريخ الإصدار : 1437/08/02 هـ
تاريخ الانتهاء : 1452/10/20 هـ
رقم نسخة الترخيص : 3

ترخيص مزاولة مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاولة مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة



الجمعية العامة
General Assembly
TAGEEM



نابيل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

Membership Type: Associated
Membership No: 1210002782
ID No: 1014179931
Membership Exp: 2026-12-31

نوع العضوية: مشترك
رقم العضوية: 1210002782
رقم الهوية الوطنية: 1014179931
تاريخ الانتهاء: 2026-12-31

معاينة على الموقع الإلكتروني
صورة من العضوية رقم 1210002782



الجمعية العامة
General Assembly
TAGEEM



عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHUSAINI

Membership Type: Man
Membership No: 1210000474
ID No: 1044275947
Membership Exp: 2026-12-31

نوع العضوية: انثى
رقم العضوية: 1210000474
رقم الهوية الوطنية: 1044275947
تاريخ الانتهاء: 2026-12-31

معاينة على الموقع الإلكتروني
صورة من العضوية رقم 1210000474



الجمعية العامة
General Assembly
TAGEEM



فراح عصام محمد الحسيني
FARAH ESSAM MOHAMMED ALHUSAYNI

Membership Type: Associated
Membership No: 1210001964
ID No: 1095474196
Membership Exp: 2026-12-31

نوع العضوية: مشترك
رقم العضوية: 1210001964
رقم الهوية الوطنية: 1095474196
تاريخ الانتهاء: 2026-12-31

معاينة على الموقع الإلكتروني
صورة من العضوية رقم 1210001964



الجمعية العامة
General Assembly
TAGEEM



ريما خالد سليمان الزحيان
REEMA KHALID SULAIMAN ALZHAYANI

Membership Type: Associated
Membership No: 1210004667
ID No: 1116036824
Membership Exp: 2026-12-31

نوع العضوية: مشترك
رقم العضوية: 1210004667
رقم الهوية الوطنية: 1116036824
تاريخ الانتهاء: 2026-12-31

معاينة على الموقع الإلكتروني
صورة من العضوية رقم 1210004667



Shaping visions

Building values



SEDCO Capital

SEDCO REIT Fund

Dar Al Bara'a School

March 2026

REF: 25-0561
Code: 1682059
Date: 30/03/2026

Subject: Valuation Report for Dar Al Bara'a School – Riyadh City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02sc December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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WHITE **CUBES**

EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	1682059
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Inclusion in financial statements.
Subject Property	School.
Property Location	An Narjes district, Riyadh City.
Title Deed No.	599684003633
Title Deed Date	09/05/1445
Ownership Type	Title deed restricted.
Limitations	Mortgage to Bank AL Jazira.
Owner	Saudi Economic and Development Company for Real Estate Funds.
Land Use	Education.
Land Area (Sqm)	15,385.2 Sqm
BUA (Sqm)	33,429 Sqm.
GLA (Sqm)	35,000 Sqm.
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income approach, DCF method.
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 181,400,000.00
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	08/12/2025



WHITE **CUBES**

SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Inclusion in Financial Statements**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (ﷲ) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permits.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have been mortgaged to Bank AL Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 8%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 9%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
6. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
7. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
8. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
9. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
10. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 08/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is a school located in An Narjes district, Riyadh city, Saudi Arabia. The property's title deed and construction permit confirm the following:

- Total Land Area: 15,385.2 square meters.
- Total Built-Up Area (BUA): 33,429 square meters.

During the site inspection conducted for the purpose of valuation, it was observed that the property is open from 4 sides, the property features near King Salman Road.

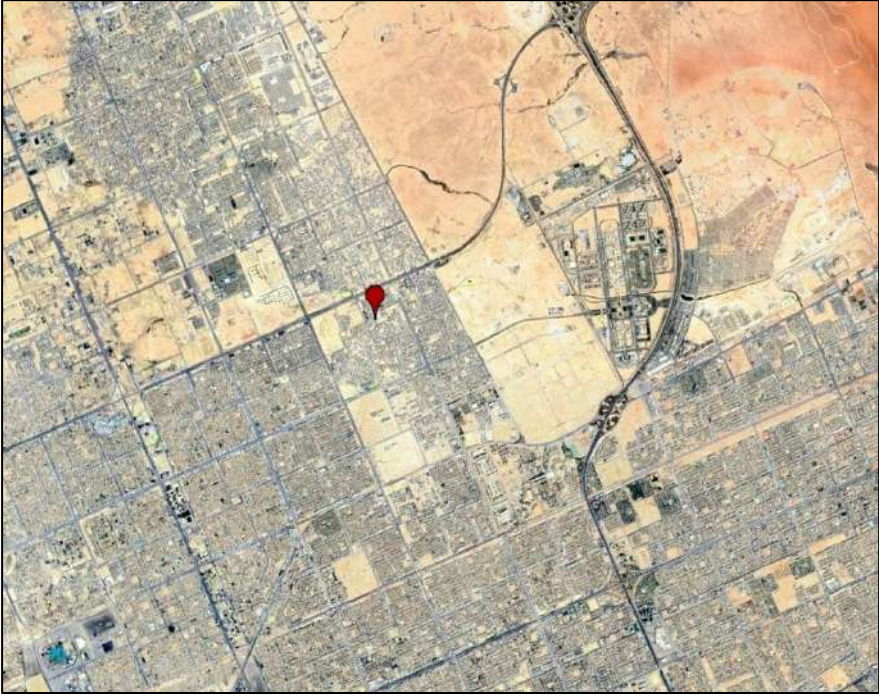
2.2 Ease of Access

The access level of the subject property is classified as moderate due to its location on Sunbulah Street.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
24°50'35.3"N 46°40'04.8"E	
السنبلة, An Narjis, Riyadh 13327	
Google Maps	

2.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	15,385.2 Sqm
District	Al Narjes	Plot No.	3416
T.D Type	Electronic	Block No.	---
T.D Number	399684003641	Layout No.	2737
T.D Date	09/05/1445	Ownership Type	Mortgage
Owner	Saudi Economic and Development Company for Real Estate Funds	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	Street 20m width	East Side	Street 20m width
South Side	Street 30m width	West Side	Street 36m width

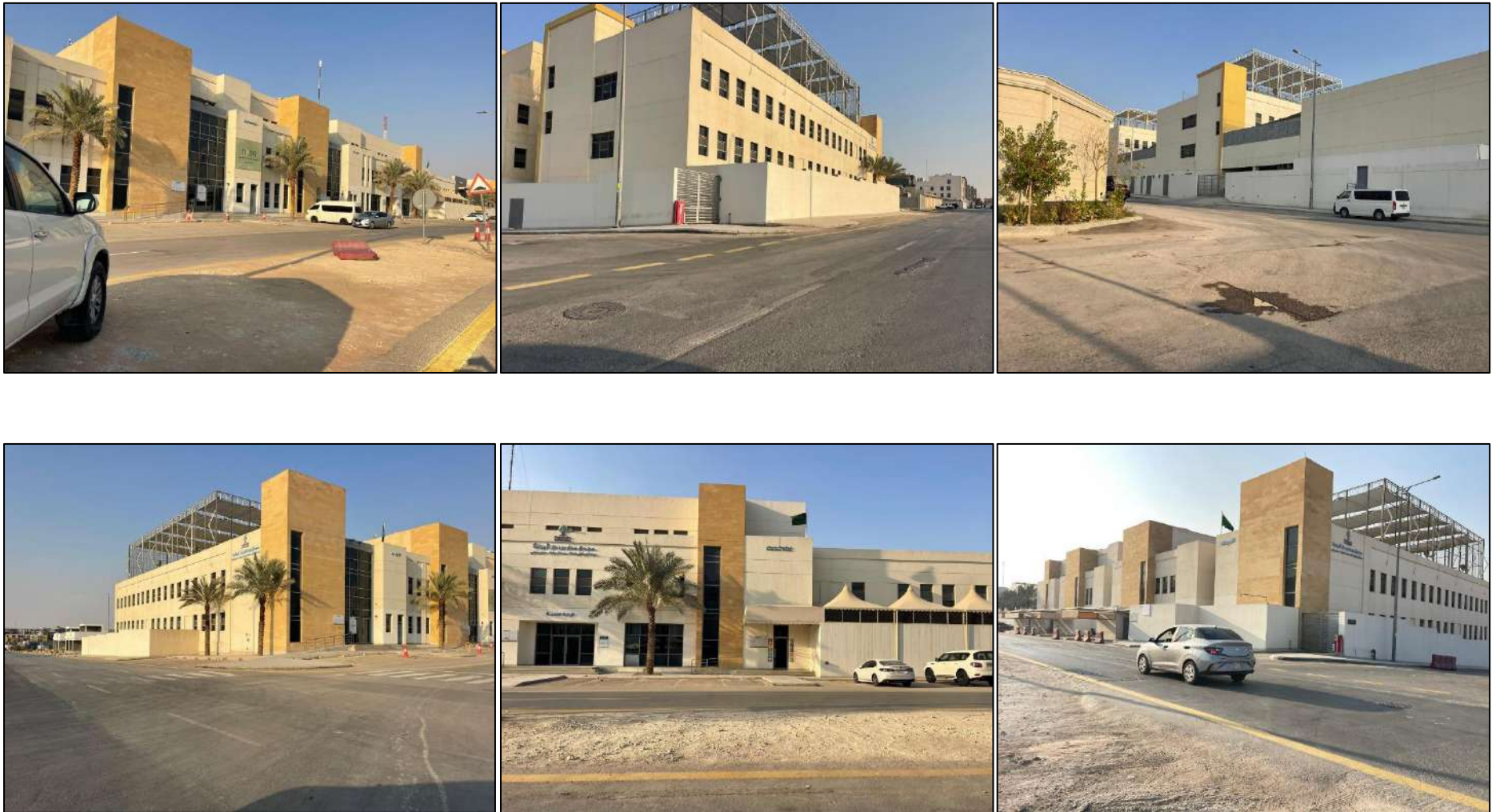
2.6 Construction Permit

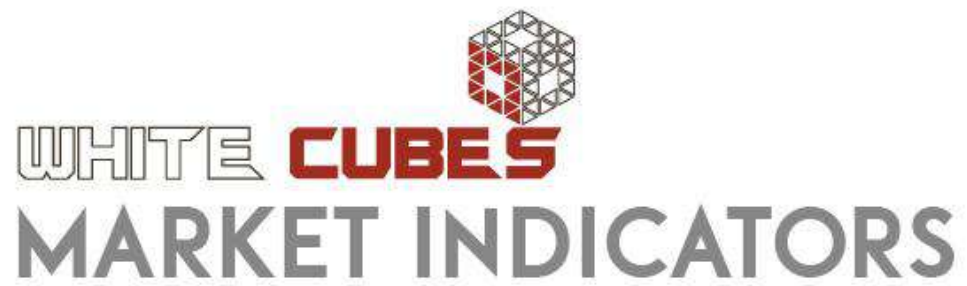
The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	Modifying building plans	Built-Up Area (BUA)	33,429
Property Type	School complex	Actual Age	8
Construction Permit No.	1435/20257	State of Property	Fully Constructed
Construction Permit Date	23/11/1435	Completion Rate	100%

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.

2.7 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

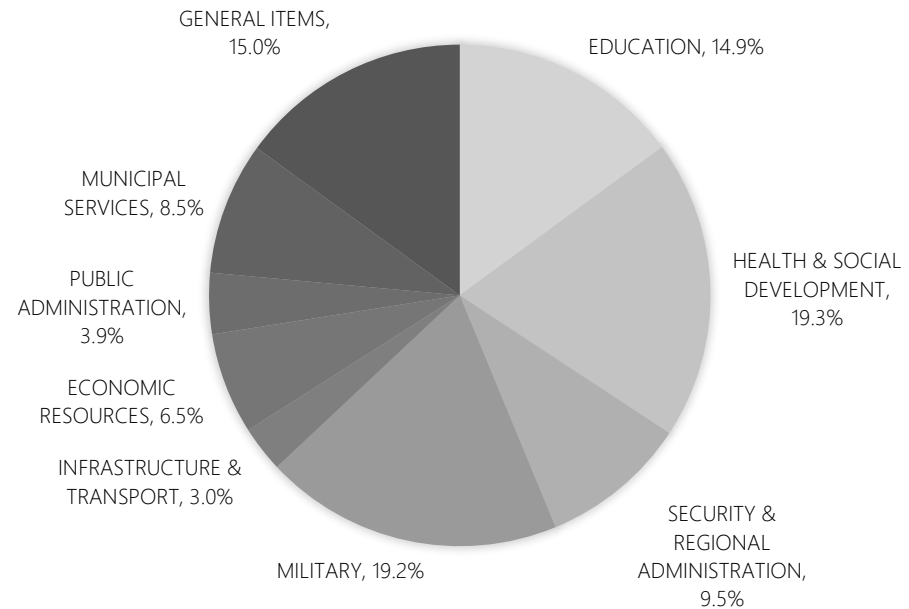
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	-0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	ﷲ 53.00	bn
Military Sector	ﷲ 259.00	bn
Security and Regional Administration Sector	ﷲ 128.00	bn
Municipal Services Sector	ﷲ 115.00	bn
Education Sector	ﷲ 201.00	bn
Health and Social Development Sector	ﷲ 260.00	bn
Economic Resources Sector	ﷲ 88.00	bn
Infrastructure and Transportation Sector	ﷲ 40.00	bn
General Items	ﷲ 202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	5 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **26 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
-  Indicator showing an increase in the current performance compared to last year
-  Indicator showing a stable position in the current performance compared to last year

Overall Sector Performance

From 2023 to 2024	Future Expectations
	
Values of Lands Related to The Sector	
From 2023 to 2024	Future Expectations
	
Sector Demand	
From 2023 to 2024	Future Expectations
	
Sector's occupancy ratios	
From 2023 to 2024	Future Expectations
	

Overall Sector Stability

From 2023 to 2024	Future Expectations
	
Sector rental Income	
From 2023 to 2024	Future Expectations
	
Investors' Appetite	
From 2023 to 2024	Future Expectations
	
Sectors Positive Changes	
From 2023 to 2024	Future Expectations
	

White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, the Income approach, DCF method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	65,000,000.00	60,000,000.00	102,000,000.00
NOI	5,200,000	4,800,000	8,160,000
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	5.0%	Source	SAMA
Inflation Rate%	2.0%		GASTAT
Market Risk Premium%	2.5%		Trading Economics
Company-specific Risk Premium %	1.5%		Team's experience.
Discount Rate%	9.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030	2031	2032	2033
		0	1	2	3	4	5	6	7	8
Inflation		0.0%	0.0%	0.0%	7.5%	0.0%	0.0%	7.5%	0.0%	0.0%
Expected Revenue										
Commercial complex	Sqm	15,385	15,385	15,385	15,385	15,385	15,385	15,385	15,385	15,385
Rate (SAR)	SAR	848	848	848	911	911	911	980	980	980
Total	SAR	13,044,117	13,044,117	13,044,117	14,022,426	14,022,426	14,022,426	15,074,108	15,074,108	15,074,108
Overall Revenues		13,044,117	13,044,117	13,044,117	14,022,426	14,022,426	14,022,426	15,074,108	15,074,108	15,074,108
Vacancy and Credit Loss										
Commercial complex	0.0%	0	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0	0
Effective Rental Income		13,044,117	13,044,117	13,044,117	14,022,426	14,022,426	14,022,426	15,074,108	15,074,108	15,074,108
Expenses										
OpEx	0.0%	0	0	0	0	0	0	0	0	0
CapEx	8.0%	1,043,529	1,043,529	1,043,529	1,121,794	1,121,794	1,121,794	1,205,929	1,205,929	1,205,929
Overall Expenses		1,043,529	1,043,529	1,043,529	1,121,794	1,121,794	1,121,794	1,205,929	1,205,929	1,205,929
NOI		12,000,588	12,000,588	12,000,588	12,900,632	12,900,632	12,900,632	13,868,179	13,868,179	13,868,179
Terminal Value		8.0%								
Discount Rate	9.0%	1.00	0.92	0.84	0.77	0.71	0.65	0.60	0.55	0.50
Present Value		12,000,588	11,009,713	10,100,655	9,961,655	9,139,133	8,384,525	8,269,142	7,586,369	6,959,971
Net Present Value										

Discounted Cash Flows		2034	2035	2036	2037	2038	2039	2040	2041
		9	10	11	12	13	14	15	16
Inflation		7.5%	0.0%	0.0%	7.5%	0.0%	0.0%	7.5%	0.0%
Expected Revenue									
Commercial complex	Sqm	15,385	15,385	15,385	15,385	15,385	15,385	15,385	15,385
Rate (SAR)	SAR	1,053	1,053	1,053	1,132	1,132	1,132	1,217	1,217
Total	SAR	16,204,666	16,204,666	16,204,666	17,420,016	17,420,016	17,420,016	18,726,517	18,726,517
Overall Revenues		16,204,666	16,204,666	16,204,666	17,420,016	17,420,016	17,420,016	18,726,517	18,726,517
Vacancy and Credit Loss									
Commercial complex	0.0%	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
Effective Rental Income		16,204,666	16,204,666	16,204,666	17,420,016	17,420,016	17,420,016	18,726,517	18,726,517
Expenses									
OpEx	0.0%	0	0	0	0	0	0	0	0
CapEx	8.0%	1,296,373	1,296,373	1,296,373	1,393,601	1,393,601	1,393,601	1,498,121	1,498,121
Overall Expenses		1,296,373	1,296,373	1,296,373	1,393,601	1,393,601	1,393,601	1,498,121	1,498,121
NOI		14,908,293	14,908,293	14,908,293	16,026,414	16,026,414	16,026,414	17,228,396	17,228,396
Terminal Value	8.0%								215,354,944
Discount Rate	9.0%	0.46	0.42	0.39	0.36	0.33	0.30	0.27	0.25
Present Value		6,864,192	6,297,424	5,777,453	5,697,947	5,227,474	4,795,848	4,729,850	58,580,711
Net Present Value									181,400,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **ﷲ 181,400,000.00**
One Hundred Eighty-One Million Four Hundred Thousand Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Reema K. Al Dhayan
Asst. Manager



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



WHITE **CUBES**
DOCUMENTS

DOCUMENT

5.1 Title deeds and construction permit.

مقدرة هذه الوثيقة من المراجعة المقارنة ويمكن التحقق من صحة هذه الوثيقة عبر الخدمات الإلكترونية التابعة لوزارة العدل ووزارة الشؤون الدينية والقروية والإسكان والبيئة العامة الخضراء. الصفحة 1 من 1

[illegible]

5.2 Real Estate Valuation License

تقييم
TAQEEM
الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

رقم الترخيص : 13093
تاريخ الإصدار : 1437/08/02 هـ
تاريخ الإنتهاء : 1452/10/20 هـ
رقم نسخة الترخيص : 3

ترخيص مزاوله مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاوله مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة








نبيل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

Membership Type:	نوع العضوية :
Associated	مستطب
Membership No:	رقم العضوية :
1210002782	1210002782
ID No:	رقم الهوية \ الإقامة :
1014178931	1014178931
Membership Exp:	تاريخ الانتهاء :
2026-12-31	2026-12-31




المزمع من التفاصيل يرجى الاطلاع
 على المرفقة






عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHOSAINI

Membership Type:	نوع العضوية :
Main	أساسي
Membership No:	رقم العضوية :
1210000474	1210000474
ID No:	رقم الهوية \ الإقامة :
1044275947	1044275947
Membership Exp:	تاريخ الانتهاء :
2026-12-31	2026-12-31




حاصل على شهادة المزاولة
 المزمع من التفاصيل يرجى الاطلاع
 على المرفقة






فرح عصام محمد الحسيني
FARAH ESSAM MOHAMMED ALHUSAYNI

Membership Type:	نوع العضوية :
Associated	مستطب
Membership No:	رقم العضوية :
1210001964	1210001964
ID No:	رقم الهوية \ الإقامة :
1090474196	1090474196
Membership Exp:	تاريخ الانتهاء :
2026-12-31	2026-12-31




المزمع من التفاصيل يرجى الاطلاع
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ريما خالد سليمان الضحيان
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Membership Type:	نوع العضوية :
Associated	مستطب
Membership No:	رقم العضوية :
1210004007	1210004007
ID No:	رقم الهوية \ الإقامة :
1116638824	1116638824
Membership Exp:	تاريخ الانتهاء :
2026-12-31	2026-12-31




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 على المرفقة

Shaping visions

Building values





REAL ESTATE VALUATION REPORT

SEDCO Capital

SEDCO REIT Fund

Dunecrest American School

March 2026

REF: 25-0561
Code:
Date: 30/03/2026

Subject: Valuation Report for Schools – Dubai, United Arab Emirates

Dear SEDCO REIT Fund,

Pursuant to your request dated 02 December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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WHITE **CUBES**

EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Accounting Purposes.
Subject Property	Schools.
Property Location	Wadi Al Safa 3, Dubai, United Arab Emirates.
Title Deed No.	645-6592
Title Deed Date	13/05/2025
Ownership Type	Absolute title deed
Limitations	---
Owner	Sedco Cap SPV Limited.
Land Use	Educational.
Land Area (Sqm)	36,694.90 Sqm
BUA (Sqm)	19,510 Sqm
GLA (Sqm)	19,510 Sqm
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income Approach, Discounted Cash Flow method (DCF)
Currency	Saudi Arabian Riyal
Final Property Value	﷼ 165,700,000
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	08/12/2025



WHITE **CUBES**

SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Accounting Purposes**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (ﷲ) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permits.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have been absolute ownership, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 8.5%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 9.5%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Vacancy Rate:** For income-generating properties, it is assumed that the property maintains an average vacancy rate of 0% over the valuation period.
6. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
7. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
8. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
9. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
10. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
11. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 08/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is Schools located in Wadi Al Safa 3, Dubai, United Arab Emirates. The property's title deed and construction permit confirm the following:

- Total Land Area 36,694.90 square meters.
- Building area: 19,510 square meters.

During the site inspection conducted for evaluation purposes, it was noted that the property is open on 4 sides and is close to Sheikh Mohammed bin Zayed Road.

2.2 Ease of Access

The property's accessibility is considered average based on its current location near Sheikh Mohammed Bin Zayed Road.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
25°05'27.5"N 55°18'23.5"E	
دبي، الامارات العربية المتحدة 3 Wadi Al Safa	
Google Maps	

2.5 Title Deed and Ownership

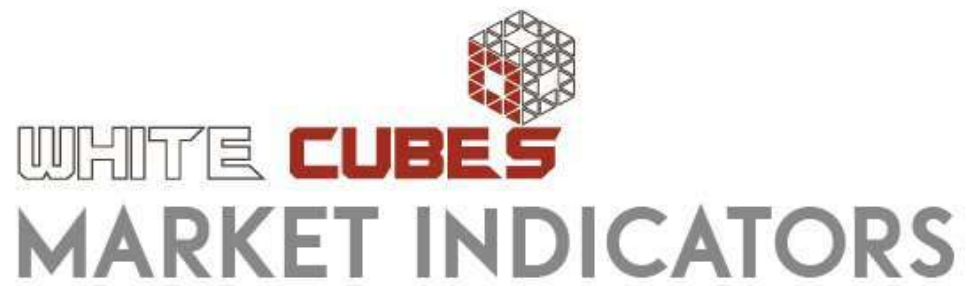
The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Dubai	Land Area	36,694.90
District	Wadi Al Safa 3	Plot No.	695
T.D Type	Electronic	Block No.	---
T.D Number	3292-645	Layout No.	---
T.D Date	2025/05/13	Ownership Type	absolute
Owner	Sedco Cap SPV Limited.	Limitation of Document	-----
Issued From	Ministry of Justice		
North Side		East Side	
South Side		West Side	

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 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

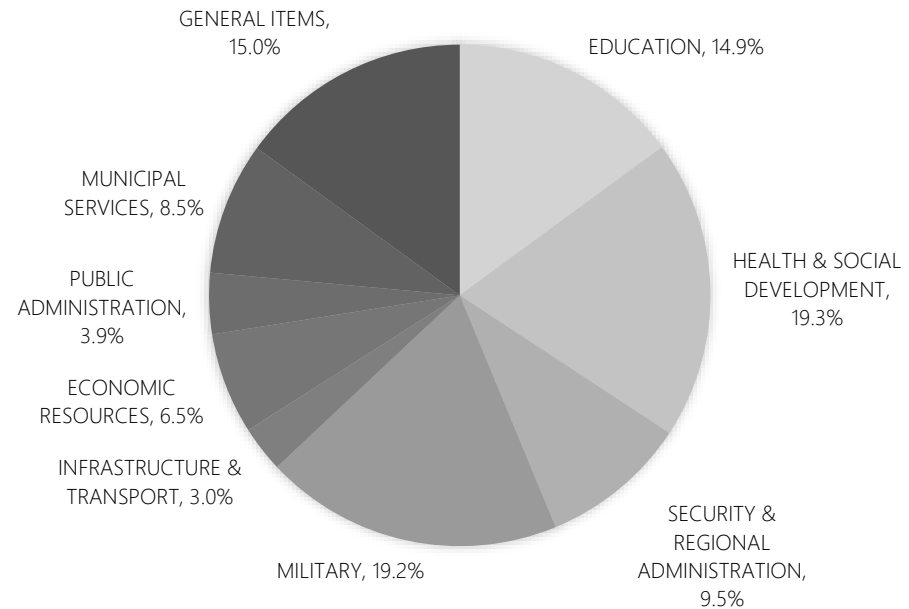
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	53.00	bn
Military Sector	259.00	bn
Security and Regional Administration Sector	128.00	bn
Municipal Services Sector	115.00	bn
Education Sector	201.00	bn
Health and Social Development Sector	260.00	bn
Economic Resources Sector	88.00	bn
Infrastructure and Transportation Sector	40.00	bn
General Items	202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	5 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **26 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
-  Indicator showing an increase in the current performance compared to last year
-  Indicator showing a stable position in the current performance compared to last year

Overall Sector Performance

From 2023 to 2024	Future Expectations
	
Values of Lands Related to The Sector	
From 2023 to 2024	Future Expectations
	
Sector Demand	
From 2023 to 2024	Future Expectations
	
Sector's occupancy ratios	
From 2023 to 2024	Future Expectations
	

Overall Sector Stability

From 2023 to 2024	Future Expectations
	
Sector rental Income	
From 2023 to 2024	Future Expectations
	
Investors' Appetite	
From 2023 to 2024	Future Expectations
	
Sectors Positive Changes	
From 2023 to 2024	Future Expectations
	

White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, the Market approach, Comparable method Income approach, DCF method- Cost Approach, DRC method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.5% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	100,000,000.00	155,000,000.00	240,000,000.00
NOI	8,000,000	13,175,000	21,600,000
Cap Rate	8.00%	8.50%	9.00%
Average Cap Rate	8.50%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	4.9%	Source	SAMA
Inflation Rate%	2.2%		GASTAT
Market Risk Premium%	3.0%		Trading Economics
Company-specific Risk Premium %	1.6%		Team's experience.
Discount Rate%	9.50%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
		0	1	2	3	4	5	6	7	8	9	10
Inflation		0%	0%	0%	3%	0%	3%	0%	3%	0%	3%	0%
Expected Revenue												
Educational Attached	Sqm	36,695	36,695	36,695	36,695	36,695	36,695	36,695	36,695	36,695	36,695	36,695
Rate (SAR)	SAR	342	342	342	352	352	363	363	374	374	385	385
Total	SAR	12,546,000	12,546,000	12,546,000	12,922,380	12,922,380	13,310,051	13,310,051	13,709,353	13,709,353	14,120,634	14,120,634
Overall Revenues		12,546,000	12,546,000	12,546,000	12,922,380	12,922,380	13,310,051	13,310,051	13,709,353	13,709,353	14,120,634	14,120,634

Vacancy and Credit Loss												
Educational Attached	0.0%	0	0	0	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0	0	0	0
Effective Rental Income		12,546,000	12,546,000	12,546,000	12,922,380	12,922,380	13,310,051	13,310,051	13,709,353	13,709,353	14,120,634	14,120,634

Expenses												
OpEx	0.0%	0	0	0	0	0	0	0	0	0	0	0
CapEx	2.5%	313,650	313,650	313,650	323,060	323,060	332,751	332,751	342,734	342,734	353,016	353,016
Overall Expenses		313,650	313,650	313,650	323,060	323,060	332,751	332,751	342,734	342,734	353,016	353,016

NOI		12,232,350	12,232,350	12,232,350	12,599,321	12,599,321	12,977,300	12,977,300	13,366,619	13,366,619	13,767,618	13,767,618
Terminal Value	8.5%											
Discount Rate	9.5%	1.00	0.91	0.83	0.76	0.70	0.64	0.58	0.53	0.48	0.44	0.40
Present Value		12,232,350	11,171,096	10,201,914	9,596,321	8,763,763	8,243,540	7,528,347	7,081,459	6,467,086	6,083,195	5,555,429
Net Present Value												

Discounted Cash Flows		2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
		11	12	13	14	15	16	17	18	19	20
Inflation		4%	0%	5%	0%	5%	0%	5%	0%	5%	0%
Expected Revenue											
Educational Attached	Sqm	36,695	36,695	36,695	36,695	36,695	36,695	36,695	36,695	36,695	36,695
Rate (SAR)	SAR	400	400	420	420	441	441	463	463	486	486
Total	SAR	14,685,459	14,685,459	15,419,732	15,419,732	16,190,718	16,190,718	17,000,254	17,000,254	17,850,267	17,850,267
Overall Revenues		14,685,459	14,685,459	15,419,732	15,419,732	16,190,718	16,190,718	17,000,254	17,000,254	17,850,267	17,850,267
Vacancy and Credit Loss											
Educational Attached	0.0%	0	0	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0	0	0
Effective Rental Income		14,685,459	14,685,459	15,419,732	15,419,732	16,190,718	16,190,718	17,000,254	17,000,254	17,850,267	17,850,267
Expenses											
OpEx	0.0%	0	0	0	0	0	0	0	0	0	0
CapEx	2.5%	367,136	367,136	385,493	385,493	404,768	404,768	425,006	425,006	446,257	446,257
Overall Expenses		367,136	367,136	385,493	385,493	404,768	404,768	425,006	425,006	446,257	446,257
NOI		14,318,322	14,318,322	15,034,239	15,034,239	15,785,950	15,785,950	16,575,248	16,575,248	17,404,010	17,404,010
Terminal Value	8.5%										204,753,063
Discount Rate	9.5%	0.37	0.34	0.31	0.28	0.26	0.23	0.21	0.20	0.18	0.16
Present Value		5,276,389	4,818,620	4,620,595	4,219,721	4,046,308	3,695,259	3,543,399	3,235,980	3,102,995	36,172,436
Net Present Value											165,700,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **ﷲ 165,700,000.00**
One Hundred Sixty-Five Million Seven Hundred Thousand Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Reema K. Al Dhayan
Asst. Manager



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



DOCUMENT

5.1 Title deeds

 وزارة التعليم العالي والبحث العلمي The Ministry of Education and Higher Education		ترقية مادة هندسة Upgrade of Engineering		وزارة التعليم العالي والبحث العلمي The Ministry of Education and Higher Education	
رقم الترخيص Licence No.	3341 / 1 - 4 - 6	الرقم الجامعي University No.	800330	الاسم الكامل Full Name	اسم المؤسسة التعليمية Institution Name
قرار الترخيص : قرار الترخيص License Decision : License Decision					
The Applicant for Upgrading having only: Affected plant to be protected and/or damage caused to ELO plant, any damages repairing and test staffs, will be charged under the customer cost. Affected plant to be maintained on short-cut under ELO plant supervision. Contractor to provide and install all cables, wires and accessories required to establish the link from ELO plant to customer room. Additionally, if any Electrical device is used, concerned with the building, customer project provides all the additional requirements. All Cable requirements as per 2013 ELO Design Guidebook for FIBER TO HOME REQUIREMENTS. Electrical test results report to be made TEs, signatory, accompanied to be provided in ELO plant room accompanied 20% fee and signature. The test classification within the building will be by PMO.					
قرار الترخيص : قرار الترخيص License Decision : License Decision					
THIS APPROVAL IS FOR SCHOOL, NO HIGHER THAN 6 YEARS ARE ALLOWED TO BE ACCOMMODATED FLOOR OTHER THAN GROUND FLOOR. STUDENT'S SHALL BE ACCUPTED WITH AWARENESS OF THE SAFETY. THIS STAFF SHALL BE TRAINED WITH FIRE EXTINGUISHER USAGE, EVACUATION PROCEDURES ETC. COMPLY WITH CODE FOR CONCRETE WALL, GLASSWALL, ROOFING, GLAZING WALL SYSTEMS, BALCONY, OVERHEADS AND APPROXIMATELY 5% FOR REVISION AND HIGHER BUILDING 6 YEARS ARE ALLOWED TO BE ACCOMMODATED AT FLOOR OTHER THAN GROUND FLOOR. STUDENT'S SHALL BE EQUIPPED WITH APPROPRIATE FIRE SAFETY. THIS STAFF SHALL BE TRAINED WITH FIRE EXTINGUISHER USAGE, EVACUATION PROCEDURES ETC. COMPLY WITH CODE FOR CONCRETE WALL, GLASSWALL, ROOFING, GLAZING WALL SYSTEMS, BALCONY, OVERHEADS AND					
General Conditions: 1. Comply with Checkered Requirements, Fire and Life Safety Code of Practice for Design, Construction, Installation, of Fire and Life Safety systems including Detection, Warning, Fighting, and Systems, Fire Code, Fire Alarm System, Fire Fighting System, Smoke Control System, VPD System. 2. In the material used, all the Suppliers, all the Contractors implementing Fire and Life Safety Systems in this building and the response and approved by Subject Code Entries. 3. Building under construction shall comply with all fire safety requirements of Clause 12, 14, Fire and Life Safety Code of Practice. 4. In a building, owner is responsible to make sure that no Combustion source or flammable materials is connected at any without the written approval from Subject Code Entries. 5. In a building owner is responsible to appoint a responsible person for organizing, maintain and equipped all the Fire and Life Safety Systems in the building (including as annex).					

[illegible]



السلطة الفلسطينية
Ministry of Lands, Housing and Urban Planning

شهادة ملكية عقار

Title Deed



دولة فلسطين
State of Palestine

Issue Date:	13/05/2022	تاريخ إصدار
Mortgage Status:	Not mortgaged	الحالة الرهن
Property Type:	أرض زراعية	نوع العقار
Community:	Block H, Sect 3	البلدية
Plot No:	430	رقم القطعة
Plot/Shareability No:	545 - 3252	رقم الملكية
Area by Metro:	39699.82	المساحة الكلية متر مربع
Area by Foot:	794,593.62	المساحة الكلية قدم مربع

المستفيد من الملكية والعقار:

ASMAH SEDCO CAP NPV LIMITED

المساحة بالقدم المربع (Area by Metro):

39699.82

رقم التسجيل العقاري:

ITD00501

Purchased from AMANA STEEL BUILDING CONTRACTING LLC by the Land Registration No. HQ026245 Date 13/05/2022 for the amount USD600000 (Six Hundred Fifty Eight Million USD only, Sixteen only).

تم شراؤه من AMANA STEEL BUILDING CONTRACTING LLC بتاريخ 13/05/2022 بمبلغ 600,000 دولار أمريكي (ستة مائة وستين مليون دولار أمريكي فقط، ستة عشر فقط).

This property and its ownership is subject to the terms of the jointly owned property declaration of the above mentioned community and to the regulations and its amendments with effect from time to time.

Approved Signature





4002520

توقيع

N.T. Center No. 51446 Date Issued: 13/05/2022

مركز التسجيل رقم 51446 تاريخ الإصدار: 13/05/2022

* Digital stamp of this certificate is securely stored on blockchain.
 * Certificate is electronically issued and its signature or stamp is required to change in the certificate field is not.
 * It is prohibited to treat this certificate by any other party.



Prepared By : kashan



5.2 Real Estate Valuation License

تقييم
TAQEEM
الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

رقم الترخيص : 13093
تاريخ الإصدار : 1437/08/02 هـ
تاريخ الانتهاء : 1452/10/20 هـ
رقم نسخة الترخيص : 3

ترخيص مزاولة مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاولة مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة








نابيل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

Membership Type: Associated	نوع العضوية: مستند
Membership No: 1210002782	رقم العضوية: 1210002782
ID No: 1014179931	رقم الهوية V: 1014179931
Membership Exp: 2026-12-31	تاريخ الانتهاء: 2026-12-31




صورة من الترخيص برقم 2997
 على الترخيص






عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHOSAINI

Membership Type: Man	نوع العضوية: مستند
Membership No: 1210000474	رقم العضوية: 1210000474
ID No: 1044275947	رقم الهوية V: 1044275947
Membership Exp: 2026-12-31	تاريخ الانتهاء: 2026-12-31




صورة من الترخيص برقم 2997
 على الترخيص






فرح عصام محمد الحسيني
FARAH ESSAM MOHAMMED ALHUSAYNI

Membership Type: Associated	نوع العضوية: مستند
Membership No: 1210001964	رقم العضوية: 1210001964
ID No: 1095474196	رقم الهوية V: 1095474196
Membership Exp: 2026-12-31	تاريخ الانتهاء: 2026-12-31




صورة من الترخيص برقم 2997
 على الترخيص






ريما خالد سليمان الدحيان
REEMA KHALID SULAIMAN ALDHAYAN

Membership Type: Associated	نوع العضوية: مستند
Membership No: 1210004007	رقم العضوية: 1210004007
ID No: 1119536024	رقم الهوية V: 1119536024
Membership Exp: 2026-12-31	تاريخ الانتهاء: 2026-12-31




صورة من الترخيص برقم 2997
 على الترخيص

Shaping visions

Building values



SEDCO Capital

SEDCO REIT Fund

Saudi Electronics Company

Extra

March 2026

REF: 25-0561
Code: 1682093
Date: 30/03/2026

Subject: Valuation Report for Commercial Complex– Dammam City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02nd December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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WHITE **CUBES**

EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	1682093
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Accounting Purposes.
Subject Property	Commercial complex
Property Location	Al Aziziyah, Dammam City.
Title Deed No.	499181002146 – 999181002152 - 399181002150
Title Deed Date	1445/05/08
Ownership Type	Title deed-restricted
Limitations	Mortgaged to Bank Al Jazira.
Owner	Saudi Real Estate Funds Development and Economic Company.
Land Use	Commercial.
Land Area (Sqm)	8,258.25Sqm
BUA (Sqm)	4,404 Sqm
GLA (Sqm)	3,600Sqm
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income Approach, Discounted Cash Flow method (DCF)
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 54,000,000
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	07/12/2025



WHITE **CUBES**

SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Accounting Purposes**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (ﷻ) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permit.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have Mortgaged to Bank Al Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 8%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 9%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
6. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
7. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
8. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
9. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
10. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 07/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is Commercial complex located in Al Aziziyah, Dammam City, Saudi Arabia. The property's title deed and construction permit confirm the following:

- Total Land Area 8,258.25 square meters.
- Building area: 4,404 square meters.

During the site inspection conducted for evaluation purposes, it was noted that the property is open from 4 sides, and the property is distinguished by its proximity to the Gulf Road from the northern side.

2.2 Ease of Access

The access level of the subject property is classified as moderate due to its location on near Gulf Road.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
26°27'35.7"N 50°04'43.3"E	
F35H+XF7 Dammam	
Google Maps	

2.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Dammam	Land Area	2,258.25
District	Al- Aziziyah	Plot No.	16
T.D Type	Electronic	Block No.	---
T.D Number	999181002152	Layout No.	1/418
T.D Date	1445/05/08	Ownership Type	Mortgage
Owner	Saudi Real Estate Development and Economic Company	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	60m wide street	East Side	20m wide street
South Side	20m wide street	West Side	Plot No 15

City	Dammam	Land Area	1,500
District	Al- Aziziyah	Plot No.	15
T.D Type	Electronic	Block No.	---
T.D Number	999181002152	Layout No.	1/418
T.D Date	1445/05/08	Ownership Type	Mortgage
Owner	Saudi Real Estate Development and Economic Company	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	60m wide street	East Side	Plot No 16
South Side	20m wide street	West Side	Plot No 14

City	Dammam	Land Area	1,500.00
District	Al- Aziziyah	Plot No.	12
T.D Type	Electronic	Block No.	---
T.D Number	499181002146	Layout No.	1/418
T.D Date	1445/05/08	Ownership Type	Mortgage
Owner	Saudi Real Estate Development and Economic Company	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	60m wide street	East Side	Plot No 13
South Side	20m wide street	West Side	8 wide street

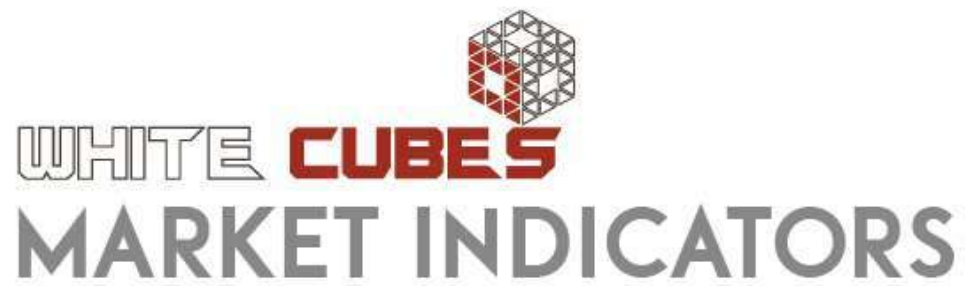
City	Dammam	Land Area	1,500.00
District	Al- Aziziyah	Plot No.	13
T.D Type	Electronic	Block No.	---
T.D Number	499181002146	Layout No.	1/418
T.D Date	1445/05/08	Ownership Type	Mortgage
Owner	Saudi Real Estate Development and Economic Company	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	60m wide street	East Side	Plot No 14
South Side	20m wide street	West Side	Plot No 12

City	Dammam	Land Area	1,500.00
District	Al- Aziziyah	Plot No.	14
T.D Type	Electronic	Block No.	---
T.D Number	399181002150	Layout No.	1/418
T.D Date	1445/05/08	Ownership Type	Mortgage
Owner	Saudi Real Estate Development and Economic Company	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	60m wide street	East Side	Plot No 15
South Side	20m wide street	West Side	Plot No 13

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 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

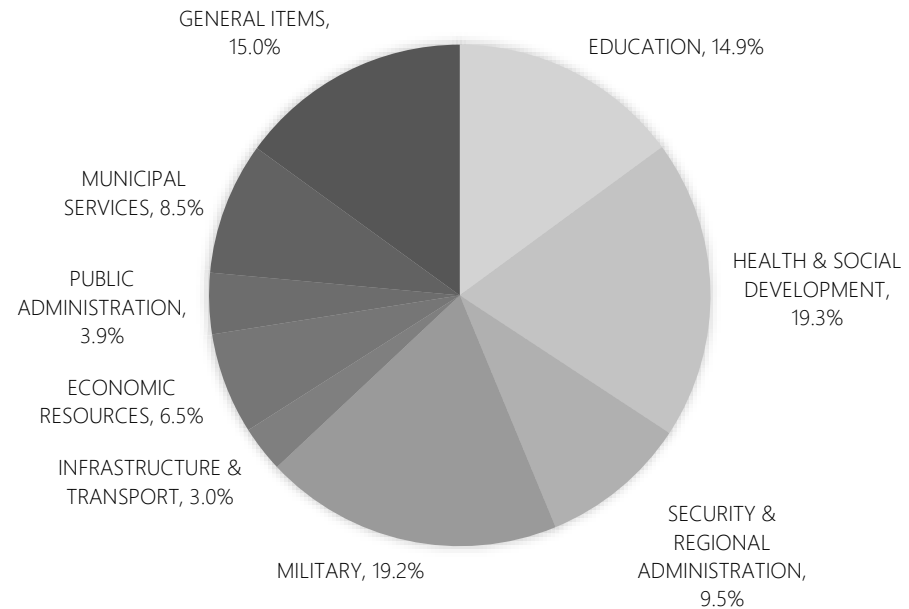
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	-0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	ﷲ 53.00	bn
Military Sector	ﷲ 259.00	bn
Security and Regional Administration Sector	ﷲ 128.00	bn
Municipal Services Sector	ﷲ 115.00	bn
Education Sector	ﷲ 201.00	bn
Health and Social Development Sector	ﷲ 260.00	bn
Economic Resources Sector	ﷲ 88.00	bn
Infrastructure and Transportation Sector	ﷲ 40.00	bn
General Items	ﷲ 202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	8 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **29 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
- Indicator showing an increase in the current performance compared to last year
- Indicator showing a stable position in the current performance compared to last year

Overall Sector Performance

From 2023 to 2024	Future Expectations
	
Values of Lands Related to The Sector	
From 2023 to 2024	Future Expectations
	
Sector Demand	
From 2023 to 2024	Future Expectations
	
Sector's occupancy ratios	
From 2023 to 2024	Future Expectations
	

Overall Sector Stability

From 2023 to 2024	Future Expectations
	
Sector rental Income	
From 2023 to 2024	Future Expectations
	
Investors' Appetite	
From 2023 to 2024	Future Expectations
	
Sectors Positive Changes	
From 2023 to 2024	Future Expectations
	

White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, Income Approach Discounted Cash Flow (DCF) Method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	80,000,000.00	42,000,000.00	100,000,000.00
NOI	6,400,000	3,360,000	8,000,000
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Government Bonds rate%	5.0%	Source	SAMA
Inflation Rate%	2.2%		GASTAT
Systematic Risk Premium%	2.0%		Trading Economic
Unsystematic Risk Premium%	2.0%		Team's Experience
Discount Rate%	9.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030	2031	2032
		0	1	2	3	4	5	6	7
Inflation		0.0%	0.0%	4.0%	0.0%	0.0%	4.0%	0.0%	0.0%
Expected Revenue									
Commercial complex	Sqm	4,404	4,404	4,404	4,404	4,404	4,404	4,404	4,404
Rate (SAR)	SAR	894	894	930	930	930	967	967	967
Total	SAR	3,937,024	3,937,024	4,094,505	4,094,505	4,094,505	4,258,285	4,258,285	4,258,285
Overall Revenues		3,937,024	3,937,024	4,094,505	4,094,505	4,094,505	4,258,285	4,258,285	4,258,285
Vacancy and Credit Loss									
Commercial complex	0.0%	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
Effective Rental Income		3,937,024	3,937,024	4,094,505	4,094,505	4,094,505	4,258,285	4,258,285	4,258,285
Expenses									
OpEx	0.0%	0	0	0	0	0	0	0	0
CapEx	0.0%	0	0	0	0	0	0	0	0
Overall Expenses		0	0	0	0	0	0	0	0
NOI		3,937,024	3,937,024	4,094,505	4,094,505	4,094,505	4,258,285	4,258,285	4,258,285
Terminal Value	8.0%								53,228,564
Discount Rate	9.0%	1.00	0.92	0.84	0.77	0.71	0.65	0.60	0.55
Present Value		3,937,024	3,611,949	3,446,263	3,161,709	2,900,651	2,767,593	2,539,076	31,447,275
Net Present Value									54,000,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **ﷲ 54,000,000.00**
Fifty-Four Million Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
 President



Fellow Member of (RE Valuation)
 License No. 1210000474

Nabeel M. Al Husaini
 CEO



Member of (RE Valuation)
 License No. 1210002782

Farah E. Al Husaini
 Valuation Manager



Member of (RE Valuation)
 License No. 1210001964

Reema K. Al Dhayan
 Asst. Manager



Fellow Member of (RE Valuation)
 License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



DOCUMENT

Documents Received

5.1 Title deeds



The image displays five individual title deed documents (Sukuk) from the Saudi Ministry of Land, Urban Planning and Construction. Each document is a form with multiple sections containing property details, owner information, and transaction data. The documents are arranged horizontally, showing different examples of the form.

5.2 Real Estate Valuation License

تقييم
TAQEEM
الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

رقم الترخيص: 13093
تاريخ الإصدار: 1437/08/02 هـ
تاريخ الانتهاء: 1452/10/20 هـ
رقم نسخة الترخيص: 3

ترخيص مزاولة مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم: **1044275947** لمزاولة مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة



الجمعية العامة
General Assembly
TAGEEM



نابيل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

Membership Type: Associated
Membership No: 1210002782
ID No: 1014179931
Membership Exp: 2026-12-31

نوع العضوية: مشترك
رقم العضوية: 1210002782
رقم الهوية الوطنية: 1014179931
تاريخ الانتهاء: 2026-12-31

معلومات على شهادة الزيادة
صورة من الترخيص رقم 2997
على الترخيص



الجمعية العامة
General Assembly
TAGEEM



عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHUSAINI

Membership Type: Man
Membership No: 1210000474
ID No: 1044275947
Membership Exp: 2026-12-31

نوع العضوية: انثى
رقم العضوية: 1210000474
رقم الهوية الوطنية: 1044275947
تاريخ الانتهاء: 2026-12-31

معلومات على شهادة الزيادة
صورة من الترخيص رقم 2997
على الترخيص



الجمعية العامة
General Assembly
TAGEEM



فراح عصام محمد الحسيني
FARAH ESSAM MOHAMMED ALHUSAYNI

Membership Type: Associated
Membership No: 1210001964
ID No: 1095474196
Membership Exp: 2026-12-31

نوع العضوية: مشترك
رقم العضوية: 1210001964
رقم الهوية الوطنية: 1095474196
تاريخ الانتهاء: 2026-12-31

معلومات على شهادة الزيادة
صورة من الترخيص رقم 2997
على الترخيص



الجمعية العامة
General Assembly
TAGEEM



ريما خالد سليمان الزحيان
REEMA KHALID SULAIMAN ALZHAYAN

Membership Type: Associated
Membership No: 1210004667
ID No: 1116036824
Membership Exp: 2026-12-31

نوع العضوية: انثى
رقم العضوية: 1210004667
رقم الهوية الوطنية: 1116036824
تاريخ الانتهاء: 2026-12-31

معلومات على شهادة الزيادة
صورة من الترخيص رقم 2997
على الترخيص



Shaping visions

Building values



SEDCO Capital

SEDCO REIT Fund

Hayat Tower

March 2026

REF: 25-0561
Code: 1682025
Date: 30/03/2026

Subject: Valuation Report for Hayat Tower – Riyadh City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02sc December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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WHITE **CUBES**

EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	1682025
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Inclusion in financial statements.
Subject Property	Hotel Tower.
Property Location	Al Maather district, Riyadh City.
Title Deed No.	499181002158
Title Deed Date	08/05/1445
Ownership Type	Title deed restricted.
Limitations	Mortgage to Bank AL Jazira.
Owner	Saudi Economic and Development Company for Real Estate Funds.
Land Use	Commercial Residential.
Land Area (Sqm)	1,494.75 Sqm.
BUA (Sqm)	6,574 Sqm.
GLA (Sqm)	6,574 Sqm.
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income approach, DCF method.
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 21,500,000
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	07/12/2025



WHITE **CUBES**

SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Inclusion in Financial Statements**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (ﷲ) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permits.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have been mortgaged to Bank AL Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 8%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 8%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Vacancy Rate:** For income-generating properties, it is assumed that the property maintains an average vacancy rate of 0% over the valuation period.
6. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
7. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
8. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
9. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
10. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
11. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 07/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is a tower located in Al Maather district, Riyadh city, Saudi Arabia. The property's title deed and construction permit confirm the following:

- Total Land Area: 1,494.75 square meters.
- Total Built-Up Area (BUA): 6,574.00 square meters.

During the site inspection conducted for the purpose of valuation, it was observed that the property is open from 3 sides, the property features a direct view of King Fahad from the western side.

2.2 Ease of Access

The access level of the subject property is classified as moderate due to its location on Shadad ibn Aous.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
24°40'37.13"N 46°41'29.08"E	
Al Wara, Al Olaya, Riyadh 12611	
Google Maps	

2.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	1,494.75 Sqm
District	Al Maather	Plot No.	9
T.D Type	Electronic	Block No.	---
T.D Number	499181002158	Layout No.	1376
T.D Date	08/05/1445	Ownership Type	Mortgage
Owner	Saudi Economic and Development Company for Real Estate Funds	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Riyadh First Notary		
North Side	10 meter width street	East Side	15 meter width street
South Side	20 meter width street	West Side	Privet property

2.6 Construction Permit

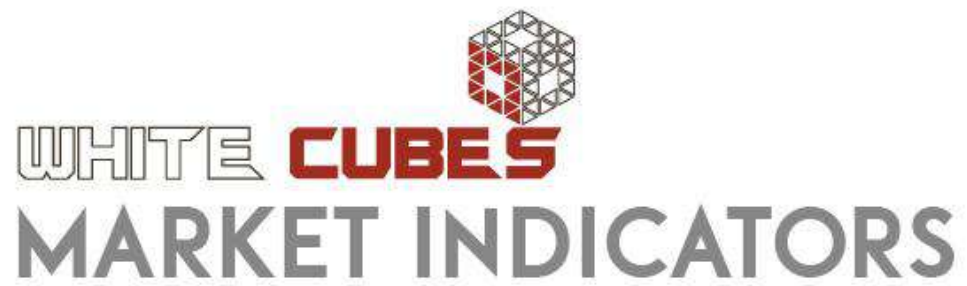
The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	New Permit	Built-Up Area (BUA)	6,574
Property Type	Commercial residential building	Actual Age	25
Construction Permit No.	2/2/2/27	State of Property	Fully Constructed
Construction Permit Date	13/04/1419	Completion Rate	100%

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.

2.7 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

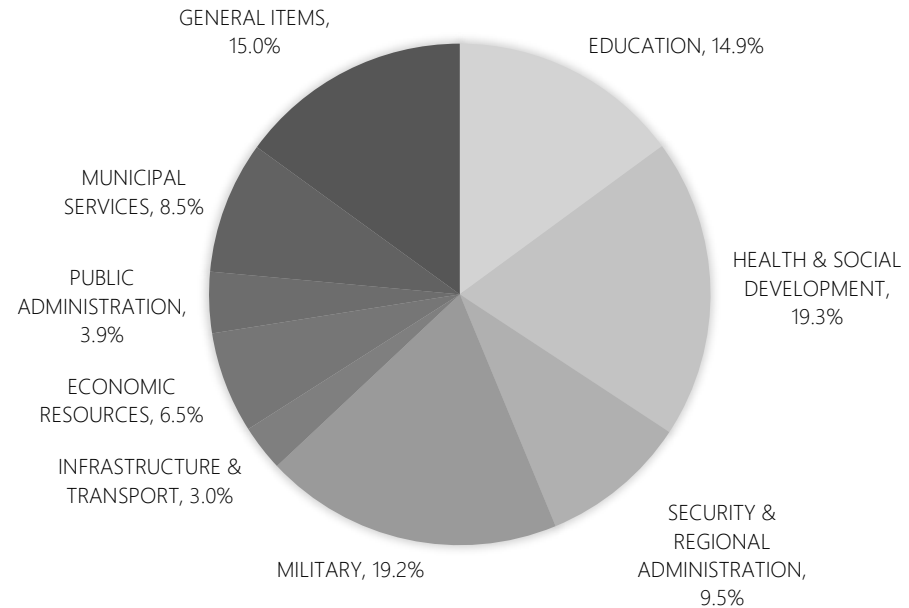
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	ﷲ 53.00	bn
Military Sector	ﷲ 259.00	bn
Security and Regional Administration Sector	ﷲ 128.00	bn
Municipal Services Sector	ﷲ 115.00	bn
Education Sector	ﷲ 201.00	bn
Health and Social Development Sector	ﷲ 260.00	bn
Economic Resources Sector	ﷲ 88.00	bn
Infrastructure and Transportation Sector	ﷲ 40.00	bn
General Items	ﷲ 202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	5 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **26 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
- Indicator showing an increase in the current performance compared to last year
- Indicator showing a stable position in the current performance compared to last year

Overall Sector Performance

From 2023 to 2024	Future Expectations
	
Values of Lands Related to The Sector	
From 2023 to 2024	Future Expectations
	
Sector Demand	
From 2023 to 2024	Future Expectations
	
Sector's occupancy ratios	
From 2023 to 2024	Future Expectations
	

Overall Sector Stability

From 2023 to 2024	Future Expectations
	
Sector rental Income	
From 2023 to 2024	Future Expectations
	
Investors' Appetite	
From 2023 to 2024	Future Expectations
	
Sectors Positive Changes	
From 2023 to 2024	Future Expectations
	

White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, the Market approach, Comparable method Income approach, DCF method- Cost Approach, DRC method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 7.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	40,000,000.00	27,500,000.00	38,800,000.00
NOI	3,200,000	2,200,000	3,104,000
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Government Bonds rate%	5.0%	Source	SAMA
Inflation Rate%	2.0%		GASTAT
Systematic Risk Premium%	1.0%		Trading Economic
Unsystematic Risk Premium%	2.0%		Team's Experience
Discount Rate%	8.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030
		0	1	2	3	4	5
Inflation		0%	0%	0%	0%	0%	0%
Expected Revenue							
Office Building	Sqm	4,350	4,350	4,350	4,350	4,350	4,350
Rate (SAR)	SAR	368	368	368	368	368	368
Total	SAR	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
Overall Revenues		1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
Vacancy and Credit Loss							
Office Building	0.0%	0	0	0	0	0	0
Total		0	0	0	0	0	0
Effective Rental Income		1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
Expenses							
CapEx	0.0%	0	0	0	0	0	0
OpEx	5.0%	0	0	80,000	0	0	0
Overall Expenses		0	0	80,000	0	0	0
NOI		1,600,000	1,600,000	1,520,000	1,600,000	1,600,000	1,600,000
Terminal Value	8.0%						20,000,000
Discount Rate	8.0%	1.00	0.93	0.86	0.79	0.74	0.68
Present Value		1,600,000	1,481,481	1,303,155	1,270,132	1,176,048	14,700,597
Net Present Value							21,500,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **ﷲ 21,500,000.00**
Twenty-One Million Five Hundred Thousand Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Reema K. Al Dhayan
Asst. Manager



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



WHITE **CUBES**
DOCUMENTS

DOCUMENT

Documents Received

5.1 Title deeds and construction permit.

[illegible][illegible][illegible]

5.2 Real Estate Valuation License

رقم الترخيص : 13093

تاريخ الإصدار : 1437/08/02 هـ

تاريخ الإنتهاء : 1452/10/20 هـ

رقم نسخة الترخيص : 3



الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

ترخيص مزاولة مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاولة مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي

م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة








نبيل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

Membership Type: **عضو**
 Associated
 Membership No: **1210002782**
 ID No: **1014178931**
 Membership Exp: **2026-12-31**

فئة العضوية: **مستشار**
 رقم العضوية: **1210002782**
 رقم الهوية \ الإقامة: **1014178931**
 تاريخ الانتهاء: **2026-12-31**




ملاحظة: هذا العضو هو من الأعضاء المؤهلين لتقديم الخدمات المهنية.






عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHOSAINI

Membership Type: **عضو**
 Main
 Membership No: **1210000474**
 ID No: **1044275947**
 Membership Exp: **2026-12-31**

فئة العضوية: **أساسي**
 رقم العضوية: **1210000474**
 رقم الهوية \ الإقامة: **1044275947**
 تاريخ الانتهاء: **2026-12-31**




ملاحظة: هذا العضو هو من الأعضاء المؤهلين لتقديم الخدمات المهنية.






فرح عصام محمد الحسيني
FARAH ESSAM MOHAMMED ALHUSAYNI

Membership Type: **عضو**
 Associated
 Membership No: **1210001964**
 ID No: **1090474196**
 Membership Exp: **2026-12-31**

فئة العضوية: **مستشار**
 رقم العضوية: **1210001964**
 رقم الهوية \ الإقامة: **1090474196**
 تاريخ الانتهاء: **2026-12-31**




ملاحظة: هذا العضو هو من الأعضاء المؤهلين لتقديم الخدمات المهنية.






ريما خالد سليمان الدحيان
REEMA KHALID SULAIMAN ALDHAYANI

Membership Type: **عضو**
 Associated
 Membership No: **1210004007**
 ID No: **1116038624**
 Membership Exp: **2026-12-31**

فئة العضوية: **مستشار**
 رقم العضوية: **1210004007**
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 تاريخ الانتهاء: **2026-12-31**




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Shaping visions

Building values





REAL ESTATE VALUATION REPORT

SEDCO Capital

SEDCO REIT Fund

Hokair Time

March 2026

REF: 25-0561
Code: 1682091
Date: 30/03/2026

Subject: Valuation Report for Commercial Building – Dammam City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02nd December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	1682091
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Accounting Purposes.
Subject Property	Commercial Building
Property Location	Al-Awal district, Dammam City.
Title Deed No.	399684003634
Title Deed Date	1445/05/09
Ownership Type	Title deed-restricted
Limitations	Mortgaged to Bank Al Jazira
Owner	Saudi Real Estate Funds Development and Economic Company.
Land Use	Commercial.
Land Area (Sqm)	5,155.52 Sqm
BUA (Sqm)	3,326 Sqm
GLA (Sqm)	3,326 Sqm
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income Approach, Discounted Cash Flow method (DCF)
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 34,000,000
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	07/12/2025



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SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Accounting Purposes**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (ﷲ) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permit.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have Mortgaged to Bank Al Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 7%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 8%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
6. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
7. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
8. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
9. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
10. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 07/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The property being evaluated is a plot of land located in the Al-Awal district of Dammam, Saudi Arabia. The property's ownership documents confirm the following:

- Total land area: 5,155.52 square meters.
- Built-up area: 3,326 square meters.

During the site inspection conducted for the evaluation, it was noted that the property is open on three sides and has a direct view of Prince Sultan Street to the south.

2.2 Ease of Access

The access level of the subject property is classified as moderate due to its location on Prince Sultan Street.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
26°20'11.6"N 50°11'50.7"E	
85PW+JXF Al Khobar	
Google Maps	

2.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Dammam	Land Area	2,450
District	Al-Awal	Plot No.	3
T.D Type	Electronic	Block No.	---
T.D Number	393010010160	Layout No.	1/337
T.D Date	1445/05/09	Ownership Type	Mortgage
Owner	Saudi Real Estate Development and Economic Company	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	18m wide street	East Side	Plot No 4
South Side	60m wide street	West Side	Plot No 2

City	Dammam	Land Area	2,705.52
District	Al-Awal	Plot No.	4
T.D Type	Electronic	Block No.	---
T.D Number	393010010160	Layout No.	1/337
T.D Date	1445/05/09	Ownership Type	Mortgage
Owner	Saudi Real Estate Development and Economic Company	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	18m wide street	East Side	18m wide street
South Side	60m wide street	West Side	Plot No 3

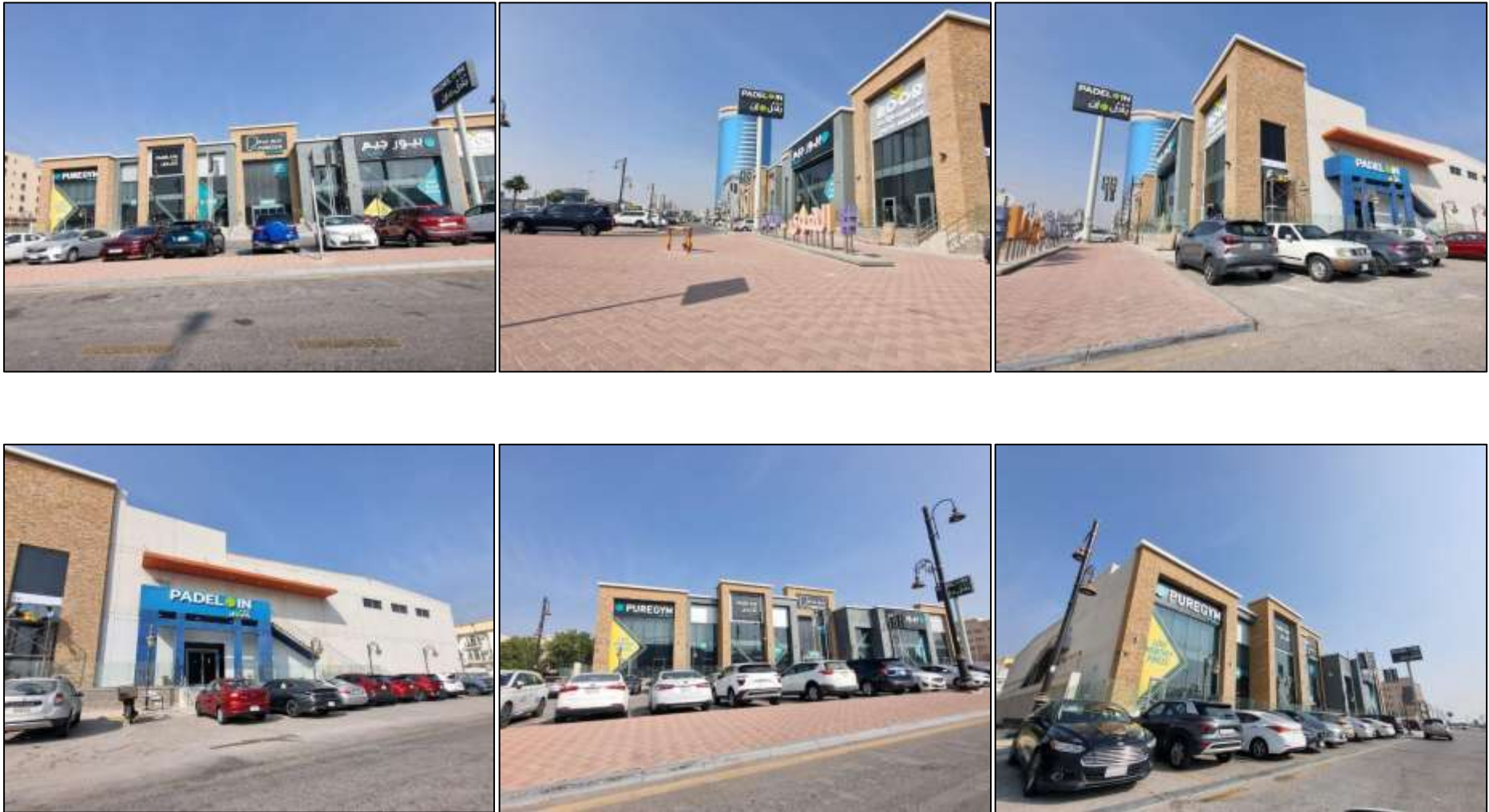
2.6 Construction Permit

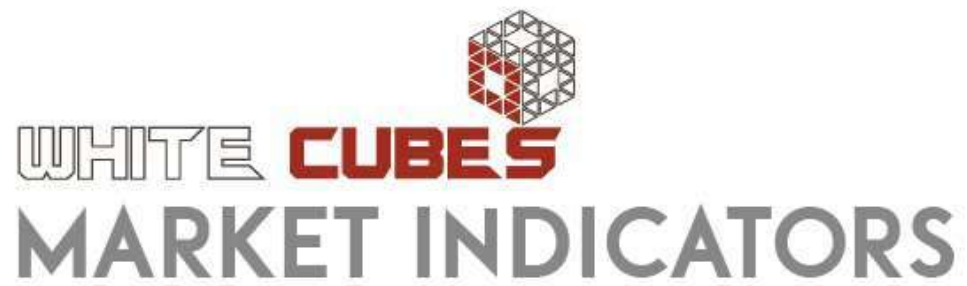
The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	New Permit	Built-Up Area (BUA)	6,607
Property Type	Commercial building	Actual Age	9
Construction Permit No.	----	State of Property	Fully Constructed
Construction Permit Date	-----	Completion Rate	100%

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

2.7 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

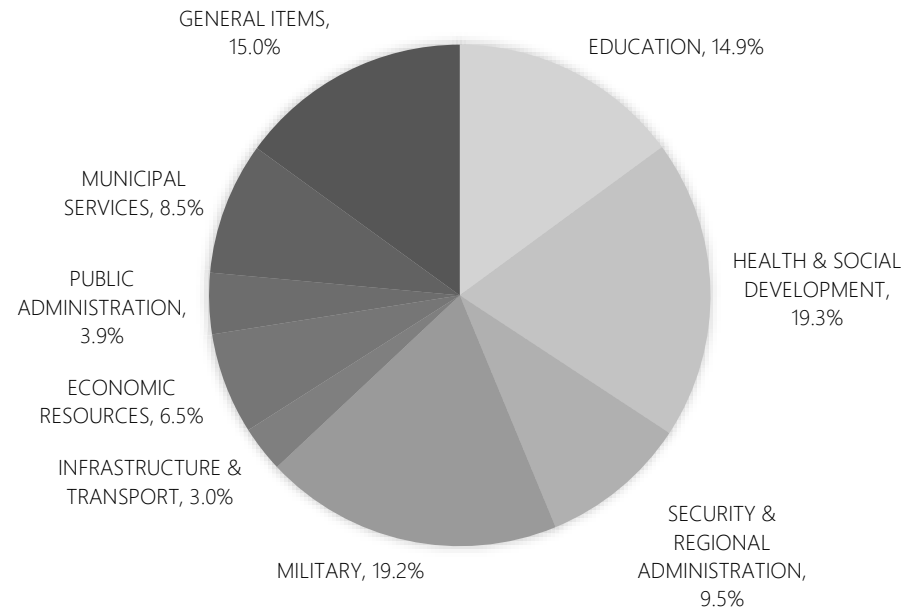
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	-0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	53.00	bn
Military Sector	259.00	bn
Security and Regional Administration Sector	128.00	bn
Municipal Services Sector	115.00	bn
Education Sector	201.00	bn
Health and Social Development Sector	260.00	bn
Economic Resources Sector	88.00	bn
Infrastructure and Transportation Sector	40.00	bn
General Items	202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	8 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

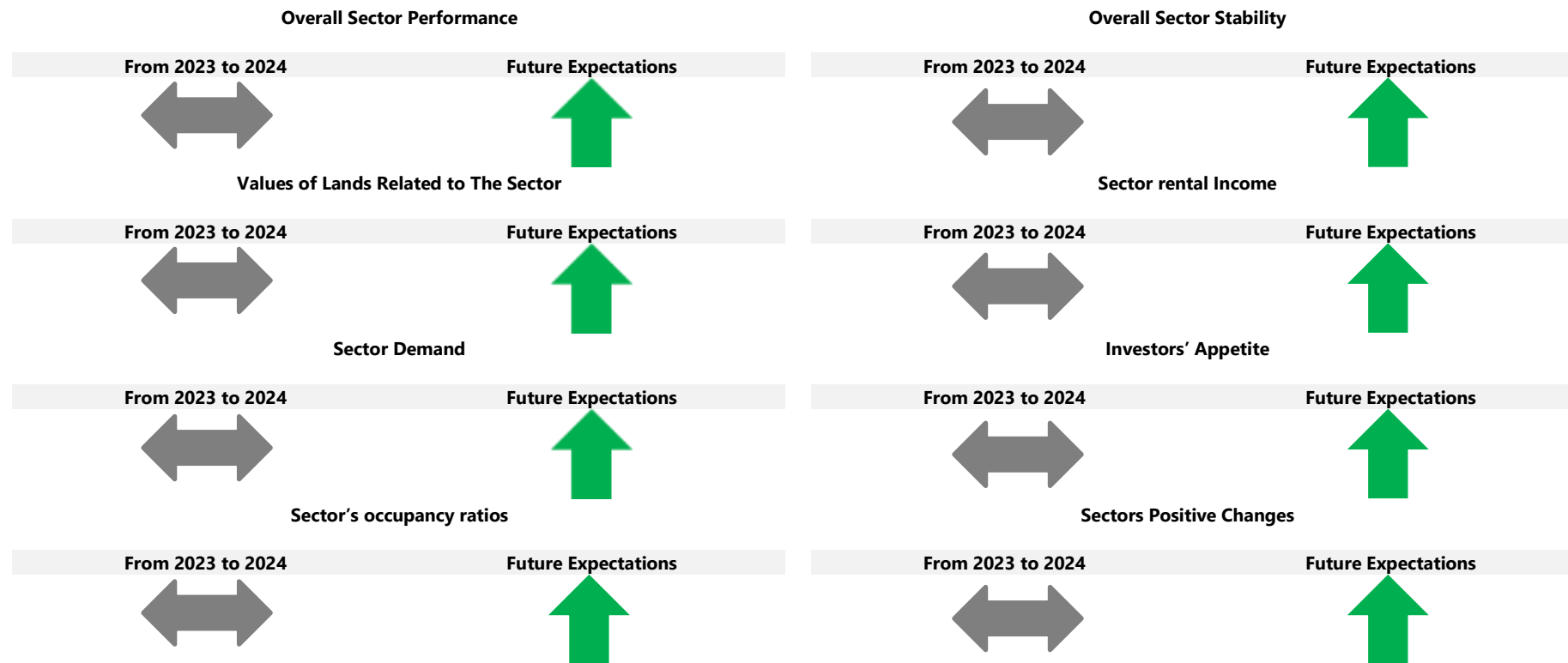
Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **29 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
-  Indicator showing an increase in the current performance compared to last year
-  Indicator showing a stable position in the current performance compared to last year



White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



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PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, Income Approach Discounted Cash Flow (DCF) Method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 7.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	27,000,000.00	86,000,000.00	120,000,000.00
NOI	1,890,000	6,020,000	8,400,000
Cap Rate	7.00%	7.00%	7.00%
Average Cap Rate	7.00%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Government Bonds rate%	5.0%	Source	SAMA
Inflation Rate%	2.0%		GASTAT
Systematic Risk Premium%	2.0%		Trading Economic
Unsystematic Risk Premium%	1.0%		Team's Experience
Discount Rate%	8.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030	2031
		0	1	2	3	4	5	6
Inflation		0.0%	0.0%	0.0%	13.5%	0.0%	0.0%	0.0%
Expected Revenue								
Commercial complex	Sqm	5,156	5,156	5,156	5,156	5,156	5,156	5,156
Rate (SAR)	SAR	427	427	427	484	484	484	484
Total	SAR	2,200,000	2,200,000	2,200,000	2,500,000	2,500,000	2,500,000	2,500,000
Overall Revenues		2,200,000	2,200,000	2,200,000	2,500,000	2,500,000	2,500,000	2,500,000
Vacancy and Credit Loss								
Commercial complex	0.0%	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0
Effective Rental Income		2,200,000	2,200,000	2,200,000	2,500,000	2,500,000	2,500,000	2,500,000
Expenses								
OpEx	0.0%	0	0	0	0	0	0	0
CapEx	2.0%	44,000	44,000	44,000	50,000	50,000	50,000	50,000
Overall Expenses		44,000	44,000	44,000	50,000	50,000	50,000	50,000
NOI		2,156,000	2,156,000	2,156,000	2,450,000	2,450,000	2,450,000	2,450,000
Terminal Value	7.0%							
Discount Rate	8.0%	1.00	0.93	0.86	0.79	0.74	0.68	0.63
Present Value		2,156,000	1,996,296	1,848,422	1,944,889	1,800,823	1,667,429	1,543,916
Net Present Value								

Discounted Cash Flows		2032	2033	2034	2035	2036	2037
		7	8	9	10	11	12
Inflation		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expected Revenue							
Commercial complex	Sqm	5,156	5,156	5,156	5,156	5,156	5,156
Rate (SAR)	SAR	484	484	484	484	484	484
Total	SAR	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Overall Revenues		2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Vacancy and Credit Loss							
Commercial complex	0.0%	0	0	0	0	0	0
Total		0	0	0	0	0	0
Effective Rental Income		2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Expenses							
OpEx	0.0%	0	0	0	0	0	0
CapEx	2.0%	50,000	50,000	50,000	50,000	50,000	50,000
Overall Expenses		50,000	50,000	50,000	50,000	50,000	50,000
NOI		2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000
Terminal Value	7.0%						35,000,000
Discount Rate	8.0%	0.58	0.54	0.50	0.46	0.43	0.40
Present Value		1,429,551	1,323,659	1,225,610	1,134,824	1,050,763	14,871,910
Net Present Value							34,000,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **ﷲ 34,000,000.00**
Thirty-Four Million Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Reema K. Al Dhayan
Asst. Manager



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



DOCUMENT

5.2 Real Estate Valuation License

رقم الترخيص : 13093

تاريخ الإصدار : 1437/08/02 هـ

تاريخ الانتهاء : 1452/10/20 هـ

رقم نسخة الترخيص : 3



الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

ترخيص مزاولة مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاولة مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة








نابيل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

Membership Type:	نوع العضوية:
Associated	مستند
Membership No:	رقم العضوية:
1210002782	1210002782
ID No:	رقم الهوية الوطنية:
1014179931	1014179931
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص






عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHOSAINI

Membership Type:	نوع العضوية:
Man	مستند
Membership No:	رقم العضوية:
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ID No:	رقم الهوية الوطنية:
1044275947	1044275947
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
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1096474196	1096474196
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
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ID No:	رقم الهوية الوطنية:
1116036824	1116036824
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص

Shaping visions

Building values





REAL ESTATE VALUATION REPORT

SEDCO Capital

SEDCO REIT Fund

Irqah Plaza

March 2026

REF: 25-0561
Code: 1682063
Date: 30/03/2026

Subject: Valuation Report for Irqah Plaza – Riyadh City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02sc December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	1682063
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Inclusion in financial statements.
Subject Property	Commercial project.
Property Location	Irqah district, Riyadh City.
Title Deed No.	996426005399
Title Deed Date	15/05/1445
Ownership Type	Title deed restricted.
Limitations	Mortgage to Bank AL Jazira.
Owner	Saudi Economic and Development Company for Real Estate Funds.
Land Use	Commercial.
Land Area (Sqm)	14,268.98 Sqm
BUA (Sqm)	9,148 Sqm.
GLA (Sqm)	7,505 Sqm.
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income approach, DCF method.
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 86,000,000
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	07/12/2025



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SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Inclusion in Financial Statements**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (﷼) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permits.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have been mortgaged to Bank AL Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 8.5%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 10%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
6. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
7. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
8. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
9. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
10. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 07/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is a commercial project located in Irqah district, Riyadh city, Saudi Arabia. The property's title deed and construction permit confirm the following:

- Total Land Area: 14,268.98 square meters.
- Total Built-Up Area (BUA): 9,148 square meters.

During the site inspection conducted for the purpose of valuation, it was observed that the property is open from 3 sides, the property features a direct view of Prince Meshaal Ibn Abd Al Aziz Street from the southern side.

2.2 Ease of Access

The access level of the subject property is classified as high due to its location on Prince Meshaal Ibn Abd Al Aziz Street.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
24°41'36.78"N 46°36'26.54"E	
Prince Meshaal Ibn Abd Al Aziz, 'Irqah, Riyadh 12583	
Google Maps	

2.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	14,268.98 Sqm
District	Irqah	Plot No.	22/2
T.D Type	Electronic	Block No.	---
T.D Number	996426005399	Layout No.	1/2216
T.D Date	15/05/1445	Ownership Type	Mortgage
Owner	Saudi Economic and Development Company for Real Estate Funds	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	Privet property	East Side	Street 15m width
South Side	Street 40m width	West Side	Street 20m width

2.6 Construction Permit

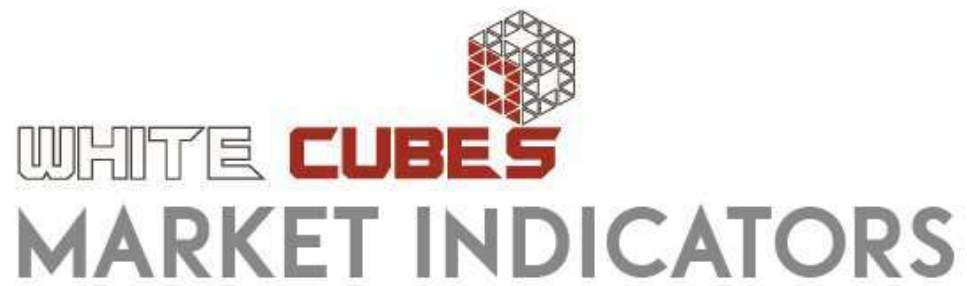
The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	Adding to building plans	Built-Up Area (BUA)	9,148
Property Type	Commercial complex	Actual Age	9
Construction Permit No.	1435/1750	State of Property	Fully Constructed
Construction Permit Date	05/02/1435	Completion Rate	100%

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.

2.7 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

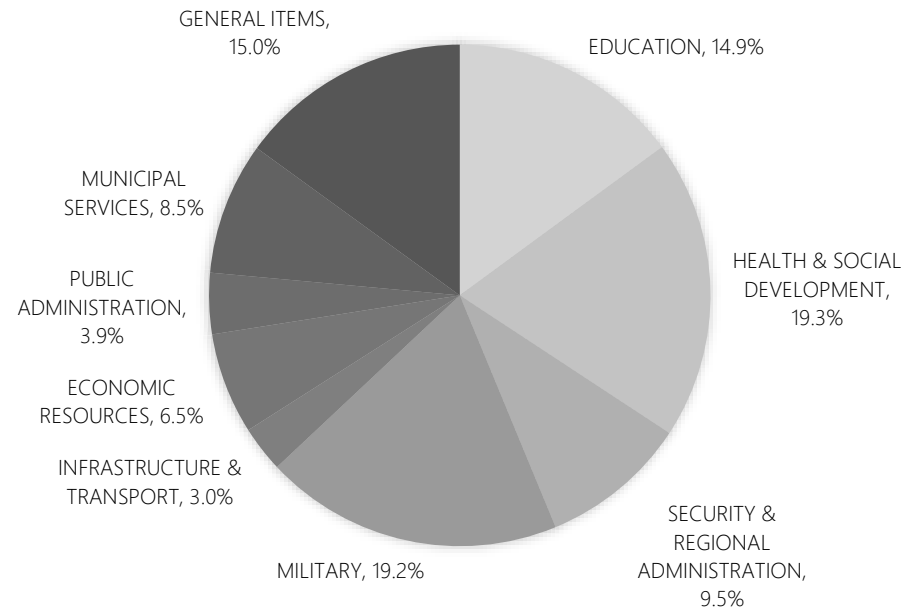
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	-0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	53.00	bn
Military Sector	259.00	bn
Security and Regional Administration Sector	128.00	bn
Municipal Services Sector	115.00	bn
Education Sector	201.00	bn
Health and Social Development Sector	260.00	bn
Economic Resources Sector	88.00	bn
Infrastructure and Transportation Sector	40.00	bn
General Items	202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	5 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

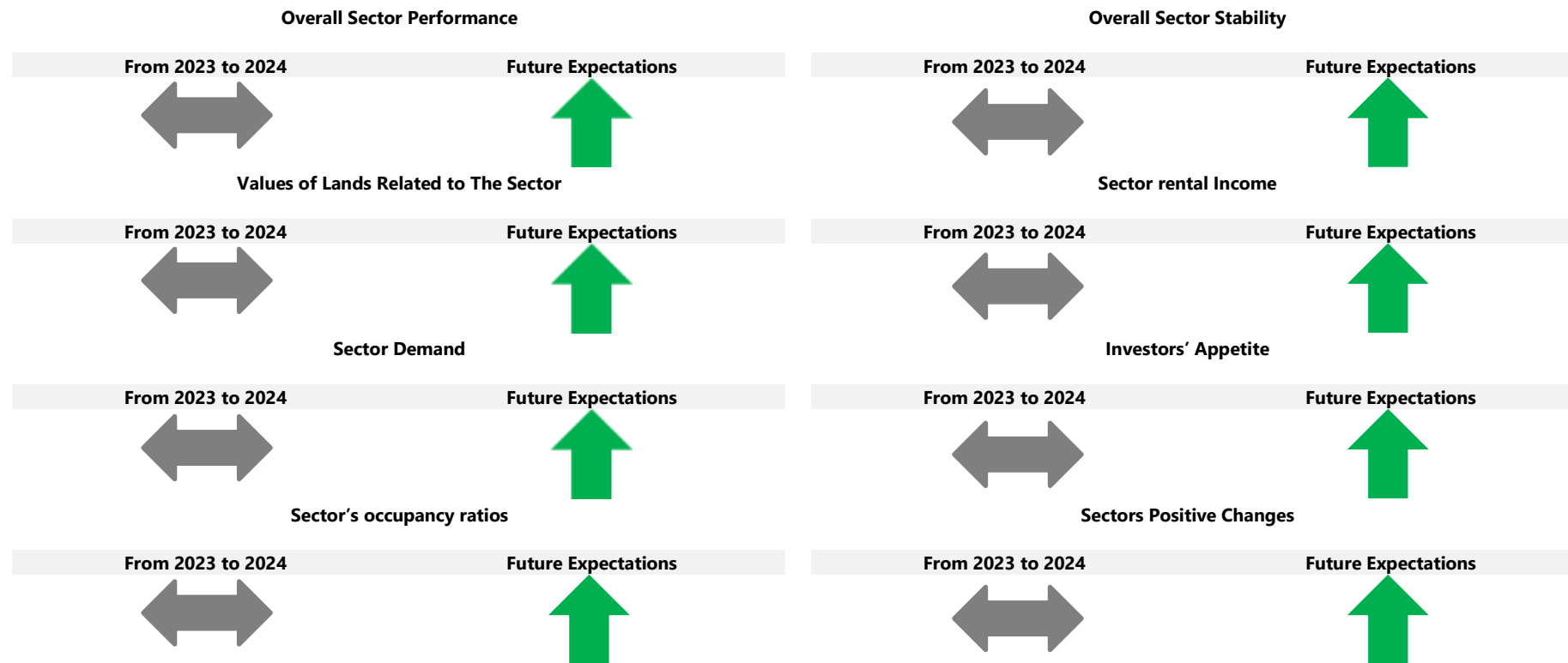
Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **26 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
-  Indicator showing an increase in the current performance compared to last year
-  Indicator showing a stable position in the current performance compared to last year



White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, the Discounted Cash Flow (DCF) method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.5% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	117,000,000.00	27,500,000.00	92,500,000.00
NOI	9,360,000	2,337,500	8,325,000
Cap Rate	8.00%	8.50%	9.00%
Average Cap Rate	8.50%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	5.0%	Source	SAMA
Inflation Rate%	2.0%		GASTAT
Market Risk Premium%	3.0%		Trading Economics
Company-specific Risk Premium %	2.0%		Team's experience.
Discount Rate%	10.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030
		0	1	2	3	4	5
Inflation		0%	0%	0%	0%	0%	0%
Expected Revenue							
Commercial complex	Sqm	7,505	7,505	7,505	7,505	7,505	7,505
Rate (SAR)	SAR	962	962	962	962	962	962
Total	SAR	7,220,089	7,220,089	7,220,089	7,220,089	7,220,089	7,220,089
Overall Revenues		7,220,089	7,220,089	7,220,089	7,220,089	7,220,089	7,220,089
Vacancy and Credit Loss							
Commercial complex	0.0%	0	0	0	0	0	0
Total		0	0	0	0	0	0
Effective Rental Income		7,220,089	7,220,089	7,220,089	7,220,089	7,220,089	7,220,089
Expenses							
OpEx	2.0%	144,402	144,402	144,402	144,402	144,402	144,402
CapEx	0.0%	0	0	0	0	0	0
Overall Expenses		144,402	144,402	144,402	144,402	144,402	144,402
NOI		7,075,687	7,075,687	7,075,687	7,075,687	7,075,687	7,075,687
Terminal Value	8.5%						83,735,943
Discount Rate	10.0%	1.00	0.91	0.83	0.75	0.68	0.62
Present Value		7,075,687	6,432,443	5,847,675	5,316,069	4,832,790	56,386,878
Net Present Value							86,000,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **ﷲ 86,000,000.00**
Eighty-Six Million Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Reema K. Al Dhayan
Asst. Manager



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



DOCUMENT

5.1 Title deeds and construction permit.

	رقم: 996426005399 التاريخ: 1445/7/12	وثيقة تملك عقار	  
اليات الأساسية			
رقم الوثيقة	996426005399	رقم الوثيقة	1445/5/15
المصدر	المرکز محافظة الأحساء 1	المصدر	هناك
المساحة (م ²)	14,268.98	المساحة (م ²)	مرهون
رقم الوثيقة السابقة	911610004836	رقم الوثيقة السابقة	1444/3/10
نوع الصلة	صفقة بيع	نوع الصلة	
التقيد			
البلد	البحرين	البلد	البحرين
الجهة الراصة	بيت العزيرة	الجهة الراصة	بيت العزيرة
رقم الشئ	7000120712	رقم الشئ	7000120712
لغة الزن	رسم	لغة الزن	رسم
الملاك			
رقم العدة	7601902488	رقم العدة	7601902488
الاسم	الشركة السعودية للاقتصاد والتنمية العقارية	الاسم	شركة
نسبة التملك	100 %	نسبة التملك	100 %
المقار			
رقم العدة المقارية	لا يوجد	رقم العدة المقارية	لا يوجد
نوع المقار	مساحة المقار (م ²)	نوع المقار	لا يوجد
نوع الاستخدام	14,268.98	نوع الاستخدام	لا يوجد
البيع			
رقم الوثيقة	لا يوجد	رقم الوثيقة	لا يوجد
نوع الصلة	رقم المسقط	نوع الصلة	رقم المسقط
البلد	رقم	البلد	رقم
الجهة	رقم	الجهة	رقم
رقم الوثيقة	رقم	رقم الوثيقة	رقم
نوع الصلة	رقم	نوع الصلة	رقم
البلد	رقم	البلد	رقم
الجهة	رقم	الجهة	رقم
رقم الوثيقة	رقم	رقم الوثيقة	رقم
نوع الصلة	رقم	نوع الصلة	رقم
البلد	رقم	البلد	رقم
الجهة	رقم	الجهة	رقم
رقم الوثيقة	رقم	رقم الوثيقة	

[illegible]

5.2 Real Estate Valuation License

رقم الترخيص : 13093

تاريخ الإصدار : 1437/08/02 هـ

تاريخ الانتهاء : 1452/10/20 هـ

رقم نسخة الترخيص : 3



الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

ترخيص مزاولة مهنة التقييم

(العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاولة مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي

م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة








نابيل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

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Associated	مستند
Membership No:	رقم العضوية:
1210002782	1210002782
ID No:	رقم الهوية الوطنية:
1014179931	1014179931
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص






عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHOSAINI

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Man	مستند
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1210000474	1210000474
ID No:	رقم الهوية الوطنية:
1044275947	1044275947
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص






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Membership Type:	نوع العضوية:
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1210001964	1210001964
ID No:	رقم الهوية الوطنية:
1096474196	1096474196
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص






ريما خالد سليمان الذعيان
REEMA KHALID SULAIMAN ALDHAYAN

Membership Type:	نوع العضوية:
Associated	مستند
Membership No:	رقم العضوية:
1210004667	1210004667
ID No:	رقم الهوية الوطنية:
1116036824	1116036824
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص

Shaping visions

Building values





WHITE **CUBES**

REAL ESTATE VALUATION REPORT

SEDCO Capital

SEDCO REIT Fund

Jazeera Compound

March 2026

REF: 25-0561
Code: 1682031
Date: 30/03/2026

Subject: Valuation Report for Jazeera Compound – Riyadh City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02 December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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WHITE **CUBES**

EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	1682031
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Inclusion in financial statements.
Subject Property	Residential Compound.
Property Location	As Sulimaniyah district, Riyadh City.
Title Deed No.	999684003638
Title Deed Date	09/05/1445
Ownership Type	Title deed restricted.
Limitations	Mortgage to Bank AL Jazira.
Owner	Saudi Economic and Development Company for Real Estate Funds.
Land Use	Residential.
Land Area (Sqm)	20,758 Sqm.
BUA (Sqm)	12,696 Sqm.
GLA (Sqm)	9,570 Sqm.
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income approach, DCF method.
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 100,000,000.00
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	07/12/2025



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SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Inclusion in Financial Statements**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (ﷻ) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permits.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have been mortgaged to Bank AL Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 8%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 9%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
6. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
7. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
8. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
9. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
10. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 07/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is residential compound. located in As Sulimaniyah district, Riyadh city, Saudi Arabia. The property's title deed and construction permit confirm the following:

- Total Land Area: 20,758 square meters.
- Total Built-Up Area (BUA): 12,696 square meters.
- Gross Leasable Area (GLA): 9,750 square meters.

During the site inspection conducted for the purpose of valuation, it was observed that the property is open from 4 sides, the property near Musa Ibn Nusair Street from the northern side.

2.2 Ease of Access

The access level of the subject property is classified as moderate due to its location on Al Moughirah Ibn Ayash.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
24°42'17.53"N 46°41'21.43"E	
6928 Al Moughirah Ibn Ayash, 3416, Al Olaya, Riyadh 12241	
Google Maps	

2.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	1,494.75 Sqm
District	As Sulimaniyah	Plot No.	68/69
T.D Type	Electronic	Block No.	---
T.D Number	999684003638	Layout No.	897
T.D Date	09/05/1445	Ownership Type	Mortgage
Owner	Saudi Economic and Development Company for Real Estate Funds	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	10 meter width street	East Side	15 meter width street
South Side	12 meter width street	West Side	12 meter width street

2.6 Construction Permit

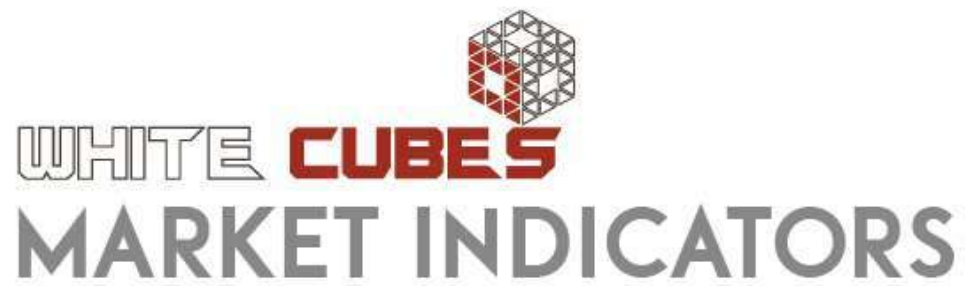
The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	New Permit	Built-Up Area (BUA)	12,696
Property Type	Residential Compound	Actual Age	18
Construction Permit No.	1429/2024	State of Property	Fully Constructed
Construction Permit Date	1429/02/24	Completion Rate	100%

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.

2.7 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

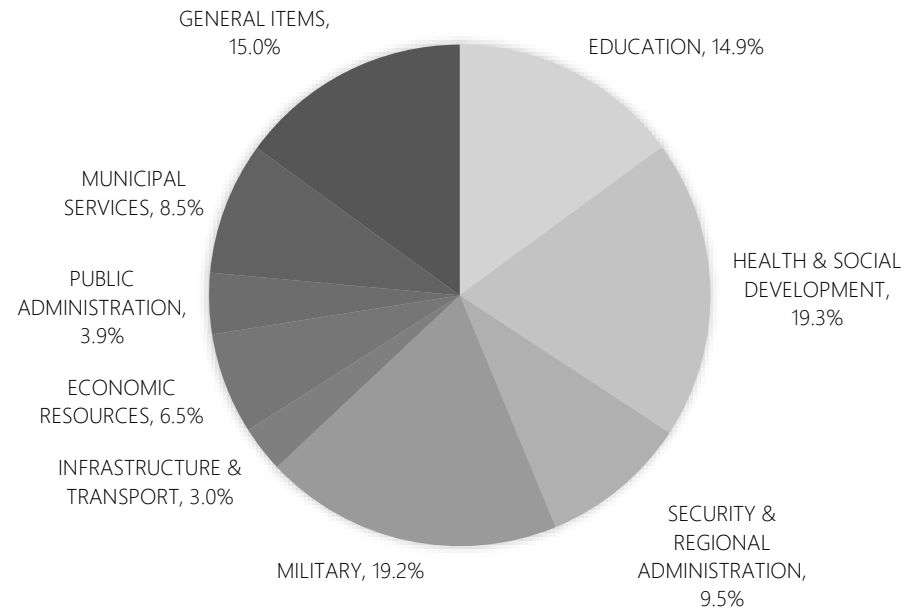
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	-0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	53.00	bn
Military Sector	259.00	bn
Security and Regional Administration Sector	128.00	bn
Municipal Services Sector	115.00	bn
Education Sector	201.00	bn
Health and Social Development Sector	260.00	bn
Economic Resources Sector	88.00	bn
Infrastructure and Transportation Sector	40.00	bn
General Items	202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	5 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

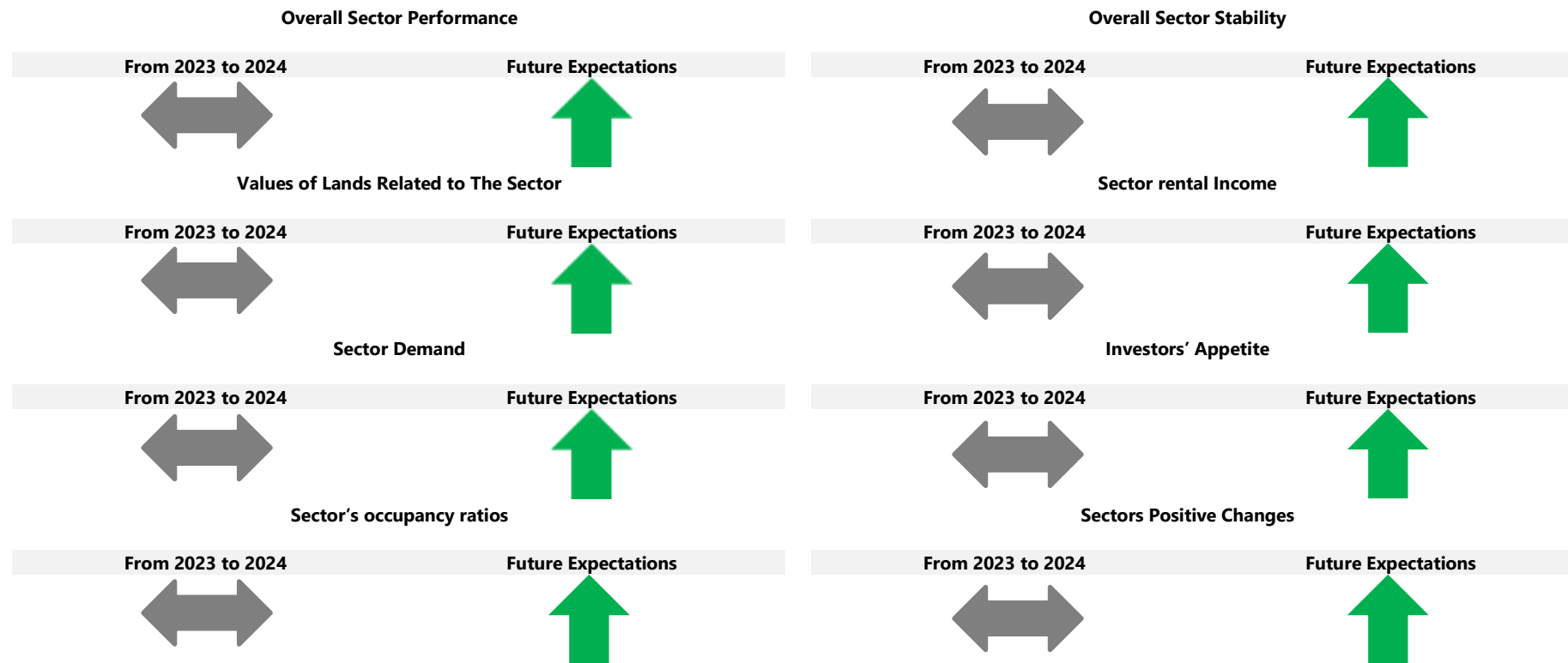
Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **26 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
-  Indicator showing an increase in the current performance compared to last year
-  Indicator showing a stable position in the current performance compared to last year



White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, the Income approach, DCF method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	SAR 42,560,000.00	SAR 93,350,000.00	SAR 73,141,000.00
NOI	SAR 3,404,800	SAR 7,468,000	SAR 5,851,280
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Government Bonds rate%	%5.0	Source	SAMA
Inflation Rate%	%2.0		GASTAT
Systematic Risk Premium%	%2.0		Trading Economic
Unsystematic Risk Premium%	%2.0		Team's Experience
Discount Rate%	9.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030
		0	1	2	3	4	5
Inflation		0%	0%	5%	0%	0%	5%
Expected Revenue							
Residential Compound	Sqm	9,560	9,560	9,560	9,560	9,560	9,560
Rate (SAR)	SAR	871	871	914	914	914	960
Total	SAR	8,322,000	8,322,000	8,738,100	8,738,100	8,738,100	9,175,005
Overall Revenues		8,322,000	8,322,000	8,738,100	8,738,100	8,738,100	9,175,005
Vacancy and Credit Loss							
Residential Compound	0.0%	0	0	0	0	0	0
Total		0	0	0	0	0	0
Effective Rental Income		8,322,000	8,322,000	8,738,100	8,738,100	8,738,100	9,175,005
Expenses							
OpEx	0.0%	1,460,400	1,460,400	1,460,400	1,460,400	1,460,400	1,460,400
CapEx	0.0%	0	0	0	0	0	0
Overall Expenses		1,460,400	1,460,400	1,460,400	1,460,400	1,460,400	1,460,400
NOI		6,861,600	6,861,600	7,277,700	7,277,700	7,277,700	7,714,605
Terminal Value	8.0%						96,432,563
Discount Rate	9.0%	1.00	0.92	0.84	0.77	0.71	0.65
Present Value		6,861,600	6,295,046	6,125,494	5,619,720	5,155,706	67,688,513
Net Present Value							100,000,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **100,000,000.00**
One Hundred Million Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
 President



Fellow Member of (RE Valuation)
 License No. 1210000474

Nabeel M. Al Husaini
 CEO



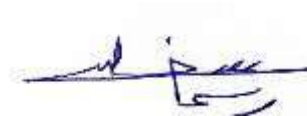
Member of (RE Valuation)
 License No. 1210002782

Farah E. Al Husaini
 Valuation Manager



Member of (RE Valuation)
 License No. 1210001964

Reema K. Al Dhayan
 Asst. Manager



Fellow Member of (RE Valuation)
 License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



DOCUMENT

5.1 Title deeds and construction permit.

مصدر: هذا الملحق من الجمعية العامة، يمكن العثور على نصه في الوثيقة A/CONF.152/1، الفصل 1، المادة 1.

07717-012

5.2 Real Estate Valuation License

رقم الترخيص: 13093

تاريخ الإصدار: 1437/08/02 هـ

تاريخ الانتهاء: 1452/10/20 هـ

رقم نسخة الترخيص: 3



الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

ترخيص مزاولة مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم: **1044275947** لمزاولة مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
م. فيصل بن بدر المبدل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق من بياناتها عبر رمز QR أو بزيارة موقع الهيئة








نابيل محمد عبدالله الحسيني
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 Membership Exp: **2026-12-31** تاريخ الانتهاء: **2026-12-31**









عصام محمد عبدالله الحسيني
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 Membership Exp: **2026-12-31** تاريخ الانتهاء: **2026-12-31**









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 Membership Exp: **2026-12-31** تاريخ الانتهاء: **2026-12-31**




Shaping visions

Building values



SEDCO Capital

SEDCO REIT Fund

Al Khalidiyah Center

March 2026

REF: 25-0561
Code: 1682080
Date: 30/03/2026

Subject: Valuation Report for Commercial Center – Jeddah City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02sc December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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WHITE **CUBES**

EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	1682080
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Inclusion in financial statements.
Subject Property	Commercial project.
Property Location	Al Khalidiyyah district, Jeddah City.
Title Deed No.	399684003642
Title Deed Date	09/05/1445
Ownership Type	Title deed restricted.
Limitations	Mortgage to Bank AL Jazira.
Owner	Saudi Economic and Development Company for Real Estate Funds.
Land Use	Commercial.
Land Area (Sqm)	7,903 Sqm
BUA (Sqm)	26,713.31 Sqm.
GLA (Sqm)	14,331 Sqm.
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income approach, DCF method.
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 140,000,000
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	08/12/2025



WHITE **CUBES**

SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Inclusion in Financial Statements**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (ﷻ) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permits.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have been mortgaged to Bank AL Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 8%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 9%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
6. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
7. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
8. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
9. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
10. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 08/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is a commercial project located in Al Khalidiyyah district, Jeddah city, Saudi Arabia. The property's title deed and construction permit confirm the following:

- Total Land Area: 7,903 square meters.
- Total Built-Up Area (BUA): 26,713.31 square meters.

During the site inspection conducted for the purpose of valuation, it was observed that the property is open from 3 sides, the property features a direct view of Prince Sultan Road from the west side.

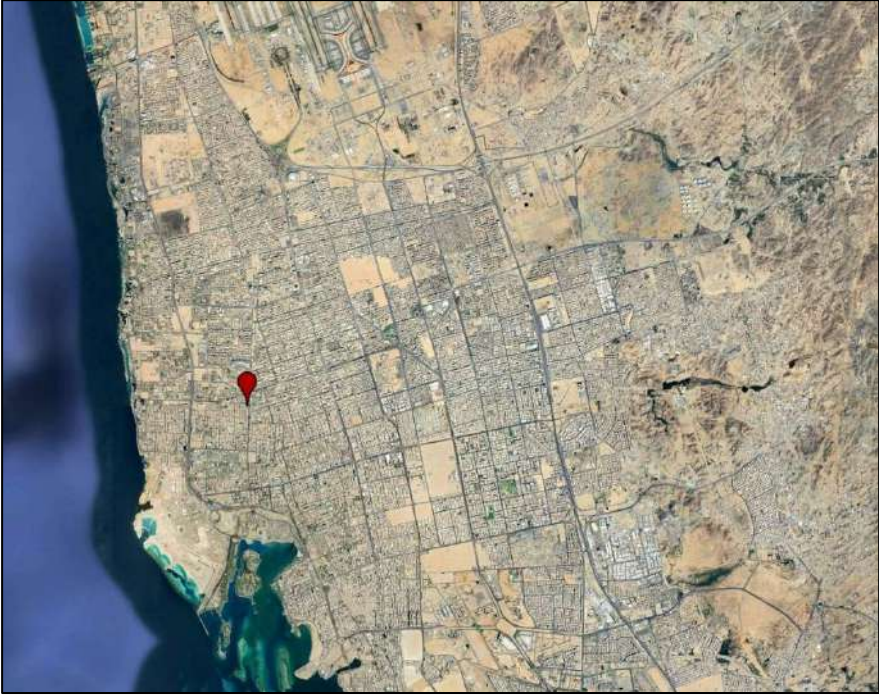
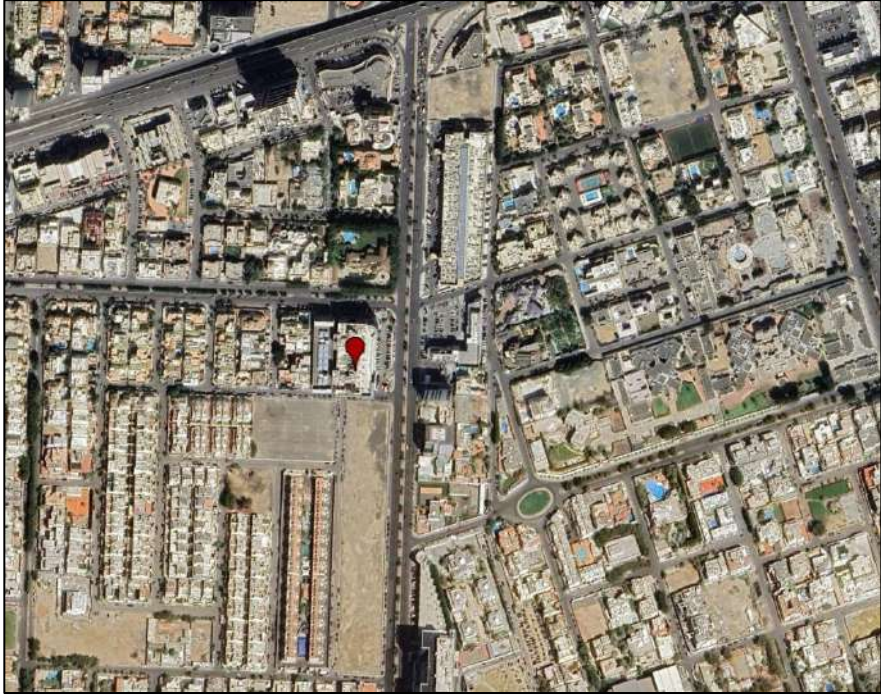
2.2 Ease of Access

The access level of the subject property is classified as high due to its location on Prince Sultan Road.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
21°34'15.45"N 39° 8'33.31"E	
H4CR+GXH, Qaryat Miskah, Al Khalidiyyah, Jeddah 23423	
Google Maps	

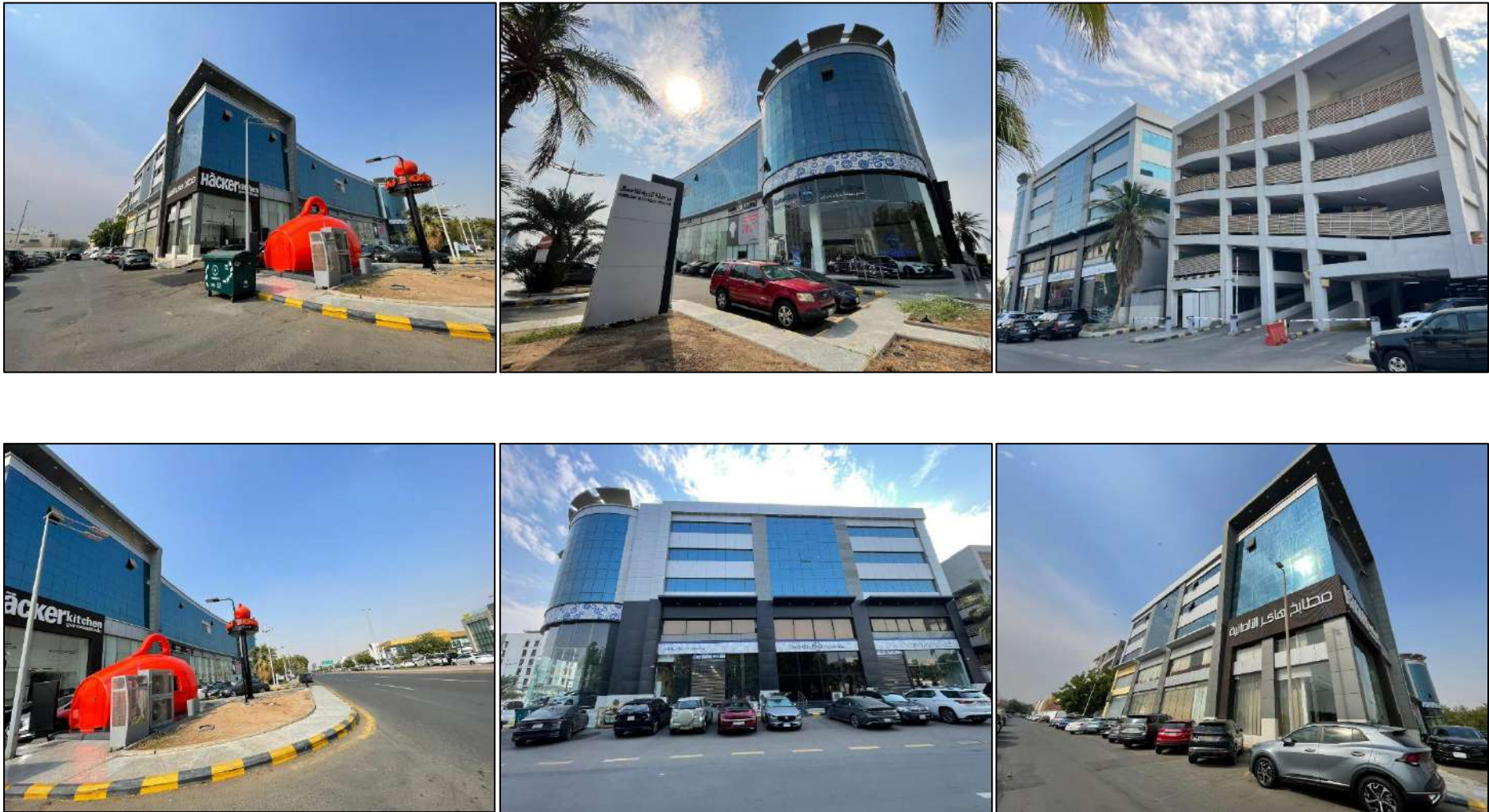
2.5 Title Deed and Ownership

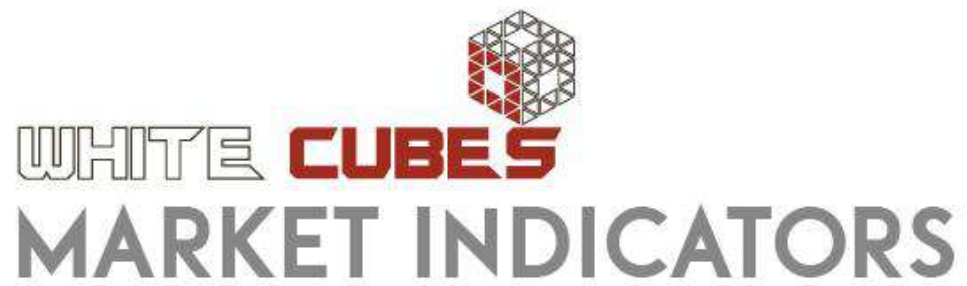
The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Jeddah	Land Area	7,903.25 Sqm
District	Al Khalidiyyah	Plot No.	9
T.D Type	Electronic	Block No.	---
T.D Number	399684003642	Layout No.	448 / س / ت
T.D Date	08/05/1445	Ownership Type	Mortgage
Owner	Saudi Economic and Development Company for Real Estate Funds	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	Street 32m width	East Side	Street 32m width
South Side	Street 12m width	West Side	Privet property

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 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

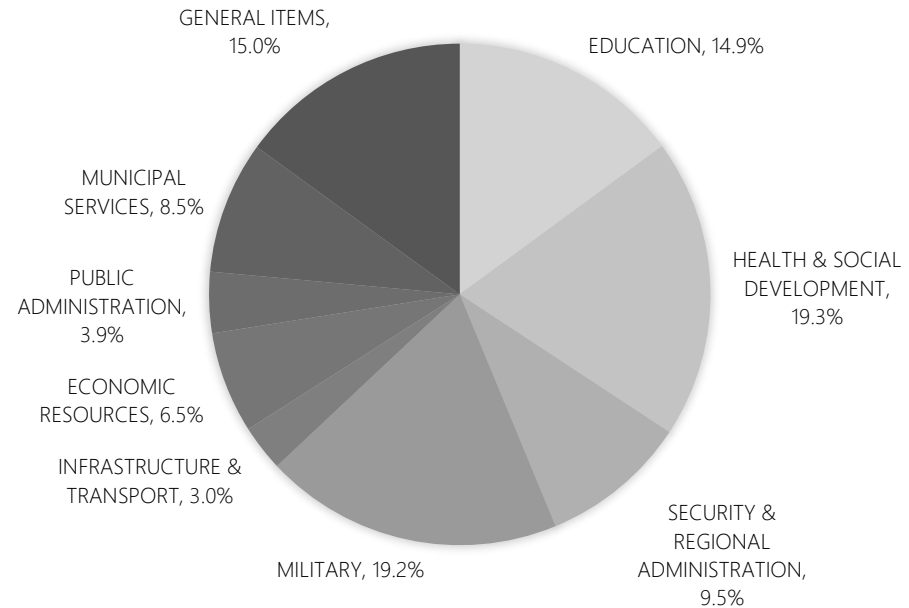
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	ﷲ 53.00	bn
Military Sector	ﷲ 259.00	bn
Security and Regional Administration Sector	ﷲ 128.00	bn
Municipal Services Sector	ﷲ 115.00	bn
Education Sector	ﷲ 201.00	bn
Health and Social Development Sector	ﷲ 260.00	bn
Economic Resources Sector	ﷲ 88.00	bn
Infrastructure and Transportation Sector	ﷲ 40.00	bn
General Items	ﷲ 202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	5 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **26 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
- Indicator showing an increase in the current performance compared to last year
- Indicator showing a stable position in the current performance compared to last year

Overall Sector Performance

From 2023 to 2024	Future Expectations
	
Values of Lands Related to The Sector	
From 2023 to 2024	Future Expectations
	
Sector Demand	
From 2023 to 2024	Future Expectations
	
Sector's occupancy ratios	
From 2023 to 2024	Future Expectations
	

Overall Sector Stability

From 2023 to 2024	Future Expectations
	
Sector rental Income	
From 2023 to 2024	Future Expectations
	
Investors' Appetite	
From 2023 to 2024	Future Expectations
	
Sectors Positive Changes	
From 2023 to 2024	Future Expectations
	

White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, the Market approach, Comparable method Income approach, DCF method- Cost Approach, DRC method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	120,000,000.00	88,000,000.00	91,800,000.00
NOI	9,600,000	7,040,000	7,344,000
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Government Bonds rate%	5.0%	Source	SAMA
Inflation Rate%	2.0%		GASTAT
Systematic Risk Premium%	2.5%		Trading Economic
Unsystematic Risk Premium%	1.5%		Team's Experience
Discount Rate%	9.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030
		0	1	2	3	4	5
Inflation		0.0%	5.0%	0.0%	5.0%	0.0%	5.0%
Expected Revenue							
Offices	Sqm	8,620	8,620	8,620	8,620	8,620	8,620
Rate (SAR)	SAR	905	950	950	998	998	1,048
Total	SAR	7,801,100	8,191,155	8,191,155	8,600,713	8,600,713	9,030,748
Retail	Sqm	5,711	5,711	5,711	5,711	5,711	5,711
Rate (SAR)	SAR	638	670	670	703	703	739
Total	SAR	3,643,618	3,825,799	3,825,799	4,017,089	4,017,089	4,217,943
Other Income	SAR	450,000	450,000	450,000	450,000	450,000	450,000
Overall Revenues		11,894,718	12,466,954	12,466,954	13,067,802	13,067,802	13,698,692

Vacancy and Credit Loss		23%	15%	12%	8%	8%	6%
Offices	%	1,755,248	1,228,673	982,939	688,057	688,057	541,845
Retail		819,814	573,870	459,096	321,367	321,367	253,077
Rate (SAR)		2,575,062	1,802,543	1,442,034	1,009,424	1,009,424	794,922
Effective Rental Income		9,319,656	10,664,411	11,024,919	12,058,377	12,058,377	12,903,770

Expenses							
OpEx	4.3%	400,000	400,000	400,000	400,000	400,000	400,000
CapEx	7.5%	1,098,000	1,098,000	1,098,000	1,098,000	1,098,000	1,098,000
Overall Expenses		1,498,000	1,498,000	1,498,000	1,498,000	1,498,000	1,498,000

NOI		7,821,656	9,166,411	9,526,919	10,560,377	10,560,377	11,405,770
Terminal Value	8.0%						142,572,127
Discount Rate	9.0%	1.00	0.92	0.84	0.77	0.71	0.65
Present Value		7,821,656	8,409,551	8,018,617	8,154,549	7,481,238	100,075,068
Net Present Value							140,000,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **ﷲ 140,000,000.00**
One Hundred Forty Million Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Reema K. Al Dhayan
Asst. Manager



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



WHITE **CUBES**
DOCUMENTS

DOCUMENT

Documents Received

5.1 Title deeds.



الرقم: 399684003642
 التاريخ: 1445/5/9

وثيقة تملك عقار



البيانات الأساسية			
رقم الوثيقة	399684003642	تاريخ الوثيقة	1445/5/9
المصدر	الموقنين بالرياض 9	الحالة	فصال
المساحة (م ²)	7,903	القيود	مرهون
رقم الوثيقة السابقة	293010010159	تاريخ الوثيقة السابقة	1444/11/1
نوع العملية	صفقة تمويل		

القيود			
القيود	الجهة الراحة	رقم المنشأة	قيمة الرهن
مرهون	بنك الجزيرة	7000120712	ر.س 93,290,764

الملاك		
رقم الهوية	الاسم	نسبة التملك
7001902688	الشركة السعودية للاقتصاد والتنمية للصناديق العقارية	100 %

العقار			
رقم الهوية العقارية	نوع العقار	مساحة العقار (م ²)	نوع الاستخدام
لا يوجد	قطعة الأرض	7,903	لا يوجد
الموقع		نموذج العقار	
لا يوجد		لا يوجد	
رقم القطعة	رقم المخطط	الحي	المنطقة
9	448 / س / ت	العابدية	جدة

الحد	النوع	وصف الحد	الطول (م ²)
شمالا	شارع	عرض 32 م	85
جنوبا	شارع	عرض 12 م	87
شرقا	شارع	الامير سلطان بعرض 32 م	80
غربا	قطعة	رقم 1 والقطعة رقم 3 والقطعة رقم 5 والقطعة رقم 7	88

صدرت هذه الوثيقة من البورصة العقارية ويسكن المصطفى من مسحة هذه الوثيقة غير المدفوعة الاكترونية التابعة لوزارة العدل ووزارة الشؤون البلدية والقروية والإسكان والهيئة العامة للعقار. الصفحة 1 من 1

5.2 Real Estate Valuation License

تقييم
TAQEEM
الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

رقم الترخيص : 13093
تاريخ الإصدار : 1437/08/02 هـ
تاريخ الإنتهاء : 1452/10/20 هـ
رقم نسخة الترخيص : 3

ترخيص مزاوله مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاوله مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة








نبيل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

Membership Type:	نوع العضوية :
Associated	مستطب
Membership No:	رقم العضوية :
1210002782	1210002782
ID No:	رقم الهوية \ الإقامة :
1014178931	1014178931
Membership Exp:	تاريخ الانتهاء :
2026-12-31	2026-12-31




المزمع من التفاصيل يرجى الاطلاع
 على المرفقة






عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHOSAINI

Membership Type:	نوع العضوية :
Main	أساسي
Membership No:	رقم العضوية :
1210000474	1210000474
ID No:	رقم الهوية \ الإقامة :
1044275947	1044275947
Membership Exp:	تاريخ الانتهاء :
2026-12-31	2026-12-31




حاصل على شهادة الزمالة
 المزمع من التفاصيل يرجى الاطلاع
 على المرفقة






فرح عصام محمد الحسيني
FARAH ESSAM MOHAMMED ALHUSAYNI

Membership Type:	نوع العضوية :
Associated	مستطب
Membership No:	رقم العضوية :
1210001964	1210001964
ID No:	رقم الهوية \ الإقامة :
1090474196	1090474196
Membership Exp:	تاريخ الانتهاء :
2026-12-31	2026-12-31




المزمع من التفاصيل يرجى الاطلاع
 على المرفقة






ريما خالد سليمان الضحيان
REEMA KHALID SULAIMAN ALDHAYANI

Membership Type:	نوع العضوية :
Associated	مستطب
Membership No:	رقم العضوية :
1210004007	1210004007
ID No:	رقم الهوية \ الإقامة :
1116638824	1116638824
Membership Exp:	تاريخ الانتهاء :
2026-12-31	2026-12-31




المزمع من التفاصيل يرجى الاطلاع
 على المرفقة

Shaping visions

Building values



SEDCO Capital

SEDCO REIT Fund

Manahij School

March 2026

REF: 25-0561
Code: 1682052
Date: 30/03/2026

Subject: Valuation Report for Manahij School – Riyadh City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02 December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	1682052
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Inclusion in financial statements.
Subject Property	School.
Property Location	Al Olaya district, Riyadh City.
Title Deed No.	299181002147
Title Deed Date	08/05/1445
Ownership Type	Title deed restricted.
Limitations	Mortgage to Bank AL Jazira.
Owner	Saudi Economic and Development Company for Real Estate Funds.
Land Use	Educational.
Land Area (Sqm)	9,200 Sqm
BUA (Sqm)	17,058 Sqm.
GLA (Sqm)	17,058 Sqm.
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income approach, DCF method.
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 59,100,000.00
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	08/12/2025



WHITE **CUBES**

SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Inclusion in Financial Statements**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (ﷲ) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permits.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have been mortgaged to Bank AL Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 8%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 9%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
6. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
7. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
8. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
9. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
10. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 08/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is a school located in Al Gadir district, Riyadh city, Saudi Arabia. The property's title deed and construction permit confirm the following:

- Total Land Area: 9,200 square meters.
- Total Built-Up Area (BUA): 17,058 square meters.

During the site inspection conducted for the purpose of valuation, it was observed that the property is open from 4 sides, the property features near Northern Ring Road.

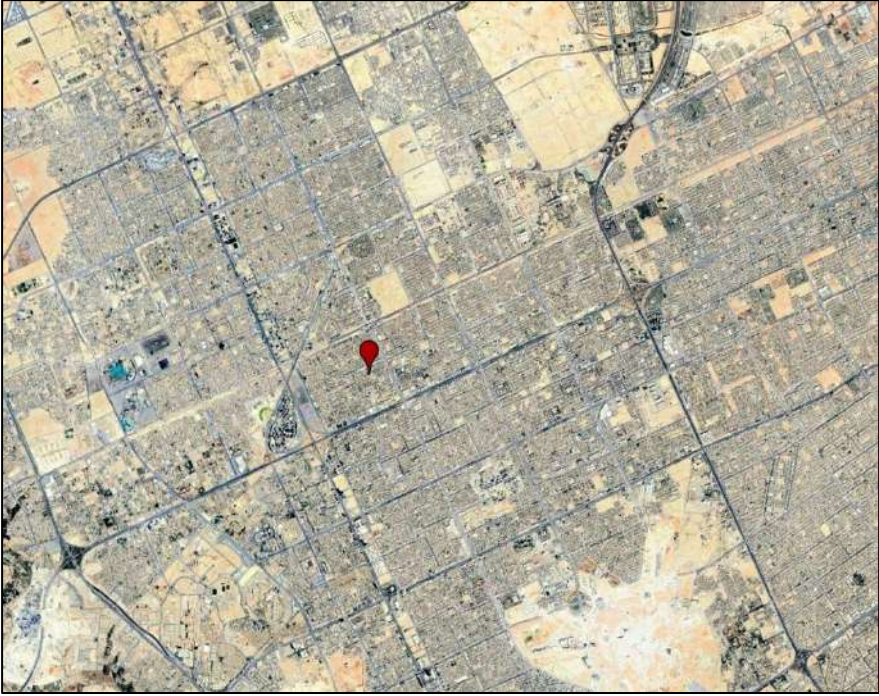
2.2 Ease of Access

The access level of the subject property is classified as moderate due to its location on nahar Al Nile street.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
24°46'32.00"N 46°39'37.55"E	
Nahr Al Nile, Al Ghadir, Riyadh 13311	
Google Maps	

2.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	9,200 Sqm
District	Al Gadir	Plot No.	105
T.D Type	Electronic	Block No.	---
T.D Number	299181002147	Layout No.	2726
T.D Date	08/05/1445	Ownership Type	Mortgage
Owner	Saudi Economic and Development Company for Real Estate Funds	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	Parking then 15m width street	East Side	20m width street
South Side	20m width street	West Side	20m width street

2.6 Construction Permit

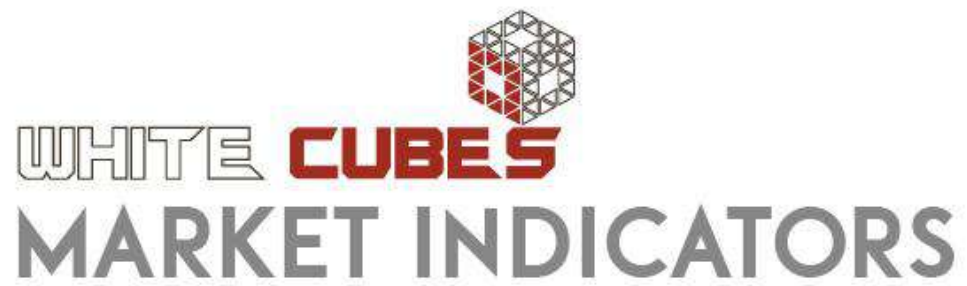
The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	New Permit	Built-Up Area (BUA)	17,058
Property Type	Educational Complex	Actual Age	18
Construction Permit No.	7618/1425	State of Property	Fully Constructed
Construction Permit Date	1425/11/27	Completion Rate	100%

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.

2.7 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

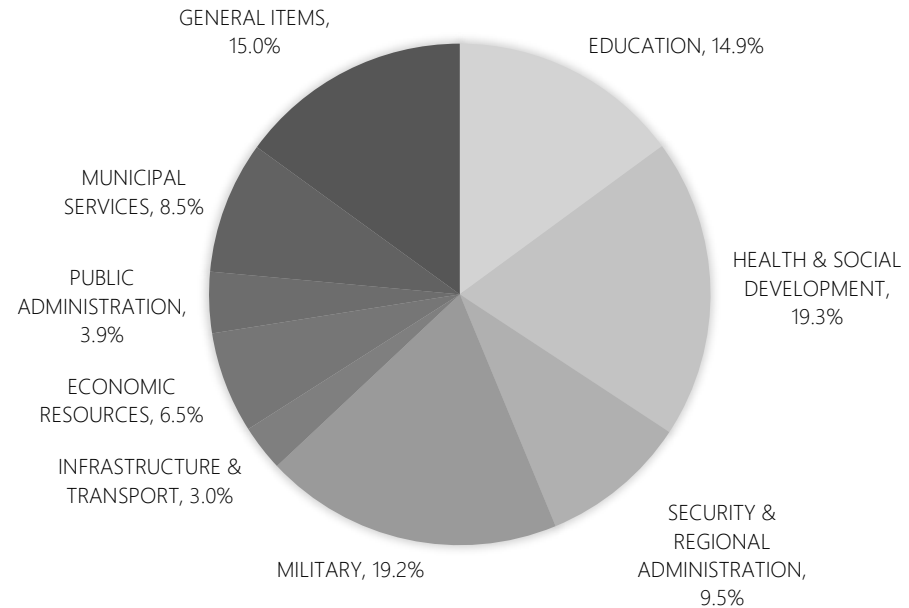
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	-0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	ﷲ 53.00	bn
Military Sector	ﷲ 259.00	bn
Security and Regional Administration Sector	ﷲ 128.00	bn
Municipal Services Sector	ﷲ 115.00	bn
Education Sector	ﷲ 201.00	bn
Health and Social Development Sector	ﷲ 260.00	bn
Economic Resources Sector	ﷲ 88.00	bn
Infrastructure and Transportation Sector	ﷲ 40.00	bn
General Items	ﷲ 202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	5 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **26 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
-  Indicator showing an increase in the current performance compared to last year
-  Indicator showing a stable position in the current performance compared to last year

Overall Sector Performance

From 2023 to 2024	Future Expectations
	
Values of Lands Related to The Sector	
From 2023 to 2024	Future Expectations
	
Sector Demand	
From 2023 to 2024	Future Expectations
	
Sector's occupancy ratios	
From 2023 to 2024	Future Expectations
	

Overall Sector Stability

From 2023 to 2024	Future Expectations
	
Sector rental Income	
From 2023 to 2024	Future Expectations
	
Investors' Appetite	
From 2023 to 2024	Future Expectations
	
Sectors Positive Changes	
From 2023 to 2024	Future Expectations
	

White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, the Income approach, DCF method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	65,000,000.00	60,000,000.00	102,000,000.00
NOI	5,200,000	4,800,000	8,160,000
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	5.0%	Source	SAMA
Inflation Rate%	2.0%		GASTAT
Market Risk Premium%	2.5%		Trading Economics
Company-specific Risk Premium %	1.5%		Team's experience.
Discount Rate%	9.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030	2031	2032	2033
		0	1	2	3	4	5	6	7	8
Inflation		0%	0%	6%	0%	0%	0%	6%	0%	0%
Expected Revenue										
Educational Complex	Sqm	9,200	9,200	9,200	9,200	9,200	9,200	9,200	9,200	9,200
Rate (SAR)	SAR	461	461	489	489	489	489	518	518	518
Total	SAR	4,240,000	4,240,000	4,494,400	4,494,400	4,494,400	4,494,400	4,764,064	4,764,064	4,764,064
Overall Revenues		4,240,000	4,240,000	4,494,400	4,494,400	4,494,400	4,494,400	4,764,064	4,764,064	4,764,064
Vacancy and Credit Loss										
Educational Complex	0.0%	0	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0	0
Effective Rental Income		4,240,000	4,240,000	4,494,400	4,494,400	4,494,400	4,494,400	4,764,064	4,764,064	4,764,064
Expenses										
OpEx	0.0%	0	0	0	0	0	0	0	0	0
CapEx	2.0%	84,800	84,800	89,888	89,888	89,888	89,888	95,281	95,281	95,281
Overall Expenses		84,800	84,800	89,888	89,888	89,888	89,888	95,281	95,281	95,281
NOI		4,155,200	4,155,200	4,404,512	4,404,512	4,404,512	4,404,512	4,668,783	4,668,783	4,668,783
Terminal Value	8.0%									
Discount Rate	9.0%	1.00	0.92	0.84	0.77	0.71	0.65	0.60	0.55	0.50
Present Value		4,155,200	3,812,110	3,707,190	3,401,091	3,120,267	2,862,631	2,783,843	2,553,984	2,343,105
Net Present Value										

Discounted Cash Flows		2034	2035	2036	2037	2038	2039	2040	2041
		9	10	11	12	13	14	15	16
Inflation		0%	6%	0%	0%	0%	6%	0%	0%
Expected Revenue									
Educational Complex	Sqm	9,200	9,200	9,200	9,200	9,200	9,200	9,200	9,200
Rate (SAR)	SAR	518	549	549	549	549	582	582	582
Total	SAR	4,764,064	5,049,908	5,049,908	5,049,908	5,049,908	5,352,902	5,352,902	5,352,902
Overall Revenues		4,764,064	5,049,908	5,049,908	5,049,908	5,049,908	5,352,902	5,352,902	5,352,902
Vacancy and Credit Loss									
Educational Complex	0.0%	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
Effective Rental Income		4,764,064	5,049,908	5,049,908	5,049,908	5,049,908	5,352,902	5,352,902	5,352,902
Expenses									
OpEx	0.0%	0	0	0	0	0	0	0	0
CapEx	2.0%	95,281	100,998	100,998	100,998	100,998	107,058	107,058	107,058
Overall Expenses		95,281	100,998	100,998	100,998	100,998	107,058	107,058	107,058
NOI		4,668,783	4,948,910	4,948,910	4,948,910	4,948,910	5,245,844	5,245,844	5,245,844
Terminal Value	8.0%								65,573,053
Discount Rate	9.0%	0.46	0.42	0.39	0.36	0.33	0.30	0.27	0.25
Present Value		2,149,637	2,090,473	1,917,865	1,759,509	1,614,229	1,569,800	1,440,184	17,837,139
Net Present Value									59,100,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **ﷲ 59,100,000.00**
Fifty-Nine Million One Hundred Thousand Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Reema K. Al Dhayan
Asst. Manager



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



WHITE **CUBES**
DOCUMENTS

DOCUMENT

5.1 Title deeds and construction permit.



الرقم: 299181002147
التاريخ: 1445/5/8

وثيقة تملك عقار

السوق العقارية
Real Estate Market



وزارة التخطيط
Ministry of Planning



وزارة الإسكان
Ministry of Housing

البيانات الأساسية

رقم الوثيقة	299181002147	تاريخ الوثيقة	1445/5/8
المصدر	الموثقين بجدة 6	الحالة	فعال
المساحة (م²)	9,200	التقود	مرهون
رقم الوثيقة السابقة	893759000187	تاريخ الوثيقة السابقة	1443/9/2
نوع العملية	صفقة بتحويل		

التقود

القبض	الجهة الرضاه	رقم المنشأة	قيمة الرهن	تاريخ الاستحقاق
مرهون	بنك الجزيرة	7000120712	ر.س 51,052,601.78	

الملاك

رقم الهوية	الاسم	نسبة التملك
7001902688	الشركة السعودية للتأجير والتشييد للمصالح العقارية	100 %

العقار

رقم الهوية العقارية	نوع العقار	مساحة العقار (م²)	نوع الاستخدام
لا يوجد	بلك	9,200	لا يوجد
الموقع		نموذج العقار	
لا يوجد		لا يوجد	
رقم القطعة	رقم المخطط	الحي	البلدية
105	2726	الخليج	الرياض

الحد	النوع	وصف الحد	الطول (م)
شمالا	مواقف سيارات	يليه شارع عرض 15م	115
جنوبا	شارع	عرض 20م	115
شرقا	شارع	عرض 20م	80
غربا	شارع	عرض 20م	80

صدرت هذه الوثيقة من البورصة العقارية ويمكن التحقق من صحة هذه الوثيقة عبر الخدمات الإلكترونية التابعة لوزارة العدل ووزارة الشؤون البلدية والقروية والإسكان والهيئة العامة للعقار. الصفحة 1 من 1

[illegible]

5.2 Real Estate Valuation License

تقييم
TAQEEM
الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

رقم الترخيص : 13093
تاريخ الإصدار : 1437/08/02 هـ
تاريخ الإنتهاء : 1452/10/20 هـ
رقم نسخة الترخيص : 3

ترخيص مزاوله مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاوله مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة



التقييم العقاري Real Estate Valuation

التقييم العقاري Real Estate Valuation

نابيل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

Membership Type: Associated
Membership No: 1210002782
ID No: 1014178931
Membership Exp: 2026-12-31

نوع العضوية : مشترك
رقم العضوية : 1210002782
رقم الهوية \ الإقامة : 1014178931
تاريخ الانتهاء : 2026-12-31

مستند على شهادة الزيادة
تتميز من التفاصيل برقم الإطلاع
على المرفوعة

التقييم العقاري Real Estate Valuation

التقييم العقاري Real Estate Valuation

عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHOSAINI

Membership Type: Main
Membership No: 1210000474
ID No: 1044275947
Membership Exp: 2026-12-31

نوع العضوية : أساسي
رقم العضوية : 1210000474
رقم الهوية \ الإقامة : 1044275947
تاريخ الانتهاء : 2026-12-31

مستند على شهادة الزيادة
تتميز من التفاصيل برقم الإطلاع
على المرفوعة

التقييم العقاري Real Estate Valuation

التقييم العقاري Real Estate Valuation

فرح عصام محمد الحسيني
FARAH ESSAM MOHAMMED ALHUSAYNI

Membership Type: Associated
Membership No: 1210001964
ID No: 1090474196
Membership Exp: 2026-12-31

نوع العضوية : مشترك
رقم العضوية : 1210001964
رقم الهوية \ الإقامة : 1090474196
تاريخ الانتهاء : 2026-12-31

مستند على شهادة الزيادة
تتميز من التفاصيل برقم الإطلاع
على المرفوعة

التقييم العقاري Real Estate Valuation

التقييم العقاري Real Estate Valuation

ريما خالد سليمان الضحيان
REEMA KHALID SULAIMAN ALDHAYAN

Membership Type: Associated
Membership No: 1210004007
ID No: 1116638824
Membership Exp: 2026-12-31

نوع العضوية : مشترك
رقم العضوية : 1210004007
رقم الهوية \ الإقامة : 1116638824
تاريخ الانتهاء : 2026-12-31

مستند على شهادة الزيادة
تتميز من التفاصيل برقم الإطلاع
على المرفوعة

Shaping visions

Building values





REAL ESTATE VALUATION REPORT

SEDCO Capital

SEDCO REIT Fund

Olaya School

March 2026



REF: 25-0561
Code: 1682055
Date: 30/03/2026

Subject: Valuation Report for Olaya School – Riyadh City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02 December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	1682055
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Inclusion in financial statements.
Subject Property	School.
Property Location	Mursalat district, Riyadh City.
Title Deed No.	399684003641
Title Deed Date	09/05/1445
Ownership Type	Title deed restricted.
Limitations	Mortgage to Bank AL Jazira.
Owner	Saudi Economic and Development Company for Real Estate Funds.
Land Use	Education.
Land Area (Sqm)	10,500 Sqm
BUA (Sqm)	12,314 Sqm.
GLA (Sqm)	12,314 Sqm.
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income approach, DCF method.
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 74,000,000.00
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	08/12/2025



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SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Inclusion in Financial Statements**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (﷼) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permits.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have been mortgaged to Bank AL Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 8%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 9%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
6. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
7. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
8. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
9. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
10. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 08/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is a school located in Al Mursalat district, Riyadh city, Saudi Arabia. The property's title deed and construction permit confirm the following:

- Total Land Area: 10,500.00 square meters.
- Total Built-Up Area (BUA): 12,314.00 square meters.

During the site inspection conducted for the purpose of valuation, it was observed that the property is open from 4 sides, the property features near King Abdul Aziz Road.

2.2 Ease of Access

The access level of the subject property is classified as moderate due to its location on Abdul Aziz aba Hussain street.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
24°44'28.05"N 46°41'6.95"E	
RHMA2864, 6483 Az Zarah, 2864 •Riyadh 12461	
Google Maps	

2.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	10,500 Sqm
District	Al Mursalat	Plot No.	---
T.D Type	Electronic	Block No.	---
T.D Number	399684003641	Layout No.	2128
T.D Date	09/05/1446	Ownership Type	Mortgage
Owner	Saudi Economic and Development Company for Real Estate Funds	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	Street 30m width	East Side	Street 20m width
South Side	Street 15m width	West Side	Street 15m width

2.6 Construction Permit

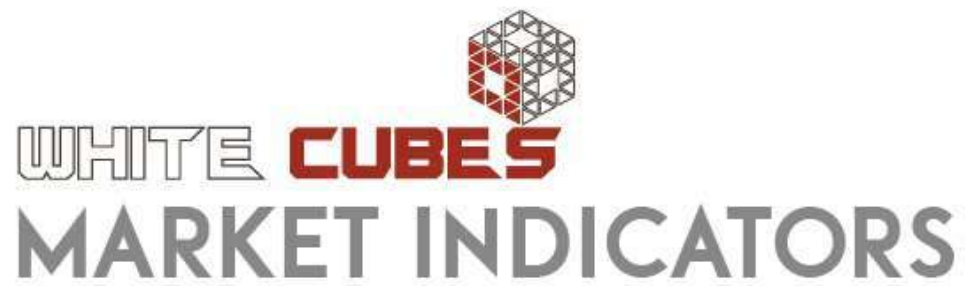
The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	New Permit	Built-Up Area (BUA)	12,314
Property Type	School complex	Actual Age	22
Construction Permit No.	1725/2/6/27	State of Property	Fully Constructed
Construction Permit Date	12/07/1421	Completion Rate	100%

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.

2.7 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

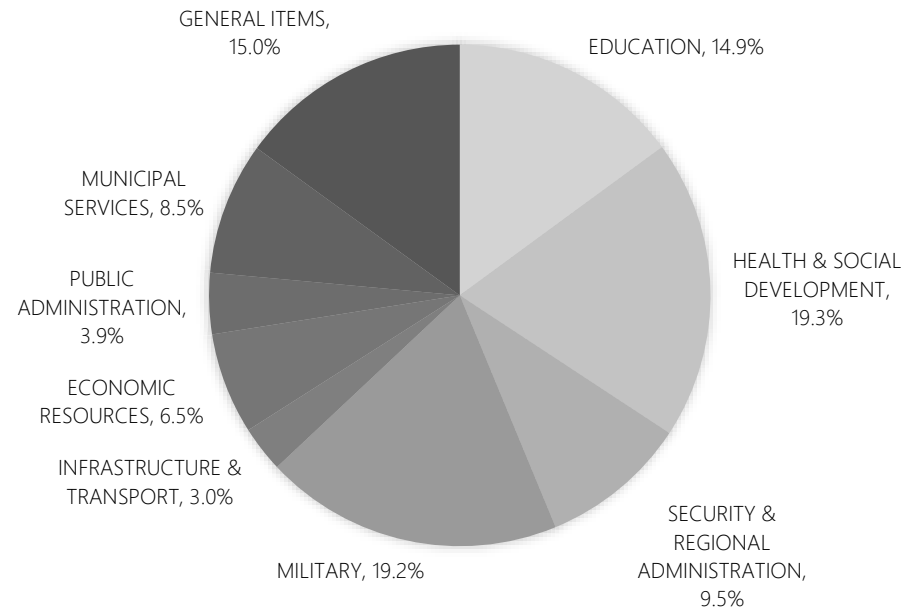
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	-0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	53.00	bn
Military Sector	259.00	bn
Security and Regional Administration Sector	128.00	bn
Municipal Services Sector	115.00	bn
Education Sector	201.00	bn
Health and Social Development Sector	260.00	bn
Economic Resources Sector	88.00	bn
Infrastructure and Transportation Sector	40.00	bn
General Items	202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	5 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **26 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
-  Indicator showing an increase in the current performance compared to last year
-  Indicator showing a stable position in the current performance compared to last year

Overall Sector Performance

From 2023 to 2024	Future Expectations
	
Values of Lands Related to The Sector	
From 2023 to 2024	Future Expectations
	
Sector Demand	
From 2023 to 2024	Future Expectations
	
Sector's occupancy ratios	
From 2023 to 2024	Future Expectations
	

Overall Sector Stability

From 2023 to 2024	Future Expectations
	
Sector rental Income	
From 2023 to 2024	Future Expectations
	
Investors' Appetite	
From 2023 to 2024	Future Expectations
	
Sectors Positive Changes	
From 2023 to 2024	Future Expectations
	

White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, the Income approach, DCF method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	65,000,000.00	60,000,000.00	102,000,000.00
NOI	5,200,000	4,800,000	8,160,000
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	5.0%	Source	SAMA
Inflation Rate%	2.0%		GASTAT
Market Risk Premium%	2.5%		Trading Economics
Company-specific Risk Premium %	1.5%		Team's experience.
Discount Rate%	9.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030	2031	2032	2033
		0	1	2	3	4	5	6	7	8
Inflation		0%	0%	9%	0%	0%	0%	9%	0%	0%
Expected Revenue										
Educational Complex	Sqm	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500
Rate (SAR)	SAR	493	493	538	538	538	538	586	586	586
Total	SAR	5,180,116	5,180,116	5,646,326	5,646,326	5,646,326	5,646,326	6,154,496	6,154,496	6,154,496
Overall Revenues		5,180,116	5,180,116	5,646,326	5,646,326	5,646,326	5,646,326	6,154,496	6,154,496	6,154,496
Vacancy and Credit Loss										
Educational Complex	0.0%	0	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0	0
Effective Rental Income		5,180,116	5,180,116	5,646,326	5,646,326	5,646,326	5,646,326	6,154,496	6,154,496	6,154,496
Expenses										
OpEx	0.0%	0	0	0	0	0	0	0	0	0
CapEx	2.0%	103,602	103,602	112,927	112,927	112,927	112,927	123,090	123,090	123,090
Overall Expenses		103,602	103,602	112,927	112,927	112,927	112,927	123,090	123,090	123,090
NOI		5,076,514	5,076,514	5,533,400	5,533,400	5,533,400	5,533,400	6,031,406	6,031,406	6,031,406
Terminal Value	8.0%									75,392,574
Discount Rate	9.0%	1.00	0.92	0.84	0.77	0.71	0.65	0.60	0.55	0.50
Present Value		5,076,514	4,657,352	4,657,352	4,272,800	3,920,000	3,596,330	3,596,330	3,299,386	40,863,950
Net Present Value										74,000,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **74,000,000.00**
Seventy-Four Million Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
 President



Fellow Member of (RE Valuation)
 License No. 1210000474

Nabeel M. Al Husaini
 CEO



Member of (RE Valuation)
 License No. 1210002782

Farah E. Al Husaini
 Valuation Manager



Member of (RE Valuation)
 License No. 1210001964

Reema K. Al Dhayan
 Asst. Manager



Fellow Member of (RE Valuation)
 License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



DOCUMENT

5.1 Title deeds and construction permit.

	رقم: 399484003641 التاريخ: 1443/3/9 المخرج: 1443/3/9	وثيقة تملك عقار	جمهورية الكويت State of Kuwait		المبالغ الأساسية
رقم الوثيقة المعدن الساحة (م ²) رقم الوثيقة السابقة نوع الساحة	399484003641 الموهلن براض 9 10,500 310224043246 حفلة تنسيق	تاريخ الوثيقة الحالة القوة تاريخ الوثيقة السابقة	1443/3/9 فعال موهلن 1444/1/18		
رقم الوثيقة قيمة المبنى رقم المبنى بنك المبنى	44,784,833.87 راس	تاريخ الاستقلال	1961	رقم الوثيقة بنك المبنى	7001902488 موهلن
رقم الوثيقة نسبة المبنى نسبة المبنى	7001902488 100 %	الاسم الشركة الموردة للاقتصاد والتنمية الصناعية العقارية	رقم الوثيقة نسبة المبنى	7001902488 100 %	رقم الوثيقة نسبة المبنى
رقم الوثيقة نسبة المبنى نسبة المبنى	7001902488 100 %	الاسم الشركة الموردة للاقتصاد والتنمية الصناعية العقارية	رقم الوثيقة نسبة المبنى	7001902488 100 %	رقم الوثيقة نسبة المبنى
رقم الوثيقة نسبة المبنى نسبة المبنى	7001902488 100 %	الاسم الشركة الموردة للاقتصاد والتنمية الصناعية العقارية	رقم الوثيقة نسبة المبنى	7001902488 100 %	رقم الوثيقة نسبة المبنى
رقم الوثيقة نسبة المبنى نسبة المبنى	7001902488 100 %	الاسم الشركة الموردة للاقتصاد والتنمية الصناعية العقارية	رقم الوثيقة نسبة المبنى	7001902488 100 %	رقم الوثيقة نسبة المبنى
رقم الوثيقة نسبة المبنى نسبة المبنى	7001902488 100 %	الاسم الشركة الموردة للاقتصاد والتنمية الصناعية العقارية	رقم الوثيقة نسبة المبنى	7001902488 100 %	رقم الوثيقة نسبة المبنى

[illegible]

5.2 Real Estate Valuation License

تقييم
TAQEEM
الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

رقم الترخيص : 13093
تاريخ الإصدار : 1437/08/02 هـ
تاريخ الانتهاء : 1452/10/20 هـ
رقم نسخة الترخيص : 3

ترخيص مزاولة مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاولة مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة








نابيل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINE

Membership Type: Associated	نوع العضوية: مكتسبة
Membership No: 1210002782	رقم العضوية: 1210002782
ID No: 1014179931	رقم الهوية V كاد: 1014179931
Membership Exp: 2026-12-31	تاريخ الانتهاء: 2026-12-31









عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHOSSAINI

Membership Type: Man	نوع العضوية: ذكر
Membership No: 1210000474	رقم العضوية: 1210000474
ID No: 1044275947	رقم الهوية V كاد: 1044275947
Membership Exp: 2026-12-31	تاريخ الانتهاء: 2026-12-31









فرح عصام محمد الحسيني
FARAH ESSAM MOHAMMED ALHUSAYNI

Membership Type: Associated	نوع العضوية: مكتسبة
Membership No: 1210001964	رقم العضوية: 1210001964
ID No: 1090474196	رقم الهوية V كاد: 1090474196
Membership Exp: 2026-12-31	تاريخ الانتهاء: 2026-12-31









ريما خالد سليمان الحويان
REEMA KHALID SULAIMAN ALHAYAN

Membership Type: Associated	نوع العضوية: مكتسبة
Membership No: 1210004607	رقم العضوية: 1210004607
ID No: 1119910004	رقم الهوية V كاد: 1119910004
Membership Exp: 2026-12-31	تاريخ الانتهاء: 2026-12-31




Shaping visions

Building values





REAL ESTATE VALUATION REPORT

SEDCO Capital

SEDCO REIT Fund

Palm View

March 2026

REF: 25-0561
Code:
Date: 30/03/2026

Subject: Valuation Report for Administrative Complex – Riyadh City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02 December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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WHITE **CUBES**

EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Accounting Purposes.
Subject Property	Administrative complex.
Property Location	Capital District, Ad Diriyah City, Kingdom of Saudi Arabia.
Title Deed No.	460002496016
Title Deed Date	1447/07/03
Ownership Type	Title deed- restricted
Limitations	Mortgaged.
Owner	Saudi Economic and Development Company for Real Estate.
Land Use	Administrative.
Land Area (Sqm)	10,325.82 Sqm
BUA (Sqm)	48,180.80 Sqm
GLA (Sqm)	20,838.00 Sqm
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income Approach, Discounted Cash Flow method (DCF)
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 675,000,000
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	08/12/2025



WHITE **CUBES**

SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Accounting Purposes**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (ﷲ) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permits.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have been mortgaged to Bank AL Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 8%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 10%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Vacancy Rate:** For income-generating properties, it is assumed that the property maintains an average vacancy rate of 0% over the valuation period.
6. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
7. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
8. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
9. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
10. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
11. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 08/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is administrative complex located in Capital District, Diriyah City, Saudi Arabia. The property's title deed and construction permit confirm the following:

- Total land area: 10,325.82 square meters.
- Built-up area: 48,180.80 square meters.
- Rental area: 20,838.00 square meters.

During the site inspection conducted for evaluation purposes, it was noted that the property is open on 4 sides and has a direct view of King Khalid Road.

2.2 Ease of Access

The access level of the subject property is classified as moderate due to its location On King Khalid Road.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
24°46'17.75"N 46°33'56.25"E	
تقاطع طريق الإمام سعود بن فيصل مع شارع الملك، الرياض، الدرعية 13714	
Google Maps	

2.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Diriyah	Land Area	10,325.82 Sqm
District	Al-Asimah	Plot No.	327
T.D Type	Electronic	Block No.	---
T.D Number	460002496016	Layout No.	136
T.D Date	1447/07/03	Ownership Type	Mortgage
Owner	Saudi Economic and Development Company for Real Estate	Limitation of Document	Mortgaged to Bank AL Jazira
Issued From	Ministry of Justice		
North Side	80m wide street	East Side	18m wide street
South Side	18m wide street	West Side	36m wide street

2.6 Construction Permit

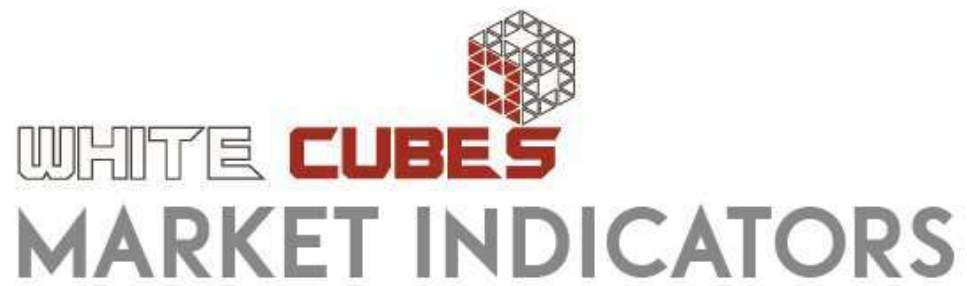
The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the details below:

Construction Permit Type	Construction Permit	Built-Up Area (BUA)	48,180.80
Property Type	Administrative complex	Actual Age	0
Construction Permit No.	15883	State of Property	under construction
Construction Permit Date	1445/07/24	Completion Rate	80%

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.

2.7 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

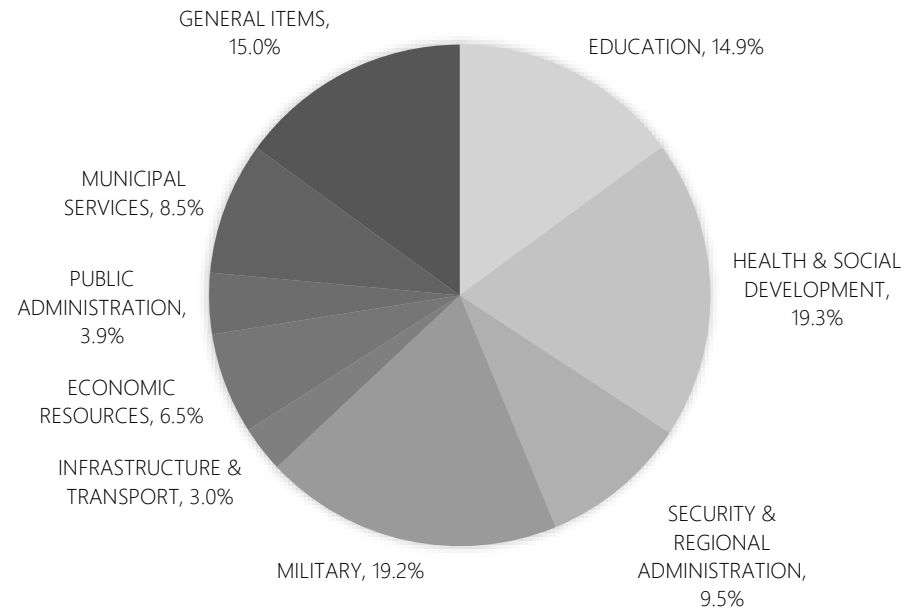
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	53.00	bn
Military Sector	259.00	bn
Security and Regional Administration Sector	128.00	bn
Municipal Services Sector	115.00	bn
Education Sector	201.00	bn
Health and Social Development Sector	260.00	bn
Economic Resources Sector	88.00	bn
Infrastructure and Transportation Sector	40.00	bn
General Items	202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	5 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

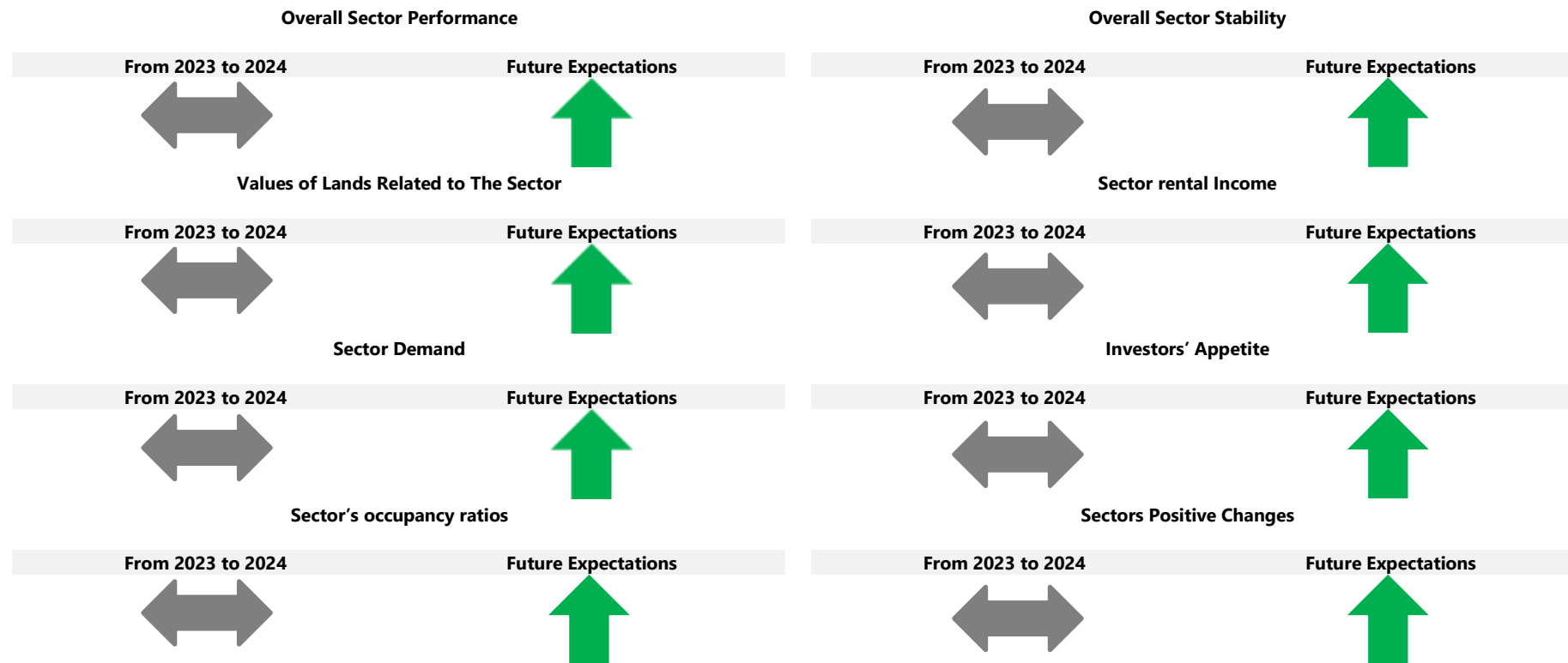
Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **26 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
-  Indicator showing an increase in the current performance compared to last year
-  Indicator showing a stable position in the current performance compared to last year



White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, the Market approach, Comparable method Income approach, DCF method- Cost Approach, DRC method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	221,000,000.00	635,000,000.00	367,000,000.00
NOI	17,680,000	50,800,000	29,360,000
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	5.0%	Source	SAMA
Inflation Rate%	2.2%		GASTAT
Market Risk Premium%	3.0%		Trading Economics
Company-specific Risk Premium %	2.0%		Team's experience.
Discount Rate%	10.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030	2031	2032
		0	1	2	3	4	5	6	7
Inflation		0%	0%	0%	0%	0%	10%	0%	0%
Expected Revenue									
Offices	Sqm	20,838	20,838	20,838	20,838	20,838	20,838	20,838	20,838
Rate (SAR)	SAR	2,666	2,666	2,666	2,666	2,666	2,932	2,932	2,932
Total	SAR	55,550,660	55,550,660	55,550,660	55,550,660	55,550,660	61,105,726	61,105,726	61,105,726
Overall Revenues		55,550,660	55,550,660	55,550,660	55,550,660	55,550,660	61,105,726	61,105,726	61,105,726
Vacancy and Credit Loss									
Offies	0.0%	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
Effective Rental Income		55,550,660	55,550,660	55,550,660	55,550,660	55,550,660	61,105,726	61,105,726	61,105,726
Expenses									
OpEx	5.0%	2,777,533	2,777,533	2,777,533	2,777,533	2,777,533	2,777,533	2,777,533	2,777,533
CapEx	2.5%	1,388,767	1,388,767	1,388,767	1,388,767	1,388,767	1,527,643	1,527,643	1,527,643
Overall Expenses		4,166,300	4,166,300	4,166,300	4,166,300	4,166,300	4,305,176	4,305,176	4,305,176
NOI		51,384,361	51,384,361	51,384,361	51,384,361	51,384,361	56,800,550	56,800,550	56,800,550
Terminal Value	8.0%								710,006,873
Discount Rate	10.0%	1.00	0.91	0.83	0.75	0.68	0.62	0.56	0.51
Present Value		51,384,361	46,713,055	42,466,414	38,605,831	35,096,210	35,268,673	32,062,430	393,493,454
Net Present Value									675,000,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **ﷲ 675,000,000.00**
Six Hundred Seventy-Five Million Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Reema K. Al Dhayan
Asst. Manager



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



DOCUMENT

Documents Received

5.1 Title deeds

وزارة الداخلية
الرياض 11561
1443/12/21

وثيقة ملكة عقار

البيانات الأساسية

رقم الوثيقة	499000	الحي	الرياض
رقم الوثيقة السابقة	1440/12/19	الحي	الرياض
رقم الوثيقة السابقة	1440/12/19	الحي	الرياض

البيانات الشخصية

الحي	الرياض	رقم السكن	1440/12/19
الحي	الرياض	رقم السكن	1440/12/19

البيانات المالية

الحي	الرياض	رقم السكن	1440/12/19
الحي	الرياض	رقم السكن	1440/12/19

البيانات القانونية

الحي	الرياض	رقم السكن	1440/12/19
الحي	الرياض	رقم السكن	1440/12/19

البيانات الفنية

الحي	الرياض	رقم السكن	1440/12/19
الحي	الرياض	رقم السكن	1440/12/19

البيانات الإدارية

الحي	الرياض	رقم السكن	1440/12/19
الحي	الرياض	رقم السكن	1440/12/19

البيانات العامة

الحي	الرياض	رقم السكن	1440/12/19
الحي	الرياض	رقم السكن	1440/12/19

بلدية
balady

رخصة بناء

البيانات الأساسية

رقم الوثيقة	499000	الحي	الرياض
رقم الوثيقة السابقة	1440/12/19	الحي	الرياض
رقم الوثيقة السابقة	1440/12/19	الحي	الرياض

البيانات الشخصية

الحي	الرياض	رقم السكن	1440/12/19
الحي	الرياض	رقم السكن	1440/12/19

البيانات المالية

الحي	الرياض	رقم السكن	1440/12/19
الحي	الرياض	رقم السكن	1440/12/19

البيانات القانونية

الحي	الرياض	رقم السكن	1440/12/19
الحي	الرياض	رقم السكن	1440/12/19

البيانات الفنية

الحي	الرياض	رقم السكن	1440/12/19
الحي	الرياض	رقم السكن	1440/12/19

البيانات الإدارية

الحي	الرياض	رقم السكن	1440/12/19
الحي	الرياض	رقم السكن	1440/12/19

البيانات العامة

الحي	الرياض	رقم السكن	1440/12/19
الحي	الرياض	رقم السكن	1440/12/19

5.2 Real Estate Valuation License

تقييم
TAQEEM
الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

رقم الترخيص : 13093
تاريخ الإصدار : 1437/08/02 هـ
تاريخ الانتهاء : 1452/10/20 هـ
رقم نسخة الترخيص : 3

ترخيص مزاولة مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاولة مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة








نابيل محمد عبدالله الحسني
NABEEL MOHAMMED A ALHUSSAINI

Membership Type: Associated	نوع العضوية: مستند
Membership No: 1210002782	رقم العضوية: 1210002782
ID No: 1014179931	رقم الهوية V: 1014179931
Membership Exp: 2026-12-31	تاريخ الانتهاء: 2026-12-31




صورة من الترخيص برقم 2997
 على الترخيص






عصام محمد عبدالله الحسني
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Membership Exp: 2026-12-31	تاريخ الانتهاء: 2026-12-31




صورة من الترخيص برقم 2997
 على الترخيص






فراح عصام محمد الحسني
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صورة من الترخيص برقم 2997
 على الترخيص






ريما خالد سليمان الدحيان
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ID No: 1119536024	رقم الهوية V: 1119536024
Membership Exp: 2026-12-31	تاريخ الانتهاء: 2026-12-31




صورة من الترخيص برقم 2997
 على الترخيص

Shaping visions

Building values





WHITE **CUBES**

REAL ESTATE VALUATION REPORT

SEDCO Capital

SEDCO REIT Fund

Panda - Al Rayyan

March 2026

REF: 25-0561
Code:
Date: 30/03/2026

Subject: Valuation Report for Commercial Complex – Dammam City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02 December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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WHITE **CUBES**

EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Accounting Purposes.
Subject Property	Commercial complex
Property Location	Al Rayyan District, Dammam City.
Title Deed No.	994091001585
Title Deed Date	1445/05/08
Ownership Type	Title deed-restricted
Limitations	Mortgaged.
Owner	Saudi Real Estate Funds Development and Economic Company.
Land Use	Commercial.
Land Area (Sqm)	18,144.8 Sqm
BUA (Sqm)	9,800 Sqm
GLA (Sqm)	9,800 Sqm
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income approach, DCF method.
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 72,000,000
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	07/12/2025



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SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Accounting Purposes**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (﷼) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permits.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have been mortgaged to Bank AL Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 8%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 9%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
6. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
7. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
8. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
9. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
10. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 07/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is Commercial complex located in Al Rayyan District, Dammam City, Saudi Arabia. The property's title deed and construction permit confirm the following:

- Total Land Area 18,144.8 square meters.
- Building area: 9,800 square meters.

During the site inspection conducted for evaluation purposes, it was noted that the property is open from 4 sides and is distinguished by its proximity to Imam Ali bin Abi Talib Road.

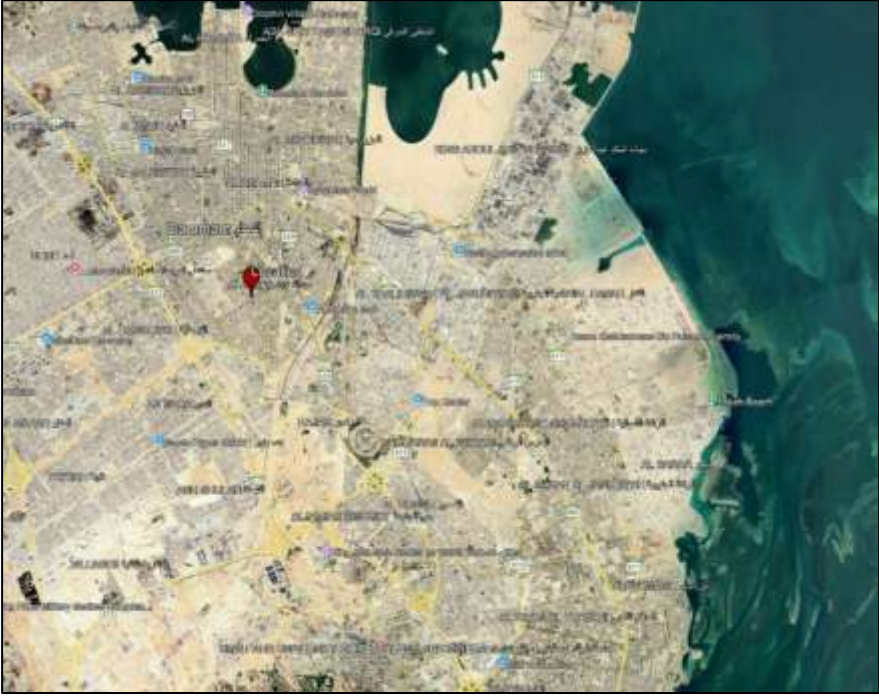
2.2 Ease of Access

The access level of the subject property is classified as moderate due to its location near Imam Ali Bin Abi Talib Road.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
26°24'09.6"N 50°06'00.3"E	
C432+328 Dammam	
Google Maps	

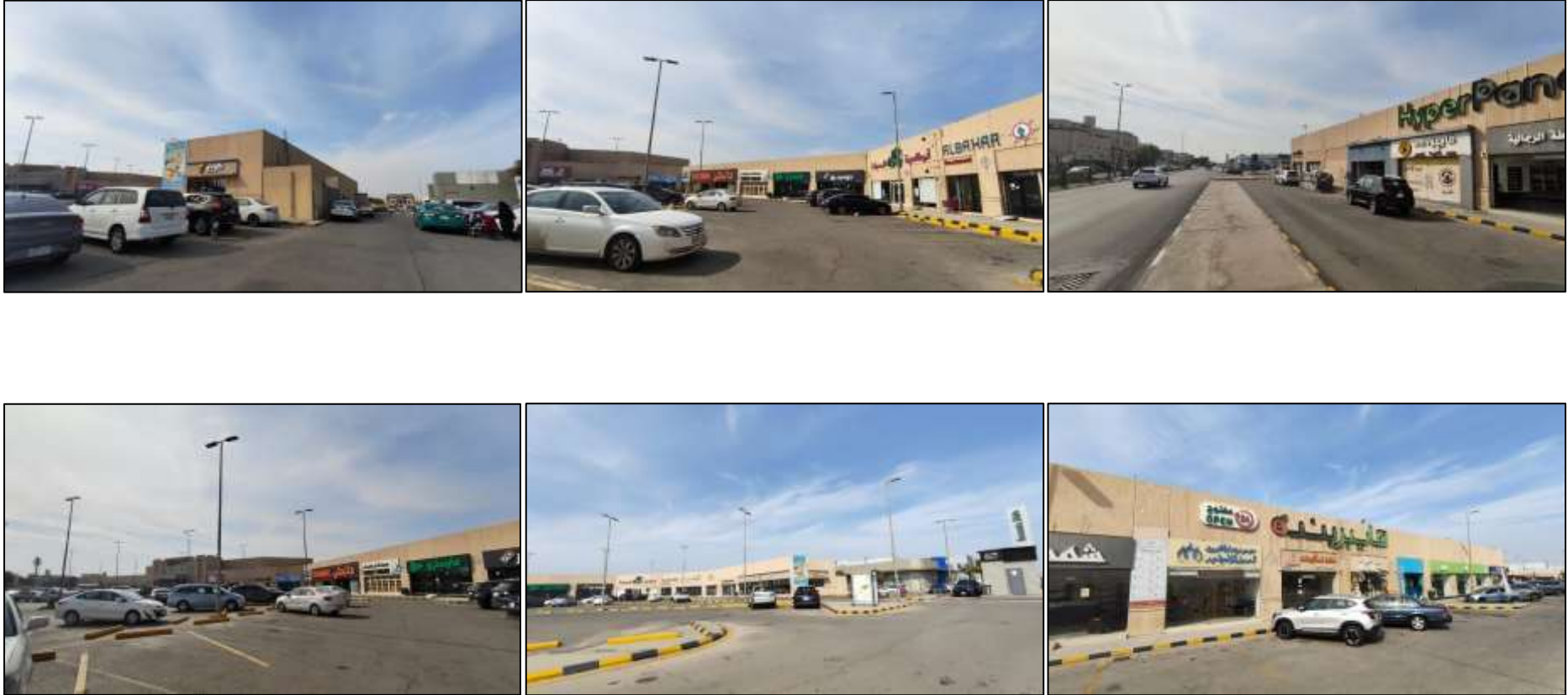
2.5 Title Deed and Ownership

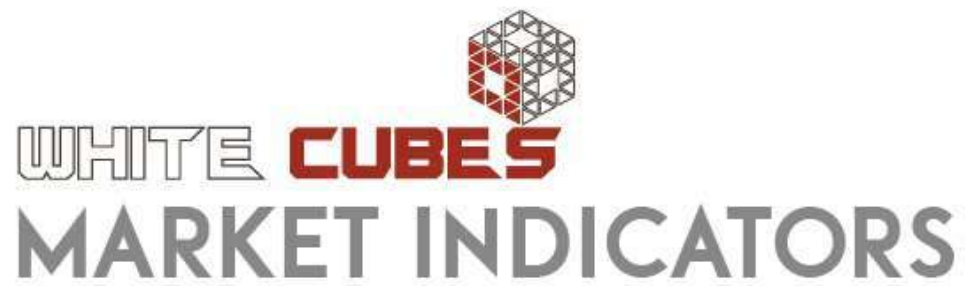
The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Dammam	Land Area	18,144.8
District	Al Rayyan	Plot No.	119-136
T.D Type	Electronic	Block No.	---
T.D Number	994091001585	Layout No.	ش.د. 832
T.D Date	1445/05/13	Ownership Type	Mortgage
Owner	Saudi Real Estate Development and Economic Company	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	Plot No 135	East Side	Plot No 134
South Side	30m wide street	West Side	20m wide 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 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

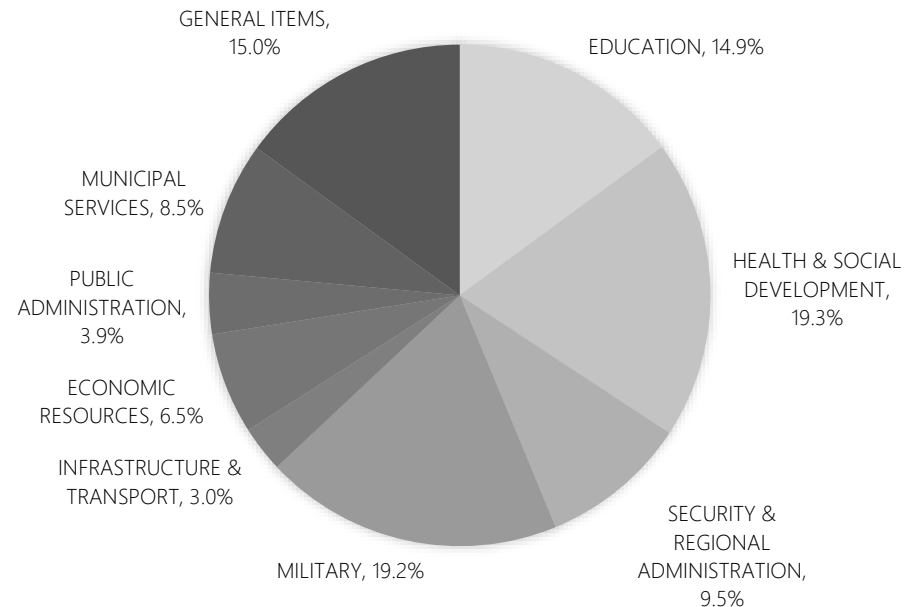
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	-0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	53.00	bn
Military Sector	259.00	bn
Security and Regional Administration Sector	128.00	bn
Municipal Services Sector	115.00	bn
Education Sector	201.00	bn
Health and Social Development Sector	260.00	bn
Economic Resources Sector	88.00	bn
Infrastructure and Transportation Sector	40.00	bn
General Items	202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	5 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **26 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
-  Indicator showing an increase in the current performance compared to last year
-  Indicator showing a stable position in the current performance compared to last year

Overall Sector Performance

From 2023 to 2024	Future Expectations
	
Values of Lands Related to The Sector	
From 2023 to 2024	Future Expectations
	
Sector Demand	
From 2023 to 2024	Future Expectations
	
Sector's occupancy ratios	
From 2023 to 2024	Future Expectations
	

Overall Sector Stability

From 2023 to 2024	Future Expectations
	
Sector rental Income	
From 2023 to 2024	Future Expectations
	
Investors' Appetite	
From 2023 to 2024	Future Expectations
	
Sectors Positive Changes	
From 2023 to 2024	Future Expectations
	

White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, the Market approach, Comparable method Income approach, DCF method- Cost Approach, DRC method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	27,500,000.00	49,800,000.00	31,655,000.00
NOI	2,200,000	3,984,000	2,532,400
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Government Bonds rate%	5.0%	Source	SAMA
Inflation Rate%	2.2%		GASTAT
Systematic Risk Premium%	3.0%		Trading Economic
Unsystematic Risk Premium%	1.0%		Team's Experience
Discount Rate%	9.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029
		0	1	2	3	4
Inflation		0%	0%	0%	0%	0%
Expected Revenue						
Commercial complex	Sqm	18,145	18,145	18,145	18,145	18,145
Rate (SAR)	SAR	303	303	303	303	303
Total	SAR	5,490,000	5,490,000	5,490,000	5,490,000	5,490,000
Overall Revenues		5,490,000	5,490,000	5,490,000	5,490,000	5,490,000
Vacancy and Credit Loss						
Commercial complex	0.0%	0	0	0	0	0
Total		0	0	0	0	0
Effective Rental Income		5,490,000	5,490,000	5,490,000	5,490,000	5,490,000
Expenses						
OpEx	0.0%	0	0	0	0	0
CapEx	0.0%	0	0	0	0	0
Overall Expenses		0	0	0	0	0
NOI		5,490,000	5,490,000	5,490,000	5,490,000	5,490,000
Terminal Value	8.0%					68,625,000
Discount Rate	9.0%	1.00	0.92	0.84	0.77	0.71
Present Value		5,490,000	5,036,697	4,620,823	4,239,287	52,504,935
Net Present Value						72,000,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **ﷲ 72,000,000.00**
Seventy-Two Million Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Reema K. Al Dhayan
Asst. Manager



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



DOCUMENT

5.1 Title deeds and construction permit.

[illegible][illegible]

[illegible][illegible][illegible][illegible][illegible]

5.2 Real Estate Valuation License

تقييم
TAQEEM
الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

رقم الترخيص: 13093
تاريخ الإصدار: 1437/08/02 هـ
تاريخ الانتهاء: 1452/10/20 هـ
رقم نسخة الترخيص: 3

ترخيص مزاولة مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم: **1044275947** لمزاولة مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة








نابيل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

Membership Type:	نوع العضوية:
Associated	مستند
Membership No:	رقم العضوية:
1210002782	1210002782
ID No:	رقم الهوية الوطنية:
1014179931	1014179931
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص






عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHOSAINI

Membership Type:	نوع العضوية:
Man	مستند
Membership No:	رقم العضوية:
1210000474	1210000474
ID No:	رقم الهوية الوطنية:
1044275947	1044275947
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص






فراح عصام محمد الحسيني
FARAH ESSAM MOHAMMED ALHUSAYNI

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Associated	مستند
Membership No:	رقم العضوية:
1210001964	1210001964
ID No:	رقم الهوية الوطنية:
1096474196	1096474196
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص






ريما خالد سليمان الذويان
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Associated	مستند
Membership No:	رقم العضوية:
1210004667	1210004667
ID No:	رقم الهوية الوطنية:
1116036824	1116036824
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص

Shaping visions

Building values





REAL ESTATE VALUATION REPORT

SEDCO Capital

SEDCO REIT Fund

Panda - Al Noor

March 2026

REF: 25-0561
Code:
Date: 30/03/2026

Subject: Valuation Report for Commercial Complex–Dammam City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02 December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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WHITE **CUBES**

EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Accounting Purposes.
Subject Property	Commercial complex
Property Location	Al -Noor District, Dammam City.
Title Deed No.	799684003632 - 494091001583
Title Deed Date	1445/05/09- 1445/05/13
Ownership Type	Title deed-restricted
Limitations	Mortgaged.
Owner	Saudi Real Estate Funds Development and Economic Company.
Land Use	Commercial.
Land Area (Sqm)	13,806 Sqm
BUA (Sqm)	5,348 Sqm
GLA (Sqm)	5,248 Sqm
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income Approach, Discounted Cash Flow method (DCF)
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 70,000,000
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	07/12/2025



WHITE **CUBES**

SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Accounting Purposes**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (ﷲ) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permits.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have been mortgaged to Bank AL Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 8%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 9%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Vacancy Rate:** For income-generating properties, it is assumed that the property maintains an average vacancy rate of 0% over the valuation period.
6. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
7. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
8. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
9. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
10. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
11. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 07/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is Commercial complex located in Al Noor District, Dammam City, Saudi Arabia. The property's title deed and construction permit confirm the following:

- Total Land Area 13,806.17 square meters.
- Building area: 5,348 square meters.

During the site inspection conducted for evaluation purposes, it was noted that the property is open on 4 sides and has a direct view of King Saud bin Abdulaziz Road.

2.2 Ease of Access

The access level of the subject property is classified as moderate due to its location On King Saud bin Abdulaziz Road.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
26°25'34.0"N 50°02'03.5"E	
C2GM+CPM Dammam	
Google Maps	

2.5 Title Deed and Ownership

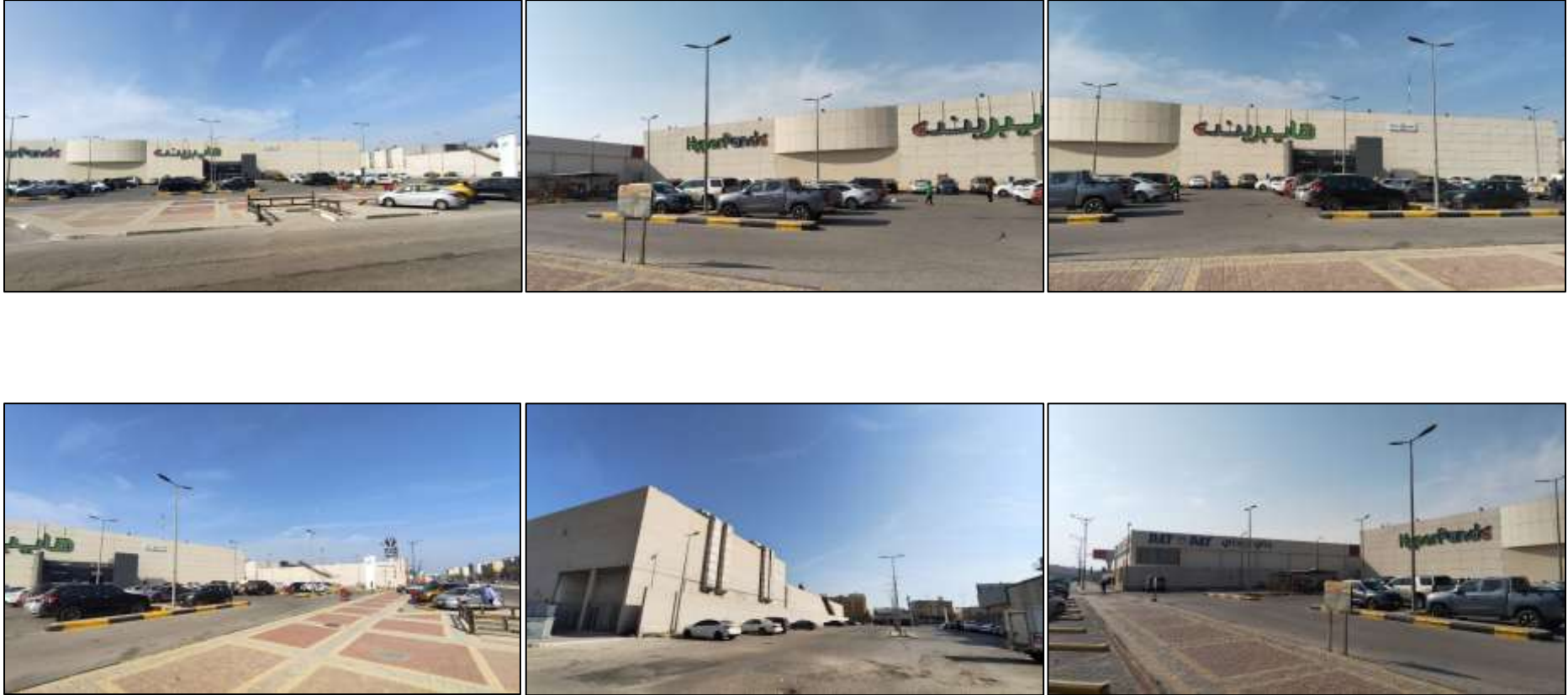
The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

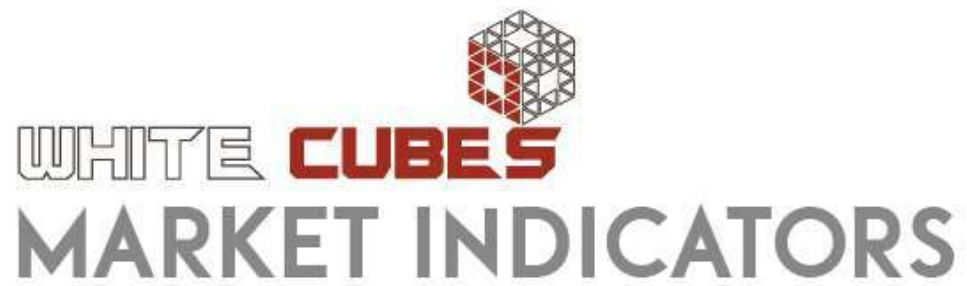
City	Dammam	Land Area	18,144.8
District	Al Noor	Plot No.	ب/198 – ب/197
T.D Type	Electronic	Block No.	---
T.D Number	799684003632	Layout No.	ش.د. / 742
T.D Date	1445/05/09	Ownership Type	Mortgage
Owner	Saudi Real Estate Development and Economic Company	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	25m wide street	East Side	Plot No 199
South Side	Plot No 198	West Side	Plot No 195

City	Dammam	Land Area	10,427.95
District	Al Rayyan	Plot No.	ب / 191
T.D Type	Electronic	Block No.	---
T.D Number	994091001585	Layout No.	ش.د. / 742
T.D Date	1445/05/13	Ownership Type	Mortgage
Owner	Saudi Real Estate Development and Economic Company	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	25m wide street	East Side	Plot No 197 - 198
South Side	60m wide street	West Side	Plot No 189 - 190

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 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

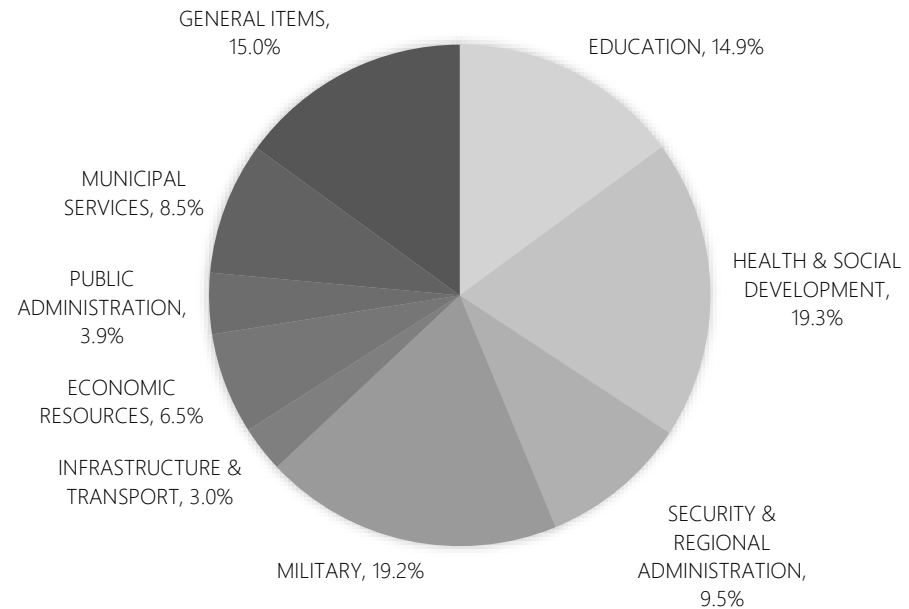
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	53.00	bn
Military Sector	259.00	bn
Security and Regional Administration Sector	128.00	bn
Municipal Services Sector	115.00	bn
Education Sector	201.00	bn
Health and Social Development Sector	260.00	bn
Economic Resources Sector	88.00	bn
Infrastructure and Transportation Sector	40.00	bn
General Items	202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	5 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

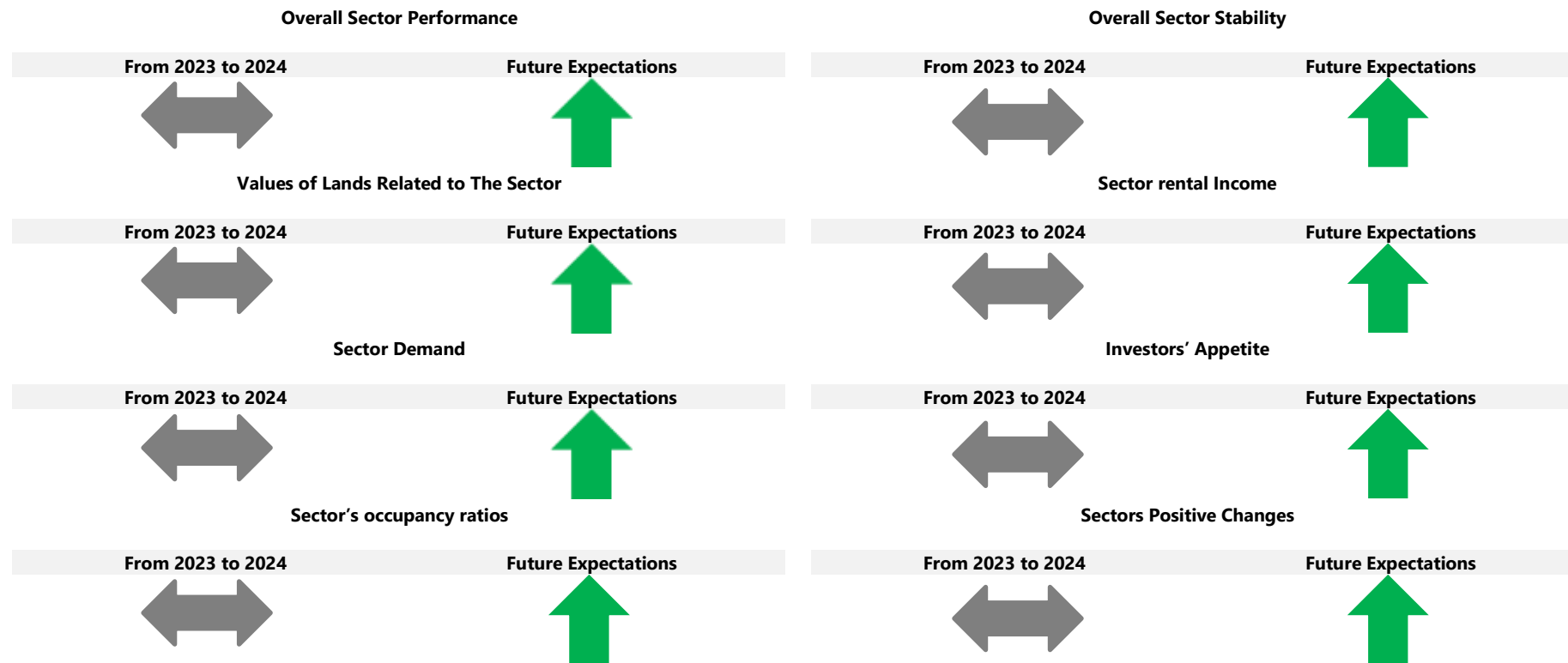
Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **26 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
-  Indicator showing an increase in the current performance compared to last year
-  Indicator showing a stable position in the current performance compared to last year



White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, the Market approach, Comparable method Income approach, DCF method- Cost Approach, DRC method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	37,230,000.00	52,000,000.00	26,580,000.00
NOI	2,978,400	4,160,000	2,126,400
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	5.0%	Source	SAMA
Inflation Rate%	2.2%		GASTAT
Market Risk Premium%	3.0%		Trading Economics
Company-specific Risk Premium %	1.0%		Team's experience.
Discount Rate%	9.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
		0	1	2	3	4	5	6	7	8	9
Inflation		0.0%	0.0%	0.0%	0.0%	0.0%	5.5%	0.0%	0.0%	0.0%	0.0%
Expected Revenue											
Commercial complex	Sqm	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400
Rate (SAR)	SAR	717	717	717	717	717	756	756	756	756	756
Total	SAR	3,869,776	3,869,776	3,869,776	3,869,776	3,869,776	4,082,614	4,082,614	4,082,614	4,082,614	4,082,614
Parking	Sqm	3,378	3,378	3,378	3,378	3,378	3,378	3,378	3,378	3,378	3,378
Rate (SAR)	SAR	411	411	411	411	411	433	433	433	433	433
Total	SAR	1,388,000	1,388,000	1,388,000	1,388,000	1,388,000	1,464,340	1,464,340	1,464,340	1,464,340	1,464,340
Overall Revenues		5,257,776	5,257,776	5,257,776	5,257,776	5,257,776	5,546,954	5,546,954	5,546,954	5,546,954	5,546,954

Vacancy and Credit Loss											
Commercial complex	0.0%	0	0	0	0	0	0	0	0	0	0
Parking	0.0%	0	0	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0	0	0
Effective Rental Income		5,257,776	5,257,776	5,257,776	5,257,776	5,257,776	5,546,954	5,546,954	5,546,954	5,546,954	5,546,954

Expenses											
OpEx	0.0%	0	0	0	0	0	0	0	0	0	0
CapEx	0.0%	0	0	0	0	0	0	0	0	0	0
Overall Expenses		0	0	0	0	0	0	0	0	0	0

NOI		5,257,776	5,257,776	5,257,776	5,257,776	5,257,776	5,546,954	5,546,954	5,546,954	5,546,954	5,546,954
Terminal Value	8.0%										69,336,921
Discount Rate	9.0%	1.00	0.92	0.84	0.77	0.71	0.65	0.60	0.55	0.50	0.46
Present Value		5,257,776	4,823,648	4,425,365	4,059,968	3,724,741	3,605,139	3,307,467	3,034,374	2,783,829	34,478,616
Net Present Value											70,000,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **70,000,000.00**
Seventy Million Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Reema K. Al Dhayan
Asst. Manager



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



DOCUMENT

Documents Received

5.1 Title deeds

وثيقة ملكة عقار

البيانات الأساسية

رقم الوثيقة	48091001000	الرجوع	1443/01/01
المستفيد	السيد/ محمد بن	الملك	ملك
المساحة	36,327.84	القيمة	1443/01/01
رقم الوثيقة السابقة	388127001000	الرجوع	1443/01/01
نوع الملكة	ملك	نوع الملكة	ملك

القيمة

القيمة	1443/01/01	القيمة	1443/01/01
القيمة	1443/01/01	القيمة	1443/01/01

الملك

الملك	1443/01/01	الملك	1443/01/01
الملك	1443/01/01	الملك	1443/01/01

الملك

الملك	1443/01/01	الملك	1443/01/01
الملك	1443/01/01	الملك	1443/01/01

وثيقة ملكة عقار

البيانات الأساسية

رقم الوثيقة	48091001000	الرجوع	1443/01/01
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نوع الملكة	ملك	نوع الملكة	ملك

القيمة

القيمة	1443/01/01	القيمة	1443/01/01
القيمة	1443/01/01	القيمة	1443/01/01

الملك

الملك	1443/01/01	الملك	1443/01/01
الملك	1443/01/01	الملك	1443/01/01

الملك

الملك	1443/01/01	الملك	1443/01/01
الملك	1443/01/01	الملك	1443/01/01

وثيقة ملكة عقار

البيانات الأساسية

رقم الوثيقة	48091001000	الرجوع	1443/01/01
المستفيد	السيد/ محمد بن	الملك	ملك
المساحة	36,327.84	القيمة	1443/01/01
رقم الوثيقة السابقة	388127001000	الرجوع	1443/01/01
نوع الملكة	ملك	نوع الملكة	ملك

القيمة

القيمة	1443/01/01	القيمة	1443/01/01
القيمة	1443/01/01	القيمة	1443/01/01

الملك

الملك	1443/01/01	الملك	1443/01/01
الملك	1443/01/01	الملك	1443/01/01

الملك

الملك	1443/01/01	الملك	1443/01/01
الملك	1443/01/01	الملك	1443/01/01

5.2 Real Estate Valuation License

تقييم
TAQEEM
الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

رقم الترخيص: 13093
تاريخ الإصدار: 1437/08/02 هـ
تاريخ الانتهاء: 1452/10/20 هـ
رقم نسخة الترخيص: 3

ترخيص مزاولة مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم: **1044275947** لمزاولة مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة








نابيل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

Membership Type: Associated	نوع العضوية: مستفيد
Membership No: 1210002782	رقم العضوية: 1210002782
ID No: 1014179931	رقم الهوية الوطنية: 1014179931
Membership Exp: 2026-12-31	تاريخ الانتهاء: 2026-12-31









عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHOSAINI

Membership Type: Man	نوع العضوية: مستفيد
Membership No: 1210000474	رقم العضوية: 1210000474
ID No: 1044275947	رقم الهوية الوطنية: 1044275947
Membership Exp: 2026-12-31	تاريخ الانتهاء: 2026-12-31









فراح عصام محمد الحسيني
FARAH ESSAM MOHAMMED ALHUSAYNI

Membership Type: Associated	نوع العضوية: مستفيد
Membership No: 1210001964	رقم العضوية: 1210001964
ID No: 1095474196	رقم الهوية الوطنية: 1095474196
Membership Exp: 2026-12-31	تاريخ الانتهاء: 2026-12-31









ريما خالد سليمان الدحيان
REEMA KHALID SULAIMAN ALDHAYAN

Membership Type: Associated	نوع العضوية: مستفيد
Membership No: 1210004007	رقم العضوية: 1210004007
ID No: 1119536024	رقم الهوية الوطنية: 1119536024
Membership Exp: 2026-12-31	تاريخ الانتهاء: 2026-12-31




Shaping visions

Building values



SEDCO Capital

SEDCO REIT Fund

Panda Riyadh

March 2026

REF: 25-0561
Code: 1682067
Date: 30/03/2026

Subject: Valuation Report for Panda – Riyadh City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02sc December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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WHITE **CUBES**

EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	1682067
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Inclusion in financial statements.
Subject Property	Commercial complex.
Property Location	Ashbilia district, Riyadh, Saudi Arabia.
Title Deed No.	499684003637
Title Deed Date	1445/05/09
Ownership Type	Title deed restricted.
Limitations	Mortgage to Bank AL Jazira.
Owner	Saudi Economic and Development Company for Real Estate Funds.
Land Use	Commercial.
Land Area (Sqm)	23,604 Sqm
BUA (Sqm)	10,784 Sqm.
GLA (Sqm)	10,784 Sqm.
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income approach, DCF method.
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 81,000,000
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	08/12/2025



WHITE **CUBES**

SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Inclusion in Financial Statements**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (ﷲ) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permits.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have been mortgaged to Bank AL Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 8%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 9%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Vacancy Rate:** For income-generating properties, it is assumed that the property maintains an average vacancy rate of 0% over the valuation period.
6. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
7. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
8. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
9. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
10. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
11. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 08/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The property being evaluated is a commercial complex located in the Ashbilia district of Riyadh, Saudi Arabia. The property's ownership documents confirm the following:

- Total land area: 23,604 square meters.
- Built-up area: 10,784 square meters.
- Gross Leasable Area (GLA): 10,784 square meters.

During the site inspection conducted for the evaluation, it was noted that the property is open on four sides and is located on Sheikh Jaber Al-Ahmad Al-Sabah Street on the eastern side.

2.2 Ease of Access

The property is highly accessible based on its current location on Sheikh Jaber Al-Ahmad Al-Sabah Street.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
24°36'14.06"N 46°43'58.47"E	
Shaikh Jabir Road end of King Abdullah Road exit 10, Riyadh	
Google Maps	

2.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	23,604
District	Ashbilia	Plot No.	3/1/1/ع/4
T.D Type	Electronic	Block No.	N/A
T.D Number	499684003637	Layout No.	N/A
T.D Date	1445/05/09	Ownership Type	Mortgage
Owner	Saudi Economic and Development Company for Real Estate Funds	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	36m wide street	East Side	30m wide street
South Side	20m wide street	West Side	15m wide street

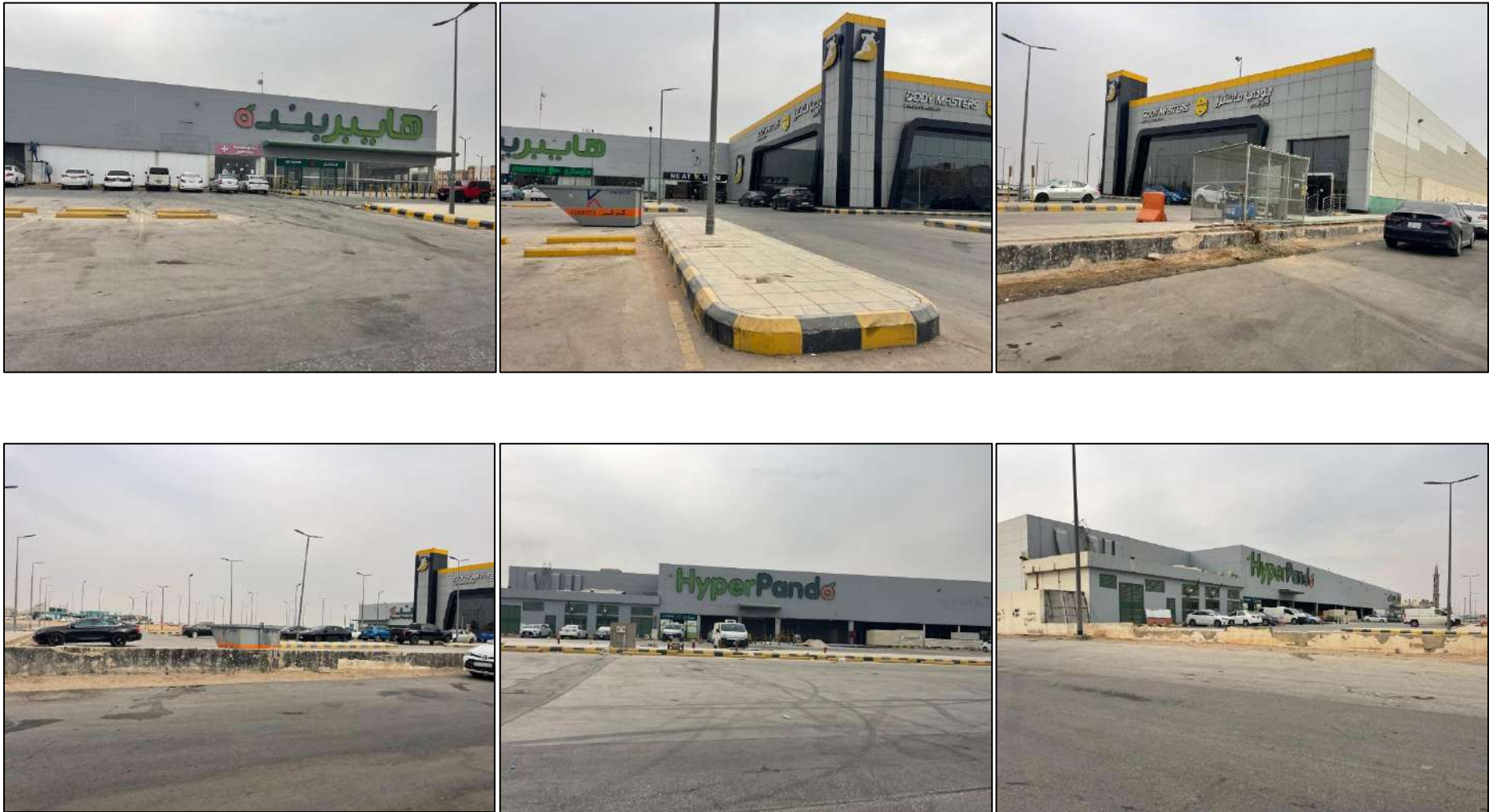
2.6 Construction Permit

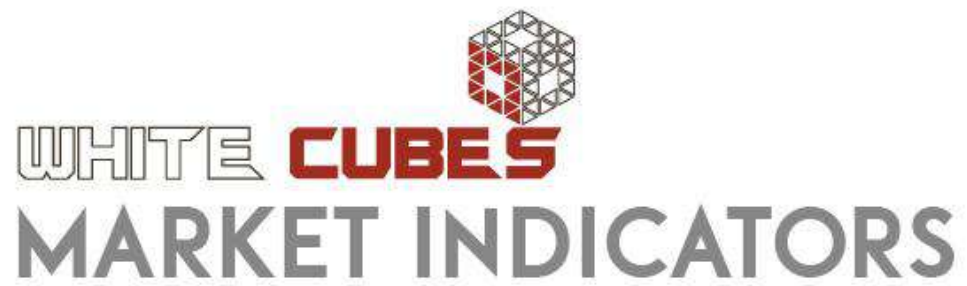
The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	Renovating	Built-Up Area (BUA)	10,784
Property Type	Commercial complex	Actual Age	7
Construction Permit No.	1432/129920	State of Property	Fully Constructed
Construction Permit Date	1437/11/05	Completion Rate	100%

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.

2.7 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

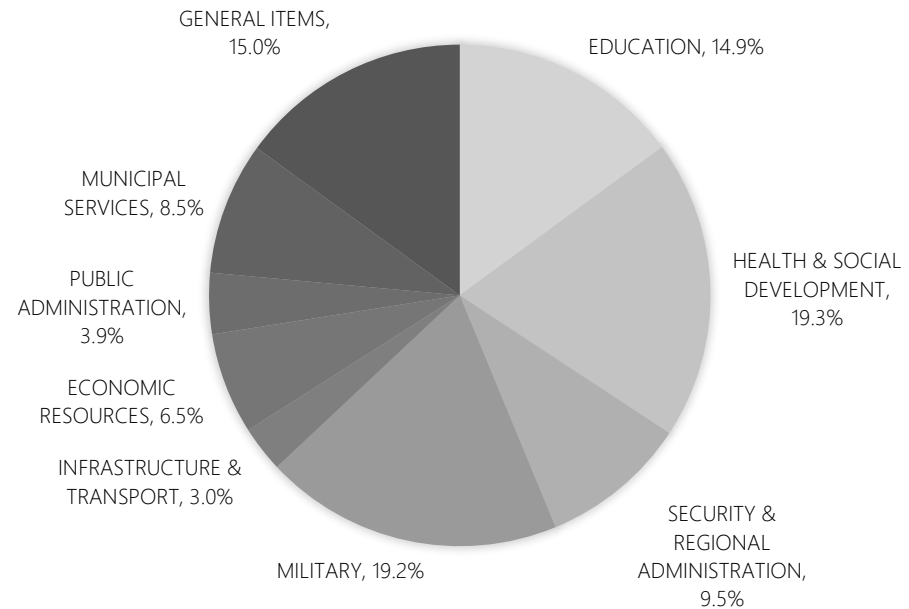
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	ﷲ 53.00	bn
Military Sector	ﷲ 259.00	bn
Security and Regional Administration Sector	ﷲ 128.00	bn
Municipal Services Sector	ﷲ 115.00	bn
Education Sector	ﷲ 201.00	bn
Health and Social Development Sector	ﷲ 260.00	bn
Economic Resources Sector	ﷲ 88.00	bn
Infrastructure and Transportation Sector	ﷲ 40.00	bn
General Items	ﷲ 202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	5 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

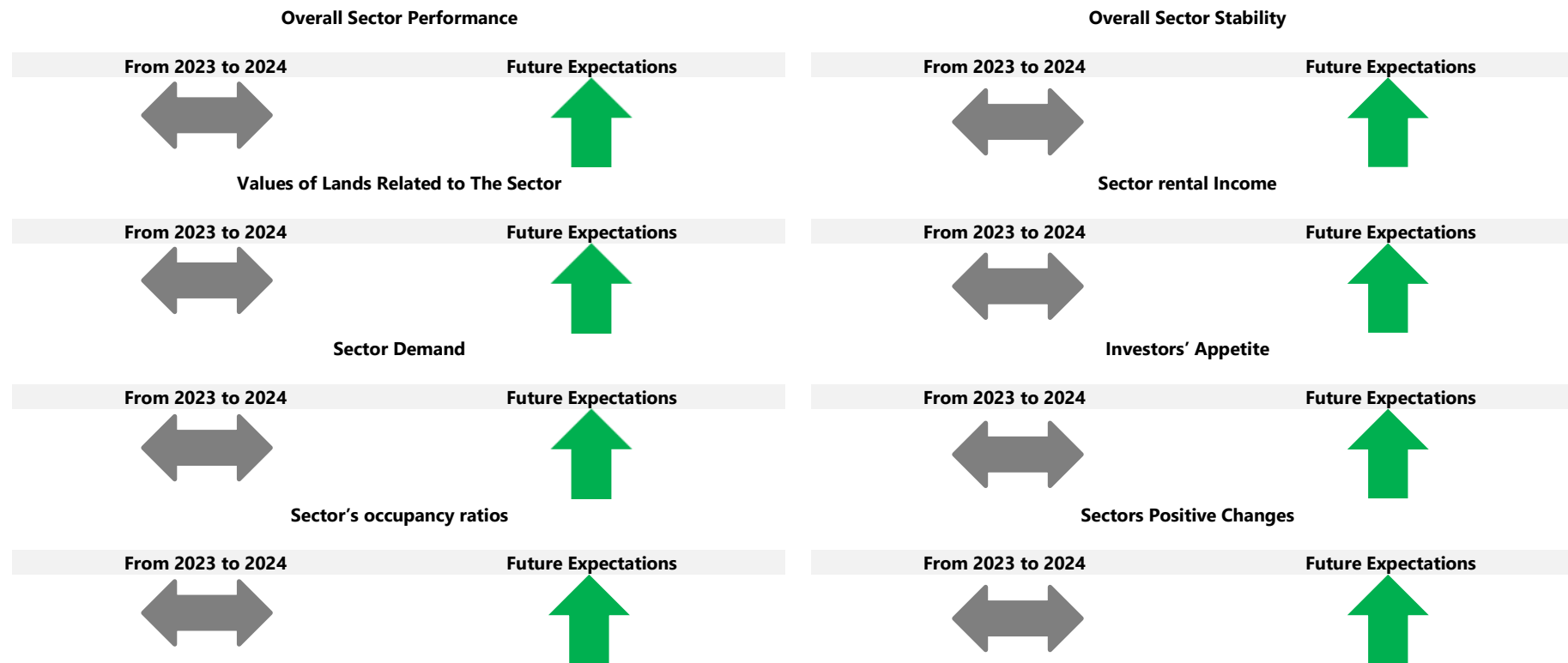
Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **26 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
-  Indicator showing an increase in the current performance compared to last year
-  Indicator showing a stable position in the current performance compared to last year



White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, the Market approach, Comparable method Income approach, DCF method- Cost Approach, DRC method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	120,000,000.00	30,000,000.00	96,200,000.00
NOI	9,600,000	2,400,000	7,696,000
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Government Bonds rate%	5.0%	Source	SAMA
Inflation Rate%	2.0%		GASTAT
Systematic Risk Premium%	3.0%		Trading Economic
Unsystematic Risk Premium%	1.0%		Team's Experience
Discount Rate%	9.00%		

Discounted Cash Flows		2025	2026	2027	2028
		0	1	2	3
Inflation		0%	0%	0%	0%
Expected Revenue					
commercial complex	Sqm	23,604	23,604	23,604	23,604
Rate (SAR)	SAR	259	259	259	259
Total	SAR	6,116,252	6,116,252	6,116,252	6,116,252
Overall Revenues		6,116,252	6,116,252	6,116,252	6,116,252
Vacancy and Credit Loss					
commercial complex	0.0%	0	0	0	0
Total		0	0	0	0
Effective Rental Income		6,116,252	6,116,252	6,116,252	6,116,252
Expenses					
OpEx	0.0%	0	0	0	0
CapEx	0.0%	0	0	0	0
Overall Expenses		0	0	0	0
NOI		6,116,252	6,116,252	6,116,252	6,116,252
Terminal Value	8.0%				76,453,150
Discount Rate	9.0%	1.00	0.92	0.84	0.77
Present Value		6,116,252	5,611,240	5,147,927	63,758,728
Net Present Value					81,000,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **₹ 81,000,000.00**
Eighty-One Million Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Reema K. Al Dhayan
Asst. Manager



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



WHITE **CUBES**
DOCUMENTS

DOCUMENT

Documents Received

5.1 Title deeds and construction permit.

	الرقم: 499684003637 التاريخ: 1445/5/9 التاريخ: 1445/5/9	وثيقة تملك عقار	الجمهورية العربية السورية 9691 13100 (044 944)	
1445/5/9 خال مرهون	تاريخ الوثيقة الحالة القيد	499684003637 المرهون بالرياض 13,604	رقم الوثيقة المساحة (م) رقم الوثيقة السابقة نوع المسلة	
1444/11/16	تاريخ الوثيقة السابقة	993010010252 مسجلة بتسجيل	رقم الوثيقة السابقة نوع المسلة	
تاريخ الاستحقاق	قيمة الرهن	رقم المنشأة	الجهة الرقعة مرهون	
60,835,520 ر.س	7000120712	بنك الجزيرة	رقم الوثيقة	
نسبة التملك	الاسم	الشركة السعودية للاستثمار والتنمية للمباني التجارية	رقم الوثيقة	
100 %	7001902688	رقم الوثيقة	رقم الوثيقة	
نوع الاستخدام	مساحة المأوى (م)	نوع المأوى	رقم الوثيقة	
لا يوجد	23,604	قطعة لأرض	لا يوجد	
ترميز القفل	لا يوجد	المرقع	لا يوجد	
المدينة	الحي	رقم المخطط	رقم القطعة	
الرياض	إشبيلية	بدون	3 / 1 / 1	
الطول (م)	وصف الحد	النوع	الحد	
91.04	عرض 30 م	شارع	شمالا	
125.64	عرض 20 م	شارع	جنوبا	
219.43	عرض 30 م	شارع	شرقا	
216.9	عرض 15 م	شارع	غربا	

[illegible]

5.2 Real Estate Valuation License

تقييم
TAQEEM
الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

رقم الترخيص : 13093
تاريخ الإصدار : 1437/08/02 هـ
تاريخ الإنتهاء : 1452/10/20 هـ
رقم نسخة الترخيص : 3

ترخيص مزاوله مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاوله مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة



التقييم العقاري Real Estate Valuation

تقييم TAQEEM

نبييل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

Membership Type: **Associated** فئة العضوية: **مستشار**

Membership No: **1210002782** رقم العضوية: **1210002782**

ID No: **1014178931** رقم الهوية \ الإقامة: **1014178931**

Membership Exp: **2026-12-31** تاريخ الانتهاء: **2026-12-31**

الحصول على شهادة الترخيص
المراد من التفاصيل يرجى الاتصال
على الرقم 011 444 4444

التقييم العقاري Real Estate Valuation

تقييم TAQEEM

عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHOSAINI

Membership Type: **Main** فئة العضوية: **أساسي**

Membership No: **1210000474** رقم العضوية: **1210000474**

ID No: **1044275947** رقم الهوية \ الإقامة: **1044275947**

Membership Exp: **2026-12-31** تاريخ الانتهاء: **2026-12-31**

الحصول على شهادة الترخيص
المراد من التفاصيل يرجى الاتصال
على الرقم 011 444 4444

التقييم العقاري Real Estate Valuation

تقييم TAQEEM

فرح عصام محمد الحسيني
FARAH ESSAM MOHAMMED ALHUSAYNI

Membership Type: **Associated** فئة العضوية: **مستشار**

Membership No: **1210001964** رقم العضوية: **1210001964**

ID No: **1090474196** رقم الهوية \ الإقامة: **1090474196**

Membership Exp: **2026-12-31** تاريخ الانتهاء: **2026-12-31**

الحصول على شهادة الترخيص
المراد من التفاصيل يرجى الاتصال
على الرقم 011 444 4444

التقييم العقاري Real Estate Valuation

تقييم TAQEEM

ريما خالد سليمان الضحيان
REEMA KHALID SULAIMAN ALDHAYAN

Membership Type: **Associated** فئة العضوية: **مستشار**

Membership No: **1210004007** رقم العضوية: **1210004007**

ID No: **1116638824** رقم الهوية \ الإقامة: **1116638824**

Membership Exp: **2026-12-31** تاريخ الانتهاء: **2026-12-31**

الحصول على شهادة الترخيص
المراد من التفاصيل يرجى الاتصال
على الرقم 011 444 4444

Shaping visions

Building values





REAL ESTATE VALUATION REPORT

SEDCO Capital

SEDCO REIT Fund

Panda

March 2026

REF: 25-0561
Code: 1682078
Date: 30/03/2026

Subject: Valuation Report for Panda– Jeddah City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02nd December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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WHITE **CUBES**

EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	1682078
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Accounting Purposes.
Subject Property	Commercial project.
Property Location	Al-Hamdaniya district, Riyadh City.
Title Deed No.	399181002206
Title Deed Date	15/05/1445
Ownership Type	Title deed-restricted
Limitations	Mortgaged to Bank Al Jazira.
Owner	Saudi Company for Economics and Development of Real Estate Funds.
Land Use	Commercial.
Land Area (Sqm)	13,685.85 Sqm
BUA (Sqm)	5,858 Sqm.
GLA (Sqm)	5,858 Sqm.
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income Approach, Discounted Cash Flow method (DCF)
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 40,000,000
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	07/12/2025



WHITE **CUBES**

SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Accounting Purposes**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (﷼) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permit.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have Mortgaged to Bank Al Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 8%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 9%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
6. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
7. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
8. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
9. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
10. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 07/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is a commercial project located in Al-Hamdaniya district, Jeddah city, Saudi Arabia. The property's title deed and construction permit confirm the following:

- Total Land Area: 13,685.85 square meters.
- Total Built-Up Area (BUA): 5,858 square meters.

During the site inspection conducted for the purpose of valuation, it was observed that the property is open from 4 sides, the property features a direct view of Al-Hamdaniya Street from the north side.

2.2 Ease of Access

The access level of the subject property is classified as moderate due to its location on Al-Hamdaniya Street.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
 A satellite map of Jeddah, Saudi Arabia, showing the city's location along the Red Sea coast. A red pin marks the project location in the northern part of the city, near the airport and the city center.	 A detailed satellite map of the district surrounding the project location. A red pin marks the project location, showing the dense urban fabric and surrounding infrastructure.
21°45'19.7"N 39°11'45.0"E	
Q54W+58P Al Hamadaniyyah, Jeddah	
Google Maps	

2.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Jeddah	Land Area	13,685.85 Sqm
District	Al-Hamdaniya	Plot No.	ب/أ/2
T.D Type	Electronic	Block No.	---
T.D Number	399181002206	Layout No.	س/ج/385
T.D Date	15/05/1445	Ownership Type	Mortgage
Owner	Saudi Company for Economics and Development of Real Estate Funds	Limitation of Document	Mortgaged to Bank Al Jazira
Issued From	Mistry of justice		
North Side	Street 30m width	East Side	Parking lot
South Side	Pedestrian path	West Side	Pedestrian path

2.6 Construction Permit

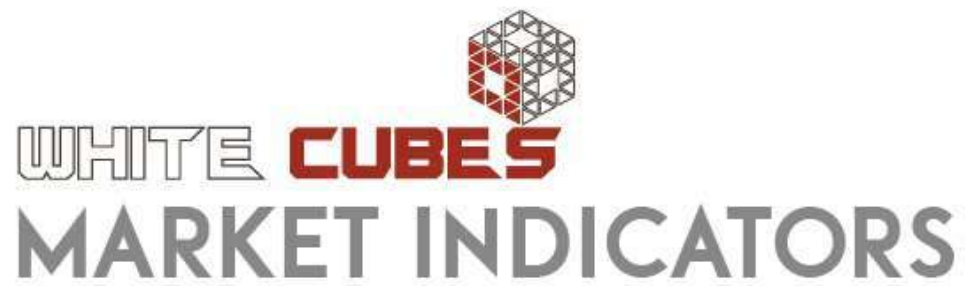
The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	Construction Permit	Built-Up Area (BUA)	5,858
Property Type	Commercial building	Actual Age	14
Construction Permit No.	3300416699	State of Property	Fully Constructed
Construction Permit Date	28/06/1433	Completion Rate	100%

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

2.7 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

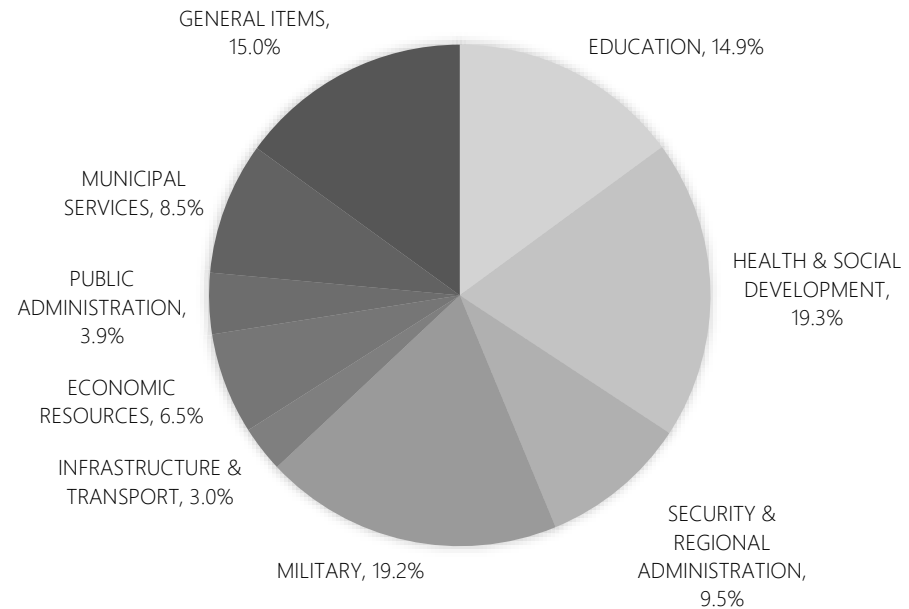
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	53.00	bn
Military Sector	259.00	bn
Security and Regional Administration Sector	128.00	bn
Municipal Services Sector	115.00	bn
Education Sector	201.00	bn
Health and Social Development Sector	260.00	bn
Economic Resources Sector	88.00	bn
Infrastructure and Transportation Sector	40.00	bn
General Items	202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	8 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **29 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
-  Indicator showing an increase in the current performance compared to last year
-  Indicator showing a stable position in the current performance compared to last year

Overall Sector Performance

From 2023 to 2024	Future Expectations
	
Values of Lands Related to The Sector	
From 2023 to 2024	Future Expectations
	
Sector Demand	
From 2023 to 2024	Future Expectations
	
Sector's occupancy ratios	
From 2023 to 2024	Future Expectations
	

Overall Sector Stability

From 2023 to 2024	Future Expectations
	
Sector rental Income	
From 2023 to 2024	Future Expectations
	
Investors' Appetite	
From 2023 to 2024	Future Expectations
	
Sectors Positive Changes	
From 2023 to 2024	Future Expectations
	

White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, Income Approach Discounted Cash Flow (DCF) Method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	37,000,000.00	52,000,000.00	30,000,000.00
NOI	2,960,000	4,160,000	2,400,000
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Government Bonds rate%	5.0%	Source	SAMA
Inflation Rate%	2.0%		GASTAT
Systematic Risk Premium%	3.0%		Trading Economic
Unsystematic Risk Premium%	1.0%		Team's Experience
Discount Rate%	9.00%		

Discounted Cash Flows		2025	2026	2027
		0	1	2
Inflation		0%	0%	0%
Expected Revenue				
Commercial complex	Sqm	13,686	13,686	13,686
Rate (SAR)	SAR	218	218	218
Total	SAR	2,988,844	2,988,844	2,988,844
Overall Revenues		2,988,844	2,988,844	2,988,844
Vacancy and Credit Loss				
Commercial complex	0.0%	0	0	0
Total		0	0	0
Effective Rental Income		2,988,844	2,988,844	2,988,844
Expenses				
OpEx	0.0%	0	0	0
CapEx	0.0%	0	0	0
Overall Expenses		0	0	0
NOI		2,988,844	2,988,844	2,988,844
Terminal Value	8.0%			37,360,550
Discount Rate	9.0%	1.00	0.92	0.84
Present Value		2,988,844	2,742,059	33,961,278
Net Present Value				40,000,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **ﷲ 40,000,000.00**
Forty Million Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
 President



Fellow Member of (RE Valuation)
 License No. 1210000474

Nabeel M. Al Husaini
 CEO



Member of (RE Valuation)
 License No. 1210002782

Farah E. Al Husaini
 Valuation Manager



Member of (RE Valuation)
 License No. 1210001964

Reema K. Al Dhayan
 Asst. Manager



Fellow Member of (RE Valuation)
 License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



DOCUMENT

5.1 Title deeds and Construction Permit

	الرقم: 199181002206 التاريخ: 1445/5/15	وثيقة تملك عقار	الجمهورية العربية السورية The Arab Republic of Syria	
البيانات الأساسية				
رقم الوثيقة	399181002206	تاريخ الوثيقة	1445/5/15	المصدر
المساحة (م ²)	13,685.85	الطراز	مربع	رقم الوثيقة السابقة
رقم الوثيقة السابقة	220204006345	سلسلة جغرافية	1434/3/14	نوع المساحة
التقديرات				
القيمة الإجمالية	7000120712	رقم التقييم	29,055,120.89	نوع التقييم
مربع	بنك الجزيرة	نوع التقييم	رقم التقييم	نوع التقييم
الملاك				
رقم الهوية	7001902688	الاسم	100 %	نسبة التملك
نسبة التملك	100 %	الشركة السعودية للاقتصاد والتنمية للصناديق العقارية		
العقار				
رقم الوثيقة العقارية	لا يوجد	نوع العقار	مساحة العقار (م ²)	نوع الاستخدام
نوع الاستخدام	لا يوجد	مساحة العقار (م ²)	13,685.85	نوع الاستخدام
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5.2 Real Estate Valuation License

تقييم
TAQEEM
الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

رقم الترخيص : 13093
تاريخ الإصدار : 1437/08/02 هـ
تاريخ الانتهاء : 1452/10/20 هـ
رقم نسخة الترخيص : 3

ترخيص مزاولة مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاولة مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة








نابيل محمد عبدالله الحسيني
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 Membership No: **1210002782** رقم العضوية: **1210002782**
 ID No: **1014179931** رقم الهوية الوطنية: **1014179931**
 Membership Exp: **2026-12-31** تاريخ الانتهاء: **2026-12-31**









عصام محمد عبدالله الحسيني
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 ID No: **1044275947** رقم الهوية الوطنية: **1044275947**
 Membership Exp: **2026-12-31** تاريخ الانتهاء: **2026-12-31**









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 Membership Exp: **2026-12-31** تاريخ الانتهاء: **2026-12-31**









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 Membership Exp: **2026-12-31** تاريخ الانتهاء: **2026-12-31**




Shaping visions

Building values



SEDCO Capital

SEDCO REIT Fund

Jeddah Public Prosecution

March 2026

REF: 25-0561
Code: 1682071
Date: 30/03/2026

Subject: Valuation Report for Office Tower – Jeddah City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02sc December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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WHITE **CUBES**

EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	1682071
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Inclusion in financial statements.
Subject Property	Office tower.
Property Location	Al Rayyan district, Jeddah, Saudi Arabia.
Title Deed No.	499684003639
Title Deed Date	1445/05/09
Ownership Type	Title deed restricted.
Limitations	Mortgage to Bank AL Jazira.
Owner	Saudi Economic and Development Company for Real Estate Funds.
Land Use	Commercial.
Land Area (Sqm)	4,767.25 Sqm
BUA (Sqm)	19,342.10 Sqm
GLA (Sqm)	14,575 Sqm
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income approach, DCF method.
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 65,900,000
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	08/12/2025



WHITE **CUBES**

SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Inclusion in Financial Statements**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (ﷲ) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permits.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have been mortgaged to Bank AL Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 7%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 9%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Vacancy Rate:** For income-generating properties, it is assumed that the property maintains an average vacancy rate of 0% over the valuation period.
6. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
7. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
8. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
9. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
10. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
11. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 08/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The property being evaluated is a hotel tower located in the Al Rayyan district of Jeddah, Saudi Arabia. The property's ownership documents confirm the following:

- Total land area: 4,767.25 square meters.
- Built-up area: 19,342.10 square meters.

During the site inspection conducted for the evaluation, it was noted that the property is open on two sides and is located on Al-Rahmaniyah Road to the east.

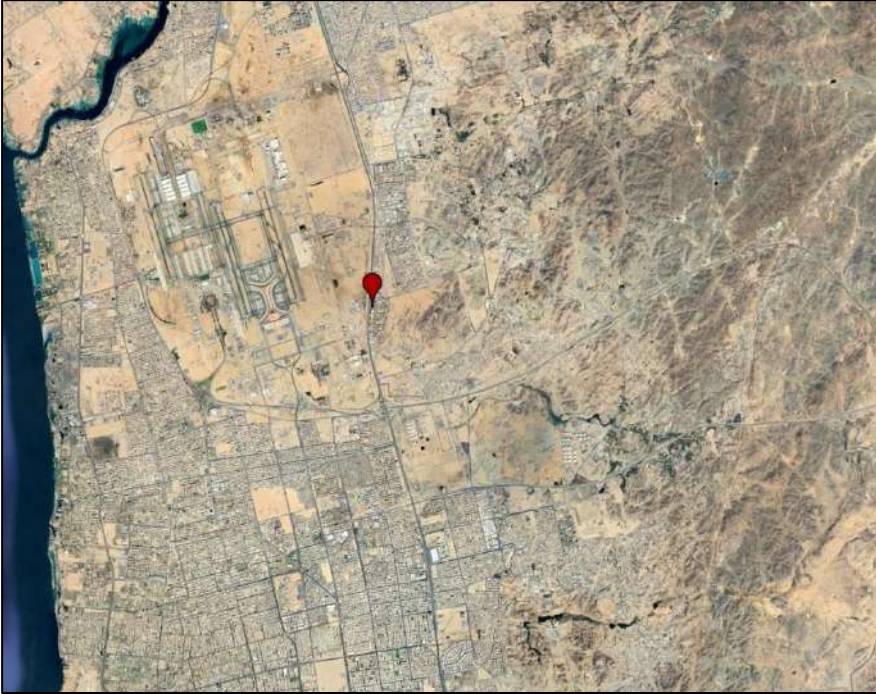
2.2 Ease of Access

The property is highly accessible based on its current location on Al-Rahmaniya Road.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
	
21°39'58.64"N 39°12'16.87"E	
M683+HVX طريق الرحمانية، Bryman, Jeddah 23642	
Google Maps	

2.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Jeddah	Land Area	4,767.25 Sqm
District	Al Rayyan	Plot No.	623 / 625 / 624
T.D Type	Electronic	Block No.	---
T.D Number	499684003639	Layout No.	ج / 416
T.D Date	09/05/1445	Ownership Type	Mortgage
Owner	Saudi Economic and Development Company for Real Estate Funds	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	Vacant Land	East Side	16m wide street
South Side	Vacant Land	West Side	25m wide street

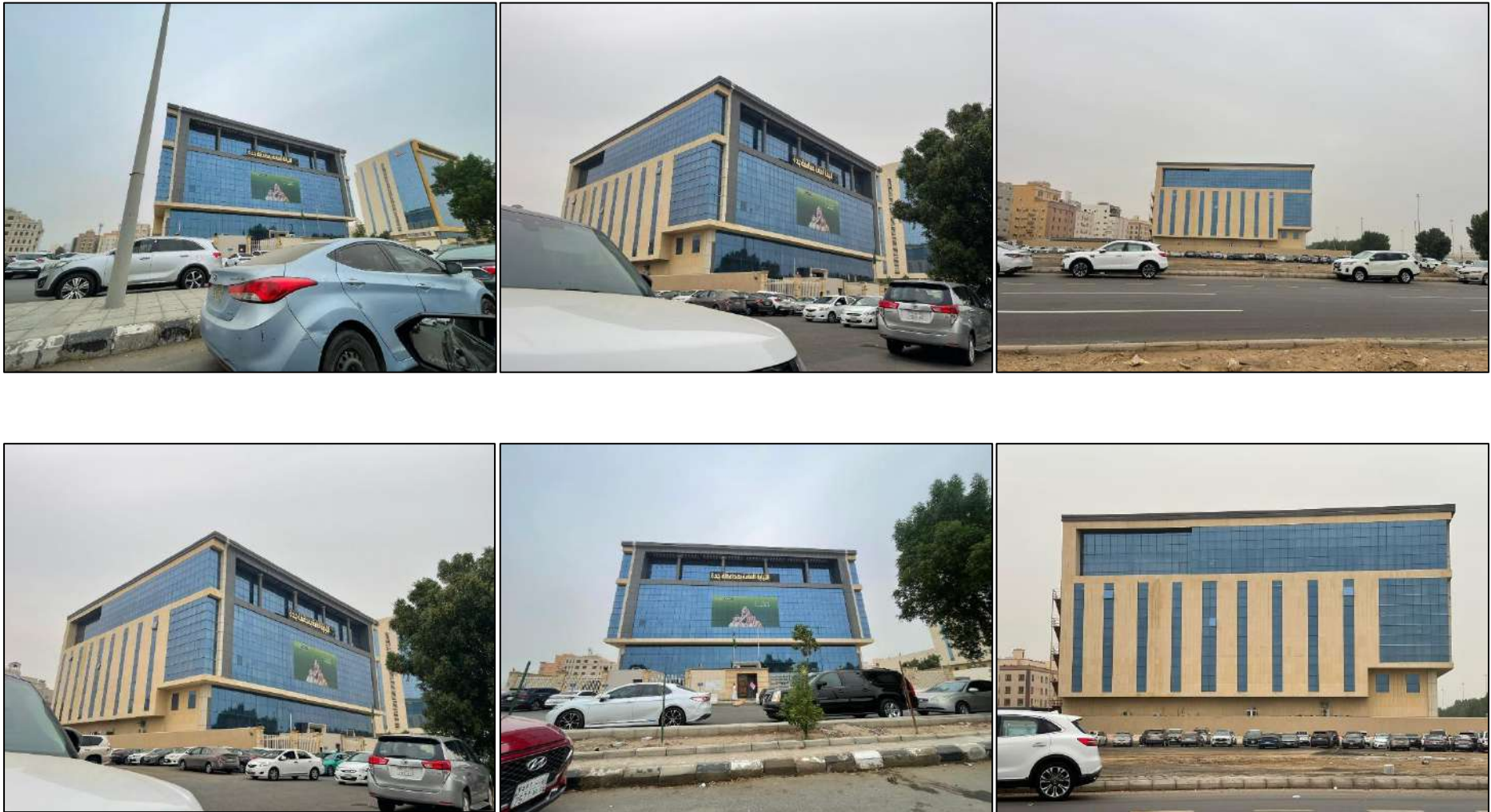
2.6 Construction Permit

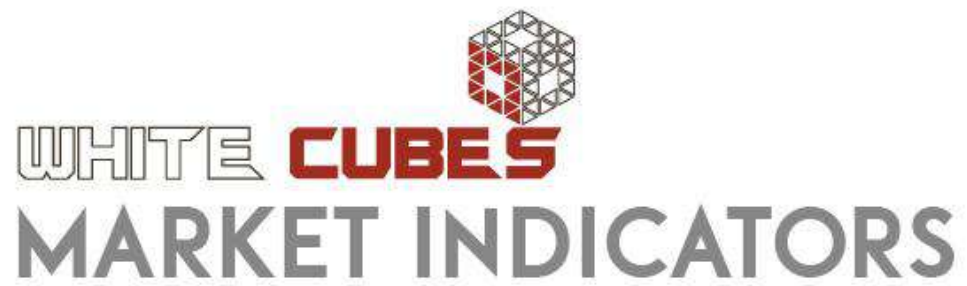
The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	Add and modify	Built-Up Area (BUA)	19,342.10
Property Type	Commercial and administrative building	Actual Age	9
Construction Permit No.	427000307	State of Property	Fully Constructed
Construction Permit Date	27/03/1427	Completion Rate	100%

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.

2.7 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

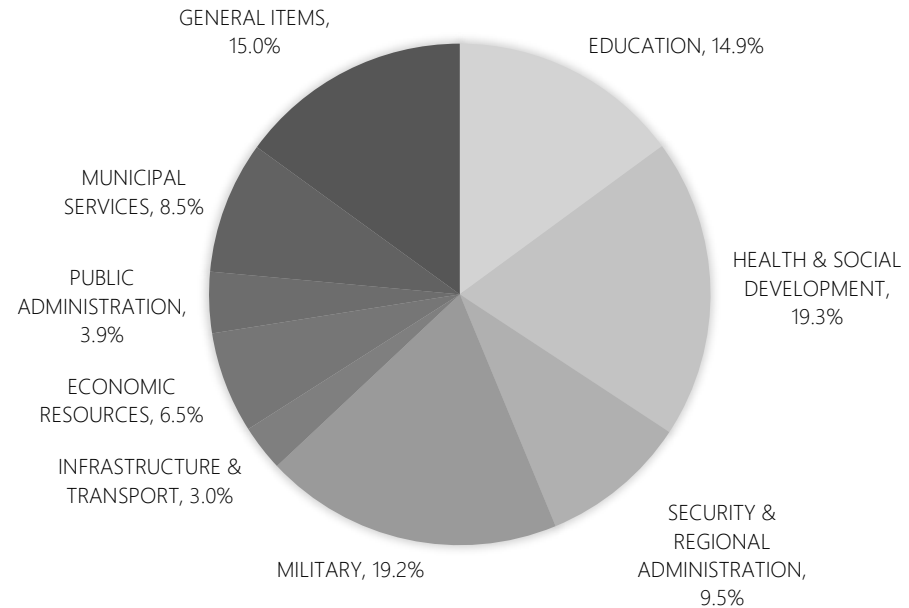
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	ﷲ 53.00	bn
Military Sector	ﷲ 259.00	bn
Security and Regional Administration Sector	ﷲ 128.00	bn
Municipal Services Sector	ﷲ 115.00	bn
Education Sector	ﷲ 201.00	bn
Health and Social Development Sector	ﷲ 260.00	bn
Economic Resources Sector	ﷲ 88.00	bn
Infrastructure and Transportation Sector	ﷲ 40.00	bn
General Items	ﷲ 202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	5 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

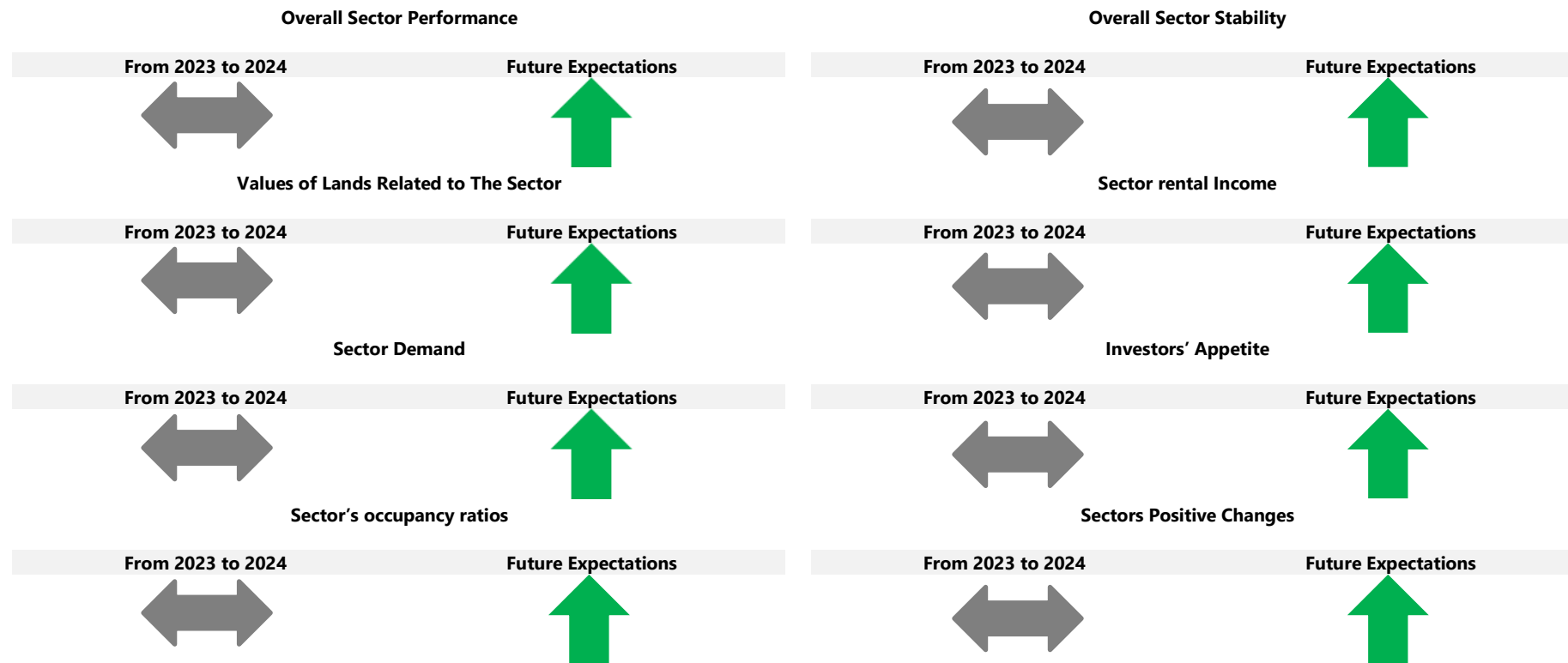
Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **26 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
-  Indicator showing an increase in the current performance compared to last year
-  Indicator showing a stable position in the current performance compared to last year



White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, the Market approach, Comparable method Income approach, DCF method- Cost Approach, DRC method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 7.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	104,000,000.00	88,500,000.00	90,000,000.00
NOI	7,280,000	6,195,000	6,300,000
Cap Rate	7.00%	7.00%	7.00%
Average Cap Rate	7.00%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Government Bonds rate%	5.0%	Source	SAMA
Inflation Rate%	2.0%		GASTAT
Systematic Risk Premium%	2.5%		Trading Economic
Unsystematic Risk Premium%	1.5%		Team's Experience
Discount Rate%	9.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030
		0	1	2	3	4	5
Inflation		0%	0%	0%	0%	0%	1%
Expected Revenue							
Office Building	Sqm	4,767	4,767	4,767	4,767	4,767	4,767
Rate (SAR)	SAR	969	969	969	969	969	979
Total	SAR	4,620,000	4,620,000	4,620,000	4,620,000	4,620,000	4,666,200
Overall Revenues		4,620,000	4,620,000	4,620,000	4,620,000	4,620,000	4,666,200
Vacancy and Credit Loss							
Office Building	0.0%	0	0	0	0	0	0
Total		0	0	0	0	0	0
Effective Rental Income		4,620,000	4,620,000	4,620,000	4,620,000	4,620,000	4,666,200
Expenses							
OpEx	0.0%	0	0	0	0	0	0
CapEx	0.0%	0	0	0	0	0	0
Overall Expenses		0	0	0	0	0	0
NOI		4,620,000	4,620,000	4,620,000	4,620,000	4,620,000	4,666,200
Terminal Value	7.0%						66,660,000
Discount Rate	9.0%	1.00	0.92	0.84	0.77	0.71	0.65
Present Value		4,620,000	4,238,532	3,888,562	3,567,488	3,272,924	46,357,136
Net Present Value							65,900,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **ﷲ 65,900,000.00**
Sixty-Five Million Nine Hundred Thousand Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Reema K. Al Dhayan
Asst. Manager



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



WHITE **CUBES**
DOCUMENTS

DOCUMENT

Documents Received

5.1 Title deeds and construction permit.

[illegible]

	الرقم: 499984093639 التاريخ: 1443/5/9	وثيقة تملك عقار				
عقار 2 من 3						
	نوع الاستخدام	مساحة العقار (م ²)	نوع العقار	رقم الهوية المتأجرة	لا يوجد	لا يوجد
	لا يوجد	2,994	قطعة الأرض			
	نموذج العقار	لا يوجد	النوع	لا يوجد		
	المدينة	الحي	رقم البصطل	رقم القطعة	625	416 / ج / س
	جدة	الريان				
عقار 3 من 3						
	نوع الاستخدام	مساحة العقار (م ²)	نوع العقار	رقم الهوية المتأجرة	لا يوجد	لا يوجد
	لا يوجد	886.34	قطعة الأرض			
	نموذج العقار	لا يوجد	النوع	لا يوجد		
	المدينة	الحي	رقم البصطل	رقم القطعة	623	416 / ج / س
	جدة	الريان				
عقار 4 من 4						
	نوع الاستخدام	مساحة العقار (م ²)	نوع العقار	رقم الهوية المتأجرة	لا يوجد	لا يوجد
	لا يوجد	35.47	قطعة الأرض			
	نموذج العقار	لا يوجد	النوع	لا يوجد		
	المدينة	الحي	رقم البصطل	رقم القطعة	621	416 / ج / س
	جدة	الريان				
عقار 5 من 5						
	نوع الاستخدام	مساحة العقار (م ²)	نوع العقار	رقم الهوية المتأجرة	لا يوجد	لا يوجد
	لا يوجد	35.48	قطعة الأرض			
	نموذج العقار	لا يوجد	النوع	لا يوجد		
	المدينة	الحي	رقم البصطل	رقم القطعة	625	416 / ج / س
	جدة	الريان				



الهيئة العامة
لأراضي، تخطيط
وإنشاء

وثيقة تملك عقار

الرقم: 499684003639
التاريخ: 1445/5/9

البيانات الأساسية

رقم الوثيقة	499684003639	تاريخ الوثيقة	1445/5/9
المصدر	المرقن بأراض 9	الحالة	فعل
المساحه(م ²)	4,767.25	القيود	مرحون
رقم الوثيقة السابقة	393010019157	نوع الوثيقة السابقة	1444/11/1
نوع العملية	صفحة تبديل		

القيود

القيود	رقم الشئ	قيمة الزعن	تاريخ الاستحقاق
مرحون	7000120712	رأس 41,438,166.4	

الملاك

رقم الهوية	الاسم	نسبة التملك
7001902688	الشركة السعودية للإقتصاد والتنمية للمصارف العقارية	100 %

عقار 1 من 3

رقم الهوية العقارية	نوع العقار	مساحة العقار(م ²)	نوع الاستخدام
لا يوجد	نقطة الأرض	286.34	لا يوجد
الوصف	تدريج العقار		
لا يوجد	لا يوجد		
رقم التعلية	رقم المخطط	النبي	الحدية
624	416 ج / س	الريان	جدة

الحد	النوع	وصف الحد	الطول(م)
شمالا	قطعة	رقم 626	35.44
جنوبا	قطعة	رقم 623	35.47
شرقا	شارع	عرض 16 م	25
غربا	قطعة	رقم 625	25

مدرست عامة الواقعة من الجهة الشمالية يتبعها من الشمال من الجهة الغربية الحدود العامة للوزارة الفعل وبوزارة الشؤون الداخلية والقطاعية والإسكان وبلدية مكة المكرمة. المقياس 1 : 2

5.2 Real Estate Valuation License

تقييم
TAQEEM
الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

رقم الترخيص : 13093
تاريخ الإصدار : 1437/08/02 هـ
تاريخ الإنتهاء : 1452/10/20 هـ
رقم نسخة الترخيص : 3

ترخيص مزاوله مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاوله مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة



تقييم
Real estate
Valuation

تقييم
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Real estate
Valuation



نبيهل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

Membership Type: **Associated** فئة العضوية: **مستطب**

Membership No: **1210002782** رقم العضوية: **1210002782**

ID No: **1014178931** رقم الهوية \ الإقامة: **1014178931**

Membership Exp: **2026-12-31** تاريخ الانتهاء: **2026-12-31**

الحريه من التقييم برمي الاطلاع على المخرجه

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عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHOSAINI

Membership Type: **Main** فئة العضوية: **أساسي**

Membership No: **1210000474** رقم العضوية: **1210000474**

ID No: **1044275947** رقم الهوية \ الإقامة: **1044275947**

Membership Exp: **2026-12-31** تاريخ الانتهاء: **2026-12-31**

الحريه من التقييم برمي الاطلاع على المخرجه

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فرح عصام محمد الحسيني
FARAH ESSAM MOHAMMED ALHUSAYNI

Membership Type: **Associated** فئة العضوية: **مستطب**

Membership No: **1210001964** رقم العضوية: **1210001964**

ID No: **1090474196** رقم الهوية \ الإقامة: **1090474196**

Membership Exp: **2026-12-31** تاريخ الانتهاء: **2026-12-31**

الحريه من التقييم برمي الاطلاع على المخرجه

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ريما خالد سليمان الضحيان
REEMA KHALID SULAIMAN ALDHAYANI

Membership Type: **Associated** فئة العضوية: **مستطب**

Membership No: **1210004007** رقم العضوية: **1210004007**

ID No: **1116638824** رقم الهوية \ الإقامة: **1116638824**

Membership Exp: **2026-12-31** تاريخ الانتهاء: **2026-12-31**

الحريه من التقييم برمي الاطلاع على المخرجه

Shaping visions

Building values





WHITE **CUBES**

REAL ESTATE VALUATION REPORT

SEDCO Capital

SEDCO REIT Fund

Ar Rawdah Business Center

March 2026



REF: 25-0561
Code: 1682073
Date: 30/03/2026

Subject: Valuation Report for Ar Rawdah Business Center – Jeddah City, Saudi Arabia

Dear SEDCO REIT Fund,

Pursuant to your request dated 02nd December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Basic Member of the Saudi Authority of Accredited Valuers

License No. 13093

Issued: 02/08/1437 Exp: 20/10/1452

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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WHITE **CUBES**

EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

Executive Summary

Reference No.	25-0561
Dep. Code	1682073
Report Type	Detailed Report.
Valuer's Identity	Essam Mohammad Al Husaini, Basic Member of TAQEEM, License No. 1210000474
Client	SEDCO REIT Fund.
Report user	The Client.
Purpose of Valuation	Inclusion in financial statements.
Subject Property	Commercial project.
Property Location	Ar Rawdah district, Jeddah City.
Title Deed No.	399684003640
Title Deed Date	09/05/1445
Ownership Type	Title deed restricted.
Limitations	Mortgage to Bank AL Jazira.
Owner	Saudi Economic and Development Company for Real Estate Funds.
Land Use	Commercial.
Land Area (Sqm)	2,462.5 Sqm
BUA (Sqm)	17,526.74 Sqm.
GLA (Sqm)	11,794 Sqm.
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Income approach, DCF method.
Currency	Saudi Arabian Riyal
Final Property Value	ﷲ 109,000,000
Report Date	30/03/2026
Valuation Date	31/12/2025
Inspection Date	08/12/2025



WHITE **CUBES**

SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **SEDCO REIT Fund** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Inclusion in Financial Statements**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. Income Approach: Discounted Cash Flow (DCF) Method.

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (ﷲ) unless otherwise noted.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permits.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have been mortgaged to Bank AL Jazira, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Capitalization Rate:** The capitalization rate used to determine the property's value is assumed to be 8%. This rate reflects the current market conditions, investor expectations, and property-specific risks at the valuation date.
4. **Discount Rate:** For valuations applying the Discounted Cash Flow (DCF) method, the discount rate has been assumed at 9%. This rate accounts for the time value of money, risk factors, and the anticipated returns required by investors.
5. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
6. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
7. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
8. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
9. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
10. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 08/12/2025, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is a commercial project located in Ar Rawdah district, Jeddah city, Saudi Arabia. The property's title deed and construction permit confirm the following:

- Total Land Area: 2,462.50 square meters.
- Total Built-Up Area (BUA): 17,526.74 square meters.

During the site inspection conducted for the purpose of valuation, it was observed that the property is open from 2 sides, the property features a direct view of Prince Saud Al Faisal Street from the southern side.

2.2 Ease of Access

The access level of the subject property is classified as high due to its location on Prince Saud Al Faisal Street.

2.3 Infrastructure

Infrastructure such as water, electricity, sewage, and telecommunications are available in the surrounding area and connected to the property.

2.4 Location and Landmarks

City Scale	District Scale
 A satellite map of Jeddah, Saudi Arabia, showing the city's layout along the coast. A red pin marks the location of the project in the central part of the city, near the Red Sea.	 A detailed satellite map of the Ar Rawdah district in Jeddah. A red pin marks the specific location of the project within the dense urban grid.
21°33'47.6"N 39°09'51.3"E	
H577+7MQ Ar Rawdah, Jeddah	
Google Maps	

2.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Jeddah	Land Area	2,462.5 Sqm
District	Ar Rawdah	Plot No.	4
T.D Type	Electronic	Block No.	---
T.D Number	399684003640	Layout No.	ب/96
T.D Date	09/05/1446	Ownership Type	Mortgage
Owner	Saudi Economic and Development Company for Real Estate Funds	Limitation of Document	Mortgage to Bank Al Jazira
Issued From	Ministry of Justice		
North Side	Privet property	East Side	Privet property
South Side	Street 32m width	West Side	Street 15m width

2.6 Construction Permit

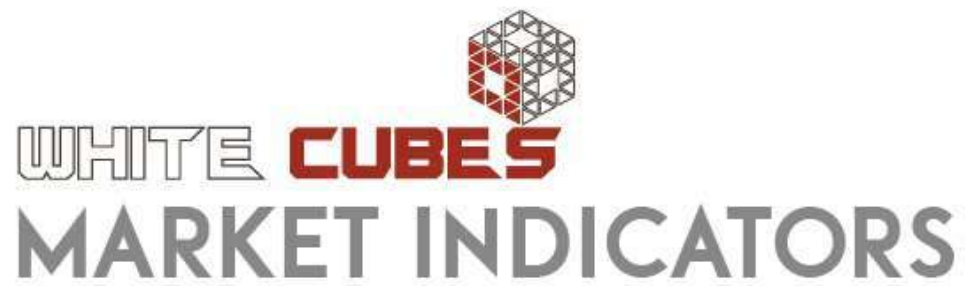
The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	Adding and Modfing	Built-Up Area (BUA)	17,526.74
Property Type	Commercial Administrative	Actual Age	8
Construction Permit No.	3900025974	State of Property	Fully Constructed
Construction Permit Date	20/04/1439	Completion Rate	100%

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.

2.7 Photographs of the Subject Property





MARKET
INDICATORS

Market Indicators

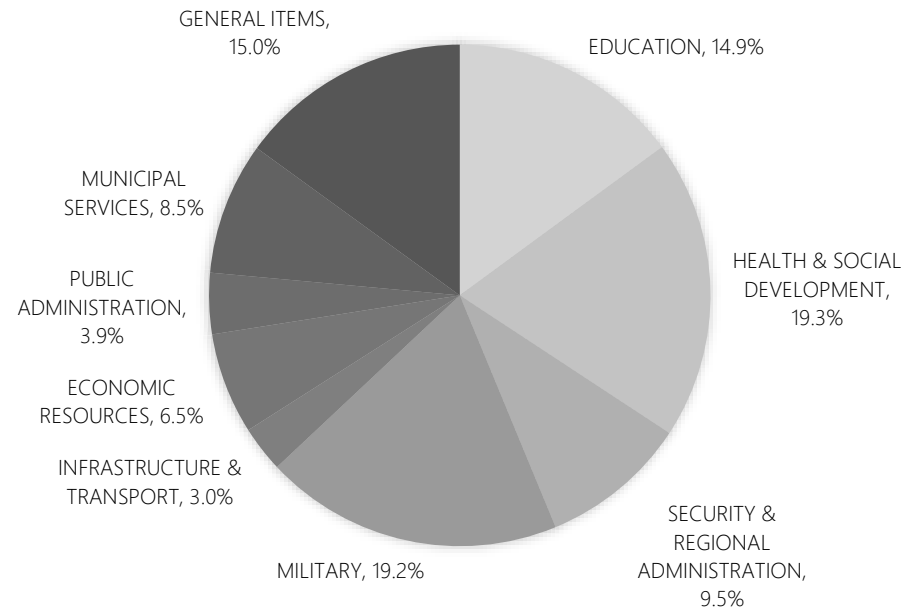
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Estimates	Budget	Projections	
	2023	2024	2025	2026	2027
Total Revenue	1,2121	1,230	1,184	1,198	1,289
Total Expenses	1,293	1,345	1,285	1,328	1,429
Budget Surplus	-81	-115	-101	-130	-140
Debt	1,050	1,199	1,300	1,430	1,570
GDP growth	-0.8%	0.8%	4.60%	3.50%	4.1070
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Inflation	2.30%	1.70%	1.90%	1.90%	1.90%

3.2 Budget Allocation for 2024

Public Administration Sector	ﷲ 53.00	bn
Military Sector	ﷲ 259.00	bn
Security and Regional Administration Sector	ﷲ 128.00	bn
Municipal Services Sector	ﷲ 115.00	bn
Education Sector	ﷲ 201.00	bn
Health and Social Development Sector	ﷲ 260.00	bn
Economic Resources Sector	ﷲ 88.00	bn
Infrastructure and Transportation Sector	ﷲ 40.00	bn
General Items	ﷲ 202.00	bn

Source: Ministry of Finance



3.3 Real Estate Market Overview 2024

Saudi Arabia's real estate market is undergoing a major transformation, driven by Vision 2030, government-backed investments, and rapid urbanization. Despite economic fluctuations, non-oil sector growth remains robust, fueling demand across residential, commercial, hospitality, and industrial sectors.

1. Economic Landscape and Market Drivers

The economy is expanding, with non-oil GDP growing by 5.4%, supported by large-scale infrastructure and real estate investments totaling \$1.3 trillion. Initiatives such as the Premium Residency Visa for property owners, allowing foreigners to purchase real estate, are attracting global investors, particularly in Makkah and Madinah, where 84% of international buyers show interest.

2. Residential Market Growth and Shifting Preferences

The residential sector in Riyadh and Jeddah continues to witness strong demand, with sales prices rising 12% in Riyadh and 6% in Jeddah, while rental rates increased 10% and 8%, respectively. Over 660,000 units are under development, with an increasing preference for apartments over villas due to affordability. In Jeddah, 83% of transactions involved apartments, and in Riyadh, apartment prices surged 17% in Q3 2024 alone.

3. Hospitality and Tourism Expansion

Saudi Arabia's hospitality sector is thriving, targeting 150 million annual visitors by 2030, a 50% increase from previous goals. \$37.8 billion is being invested in hotel developments, and NEOM is leading the supply pipeline. Riyadh's King Khalid International Airport is undergoing expansion to become the largest airport globally by 2050, supporting this tourism boom.

4. Office and Commercial Market Strength

The office market in Riyadh is experiencing high demand and limited supply, causing Grade A office rents to rise by 14%. Investors see strong commercial real estate yields, with office spaces offering 7.75% returns and industrial warehouses at 8.25%. However, foreign ownership restrictions remain a challenge, though ongoing policy adjustments could open the market further.

5. Industrial and Logistics Sector Development

Saudi Arabia is rapidly expanding its industrial and logistics sector, with \$2 billion in new investments for industrial cities in Makkah and Al-Kharj. The market is seeing growing demand for warehouse spaces, aligning with the Kingdom's vision to become a regional logistics hub.

Future Outlook and Investment Opportunities

Saudi Arabia's real estate sector is set for sustained growth and transformation, with rising domestic and foreign investor interest. The expansion of branded residential projects, the introduction of long-term residency options for investors, and the rapid development of giga-projects are expected to fuel the market further. Additionally, improvements in mortgage availability and government-backed housing programs are making homeownership more accessible.

With strong economic fundamentals, a thriving tourism sector, and unprecedented infrastructure investments, Saudi Arabia is emerging as a global real estate powerhouse and a key investment destination for international buyers and developers.

Source: CBRE, JLL, Knight Frank

3.4 Risk Analysis

Market and Economic Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Inflation	✓	-----	-----	-----	-----
Interest Rate	-----	✓	-----	-----	-----
Overall economic conditions	-----	✓	-----	-----	-----
Risk Points	5 Points				

Operational Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Building quality	-----	✓	-----	-----	-----
Facilities	-----	✓	-----	-----	-----
Property management	-----	✓	-----	-----	-----
Risk Points	6 Points				

Competitive Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Real estate supply	-----	-----	✓	-----	-----
Demand levels	-----	-----	✓	-----	-----
Market competition	-----	-----	✓	-----	-----
Risk Points	9 Points				

Location and Land Risks	Very Low Risk (1)	Minimal Risk (2)	Medium Risk (3)	Elevated Risk (4)	Very High Risk (5)
	6-12	13-18	19-24	25-30	31-36
Accessibility	-----	✓	-----	-----	-----
Infrastructure	-----	✓	-----	-----	-----
Surrounding area	-----	✓	-----	-----	-----
Risk Points	6 Points				

The subject property has a total risk score of **26 points**, placing it in the **Minimal Risk** category. This indicates a low overall risk, with manageable challenges and a stable outlook for operations, market conditions, and location.

3.5 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 of 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 compared to last year
-  Indicator showing an increase in the current performance compared to last year
-  Indicator showing a stable position in the current performance compared to last year

Overall Sector Performance

From 2023 to 2024	Future Expectations
	
Values of Lands Related to The Sector	
From 2023 to 2024	Future Expectations
	
Sector Demand	
From 2023 to 2024	Future Expectations
	
Sector's occupancy ratios	
From 2023 to 2024	Future Expectations
	

Overall Sector Stability

From 2023 to 2024	Future Expectations
	
Sector rental Income	
From 2023 to 2024	Future Expectations
	
Investors' Appetite	
From 2023 to 2024	Future Expectations
	
Sectors Positive Changes	
From 2023 to 2024	Future Expectations
	

White Cubes Team's Analysis

3.6 New Regulatory Provisions

Under the guidance of His Royal Highness Prince Mohammed bin Salman, the Kingdom has introduced a new system aimed at regulating the rental market in Riyadh. The key provisions include:

- Suspending the annual escalation of rental values for residential and commercial properties within Riyadh's urban area for five years starting from September 25, 2025.
- Existing lease agreements will remain valid, but renewal values cannot exceed the previous rent.
- Implementing a unified electronic rental contract system across Riyadh.
- Allowing tenants and landlords to request contract termination up to 60 days before its expiration, subject to mutual consent.
- Either party may request an extension up to 60 days after contract expiration, unless the other party objects.
- Landlords are not allowed to reject lease renewal without legitimate justification, except in specific cases such as:
 1. Tenant's default on rent payments.
 2. Existence of a unified technical report confirming structural unsafety.
 3. The landlord's own need for the property for personal or family use.



The application of these provisions may be extended to other regions by decision of the Real Estate General Authority and approval of the Council of Economic and Development Affairs.

Impact on Investment Stability

These new regulations aim to balance the relationship between landlords and tenants, and between the market and investors. The purpose is to enhance market transparency, reduce speculative risks, and encourage long-term planning by investors through predictable and stable returns.

It is important to note that these regulations are not intended to restrict investors but to create a healthier, more sustainable real estate market environment.



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4.1 Valuation Methods

Valuation Methods According to Standard 103

The valuation process relies on three main approaches: **Market Approach, Income Approach, and Cost Approach**. The appropriate approach is selected based on the nature of the asset being valued, the availability of data, and the required valuation basis. In some cases, multiple approaches may be used to obtain a reliable value indicator.

First: Market Approach

The Market Approach is one of the most commonly used methods, relying on comparing the asset under valuation to similar or identical assets traded in the market, using available price data. To ensure accuracy, the data must be recent and highly reliable, considering the volume and frequency of transactions. This approach includes two primary methods:

1. **Comparable Method** – This method involves analysing past transaction prices of similar assets while making necessary adjustments for differences between the asset under valuation and the comparable assets.
2. **Guideline Public Company Method** – Used when publicly available financial market data exists, this method compares the asset to publicly traded assets with adjustments for geographical, regulatory, and market conditions.

Second: Income Approach

The Income Approach determines the asset's value by analysing its expected future cash flows and converting them into present value using an appropriate discount rate. This approach is applied when the asset's income-generating ability is the primary determinant of its value. There are four main methods under this approach:

1. **Discounted Cash Flow (DCF) Method** – This involves projecting the expected cash flows of the asset over a specified period and discounting them using a rate that reflects risk levels and required returns.
2. **Income Capitalization Method** – Used when revenue and growth rates are stable, this method calculates value based on a fixed capitalization rate applied to expected income.

3. **Residual Land Value (RLV) Method** – This method divides the asset's value into two parts: the portion consumed over a specific period and the residual portion remaining afterward. The consumed portion is valued based on expected cash flows, while the residual portion is estimated based on the potential market value of the asset at the end of the given period.
4. **Profits Method** – Commonly used for business and company valuations, this method determines asset value based on future expected profits, applying a multiplier that depends on the nature of the business and associated risks.

Third: Cost Approach

The Cost Approach estimates the asset's value based on the cost to replace or reproduce it while considering depreciation, obsolescence, or any loss of utility. This approach is typically used when the asset does not directly generate income or when it is unique and lacks sufficient market transactions for comparison. The three main methods under this approach are:

1. **Replacement Cost Method** – Determines the cost of creating a new asset that serves the same function and utility.
2. **Reproduction Cost Method** – Estimates the cost to produce an exact replica of the asset under valuation.
3. **Summation Method** – Involves valuing each component of the asset separately and then summing them to determine the total asset value.

General Considerations When Selecting a Valuation Approach

The valuer must choose the approach that best suits the nature of the asset and market conditions. In some cases, using multiple approaches may be necessary to achieve a more accurate and reliable result. Adjustments should be made for factors that may influence value, such as geographic location, regulatory constraints, and the availability of market data. When multiple approaches are used, differences in results must be analysed to arrive at a final, well-supported valuation conclusion.

Selected Valuation Method

After analysing the nature of the asset, market conditions, and data availability, the Market approach, Comparable method Income approach, DCF method- Cost Approach, DRC method has been selected as the most appropriate approach for this valuation.

4.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% 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	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with specific details regarding the maintenance and operational costs of the project. Based on this information, we will rely on these details for our valuation. For the purpose of our valuation, we will utilize an OPEX (operating expenses) rate of 15%, calculated based on the total revenues of the property. The selection of this ratio takes into consideration factors such as the condition and quality of the property, as well as the type of services and public facilities available within 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 8%. 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.

Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	120,000,000.00	88,000,000.00	91,800,000.00
NOI	9,600,000	7,040,000	7,344,000
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		

Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Government Bonds rate%	5.0%	Source	SAMA
Inflation Rate%	2.2%		GASTAT
Systematic Risk Premium%	2.0%		Trading Economic
Unsystematic Risk Premium%	2.0%		Team's Experience
Discount Rate%	9.00%		

Discounted Cash Flows		2025	2026	2027	2028	2029	2030
		0	1	2	3	4	5
Inflation		0%	5%	0%	5%	0%	5%
Expected Revenue							
Office	Sqm	9,327	9,327	9,327	9,327	9,327	9,327
Rate (SAR)	SAR	775	814	814	854	854	897
Total	SAR	7,228,425	7,589,846	7,589,846	7,969,339	7,969,339	8,367,805
Commercial	Sqm	2,467	2,467	2,467	2,467	2,467	2,467
Rate (SAR)	SAR	620	651	651	684	684	718
Total	SAR	1,529,540	1,606,017	1,606,017	1,686,318	1,686,318	1,770,634
Overall Revenues		8,757,965	9,195,863	9,195,863	9,655,656	9,655,656	10,138,439
Vacancy and Credit Loss							
Office	5.0%	361,421	379,492	379,492	398,467	398,467	418,390
Commercial	5.0%	76,477	80,301	80,301	84,316	84,316	88,532
Total		437,898	459,793	459,793	482,783	482,783	506,922
Effective Rental Income		8,320,067	8,736,070	8,736,070	9,172,874	9,172,874	9,631,517
Expenses							
OpEx	2.5%	200,000	200,000	200,000	200,000	200,000	200,000
FM Fees	SAR	776,142	776,142	776,142	776,142	776,142	776,142
Overall Expenses		976,142	976,142	976,142	976,142	976,142	976,142
NOI		7,343,924	7,759,928	7,759,928	8,196,731	8,196,731	8,655,375
Terminal Value	8.0%						108,192,185
Discount Rate	9.0%	1.00	0.92	0.84	0.77	0.71	0.65
Present Value		7,343,924	7,119,200	6,531,376	6,329,380	5,806,771	75,942,897
Net Present Value							109,000,000

4.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **ﷲ 109,000,000.00**
One Hundred Nine Million Saudi Riyals.

4.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Reema K. Al Dhayan
Asst. Manager



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp



4.5 Valuer's Opinion of Value

Based on the analysis and appraisal conducted in accordance with the established methodologies in real estate valuation, and after considering all factors influencing the value of the property in question—whether related to location, type, market conditions, intended use, or any special circumstances—I believe that the estimated value of the property is fair and accurate according to the available data.

All necessary considerations were taken into account during the appraisal, including market comparison studies, costs, expected returns, and potential risks. Additionally, the appropriate methodologies were applied, such as (describe the methodology used, such as the income approach, market approach, or cost approach), while factoring in the rates commonly accepted in the local market.

Through this appraisal, it can be stated that the estimated value is reasonable and reflects the current market conditions, while also indicating factors that may affect the property's future value. Therefore, I consider the derived value to be a fair and balanced reflection of the property's actual condition at present.

4.6 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



DOCUMENT

5.1 Title deeds and construction permit.

[illegible][illegible]

5.2 Real Estate Valuation License

تقييم
TAQEEM
الهيئة السعودية للمقيمين المعتمدين
Saudi Authority of Accredited Valuers

رقم الترخيص : 13093
تاريخ الإصدار : 1437/08/02 هـ
تاريخ الانتهاء : 1452/10/20 هـ
رقم نسخة الترخيص : 3

ترخيص مزاولة مهنة التقييم (العقارات)

يرخص للعضو الأساسي / **عصام محمد عبدالله الحسيني** "سعودي الجنسية" بموجب هوية وطنية رقم : **1044275947** لمزاولة مهنة التقييم في **[العقارات]** في المملكة العربية السعودية وذلك بناء على المادة [الثامنة] من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/09 هـ، وتوفر شروط الترخيص الواردة في المادة [الثالثة عشرة] من اللائحة التنفيذية لنظام المقيمين المعتمدين الصادرة بالقرار الوزاري رقم [107] وتاريخ 1445/01/28 هـ.

الرئيس التنفيذي
م. فيصل بن بدر المنديل

هذه الوثيقة إلكترونية ولا تحتاج إلى توقيع ويمكن التحقق
من بياناتها عبر رمز QR أو بزيارة موقع الهيئة








نابيل محمد عبدالله الحسيني
NABEEL MOHAMMED A ALHUSSAINI

Membership Type:	نوع العضوية:
Associated	مستند
Membership No:	رقم العضوية:
1210002782	1210002782
ID No:	رقم الهوية الوطنية:
1014179931	1014179931
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص






عصام محمد عبدالله الحسيني
ESSAM MOHAMED ABDULLAH ALHOSAINI

Membership Type:	نوع العضوية:
Man	مستند
Membership No:	رقم العضوية:
1210000474	1210000474
ID No:	رقم الهوية الوطنية:
1044275947	1044275947
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص






فراح عصام محمد الحسيني
FARAH ESSAM MOHAMMED ALHUSAYNI

Membership Type:	نوع العضوية:
Associated	مستند
Membership No:	رقم العضوية:
1210001964	1210001964
ID No:	رقم الهوية الوطنية:
1096474196	1096474196
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص






ريما خالد سليمان الذويان
REEMA KHALID SULAIMAN ALDHAYAN

Membership Type:	نوع العضوية:
Associated	مستند
Membership No:	رقم العضوية:
1210004667	1210004667
ID No:	رقم الهوية الوطنية:
1116036824	1116036824
Membership Exp:	تاريخ الانتهاء:
2026-12-31	2026-12-31




صورة من الترخيص رقم 2997
 على الترخيص

Shaping visions

Building values

