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Real Estate Appraisal Report

Souq Sharq

Report No.: 129030

الشركة السعودية لتقييم وتثمين الأصول

Saudi Asset Valuation Company

Presented to

Middle East Financial Investment Company (MEFIC Capital)

introduction

Gentlemen/ Middle East Financial Investment Company (MEFIC Capital),

Greetings,

We are honored by your acceptance of our offer to provide our professional services 120,205.97eld of valuation of a property in the form of a (**Mall**). In the city of (**Riyadh**) in the (**Al-Jazirah**) district , its area is (**120,205.97**) m². Accordingly , we inspected the property subject to the evaluation and determined the optimal method to reach the market value while adhering to the local and international standards and regulations in force in the field of evaluation, especially the international valuation standards (2022) approved by the Saudi Authority for Accredited Valuers, on the basis of which the data was collected and analyzed to reach the market value. Based on following the standards and evaluation methods followed and according to the client's requirements, valuation experts believe that the market value (of the Mall) is equal to (**521,900,000**) Saudi riyals , as documented in this report.

CEO

Abdullah Al Mahfouz

Basic Member (1210000273)

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Executive Summary

Item	Statement	Item	Statement
Customer Name	Middle East Financial Investment Company (MEFIC Capital)	instrument number	693563000194
Beneficiaries of the evaluation	Middle East Financial Investment Company (MEFIC Capital)	Date of instrument	1446/3/13
Purpose of evaluation	Periodic evaluation of the assets of the Mefic REIT Fund	Part Number	2
Property Type	Mall	Scheme number	3203
Property Address	Kingdom of Saudi Arabia - Riyadh - Al-Jazirah	Value basis	Market value
Property area	120,205.97m2	Evaluation criteria followed	International Valuation Standards 2022
Nature of ownership	Mortgaged	Preview date	01/20/2025
Evaluation method used	Cost method (substitution method) Income method (residual value method) Income Approach (Discounted Cash Flow Method) Income approach (income capitalization)	Evaluation date	12/31/2024
		Report Release Date	02/16/2025
Market value of the property (SAR)		**521,900,000**	

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The first axis

General criteria

- These standards specify the requirements and requirements for carrying out valuation work, except for what is modified by the Assets Standard or Valuation Applications, and the purpose of these standards is to apply them to the valuation work of all assets and for any other evaluation purposes to which the Valuation Standards apply.
- This report has been prepared by the Saudi Company for Assets Evaluation and Valuation (License No. 1210000272 dated 18/04/1437H) and its work team, which enjoys the highest levels of efficiency and necessary impartiality, benefiting from the resources available to us, represented in the efficiency of our advisory team, which includes a selection of qualified consultants with high academic degrees and experiences in the field of evaluation Consultations, and what our company has of an information base that was built through its evaluation expertise and through the collection of data, information and statistics issued by official and non-official agencies, which gives the evaluators the capacity to carry out their tasks to the fullest, and the company is working to update its information base in a way Continuous.
- Our experience in evaluation and consulting work is more than 16 years, and we have submitted more than 35,000 evaluation reports during our work period.
- Tathmeen Company was honored to provide its services to governmental and semi-governmental agencies, to most of the banks located in the Kingdom, financial companies, real estate companies, industrial sectors, commercial companies and others.

General Standards | Scope of Work (Standard No. 101)

Nature of the assets being valued	
The city	Riyadh
The neighborhood	Al Jazira
Area	(120,205.97) m²

Customer Information and Usage	
Customer Name	Middle East Financial Investment Company (MEFIC Capital)
Report owner	Middle East Financial Investment Company (MEFIC Capital)
Usage	internal

Scope of work	the details
Report Description	A report explaining the methodology and steps of the evaluation, the results of the evaluation, and photographs and borders of the assets subject to the evaluation, in accordance with Standard 1.2 on compliance with standards and research and investigation work, and Standard 1.3 on preparing reports. (International Valuation Standards 2022, from page 26 to page 31)
Purpose of evaluation	Periodic evaluation of the assets of the Mefic REIT Fund
Assumptions and special assumptions	○ The property has been mortgaged, along with any construction that has been or will be built on it, in favor of the Saudi First Bank for an amount of 400,000,000 riyals as a guarantee to fulfill part of the financial obligations and dues of Amar Real Estate Development and Investment Company. ○ Images of the instrument were received from the customer, but Tathmeen did not verify its authenticity.
Scope of research and investigation	We have studied the real estate market in the area of the targeted property within a radius of 5 km and used in the study the properties closest to the targeted property in terms of specifications and areas for each one and we have made every effort to ensure the accuracy of the information obtained as much as possible.
Nature and sources of information	Real estate offices in the targeted area, real estate dealers, the Ministry of Justice, and the database of the valuation company, which is constantly updated.
Currency used in the report	Saudi riyal.

General Standards | Scope of Work (Standard No. 101)

Scope of work	the details
Value basis (Value type)	**Market value:** It is the estimated amount for which assets or liabilities should be exchanged on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing where each party has acted knowledgeably and prudently without compulsion. Source: International Valuation Standards 2022 page 36, paragraph 3.1
State of uncertainty	It is the state resulting from the lack of evidence and indicators at a certain period of time that enables the valuator to perform the valuation process in the best way
Restrictions on usage Distribution or publication	This report is for the purpose for which it was prepared and shall not be used, circulated, quoted or otherwise referred to in any case for any other purpose. Accordingly, the Company or the valuator shall not be liable for any loss suffered by any party as a result of using the valuation report in violation of the provisions of this section. The evaluator reserves all rights to issue the valuation report. This report shall not be reproduced in any manner without an explicit consent of the Company. This report shall not be submitted to any party other than those referred to in it without the explicit consent of the Company. As a precaution, the Company and the valuator reserve the right to make any adjustments and to make any review of the valuation or support the result of the valuation under specific circumstances. The Company reserves the right, without any obligation, to review the valuation accounts and to amend and revise its findings in the light of information that existed at the date of the valuation but which was subsequently made clear.
Compliance with international valuation standards	The methodologies adopted by the company in the field of valuation, which are based on sound foundations and solid constants in line with local and international standards in force, especially the application of the International Valuation Standards 2022
Valuator's neutrality	Tathmen and its representatives, whether residents or assistants, carried out the valuation process without bias. They also work with objectivity and enjoy independence from the client and his subsidiaries or affiliates. Tathmen and its representatives have no current or potential interest with the client or any of his subsidiaries or affiliates. They are not also among those who know the insides of the client's affairs or though who have internal relations or links with the client, his subsidiaries or affiliates. Moreover, the valuator's fees for the valuation process are not conditional on the findings reached or any other events. In case the Company obtained a significant assistance from another party regarding an important aspect of the valuation, the nature of this assistance and the extent of reliance on it, if any, shall be mentioned and documented in the report

Scope of work / Stages of work (2-2)

01 Asset Preview

The title deed was received from the client, which shows that the property's area is 120,205.97 m2 in addition to a sketch showing the location of the property. After that, the property was identified and the information provided by the client was matched with reality.

02 Defining characteristics of Property

Through the inspection, it was found that the asset under evaluation is a (commercial building) in (Riyadh).

03 Data collection

Based on the type of property being evaluated, the scope of data collection was determined in the city (Riyadh) and (Al Jazerah) district, especially the area surrounding the property.

04 Data Analysis

The data available in the real estate area, which was obtained from unofficial sources such as real estate offices operating in the real estate area, and from official sources represented in the indicators of the Ministry of Justice, was analyzed.

05 Application of Valuation Methods

After the experts assessed the current use in terms of the market and the available data on it, it was concluded that the direct capitalization method is the best for estimating the value of the property.

06 Value Appraisal

After reconciling the results of the evaluation methods, a value is weighted that corresponds to the scope of work described with the customer.

07 Value Review

Value review by an audit committee consisting of 3 other experts who reviews the information, analyzes and assumptions made by the valuer.

08 Report preparation

Work on preparing the report in accordance with Standard 101 for Report Description and Standard 103 for Reporting.

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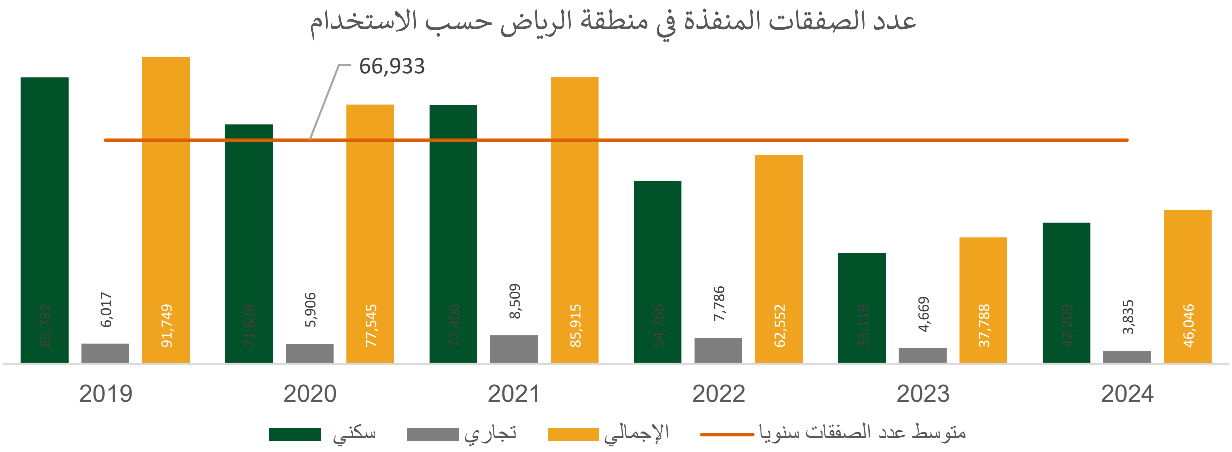
The second axis

Market Analysis

01 Analysis of the real estate market indicators from the data of the Ministry of Justice:

❖ **Number of transactions at Riyadh.**

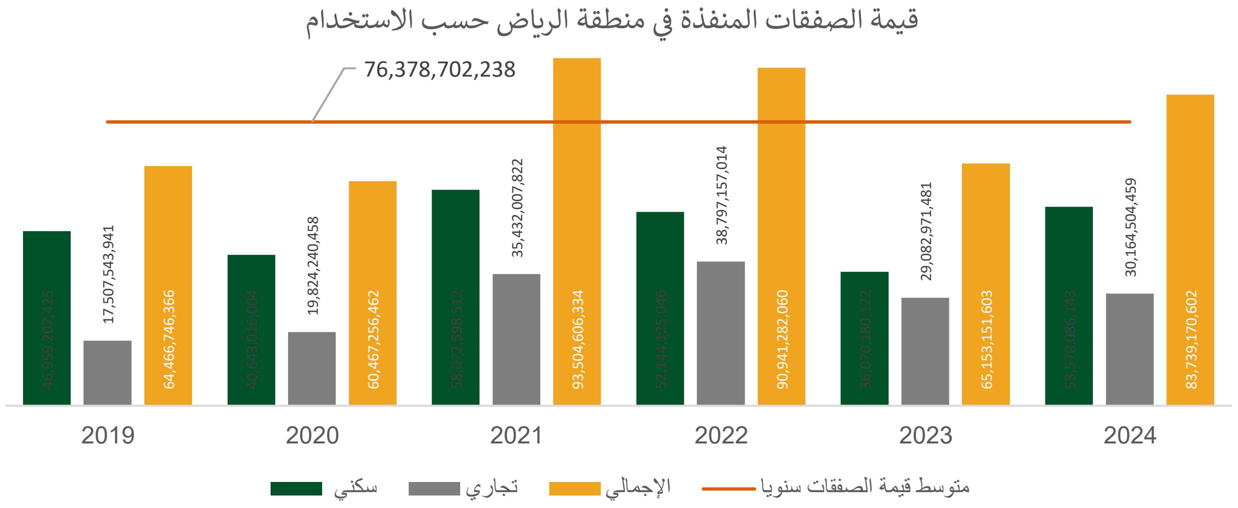
Year	Residential	Commercial	Total
2019	85,732	6,017	91,749
2020	71,639	5,906	77,545
2021	77,406	8,509	85,915
2022	54,766	7,786	62,552
2023	33,119	4,669	37,788
2024	42,209	3,835	46,046



02 Analysis of the real estate market indicators from the data of the Ministry of Justice:

❖ **The total value of transactions at Riyadh.**

Year	Residential	Commercial	Total
2019	46,959,202,425	17,507,543,941	64,466,746,366
2020	40,643,016,004	19,824,240,458	60,467,256,462
2021	58,072,598,512	35,432,007,822	93,504,606,334
2022	52,144,125,046	38,797,157,014	90,941,282,060
2023	36,070,180,122	29,082,971,481	65,153,151,603
2024	53,570,086,143	30,164,504,459	83,739,170,602



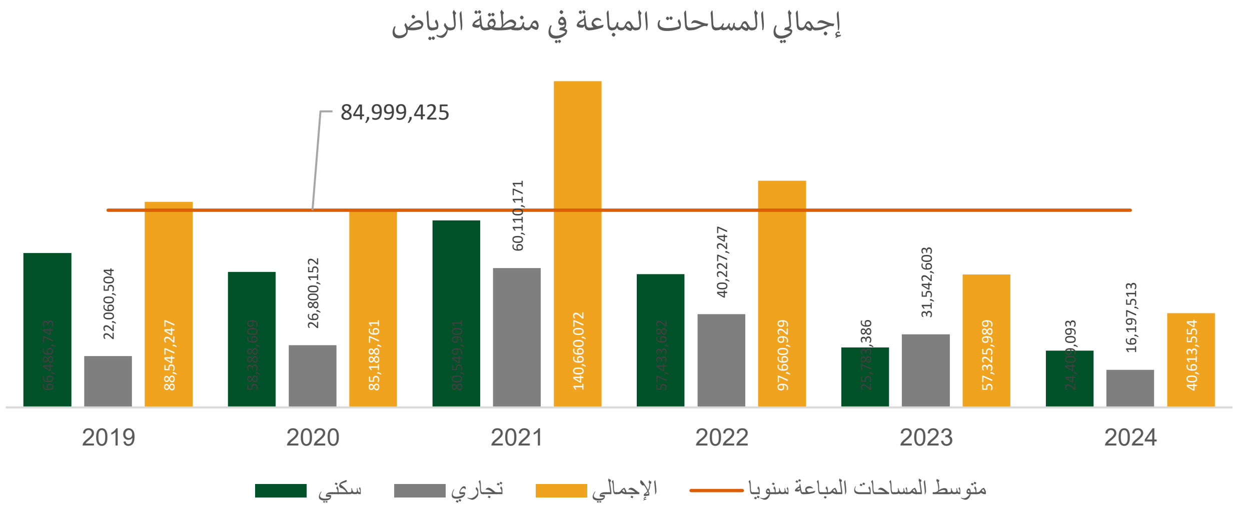
VALUATION

Market analysis and economic indicators | Analysis of the data of the Ministry of Justice at the level of Riyadh

03 Analysis of the real estate market indicators from the data of the Ministry of Justice:

❖ **Total area sold at Riyadh.**

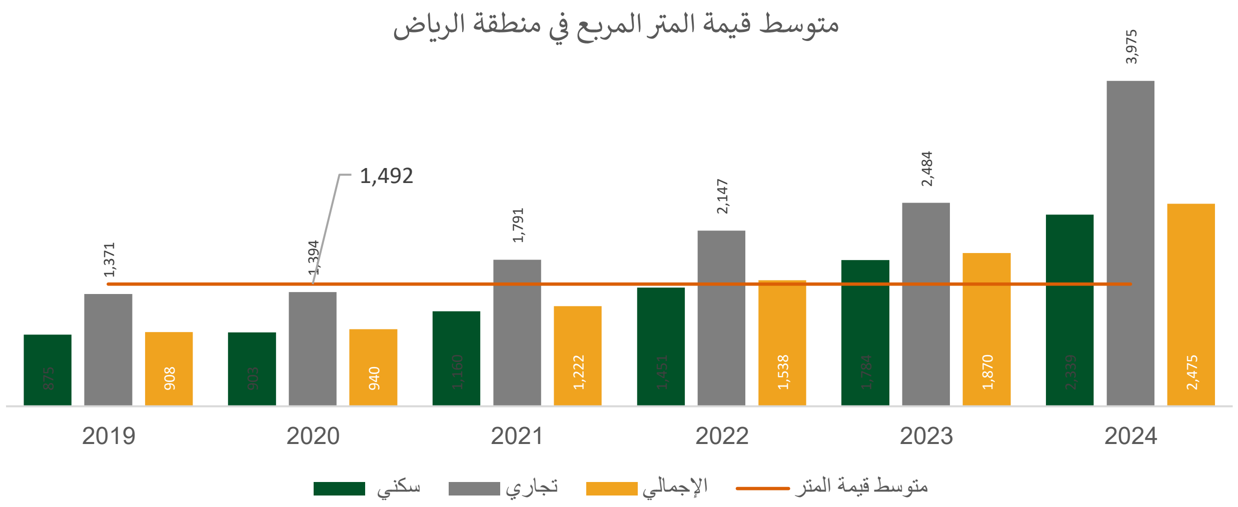
Year	Residential	Commercial	Total
2019	66,486,743	22,060,504	88,547,247
2020	58,388,609	26,800,152	85,188,761
2021	80,549,901	60,110,171	140,660,072
2022	57,433,682	40,227,247	97,660,929
2023	25,783,386	31,542,603	57,325,989
2024	24,409,093	16,197,513	40,613,554



04 Analysis of the real estate market indicators from the data of the Ministry of Justice:

❖ **The average value per square meter in Riyadh**

Year	Residential	Commercial	Total
2019	875	1,371	908
2020	903	1,394	940
2021	1,160	1,791	1,222
2022	1,451	2,147	1,538
2023	1,784	2,484	1,870
2024	2,339	3,975	2,475



The third axis

Evaluation methods

Evaluation methods

<u>**The income method (discounted cash flow method) has been adopted to reach the market value of the property under evaluation**</u> But we point out that there are several basic methods used in the evaluation, and these methods are based on the economic principles of price equilibrium or expectation of benefits or replacement and recommend the use of more than one method or method of evaluation, especially in the absence of data and data realistic and noticeable enough to ensure that the method of evaluation one to reach a reliable and reliable result.

Market method	• This method provides indicators of value by comparing the asset being valued with identical or similar assets whose price information is available. • According to this method, the first step is to study the transaction prices of identical or similar assets that have recently taken place in the market. If the transactions made are few, it is also best to study the prices of identical or similar assets listed or offered for sale, provided that this information is clear and objectively analyzed. The information regarding the prices of these transactions should be adjusted to reflect the differences in the terms and conditions of the actual transaction, the basis of value, and the assumptions that are adopted in the valuation process carried out. There may also be differences in the legal, economic and material characteristics of other transaction assets compared to the asset being valued.
Income method	• It provides an indicator of value by converting future cash flows into a single current capital value. • This method deals with the income generated by the asset during the productive life (the life span of the asset) and the value is estimated through the capitalization process, and capitalization means converting income into a capital amount using an appropriate discount rate. Income flows are handled under non-contractual contracts or arrangements, such as the expected profit from the use or retention of the asset. • And it includes the methods that fall within the income method • Income capitalization by applying the risk factor or total capitalization to one usual income period. • Present Value of Cash Flows where the discount rate is applied to a series of cash flows for future periods to reach the present value. • Pricing models with diverse options
Cost method	• Provide indicators of value using the economic principle that the buyer does not pay for the purchase of an asset more than the cost of obtaining an asset of the same benefit, whether through purchase or construction, and this method is based on the principle that the price that the buyer pays in the market against the asset subject of evaluation will not be more than the cost of buying or creating an equivalent asset unless there are factors such as inappropriate timing, inappropriateness, the presence of risks or factors. Other. The asset subject of valuation is often less attractive than an alternative that can be purchased or created due to the age or obsolescence of the asset. In this case, adjustments and adjustments in the cost of the replacement asset are needed according to the required value basis.

Evaluation methods

The following figure shows the appraisal methods adopted to reach the market value of the property in the evaluation of the property:

Income method	• Investment Method	Unused
	• Discounted cash flow method	Used
	• Residual value method	Used
	• Earning method	Unused
	• Income capitalization method	Used
Market method	• Comparable transactions methods	Unused
Cost method	• Contractor’s Method - (Cost)	Used

Valuation approaches and methods

Method	Cost approach (Replacement method)	Used for	Buildings

Definition of approach

- The cost approach provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved.
- The approach provides an indication of value by calculating the current replacement or reproduction cost of an asset and making deductions for physical deterioration and all other relevant forms of obsolescence.
- Replacement cost is the cost of determining the price a participant would pay to obtain a benefit similar to the subject asset and not the exact material properties of the asset. (International Valuation Standards 2022, P.59, D 70.2)

Methodology

- Usually replacement cost is adjusted for physical deterioration and all relevant forms of obsolescence. After such adjustments, this can be referred to as depreciated replacement cost.

Application

- Calculating all of the costs that would be incurred by a typical participant seeking to create or obtain an asset providing equivalent utility.
- Determine whether there is any deprecation related to physical, functional and external obsolescence associated with the subject asset.
- Deducting total deprecation from the total costs to arrive at a value for the subject asset.

Valuation approaches and methods

Method	Income Method (Discounted Cash Flow Method)	Used for	Income-Producing property

Definition of approach

- In the discounted cash flow method, the cash flows are discounted to the valuation date, which results in the current value of the asset.
- In some cases, the discounted cash flows for a long-term or forever asset can include a terminal value that represents the value of the asset at the end of the explicit forecast period. In other cases, the value of the asset can be calculated only by using a terminal or terminal value without an explicit forecast period, and this is sometimes referred to as the income capitalization method.

Methodology

- Choosing the most appropriate types of cash flows for the nature of the task and the asset being evaluated (pre-tax, after-tax cash flows, real or nominal total, etc.)
- Determine the most appropriate explicit cash flow forecasting period, if any
- Prepare cash flow forecasts for the period.
- Determining whether the final value is appropriate for the asset under evaluation at the end of the explicit forecast period (if any), then determining the final value appropriate to the nature of the asset
- Determine the appropriate discount rate
- Apply the discount rate to expected future cash flows, including the terminal value if any

Valuation approaches and methods

Method	Income method (residual value method)	Used for	Lands

Method definition

- This method is known by this name because it refers to the amount remaining after subtracting all known or expected costs necessary to complete the development from the expected value of the project upon its completion, after taking into account the risks associated with the completion of the project, and the resulting value is called the residual value. Source (IAS 2022, electronic version page 125, paragraph 90.1)

Methodology

- The first step requires an estimate of the value of the relevant interest in the property after the nominal completion of the development project, which should be developed according to standard 105 Valuation methods and methods
- The evaluator must adopt one of the following two main assumptions regardless of the method used in the valuation, whether it is market style or income:
- The estimated market value at the time of project completion is based on the values at the valuation date assuming that the project has already been completed in accordance with the specified plans and specifications.
- The estimated value at the time of completion of the project depends on the assumption that the project is completed in accordance with the plans and specifications specified in the expected completion date

Application

1. The following basic elements are taken into account when applying the method to estimate the market value of development properties, and if another basis is needed, alternative input may be required.
2. The value of the completed properties.
3. Construction costs.
4. Consultants' fees.
5. Marketing costs.
6. Project Timeline.
7. Financing costs.
8. Development profits.
9. Discount rate

Valuation approaches and methods

Method	Income method (income capitalization)	Used for	Income-generating real estate

Method definition

- Provides an indicator of value by converting future cash flows into a present and single capital value.
- This method deals with the income that the asset achieves during its useful life (the life span of the asset) and the value is estimated through the capitalization process, and capitalization means converting income into a capital amount using an appropriate discount rate. Income streams are generated under non-contractual contracts or arrangements, such as the expected profit from the use or retention of the asset.
- Methods that fall within the income method (income capitalization) include applying the risk coefficient or total capitalization to one usual income period.

Methodology

- The focus of the method is on the expected net cash income from the asset, taking into account any capital costs required to ensure the realization or continuity of the expected income.
- The evaluator focuses in the market study on identifying the appropriate income indicators for the property and the degree of its continuity according to the expected and not historical future supply and demand forces.
- If the asset has a stable income, capitalization is likely to be used instead of cash flows.
- Estimating the capitalization and discount coefficient is an ongoing challenge for the evaluator due to the lack of market transparency.

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Saudi Asset Valuation Company

The fourth axis

Property information and description

Property Description

General Description	The property is a market in Riyadh, Al-Jazirah district, with an area of 120,205.97 m2.

Site Description	
The State	Kingdom of Saudi Arabia
Area	Riyadh
The city	Riyadh
The neighborhood	Al Jazirah
The Street	Eastern Ring Road

Ownership Data	
Check number	693563000194
Date of the instrument	1446/3/13
Part Number	2
Scheme number	3203
Block number	2

Nature of the property	☑ Flat	☐ Low	☐ High	☐ Burial	☐ Dabkha	Sandy	Rocky
Usage system	commercial						

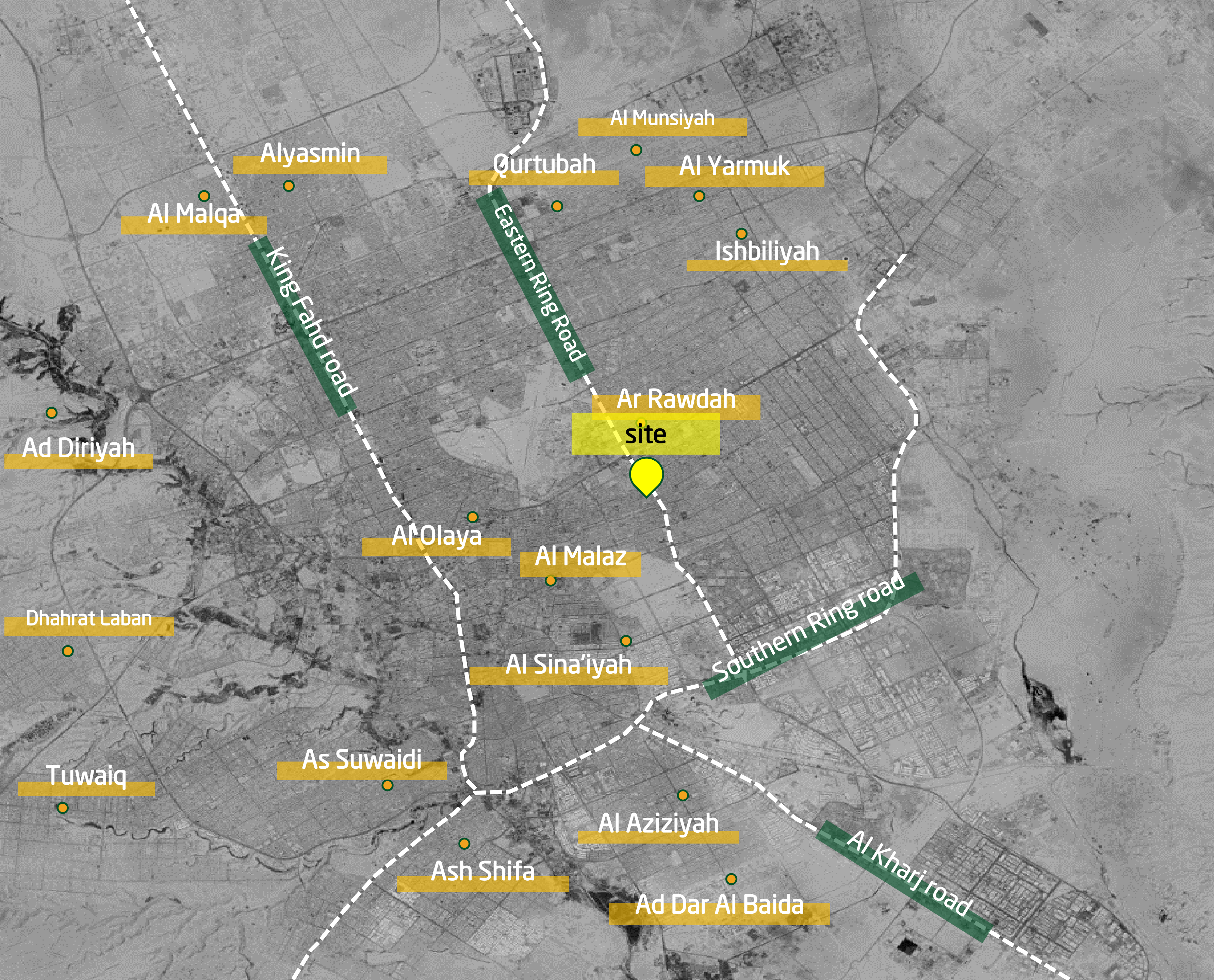
Property Description

Site borders and lengths				
Northern	Corridor width 10 m	With a length	66.09	M
Southern	Al , Madina Al , Munawara Street	With a length	24.+23.33+9.91+44.24+24.06 40.05+37.68+14.77+24.4+48	M
Eastern	Street width 40 m	With a length	867.54	M
Western	Eastern Ring Road 100 m width	With a length	7++50.01+42.67+19.37+10 22.02	M

Services available at the site			
✓	Security Services	✓	Electricity
✓	Medical Centers	✓	Water
✓	Schools	✓	Illumination
✓	Shopping Centers	✓	Telephone
✓	Afforestation	✓	Asphalt Roads

Property Description

Important information about the property	
Property Name	East Market
the site	Al-Jazirah district in Riyadh
Property Type	Trade fair market
Property age	About 11 years
Land area (m2)	120,206
Building area	77,299.00
Number of floors	1
Property components	It consists of 184 shops and showrooms.
value of lease contracts	Annual contracts, some extending to 2033
Current occupancy rate (%)	92%
Total current income (SAR)	29,518,394
Operating and maintenance expenses ratio (SAR)	16%
Estimated operating and maintenance expenses (SAR)	4,687,325
Net Operating Income (SAR)	24,831,069



The location of the property in the city of Riyadh

Riyadh is the capital of the Kingdom of Saudi Arabia, its largest city and the third largest Arab capital in terms of population. Riyadh is located in the middle of the Arabian Peninsula on the Najd plateau, at an altitude of 600 meters above sea level. It is the HQ of the Emirate of Riyadh, according to the administrative division of the Saudi regions. The city of Riyadh is inhabited by about 10.5 million people, according to statistics in 2021. The Saudi capital is considered one of the fastest expanding cities in the world. During half a century of its inception, the area of the small city expanded to 1,800 square kilometers, reaching 3,115 km2. in this time . Riyadh is the political and economic front of Saudi Arabia, as it contains the headquarters of the country's sovereign institutions. Urban planning divides the city of Riyadh administratively into 16 municipalities, comprising more than 167 residential neighborhoods, managed by the Riyadh Municipality and the Royal Commission for Riyadh City. It possesses tourist and cultural potentials from historical sites, museums and urban landmarks.

Property location At the level of Al-Jazeera neighborhood

Al-Jazirah district is located specifically in the east of Riyadh city and the area of the district is estimated at approximately 9.67 square kilometers. It is bordered on the east by Haroun Al-Rashid Road, Al-Faihaa district, and also Al-Sulay district. It is bordered on the south by Ibn Al-Ameed Road and Al-Nour district, on the west by the Eastern Ring Road and Al-Farouk district, and on the north by Prince Saad bin Abdulrahman Al-Awal Road and Al-Rawabi district.

It is one of the distinctive, upscale and old neighborhoods located in the east of Riyadh. It is one of the neighborhoods affiliated with the Sulay Municipality. It is characterized by the high demand for housing and its wide streets.

Croquis and border image of the property location

"The property is located in Al-Jazeera district and is bordered to the north by a 10 m wide corridor, to the south by Al-Madinah Al-Munawarah Street, to the east by a 40 m wide street, and to the west by the Eastern Ring Road, which is 100 m wide."

Site Analysis | Photos Showing the Nature of the Property

Property image

Property image

Property image

Property image

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Fifth axis

Evaluation result and recommendations

Project Description		
It is a commercial market that contains showrooms and shops.		
1-Basic data about the project		
Area by deed	120,206	m2
Land Coverage Ratio	60%	%
Total building area	72,124	m2
Exploitation rate	95.0%	%
Net Rentable Area	68,517	m2
Total available parking space	48,082	m2
Average parking space	25	m2
Number of available parking spaces	1,923	#

2-Development costs		
Cost per square meter of construction for showrooms	1,800	riyal
Cost of building showrooms	123,331,325	riyal
Additional expense ratio	2.5%	%
Cost of additional expenses	3,083,283	riyal
Total project costs	126,414,608	riyal

Evaluation Results | Residual Value

3- Estimating project revenues		
3-1 Showrooms		
Number of floors allocated for Showrooms	1	Floor
Total built-up area of Showrooms	72,124	m2
Percentage of Showroom utilization	95.0%	%
Net Showrooms Area	68,517	%
Average rent per square meter	850	m2
Total Showroom Revenue	58,239,792	riyal
Occupancy rate	70.0%	%
Effective income for Showrooms	40,767,855	riyal
Showroom Operation and Maintenance	10.0%	riyal
Showroom operating and maintenance costs	4,076,785	riyal
Net income for Showrooms	36,691,069	riyal

4- Land value estimation		
Capitalization rate	7.5%	%
Total project value	489,214,257	riyal
Total development cost	126,414,608	riyal
land value	362,799,648	riyal
Development period	2.0	year
Discount rate	7.0%	%
Discount factor	0.87	
current value of land	316,883,263.5	riyal
square meter value	2,636	riyal
Meter value (approx.)	2,650	riyal

Evaluation results | Substitution method

Cost method (substitution method)		
Showroom building surfaces	77,299	m2
Cost of building per square meter/showroom (before other costs)	1,300	riyal
Other costs	**Value**	**% of construction costs**
Professional fees	5.0%	%
Utility network	5.0%	%
Management costs	10.0%	%
Contractor profit	15.0%	%
Average Showroom building cost (after adding other costs)	1,755	riyal
Total value of buildings before depreciation	135,659,745	riyal
building life expectancy	40.0	year
remaining economic life	27.5	year
Effective age	13.0	year
Total depreciation rate	32.5%	%
Average building cost after depreciation	1,185	
Net construction costs after depreciation	91,570,328	riyal
Land area	120,206	m2
Land meter value	2,650	riyal
Total land value	318,545,821	riyal
Total property value	410,116,148	riyal
Property value (approx.)	410,116,000	riyal

Evaluation Results | Direct Capitalization

Income Capitalization Method (as per current situation)	
Item	Value
Current effective income (SAR)	29,518,394
Operating and maintenance expenses %	16%
Operation and maintenance expenses value according to the customer (SAR)	4,687,325
Net income (SAR)	24,831,069
Capitalization rate %	7.0%
Property value (SAR)	354,729,564
Total property value approx. (SAR)	354,730,000

Evaluation Results | Cash Flows

Showroom revenues	
Current Showroom Revenue	29,518,394
Net Rental Area	68,427
Rented Showroom space (m2)	61,220
Vacant Showroom space	7,207
Current occupancy rate	92%
Rent per square meter of Showrooms	550
Estimating the income of the vacant part in case of renting it	3,963,773
Total revenue of Showrooms in full operation	33,482,167

To calculate the discount rate	
government bond yield rate	4.0%
Inflation rate	2.0%
Market risk premium	2.0%
special risk premium	1.0%
Discount rate	9.0%

To calculate the last (recovery) value	
Capitalization factor	7.5%
Growth rate	2.0%

	31-Dec-24	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	31-Dec-29	31-Dec-30	31-Dec-31	31-Dec-32	31-Dec-33
Total revenue of the Showrooms in full operation	33,482,167	33,482,167	33,482,167	33,482,167	33,482,167	33,482,167	33,482,167	33,482,167	33,482,167	33,482,167
Annual growth rate	0.0%	10.0%	10.0%	10.0%	0.0%	0.0%	5.0%	0.0%	0.0%	5.0%
Total income after expected increase (exhibits)	33,482,167	36,830,384	40,513,422	44,564,765	44,564,765	44,564,765	46,793,003	46,793,003	46,793,003	49,132,653
Expected Occupancy Rate (Showrooms)	92%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Effective Income (Showrooms)	30,803,594	34,988,865	38,487,751	42,336,526	42,336,526	42,336,526	44,453,353	44,453,353	44,453,353	46,676,020
Total effective income	30,803,594	34,988,865	38,487,751	42,336,526	42,336,526	42,336,526	44,453,353	44,453,353	44,453,353	46,676,020
Estimation of operating and maintenance expenses	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%
Expected operating and maintenance expenses	3,696,431	4,198,664	4,618,530	5,080,383	5,080,383	5,080,383	5,334,402	5,334,402	5,334,402	5,601,122
Net operating income	27,107,163	30,790,201	33,869,221	37,256,143	37,256,143	37,256,143	39,118,950	39,118,950	39,118,950	41,074,898
Last value (redemption value)										598,519,941
Annual net cash flow	27,107,163	30,790,201	33,869,221	37,256,143	37,256,143	37,256,143	39,118,950	39,118,950	39,118,950	639,594,839
Total property value	521,899,635									
Total value approx.	521,900,000									

Evaluation results

Conclusion

Based on the standards and evaluation methods followed and according to the client's requirements, valuation experts believe that the market value of the property, according to the following information, for the property in the city of (**Riyadh**) in the (**Al-Jazirah**) neighborhood, its total area is (**120,205.97**) M2 is as follows:

Total property value
Current net income of the property (SAR)
24,831,069.47
Total property value (cash flow)
521,900,000
Total property value (in writing)
five hundred and twenty-one million nine hundred thousand Saudi riyals

Notes

Recommendations

- ✓ By reviewing the above data and based on the market survey and similar sales, the experts of the Saudi Asset Valuation and Evaluation Company believe that the value reached is the most likely value and reflects the current market trend.

General Notes

- ❖ The value fluctuation margin is within + or - 10% depending on current market conditions.
- ❖ The property has been mortgaged, along with any construction that has been or will be built on it, in favor of the Saudi First Bank for an amount of 400,000,000 riyals as a guarantee to fulfill part of the financial obligations and dues of Amar Real Estate Development and Investment Company.
- ❖ Occupancy rates are assumed to grow and remain stable in the coming years due to the market's specialization, good reputation, and growing demand for the site. To achieve these assumptions, marketing activities must be increased and the average rental meter must be reconsidered.
- ❖ Operating and maintenance expenses increased by more than 32% between 2023 and 2024, resulting in a decrease in the property's net operating income by more than 8% during the same period.
- ❖ After analyzing the operation and maintenance data received from the client, it was found that it is higher than similar properties, due to the high percentage of management and rent collection, which represents about 30% of the total operation and maintenance expenses.

CEO
Abdullah Al Mahfouz
Basic Member (1210000273)

الشركة السعودية لتقييم وتثمين الاصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
C.R.No. 1010206162 ، رقم السجل التجاري
Vat No. 300046706100003 ، رقم الضريبي

PMO Manager
Dr. Mohammed BinDakhil
Affiliate Member (1210001216)

الشركة السعودية لتقييم وتثمين الأصول
Saudi Asset Valuation Company

Appendices

Title Deed image

وثيقة تملك عقار

الرقم: 693563000194
التاريخ: 2024/09/16
1446/3/13

البيانات الأساسية

رقم الوثيقة	693563000194	تاريخ الوثيقة	1446/3/13
القيود	مرهون	الحالة	فعال
تاريخ الوثيقة السابقة	1446/2/24	المساحة	120,205.97
نوع العملية	صفقة بتمويل	رقم الوثيقة السابقة	760001438936

القيود

القيد	الجهة المرتهنة	رقم المنشأة	قيمة الرهن	تاريخ الاستحقاق
مرهون	البنك السعودي الأول	7000018668	400,000,000 ر.س	

الملاك

رقم الهوية	الاسم	نسبة التملك
7004304379	شركة امار التطوير والاستثمار العقاري شركة شخص واحد	% 100

العقار

رقم الهوية العقارية	نوع العقار	مساحة العقار(م²)	نوع الاستخدام
لا يوجد	بلك	120,205.97	لا يوجد

البلك	المجاورة / الجزء
لا يوجد	لا يوجد

الموقع	نموذج العقار
لا يوجد	لا يوجد

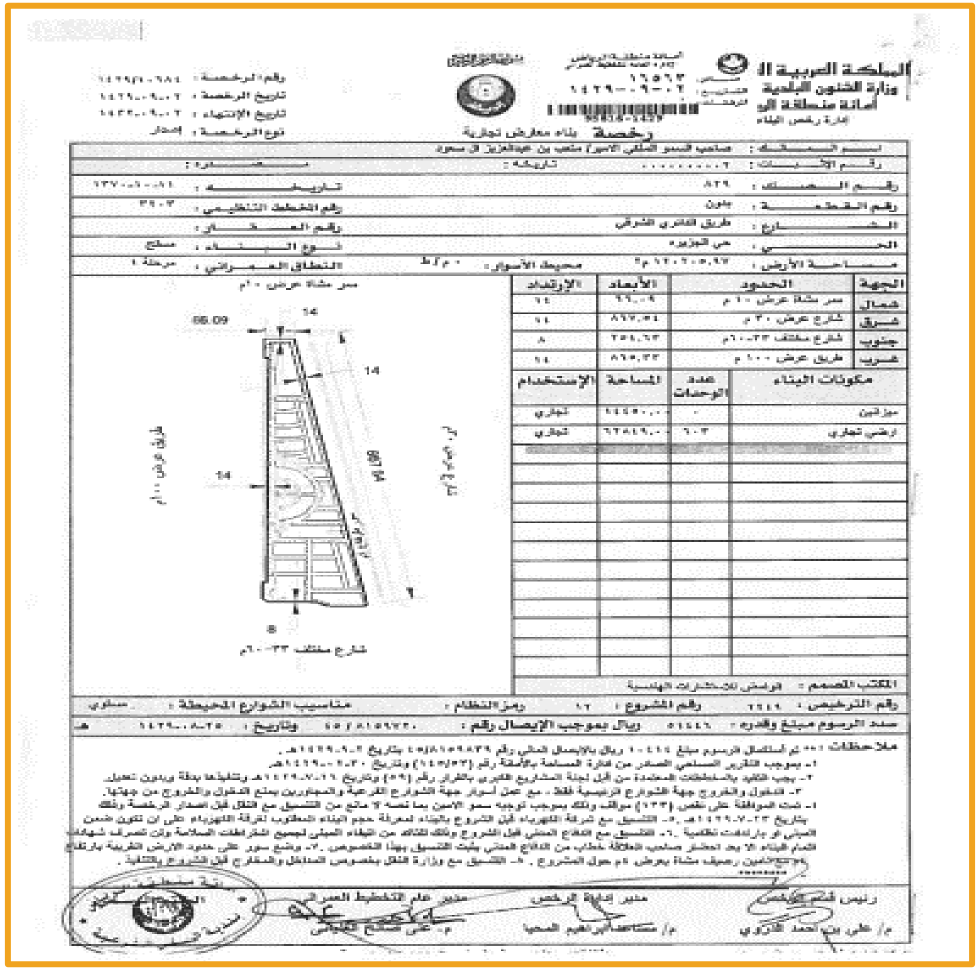
رقم القطعة	رقم المخطط	الحي	المدينة
2	3203	الجزيرة	الرياض

الحد	النوع	وصف الحد	الطول م	
شمالاً	ممر	عرض 10م	66.09	ستة و ستون متر و تسعة سنتمتر
جنوبا	شارع	المدينة المنورة بطول منكسر	-	24.6+44.24+9.91+23.33+24.48+24.4+14.77+37.68+40.05243.46 (اجمالى)
شرقا	شارع	عرض 40م	867.54	ثمانمائة و سبعة و ستون متر و أربعة و خمسون سنتمتر
غربا	طريق	الدائري الشرقي عرض 100م بطول منكسر	-	اجمالى10+19.37+42.67+50.01+10+722.02 (854.07)

صدرت هذه الوثيقة من منصة البورصة العقارية ويمكن التحقق من صحة هذه الوثيقة عبر خدمات وزارة العدل.

الصفحة 1 من 1

Building permit image



clarification

The Valuation Company and its representatives, including evaluators and assistants, have conducted the valuation process without any bias, and they work objectively and are independent of the client, its subsidiaries or affiliated parties. The Company and its representatives have no current or prospective interest in the client, any of its subsidiaries or affiliated parties, and are not among those who are insiders to the client or those who have internal relationships or connections with the client, its subsidiaries or affiliated parties. The evaluator's fees for the valuation process are not conditional on the results he reaches or any other events. If the Company obtains significant assistance from a third party in relation to any important aspect of the valuation, the nature of such assistance, the extent of reliance on it, and then documenting it in the report, if any.

Real Estate Appraisal Report

Plaza 1

Report No.: 129031

Presented by

Middle East Financial Investment Company (MEFIC Capital)

تثمين VALUATION

الشركة السعودية لتقييم وتثمين الأصول

Saudi Asset Valuation Company

Gentlemen/ Middle East Financial Investment Company (MEFIC Capital),

Greetings,

We are honored to have you accept our offer to provide our professional services in the field of valuation of a property consisting of a (**residential and commercial complex**). In the city of (**Riyadh**) in the (**Al-Rabee**) neighborhood , its area is (**9,579.00**) m². Accordingly , we inspected the property subject to the evaluation and determined the optimal method to reach the market value while adhering to the local and international standards and regulations in force in the field of evaluation, especially the international valuation standards (2022) approved by the Saudi Authority for Accredited Valuers, on the basis of which the data was collected and analyzed to reach the market value. Based on following the standards and evaluation methods followed and according to the client's requirements, valuation experts believe that the market value (of the right of benefit) is equal to (**14,299,000)** Saudi riyals , as documented in this report.

CEO
Abdullah Al Mahfouz
Basic Member (1210000273)

Table of Contents

Executive Summary

Item	Statement	Item	Statement
Customer Name	Middle East Financial Investment Company (MEFIC Capital)	instrument number	710114022401
Beneficiaries of the evaluation	Middle East Financial Investment Company (MEFIC Capital)	Date of instrument	1433/4/19
Purpose of evaluation	Periodic evaluation of the assets of the Mefic REIT Fund	Part Number	From 1303 to 1308
Property Type	Residential commercial complex	Scheme number	2917
Property Address	Kingdom of Saudi Arabia - Riyadh - Ar Rabi	Value basis	Market value
Property area	9,579.00m2	Evaluation criteria followed	International Valuation Standards 2022
Nature of ownership	Benefit right	Preview date	01/19/2025
Evaluation method used	Market approach (comparable transactions method) Income (cash flow) approach	Evaluation date	12/31/2024
		Report Release Date	02/16/2025
Market value of the property (SAR)		**14,299,000**	

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Saudi Asset Valuation Company

The first axis

General criteria

- These standards specify the requirements and requirements for carrying out valuation work, except for what is modified by the Assets Standard or Valuation Applications, and the purpose of these standards is to apply them to the valuation work of all assets and for any other evaluation purposes to which the Valuation Standards apply.
- This report has been prepared by the Saudi Company for Assets Evaluation and Valuation (License No. 1210000272 dated 18/04/1437H) and its work team, which enjoys the highest levels of efficiency and necessary impartiality, benefiting from the resources available to us, represented in the efficiency of our advisory team, which includes a selection of qualified consultants with high academic degrees and experiences in the field of evaluation Consultations, and what our company has of an information base that was built through its evaluation expertise and through the collection of data, information and statistics issued by official and non-official agencies, which gives the evaluators the capacity to carry out their tasks to the fullest, and the company is working to update its information base in a way Continuous.
- Our experience in evaluation and consulting work is more than 16 years, and we have submitted more than 35,000 evaluation reports during our work period.
- Tathmeen Company was honored to provide its services to governmental and semi-governmental agencies, to most of the banks located in the Kingdom, financial companies, real estate companies, industrial sectors, commercial companies and others.

General Standards | Scope of Work (Standard No. 101)

Nature of the assets being valued	
The city	Riyadh
The neighborhood	the Ar Rabi
Area	(9,579.00) m²

Customer Information and Usage	
Customer Name	Middle East Financial Investment Company (MEFIC Capital)
Report owner	Middle East Financial Investment Company (MEFIC Capital)
Usage	internal

Scope of work	the details
Report Description	A report explaining the methodology and steps of the evaluation, the results of the evaluation, and photographs and borders of the assets subject to the evaluation, in accordance with Standard 1.2 on compliance with standards and research and investigation work, and Standard 1.3 on preparing reports. (International Valuation Standards 2022, from page 26 to page 31)
Purpose of evaluation	Periodic evaluation of the assets of the Mefic REIT Fund
Assumptions and special assumptions	○ The property data was received from the client, and Tatmeen did not verify its accuracy.
Scope of research and investigation	We have studied the real estate market in the area of the targeted property within a radius of 5 km and used in the study the properties closest to the targeted property in terms of specifications and areas for each one and we have made every effort to ensure the accuracy of the information obtained as much as possible.
Nature and sources of information	Real estate offices in the targeted area, real estate dealers, the Ministry of Justice, and the database of the valuation company, which is constantly updated.
Currency used in the report	Saudi riyal.

General Standards | Scope of Work (Standard No. 101)

Scope of work	the details
Value basis (Value type)	**Market value:** It is the estimated amount for which assets or liabilities should be exchanged on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing where each party has acted knowledgeably and prudently without compulsion. Source: International Valuation Standards 2022 page 36, paragraph 3.1
State of uncertainty	It is the state resulting from the lack of evidence and indicators at a certain period of time that enables the valuator to perform the valuation process in the best way
Restrictions on usage Distribution or publication	This report is for the purpose for which it was prepared and shall not be used, circulated, quoted or otherwise referred to in any case for any other purpose. Accordingly, the Company or the valuator shall not be liable for any loss suffered by any party as a result of using the valuation report in violation of the provisions of this section. The evaluator reserves all rights to issue the valuation report. This report shall not be reproduced in any manner without an explicit consent of the Company. This report shall not be submitted to any party other than those referred to in it without the explicit consent of the Company. As a precaution, the Company and the valuator reserve the right to make any adjustments and to make any review of the valuation or support the result of the valuation under specific circumstances. The Company reserves the right, without any obligation, to review the valuation accounts and to amend and revise its findings in the light of information that existed at the date of the valuation but which was subsequently made clear.
Compliance with international valuation standards	The methodologies adopted by the company in the field of valuation, which are based on sound foundations and solid constants in line with local and international standards in force, especially the application of the International Valuation Standards 2022
Valuator's neutrality	Tathmen and its representatives, whether residents or assistants, carried out the valuation process without bias. They also work with objectivity and enjoy independence from the client and his subsidiaries or affiliates. Tathmen and its representatives have no current or potential interest with the client or any of his subsidiaries or affiliates. They are not also among those who know the insides of the client's affairs or though who have internal relations or links with the client, his subsidiaries or affiliates. Moreover, the valuator's fees for the valuation process are not conditional on the findings reached or any other events. In case the Company obtained a significant assistance from another party regarding an important aspect of the valuation, the nature of this assistance and the extent of reliance on it, if any, shall be mentioned and documented in the report

Scope of work / Stages of work (2-2)

01 Asset Preview

The title deed was received from the client, which shows that the property's area is 9,579.00 m2 in addition to a sketch showing the location of the property. After that, the property was identified and the information provided by the client was matched with reality.

02 Defining characteristics of Property

Through the inspection, it was found that the asset under evaluation is a (Residential commercial complex) in (Riyadh).

03 Data collection

Based on the type of property being evaluated, the scope of data collection was determined in the city (Riyadh) and (Ar Rabi) district, especially the area surrounding the property.

04 Data Analysis

The data available in the real estate area, which was obtained from unofficial sources such as real estate offices operating in the real estate area, and from official sources represented in the indicators of the Ministry of Justice, was analyzed.

05 Application of Valuation Methods

After the experts assessed the current use in terms of the market and the available data, it was concluded that the comparable sales method and the income method are the best for estimating the value of the property.

06 Value Appraisal

After reconciling the results of the evaluation methods, a value is weighted that corresponds to the scope of work described with the customer.

07 Value Review

Value review by an audit committee consisting of 3 other experts who reviews the information, analyzes and assumptions made by the valuer.

08 Report preparation

Work on preparing the report in accordance with Standard 101 for Report Description and Standard 103 for Reporting.

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Saudi Asset Valuation Company

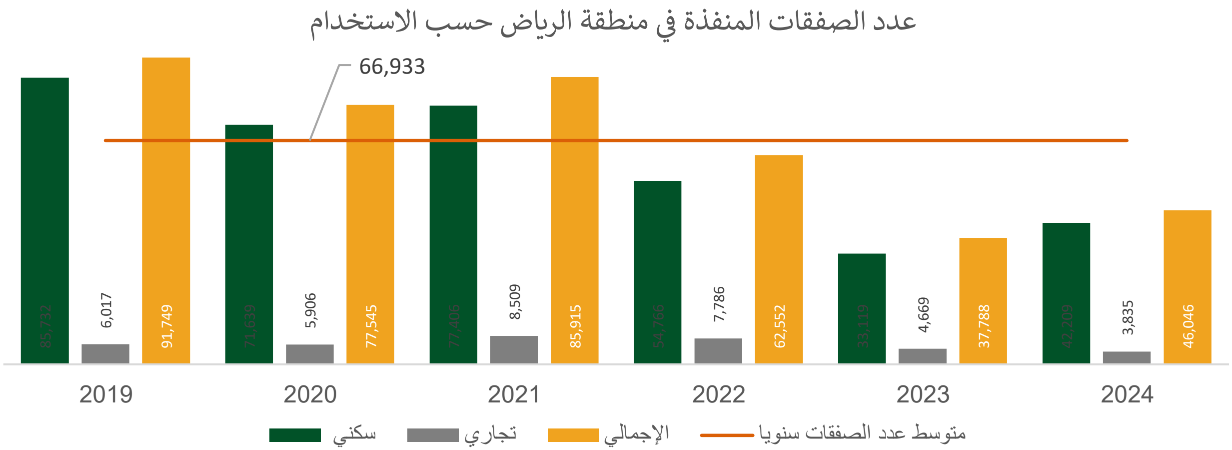
The second axis

Market Analysis

01 Analysis of the real estate market indicators from the data of the Ministry of Justice:

❖ **Number of transactions at Riyadh.**

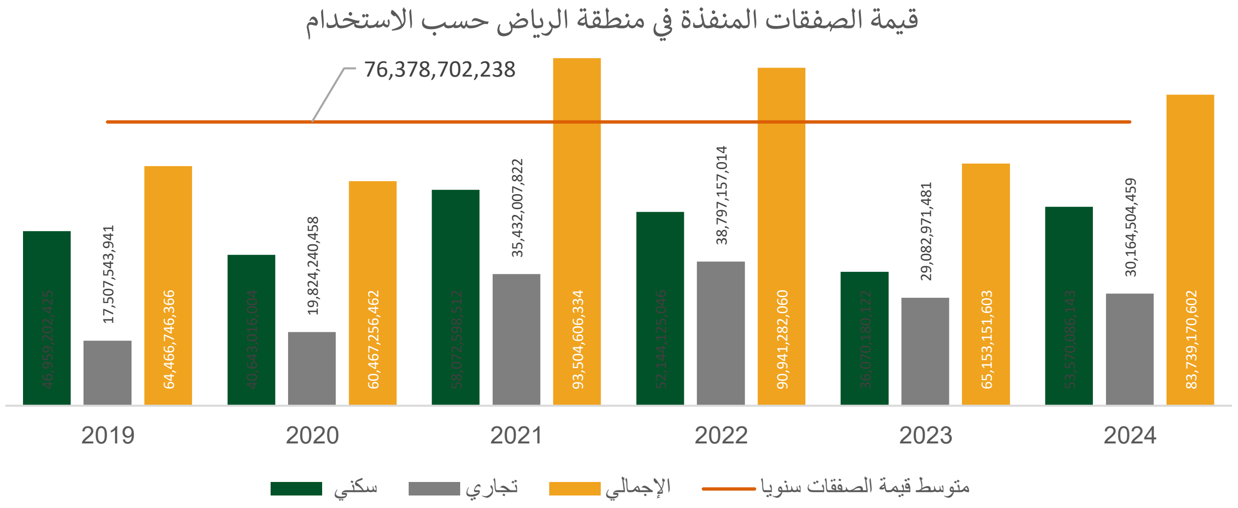
Year	Residential	Commercial	Total
2019	85,732	6,017	91,749
2020	71,639	5,906	77,545
2021	77,406	8,509	85,915
2022	54,766	7,786	62,552
2023	33,119	4,669	37,788
2024	42,209	3,835	46,046



02 Analysis of the real estate market indicators from the data of the Ministry of Justice:

❖ **The total value of transactions at Riyadh.**

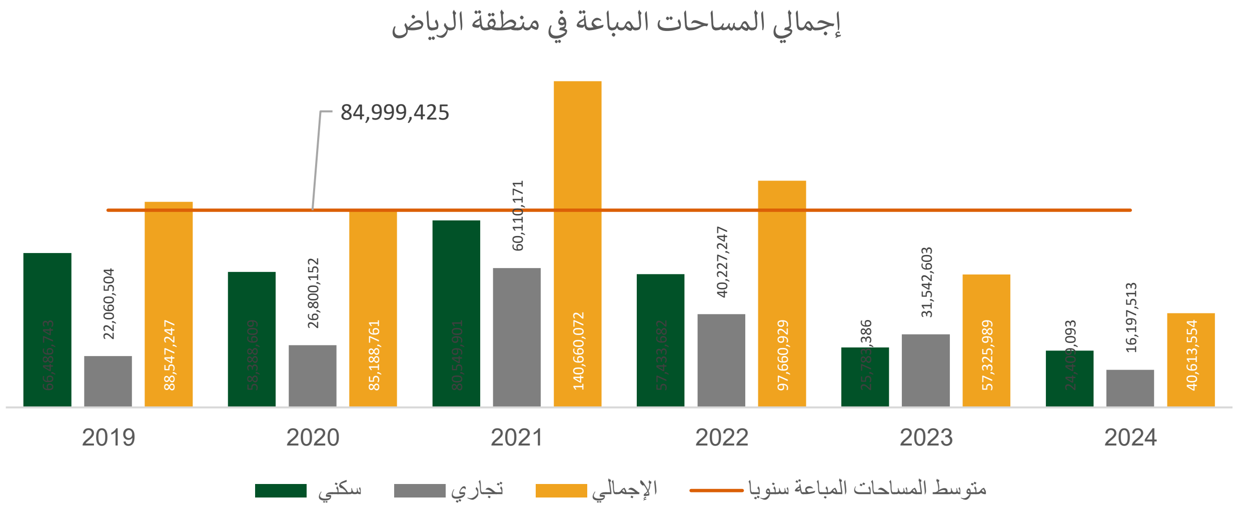
Year	Residential	Commercial	Total
2019	46,959,202,425	17,507,543,941	64,466,746,366
2020	40,643,016,004	19,824,240,458	60,467,256,462
2021	58,072,598,512	35,432,007,822	93,504,606,334
2022	52,144,125,046	38,797,157,014	90,941,282,060
2023	36,070,180,122	29,082,971,481	65,153,151,603
2024	53,570,086,143	30,164,504,459	83,739,170,602



03 Analysis of the real estate market indicators from the data of the Ministry of Justice:

❖ **Total area sold at Riyadh.**

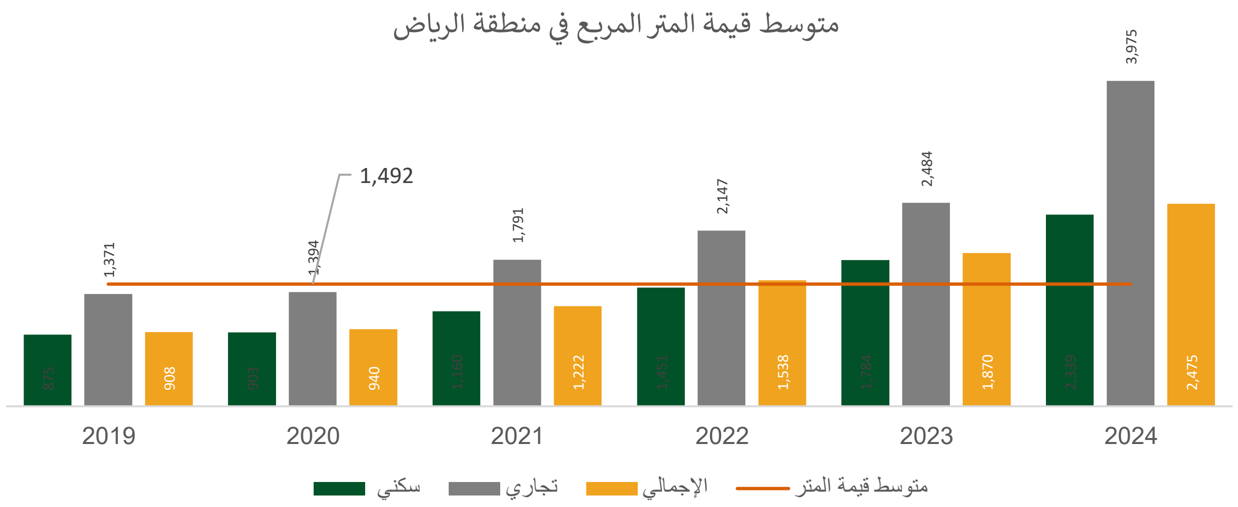
Year	Residential	Commercial	Total
2019	66,486,743	22,060,504	88,547,247
2020	58,388,609	26,800,152	85,188,761
2021	80,549,901	60,110,171	140,660,072
2022	57,433,682	40,227,247	97,660,929
2023	25,783,386	31,542,603	57,325,989
2024	24,409,093	16,197,513	40,613,554



04 Analysis of the real estate market indicators from the data of the Ministry of Justice:

❖ **The average value per square meter in Riyadh**

Year	Residential	Commercial	Total
2019	875	1,371	908
2020	903	1,394	940
2021	1,160	1,791	1,222
2022	1,451	2,147	1,538
2023	1,784	2,484	1,870
2024	2,339	3,975	2,475



الشركة السعودية لتقييم وتثمين الأصول

Saudi Asset Valuation Company

The third axis

Evaluation methods

Evaluation methods

The income method (discounted cash flow method) has been adopted to reach the market value of the property under evaluation But we point out that there are several basic methods used in the evaluation, and these methods are based on the economic principles of price equilibrium or expectation of benefits or replacement and recommend the use of more than one method or method of evaluation, especially in the absence of data and data realistic and noticeable enough to ensure that the method of evaluation one to reach a reliable and reliable result.

Method	Description
Market method	• This method provides indicators of value by comparing the asset being valued with identical or similar assets whose price information is available. • According to this method, the first step is to study the transaction prices of identical or similar assets that have recently taken place in the market. If the transactions made are few, it is also best to study the prices of identical or similar assets listed or offered for sale, provided that this information is clear and objectively analyzed. The information regarding the prices of these transactions should be adjusted to reflect the differences in the terms and conditions of the actual transaction, the basis of value, and the assumptions that are adopted in the valuation process carried out. There may also be differences in the legal, economic and material characteristics of other transaction assets compared to the asset being valued.
Income method	• It provides an indicator of value by converting future cash flows into a single current capital value. • This method deals with the income generated by the asset during the productive life (the life span of the asset) and the value is estimated through the capitalization process, and capitalization means converting income into a capital amount using an appropriate discount rate. Income flows are handled under non-contractual contracts or arrangements, such as the expected profit from the use or retention of the asset. • And it includes the methods that fall within the income method • Income capitalization by applying the risk factor or total capitalization to one usual income period. • Present Value of Cash Flows where the discount rate is applied to a series of cash flows for future periods to reach the present value. • Pricing models with diverse options
Cost method	• Provide indicators of value using the economic principle that the buyer does not pay for the purchase of an asset more than the cost of obtaining an asset of the same benefit, whether through purchase or construction, and this method is based on the principle that the price that the buyer pays in the market against the asset subject of evaluation will not be more than the cost of buying or creating an equivalent asset unless there are factors such as inappropriate timing, inappropriateness, the presence of risks or factors. Other. The asset subject of valuation is often less attractive than an alternative that can be purchased or created due to the age or obsolescence of the asset. In this case, adjustments and adjustments in the cost of the replacement asset are needed according to the required value basis.

Evaluation methods

The following figure shows the appraisal methods adopted to reach the market value of the property in the evaluation of the property:

Income method	Investment Method	Unused
	Discounted cash flow method	Used
	Residual value method	Unused
	Earning method	Unused
	Income capitalization method	Unused
Market method	Comparable transactions methods	Used
Cost method	Contractor's Method - (Cost)	Unused

Valuation approaches and methods

Method	Market approach (Comparable transactions methods)	Used for	Lands

Definition of approach

- It uses the method of comparative transactions, also known as the method of indicative transactions; Information on transactions of identical or similar assets to the asset being valued in order to arrive at an indication of value. Source: (International Valuation Standards 2022, electronic version, page 48, clause 30.1)
- When the comparable transactions considered involve the subject asset, this method is sometimes referred to as the prior transactions method.
- According to this method, the first step is to study the transaction prices of identical or similar assets that have been concluded recently in the market. If the transactions concluded are few, it will be also better to study the prices of identical or similar assets listed or offered for sale, provided that this information is clear and analyzed objectively. The information related to the prices of these transactions shall be amended to reflect the differences in the terms and conditions of the actual transaction, the basis of the value, and the assumptions adopted in the evaluation process that is carried out. Differences can also exist in the legal, economic and physical characteristics of other transaction assets compared to the asset being valued.

Methodology

- Data of similar offers were collected from the Ministry of Justice index and the market survey of the property area. Data available in the database of Saudi Asset Valuation Company were used, sorted and classified and the necessary adjustments were made on them to reach accurate results.

Application

- Defining units of comparison used by relevant market participants.
- Determining the related comparative transactions and calculating the main evaluation measures for those transactions.
- Conducting a consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the asset being evaluated.
- Making the necessary adjustments, if any, to the evaluation measures to reflect the differences between the asset being evaluated and the comparable assets.
- Applying the modified evaluation measures to the subject asset (the asset being evaluated).
- Reconciliation is made between value indicators if more than one measure is used

Valuation approaches and methods

Method	Income Method (Discounted Cash Flow Method)	Used for	Income-Producing property

Definition of approach

- In the discounted cash flow method, the cash flows are discounted to the valuation date, which results in the current value of the asset.
- In some cases, the discounted cash flows for a long-term or forever asset can include a terminal value that represents the value of the asset at the end of the explicit forecast period. In other cases, the value of the asset can be calculated only by using a terminal or terminal value without an explicit forecast period, and this is sometimes referred to as the income capitalization method.

Methodology

- Choosing the most appropriate types of cash flows for the nature of the task and the asset being evaluated (pre-tax, after-tax cash flows, real or nominal total, etc.)
- Determine the most appropriate explicit cash flow forecasting period, if any
- Prepare cash flow forecasts for the period.
- Determining whether the final value is appropriate for the asset under evaluation at the end of the explicit forecast period (if any), then determining the final value appropriate to the nature of the asset
- Determine the appropriate discount rate
- Apply the discount rate to expected future cash flows, including the terminal value if any

الشركة السعودية لتقييم وتثمين الأصول

Saudi Asset Valuation Company

The fourth axis

Property information and description

Property Description

Important information about the property	
Property Name	Plaza 1 Ar Rabi
the site	Al Rabie District / Riyadh City
Property Type	Commercial and residential apartments
Property age	About 7 years
Land area (m2)	9,579.00
Building area	16,195.71
Number of floors	Basement + ground floor + first floor and upper annexes
Property components	It consists of commercial showrooms and residential apartments.
Benefit period	The benefit expires on July 17, 2026.
Contract duration	Annual
Current occupancy rate (%)	About 98%
Total expected annual income by the end of the year (SAR)	10,960,050
Annual utility rent (SAR)	2,158,904
Expected operating and maintenance expenses by the end of the year (SAR)	1,938,539.56
Expected net operating income by the end of the year (SAR)	6,862,607

Property Description

General Description	The property is a residential commercial complex in Riyadh, Al-Rabee' district, with an area of 9,579.00 m2.

Site Description	
The State	Kingdom of Saudi Arabia
Area	Riyadh
The city	Riyadh
The neighborhood	Ar Rabi
The Street	King Abdulaziz Road

Ownership Data	
Check number	710114022401
Date of the instrument	1433/4/19
Part Number	From 1303 to 1308
Scheme number	2917
Block number	-

Nature of the property	☑ Flat	☐ Low	☐ High	☐ Burial	☐ Dabkha	Sandy	Rocky
Usage system	Residential - Commercial						

Property Description

Site borders and lengths				
Northern	20 m Street	With a length	74.00	M
Southern	20 m Street	With a length	116.85	M
Eastern	1309 and 1310	With a length	80.00	M
Western	60 m Street	With a length	116.85	M

Services available at the site					
✔	Security Services		✔	Electricity	
✔	Medical Centers		✔	Water	
✔	Schools		✔	Illumination	
✔	Shopping Centers		✔	Telephone	
✔	Afforestation		✔	Asphalt Roads	

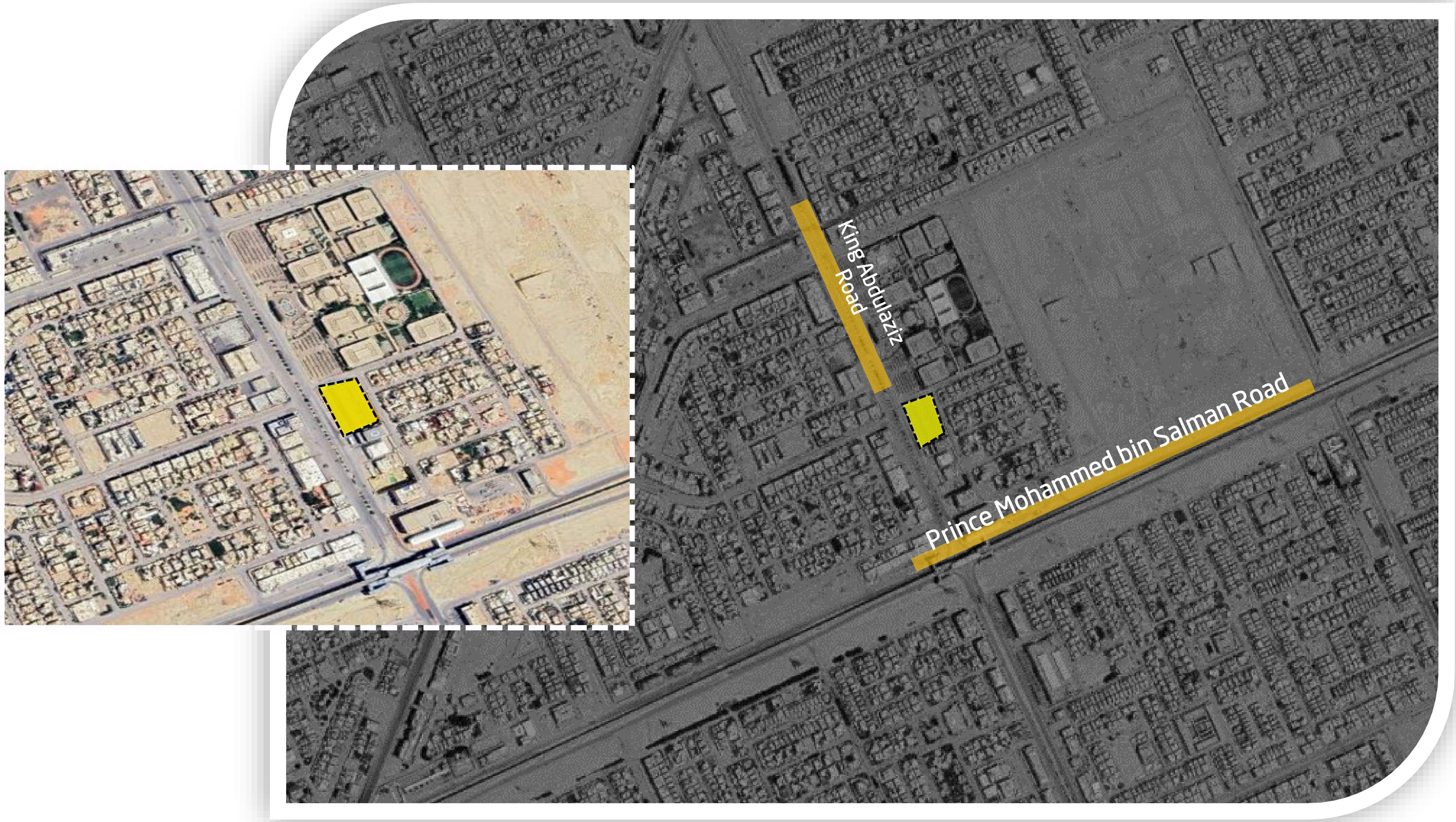
The location of the property in the city of Riyadh

Riyadh is the capital of the Kingdom of Saudi Arabia, its largest city and the third largest Arab capital in terms of population. Riyadh is located in the middle of the Arabian Peninsula on the Najd plateau, at an altitude of 600 meters above sea level. It is the HQ of the Emirate of Riyadh, according to the administrative division of the Saudi regions. The city of Riyadh is inhabited by about 10.5 million people, according to statistics in 2021. The Saudi capital is considered one of the fastest expanding cities in the world. During half a century of its inception, the area of the small city expanded to 1,800 square kilometers, reaching 3,115 km2. in this time . Riyadh is the political and economic front of Saudi Arabia, as it contains the headquarters of the country's sovereign institutions. Urban planning divides the city of Riyadh administratively into 16 municipalities, comprising more than 167 residential neighborhoods, managed by the Riyadh Municipality and the Royal Commission for Riyadh City. It possesses tourist and cultural potentials from historical sites, museums and urban landmarks.

Property location At the level of the Ar Rabi district

Al Rabie district is located in the north of Riyadh at Exit 5. The district's area is estimated at approximately 5.52 square kilometers. The district is bordered to the east by Abu Bakr Al Siddiq Road, to the south by Prince Mohammed bin Salman bin Abdulaziz Road, and to the west and north by Al Thumama Road. Al Rabie district is considered one of the most famous and best districts in the north of Riyadh. It is also one of the districts affiliated with the Northern Municipality. The district is characterized by its vitality and the availability of all important services and facilities such as: schools, mosques, markets, entertainment venues, and medical services.

Croquis and border image of the property location



"The property is located in Al-Rabie district and is bordered to the north by a 20-meter wide street, to the east by a 20-meter wide street, to the south by Blocks 1309 and 1310, and to the west by a 60-meter wide street."

Site Analysis | Photos Showing the Nature of the Property

Property image

Property image

Property image

Property image

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Saudi Asset Valuation Company

Fifth axis

Valuation result and recommendations

Evaluation Results | Comparison Map
Apartments

Annual rent	Area	Deal Type	Comparison number
100,000	145 m	On display	1
120,000	120 m	On display	2
120,000	120 m	On display	3

Evaluation Results | Comparison Map showrooms

Rental meter	Area	Deal Type	Comparison number
1,150	610 AD	On display	1
1,000	400 m	On display	2
1,100	261 m	On display	3

Evaluation results | Comparison settlement (showrooms)

❖ "After the field survey conducted by the work team to determine the rental value of showrooms similar to those in the property under evaluation, it became clear that the average rental value per square meter in the area ranges between 1,000 riyals and 1,800 riyals, depending on the location of the property, its age, the level of finishing, and other factors. Thus, the average rental value per square meter for showrooms in the property is suitable and close to the prevailing rates in the market."

Comparison number	The property being compared	Compare 1	0% + -	Compare 2	0% + -	Compare 3	0% + -
Rental meter value		1,150		1,000		1,100	
Property location		King Abdulaziz Road	0.00%	Anas bin Malik Road	0.00%	Al Thumama Road	0.00%
Assumed area (m2)	300	610	15.00%	400	0.00%	261	0.00%
Property age	new	new	0.00%	new	0.00%	new	0.00%
Finishing level	distinct	without	20.00%	without	20.00%	without	20.00%
Property management	There is	There is	0.00%	There is	0.00%	There is	0.00%
Parking availability	Available	Available	0.00%	Available	0.00%	Available	0.00%
Guarding and security	Available	Available	0.00%	Available	0.00%	Available	0.00%
Support services			0.00%		0.00%		0.00%
Net Rating			35.00%		20.00%		20.00%
net market price after settlement			1,553		1,200		1,320
Average market rental value per square meter	1,358						
Average rental value per square meter for showrooms in the property	1,138						

Evaluation Results | Comparison Settlement (Apartments)

- "After the field survey conducted by the work team to determine the rental value of residential apartments similar to those in the property under evaluation, it became clear that the average rental value of an apartment in the area ranges between 85 thousand riyals and 120 thousand riyals, depending on the location of the property, its age, the level of finishing, and other factors. Thus, the average rental value of an apartment in the property is suitable and close to the prevailing rates in the market."

Comparison number	The property being compared	Compare 1	0% + -	Compare 2	0% + -	Compare 3	0% + -
Rental value		100,000		120,000		120,000	
Property location			0.00%	Similar	0.00%	Similar	0.00%
Assumed area (m2)	120	145	0.00%	120	0.00%	120	0.00%
Property age	new	new	0.00%	new	0.00%	new	0.00%
Finishing level	distinct	distinct	0.00%	distinct	0.00%	distinct	0.00%
Property management	There is	There is	0.00%	There is	0.00%	There is	0.00%
Parking availability	Available	Available	0.00%	Available	0.00%	Available	0.00%
Guarding and security	Available	Available	0.00%	Available	0.00%	Available	0.00%
Support services			0.00%		0.00%		0.00%
Net Rating			0.00%		0.00%		0.00%
net market price after settlement			100,000		120,000		120,000
Average market rent for an apartment	113,333						
Average apartment rent in the property	118,435						

Evaluation Results | Cash Flows

showroom revenues	
Total showroom area	6,156
Total rentable area	5,145
Vacant space in showrooms	1,011
Total current rent	5,853,232
Average rent per square meter	1,138
Rent of the vacant part when it is in operation	1,149,736
Total revenue of showrooms in full operation	7,002,968

To calculate the discount rate	
government bond yield rate	3.0%
Inflation rate	2.5%
Market risk premium	2.0%
special risk premium	1.0%
Discount rate	8.5%

Apartment revenue	
Current apartment revenue	5,448,000
Number of rented apartments	46
Average apartment rent	118,435
Number of vacant apartments	6
Rent of the vacant part when it is in operation	710,609
Total revenue of apartments in full operation	6,158,609

Cash flows

	31-Dec-25	15-Jul-26
Total revenue of the showrooms in full operation	7,002,968	3,741,312
Total income of apartments in full operation	6,158,609	3,290,216
Annual growth rate	0.0%	0.0%
Total income after expected increase (exhibits)	7,002,968	3,779,684
Total income after expected increase (apartments)	6,158,609	3,323,961
Expected Occupancy Rate (showrooms)	97.0%	97.0%
Expected occupancy rate (apartments)	97.0%	97.0%
Effective Income (showrooms)	6,792,879	3,666,294
Effective Income (Apartments)	5,973,850	3,224,243
Total effective income	12,766,730	6,890,536
Current operating and maintenance expense ratio	15%	15%
Operating and maintenance expenses	1,915,009	1,033,580
Land rent according to contract data	2,158,904	0
Total expenses	4,073,914	1,033,580
net cash flow	8,692,816	5,856,956
Total net present value	14,298,733	
Total value approx.	14,299,000	

Evaluation results

Conclusion

Based on the standards and evaluation methods followed and according to the client's requirements, valuation experts believe that the market value of the property, according to the following information, for the property in the city of (**Riyadh**) in the (**Al-Rabee**) neighborhood, its total area is (**9,579.00**) M2 is as follows:

Total property value
Current net income of the property (SAR)
6,862,607
Total usufruct until July 15, 2026 (SAR)
14,299,000
Total Benefit (Writing)
Fourteen million two hundred and ninety-nine thousand Saudi riyals

Notes

Recommendations

- ✓ By reviewing the above data and based on the market survey and similar sales, the experts of the Saudi Asset Valuation and Evaluation Company believe that the value reached is the most likely value and reflects the current market trend.

General Notes

- ❖ The value fluctuation margin is within + or - 10% depending on current market conditions.
- ❖ The property plot numbers in the building permit are 1303-1308, but according to the geographer the plots are 1301-1308.

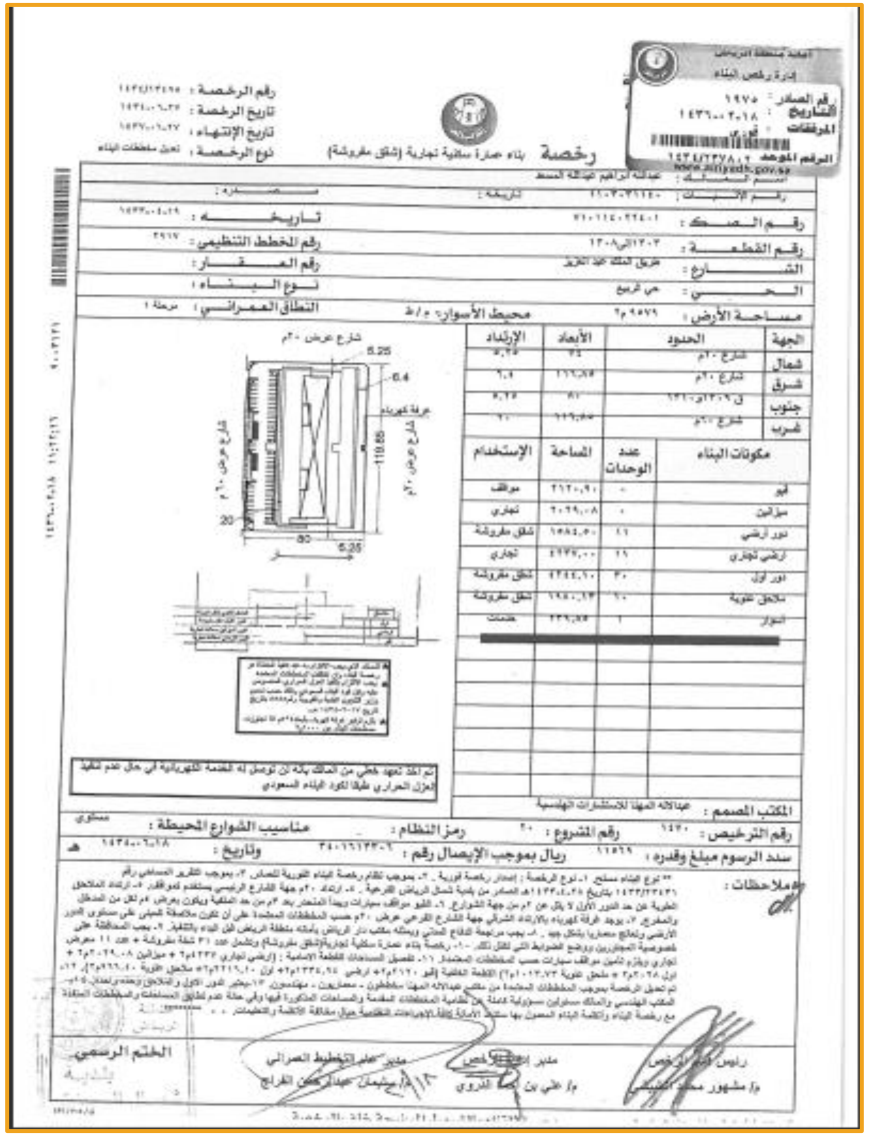
CEO		PMO Manager
Abdullah Al Mahfouz		Dr. Mohammed BinDakhil
Basic Member (1210000273)		Affiliate Member (1210001216)

ثـــمـين
VALUATION
الشركة السعودية لتقييم وتثمين الاصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
C.R.No. 1010206162 ، رقم السجل التجاري
Vat No. 300046706100003 ، رقم الضريبي

الشركة السعودية لتقييم وتثمين الأصول
Saudi Asset Valuation Company

Appendices

Building permit image



أمانة منطقة الرياض
إدارة رخص البناء
رقم الصادر : ١٩٧٥
التاريخ : ١٤٣٦/٠٢/١٨
المرفقات :
الرقم الموحد : [illegible]
www.alriyadh.gov.sa

رخصة بناء عمارة سكنية تجارية (شقق مفروشة)

رقم الرخصة : [illegible]
تاريخ الرخصة : [illegible]
تاريخ الإنتهاء : [illegible]
نوع الرخصة : تعديل مخططات البناء

اسم المالك : عبدالله ابراهيم عبدالله المسعد
رقم الإثبات : [illegible] تاريخه : مصدره :
رقم الصك : [illegible] تاريخه : [illegible]
رقم القطعة : ١٢٠٣ الى ١٢٠٨ رقم المخطط التنظيمي : [illegible]
الشارع : طريق الملك عبد العزيز رقم العقار :
الحي : حي الربيع نوع البناء :
مساحة الأرض : ٩٥٧٩ م٢ محيط الأسوار : م/ط النطاق العمراني : مرحلة ١

الجهة	الحدود	الأبعاد	الإرتداد
شمال	شارع ٢٠م	[illegible]	[illegible]
شرق	شارع ٢٠م	[illegible]	[illegible]
جنوب	ق ١٢٠٩و١٢١٠	٨١	[illegible]
غرب	شارع ٢٠م	[illegible]	[illegible]

مكونات البناء	عدد الوحدات	المساحة	الإستخدام
قبو	٠	[illegible]	مواقف
ميزانين	٠	[illegible]	تجاري
دور أرضي	١٦	[illegible]	شقق مفروشة
أرضي تجاري	١٩	[illegible]	تجاري
دور أول	٣٠	[illegible]	شقق مفروشة
ملاحق علوية	٢٠	[illegible]	شقق مفروشة
أسوار	١	[illegible]	خدمات

تم أخذ تعهد خطي من المالك بأنه لن توصل له الخدمة الكهربائية في حال عدم تنفيذ العزل الحراري طبقاً لكود البناء السعودي

المكتب المصمم : عبدالله المهنا للاستشارات الهندسية
رقم الترخيص : ١٤٣٠ رقم المشروع : ٢٠ رمز النظام : مناسيب الشوارع المحيطة : مستوى
سند الرسوم مبلغ وقدره : [illegible] ريال بموجب الإيصال رقم : [illegible] وتاريخ : [illegible]
ملاحظات : [illegible]

رئيس ... مدير إدارة الرخص مدير إدارة التخطيط العمراني الختم الرسمي

Clarification

The Valuation Company and its representatives, including evaluators and assistants, have conducted the valuation process without any bias, and they work objectively and are independent of the client, its subsidiaries or affiliated parties. The Company and its representatives have no current or prospective interest in the client, any of its subsidiaries or affiliated parties, and are not among those who are insiders to the client or those who have internal relationships or connections with the client, its subsidiaries or affiliated parties. The evaluator's fees for the valuation process are not conditional on the results he reaches or any other events. If the Company obtains significant assistance from a third party in relation to any important aspect of the valuation, the nature of such assistance, the extent of reliance on it, and then documenting it in the report, if any.

Real Estate Appraisal Report

Deafa Al nakheel

Report No.: 129032

Presented by

Middle East Financial Investment Company (MEFIC Capital)

تثمين VALUATION

الشركة السعودية لتقييم وتثمين الأصول

Saudi Asset Valuation Company

introduction

Gentlemen/ Middle East Financial Investment Company (MEFIC Capital),

Greetings,

We are honored to have you accept our offer to provide our professional services in the field of valuation of a property (commercial building). In the city of (Riyadh) in the (Al Nakheel) neighborhood , its area is (9,091.00) m². Accordingly, we inspected the property subject to the evaluation and determined the optimal method to reach the market value while adhering to the local and international standards and regulations in force in the field of evaluation, especially the international valuation standards (2022) approved by the Saudi Authority for Accredited Valuers, on the basis of which the data was collected and analyzed to reach the market value. Based on following the standards and evaluation methods followed and according to the client's requirements, valuation experts believe that the market value (of the right of benefit) is equal to (101,491,000) Saudi riyals , as documented in this report.

CEO

Abdullah Al Mahfouz

Basic Member (1210000273)

Table of Contents

Executive Summary

Item	Statement	Item	Statement
Customer Name	Middle East Financial Investment Company (MEFIC Capital)	instrument number	410104003546
Beneficiaries of the evaluation	Middle East Financial Investment Company (MEFIC Capital)	Date of instrument	1428/6/10
Purpose of evaluation	Periodic evaluation of the assets of the Mefic REIT Fund	Part Number	1617, 1618, 1619, 1620, 1624, 1625, 1626, 1627
Property Type	Commercial building	Scheme number	2837
Property Address	Kingdom of Saudi Arabia - Riyadh - Al Nakheel	Value basis	Market value
Property area	9,091.00m2	Evaluation criteria followed	International Evaluation Standards 2022
Nature of ownership	usufruct	Preview date	01/19/2025
Evaluation method used	Income approach (cash flows) Market approach (comparisons approach)	Evaluation date	12/31/2024
		Report Release Date	02/16/2025
Market value of the property (SAR)		**101,491,000**	

الشركة السعودية لتقييم وتثمين الأصول
Saudi Asset Valuation Company

The first axis

General criteria

- These standards specify the requirements and requirements for carrying out valuation work, except for what is modified by the Assets Standard or Valuation Applications, and the purpose of these standards is to apply them to the valuation work of all assets and for any other evaluation purposes to which the Valuation Standards apply.
- This report has been prepared by the Saudi Company for Assets Evaluation and Valuation (License No. 1210000272 dated 18/04/1437H) and its work team, which enjoys the highest levels of efficiency and necessary impartiality, benefiting from the resources available to us, represented in the efficiency of our advisory team, which includes a selection of qualified consultants with high academic degrees and experiences in the field of evaluation Consultations, and what our company has of an information base that was built through its evaluation expertise and through the collection of data, information and statistics issued by official and non-official agencies, which gives the evaluators the capacity to carry out their tasks to the fullest, and the company is working to update its information base in a way Continuous.
- Our experience in evaluation and consulting work is more than 16 years, and we have submitted more than 35,000 evaluation reports during our work period.
- Tathmeen Company was honored to provide its services to governmental and semi-governmental agencies, to most of the banks located in the Kingdom, financial companies, real estate companies, industrial sectors, commercial companies and others.

General Standards | Scope of Work (Standard No. 101)

Nature of the assets being valued	
The city	Riyadh
The neighborhood	Al Nakheel
Area	(9,091.00) m²

Customer Information and Usage	
Customer Name	Middle East Financial Investment Company (MEFIC Capital)
Report owner	Middle East Financial Investment Company (MEFIC Capital)
Usage	internal

Scope of work	the details
Report Description	A report explaining the methodology and steps of the evaluation, the results of the evaluation, and photographs and borders of the assets subject to the evaluation, in accordance with Standard 1.2 on compliance with standards and research and investigation work, and Standard 1.3 on preparing reports. (International Valuation Standards 2022, from page 26 to page 31)
Purpose of evaluation	Periodic evaluation of the assets of the Mefic REIT Fund
Assumptions and special assumptions	○ The property and area data were received from the client, and Taqmeen did not work to verify their accuracy.
Scope of research and investigation	We have studied the real estate market in the area of the targeted property within a radius of 5 km and used in the study the properties closest to the targeted property in terms of specifications and areas for each one and we have made every effort to ensure the accuracy of the information obtained as much as possible.
Nature and sources of information	Real estate offices in the targeted area, real estate dealers, the Ministry of Justice, and the database of the valuation company, which is constantly updated.
Currency used in the report	Saudi riyal.

General Standards | Scope of Work (Standard No. 101)

Scope of work	the details
Value basis (Value type)	**Market value:** It is the estimated amount for which assets or liabilities should be exchanged on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing where each party has acted knowledgeably and prudently without compulsion. Source: International Valuation Standards 2022 page 36, paragraph 3.1
State of uncertainty	It is the state resulting from the lack of evidence and indicators at a certain period of time that enables the valuator to perform the valuation process in the best way
Restrictions on usage Distribution or publication	This report is for the purpose for which it was prepared and shall not be used, circulated, quoted or otherwise referred to in any case for any other purpose. Accordingly, the Company or the valuator shall not be liable for any loss suffered by any party as a result of using the valuation report in violation of the provisions of this section. The evaluator reserves all rights to issue the valuation report. This report shall not be reproduced in any manner without an explicit consent of the Company. This report shall not be submitted to any party other than those referred to in it without the explicit consent of the Company. As a precaution, the Company and the valuator reserve the right to make any adjustments and to make any review of the valuation or support the result of the valuation under specific circumstances. The Company reserves the right, without any obligation, to review the valuation accounts and to amend and revise its findings in the light of information that existed at the date of the valuation but which was subsequently made clear.
Compliance with international valuation standards	The methodologies adopted by the company in the field of valuation, which are based on sound foundations and solid constants in line with local and international standards in force, especially the application of the International Valuation Standards 2022
Valuator's neutrality	Tathmen and its representatives, whether residents or assistants, carried out the valuation process without bias. They also work with objectivity and enjoy independence from the client and his subsidiaries or affiliates. Tathmen and its representatives have no current or potential interest with the client or any of his subsidiaries or affiliates. They are not also among those who know the insides of the client's affairs or though who have internal relations or links with the client, his subsidiaries or affiliates. Moreover, the valuator's fees for the valuation process are not conditional on the findings reached or any other events. In case the Company obtained a significant assistance from another party regarding an important aspect of the valuation, the nature of this assistance and the extent of reliance on it, if any, shall be mentioned and documented in the report

Scope of work / Stages of work (2-2)

01 Asset Preview

The title deed was received from the client, which shows that the property's area is 9,091.00 m2 in addition to a sketch showing the location of the property. After that, the property was identified and the information provided by the client was matched with reality.

02 Defining characteristics of Property

Through the inspection, it was found that the asset under evaluation is a (Commercial building) in (Riyadh).

03 Data collection

Based on the type of property being evaluated, the scope of data collection was determined in the city (Riyadh) and (Al Nakheel) district, especially the area surrounding the property.

04 Data Analysis

The data available in the real estate area, which was obtained from unofficial sources such as real estate offices operating in the real estate area, and from official sources represented in the indicators of the Ministry of Justice, was analyzed.

05 Application of Valuation Methods

After the experts assessed the current use in terms of the market and the available data, it was concluded that the income method and the market method are the best for estimating the value of the property.

06 Value Appraisal

After reconciling the results of the evaluation methods, a value is weighted that corresponds to the scope of work described with the customer.

07 Value Review

Value review by an audit committee consisting of 3 other experts who reviews the information, analyzes and assumptions made by the valuer.

08 Report preparation

Work on preparing the report in accordance with Standard 101 for Report Description and Standard 103 for Reporting.

الشركة السعودية لتقييم وتثمين الأصول

Saudi Asset Valuation Company

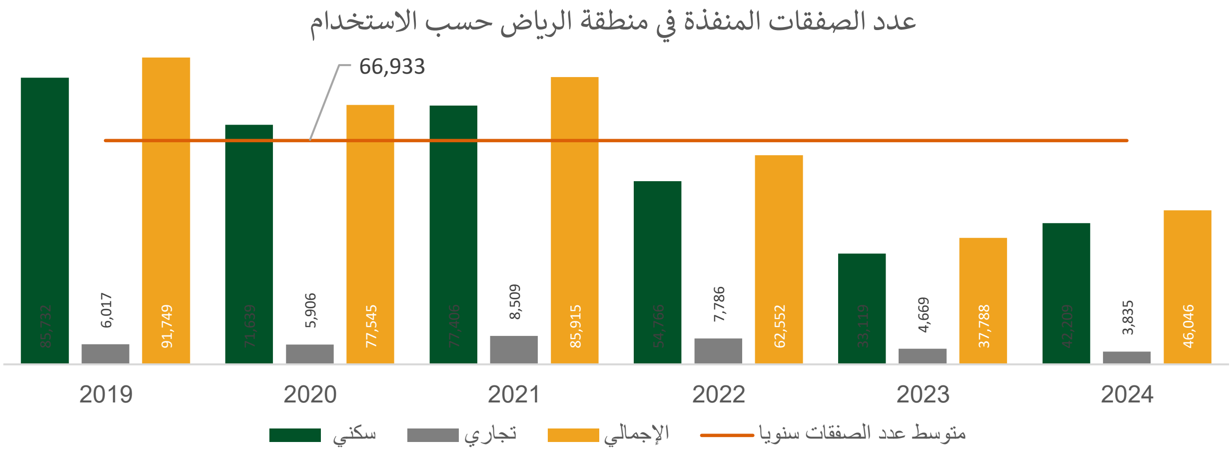
The second axis

Market Analysis

01 Analysis of the real estate market indicators from the data of the Ministry of Justice:

❖ **Number of transactions at Riyadh.**

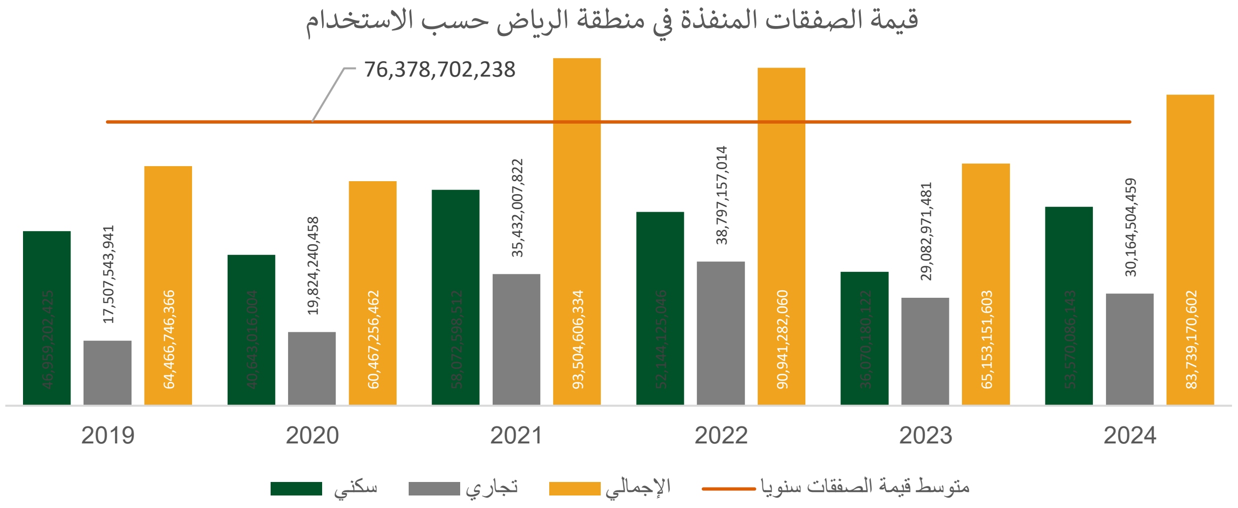
Year	Residential	Commercial	Total
2019	85,732	6,017	91,749
2020	71,639	5,906	77,545
2021	77,406	8,509	85,915
2022	54,766	7,786	62,552
2023	33,119	4,669	37,788
2024	42,209	3,835	46,046



02 Analysis of the real estate market indicators from the data of the Ministry of Justice:

❖ **The total value of transactions at Riyadh.**

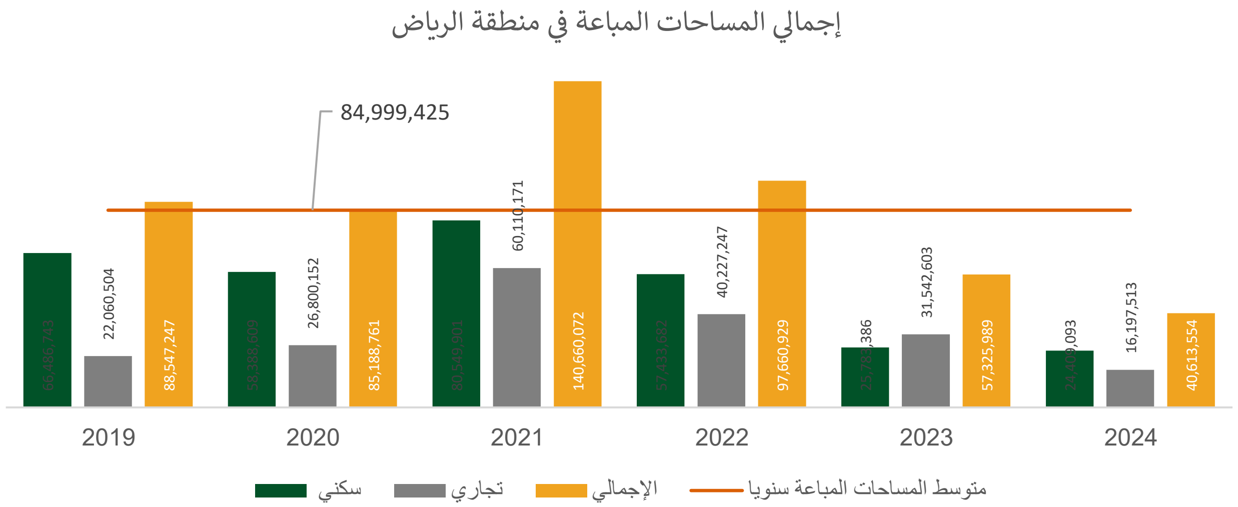
Year	Residential	Commercial	Total
2019	46,959,202,425	17,507,543,941	64,466,746,366
2020	40,643,016,004	19,824,240,458	60,467,256,462
2021	58,072,598,512	35,432,007,822	93,504,606,334
2022	52,144,125,046	38,797,157,014	90,941,282,060
2023	36,070,180,122	29,082,971,481	65,153,151,603
2024	53,570,086,143	30,164,504,459	83,739,170,602



03 Analysis of the real estate market indicators from the data of the Ministry of Justice:

❖ **Total area sold at Riyadh.**

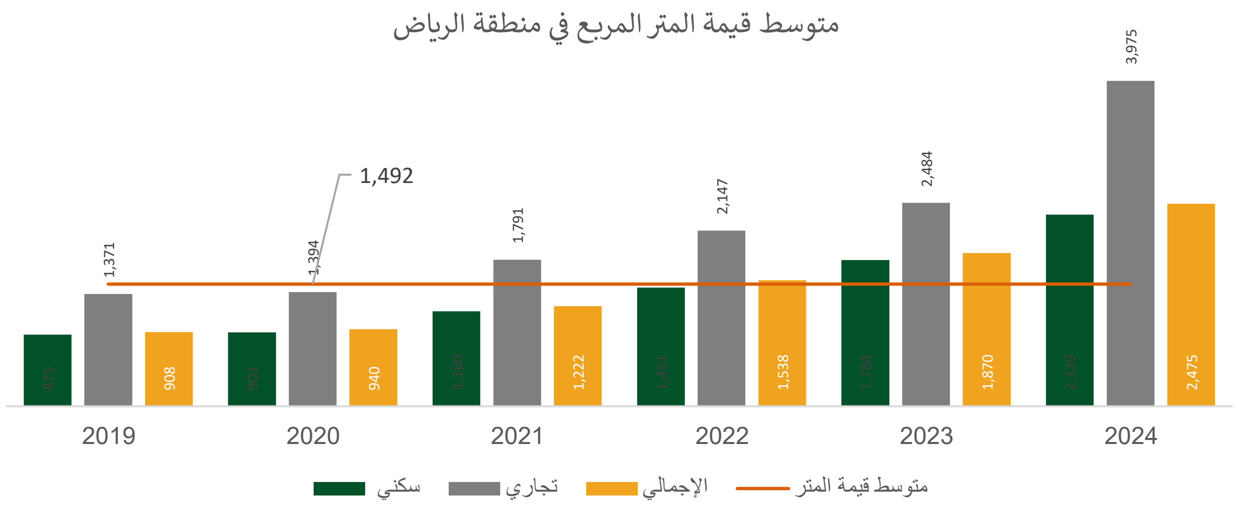
Year	Residential	Commercial	Total
2019	66,486,743	22,060,504	88,547,247
2020	58,388,609	26,800,152	85,188,761
2021	80,549,901	60,110,171	140,660,072
2022	57,433,682	40,227,247	97,660,929
2023	25,783,386	31,542,603	57,325,989
2024	24,409,093	16,197,513	40,613,554



04 Analysis of the real estate market indicators from the data of the Ministry of Justice:

❖ **The average value per square meter in Riyadh**

Year	Residential	Commercial	Total
2019	875	1,371	908
2020	903	1,394	940
2021	1,160	1,791	1,222
2022	1,451	2,147	1,538
2023	1,784	2,484	1,870
2024	2,339	3,975	2,475



الشركة السعودية لتقييم وتثمين الأصول

Saudi Asset Valuation Company

The third axis

Evaluation methods

Evaluation methods

The income method (discounted cash flow method) has been adopted to reach the market value of the property under evaluation But we point out that there are several basic methods used in the evaluation, and these methods are based on the economic principles of price equilibrium or expectation of benefits or replacement and recommend the use of more than one method or method of evaluation, especially in the absence of data and data realistic and noticeable enough to ensure that the method of evaluation one to reach a reliable and reliable result.

Market method

- This method provides indicators of value by comparing the asset being valued with identical or similar assets whose price information is available.
- According to this method, the first step is to study the transaction prices of identical or similar assets that have recently taken place in the market. If the transactions made are few, it is also best to study the prices of identical or similar assets listed or offered for sale, provided that this information is clear and objectively analyzed. The information regarding the prices of these transactions should be adjusted to reflect the differences in the terms and conditions of the actual transaction, the basis of value, and the assumptions that are adopted in the valuation process carried out. There may also be differences in the legal, economic and material characteristics of other transaction assets compared to the asset being valued.

Income method

- It provides an indicator of value by converting future cash flows into a single current capital value.
- This method deals with the income generated by the asset during the productive life (the life span of the asset) and the value is estimated through the capitalization process, and capitalization means converting income into a capital amount using an appropriate discount rate. Income flows are handled under non-contractual contracts or arrangements, such as the expected profit from the use or retention of the asset.
- And it includes the methods that fall within the income method
- Income capitalization by applying the risk factor or total capitalization to one usual income period.
- Present Value of Cash Flows where the discount rate is applied to a series of cash flows for future periods to reach the present value.
- Pricing models with diverse options

Cost method

- Provide indicators of value using the economic principle that the buyer does not pay for the purchase of an asset more than the cost of obtaining an asset of the same benefit, whether through purchase or construction, and this method is based on the principle that the price that the buyer pays in the market against the asset subject of evaluation will not be more than the cost of buying or creating an equivalent asset unless there are factors such as inappropriate timing, inappropriateness, the presence of risks or factors. Other. The asset subject of valuation is often less attractive than an alternative that can be purchased or created due to the age or obsolescence of the asset. In this case, adjustments and adjustments in the cost of the replacement asset are needed according to the required value basis.

Evaluation methods

The following figure shows the appraisal methods adopted to reach the market value of the property in the evaluation of the property:

Income method	• Investment Method	Unused
	• Discounted cash flow method	Used
	• Residual value method	Unused
	• Earning method	Unused
	• Income capitalization method	Unused
Market method	• Comparable transactions methods	Used
Cost method	• Contractor's Method - (Cost)	Unused

Valuation approaches and methods

Method	Market approach (Comparable transactions methods)	Used for	Lands

Definition of approach

- It uses the method of comparative transactions, also known as the method of indicative transactions; Information on transactions of identical or similar assets to the asset being valued in order to arrive at an indication of value. Source: (International Valuation Standards 2022, electronic version, page 48, clause 30.1)
- When the comparable transactions considered involve the subject asset, this method is sometimes referred to as the prior transactions method.
- According to this method, the first step is to study the transaction prices of identical or similar assets that have been concluded recently in the market. If the transactions concluded are few, it will be also better to study the prices of identical or similar assets listed or offered for sale, provided that this information is clear and analyzed objectively. The information related to the prices of these transactions shall be amended to reflect the differences in the terms and conditions of the actual transaction, the basis of the value, and the assumptions adopted in the evaluation process that is carried out. Differences can also exist in the legal, economic and physical characteristics of other transaction assets compared to the asset being valued.

Methodology

- Data of similar offers were collected from the Ministry of Justice index and the market survey of the property area. Data available in the database of Saudi Asset Valuation Company were used, sorted and classified and the necessary adjustments were made on them to reach accurate results.

Application

- Defining units of comparison used by relevant market participants.
- Determining the related comparative transactions and calculating the main evaluation measures for those transactions.
- Conducting a consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the asset being evaluated.
- Making the necessary adjustments, if any, to the evaluation measures to reflect the differences between the asset being evaluated and the comparable assets.
- Applying the modified evaluation measures to the subject asset (the asset being evaluated).
- Reconciliation is made between value indicators if more than one measure is used

Valuation approaches and methods

Method	Income Method (Discounted Cash Flow Method)	Used for	Income-Producing property

Definition of approach

- In the discounted cash flow method, the cash flows are discounted to the valuation date, which results in the current value of the asset.
- In some cases, the discounted cash flows for a long-term or forever asset can include a terminal value that represents the value of the asset at the end of the explicit forecast period. In other cases, the value of the asset can be calculated only by using a terminal or terminal value without an explicit forecast period, and this is sometimes referred to as the income capitalization method.

Methodology

- Choosing the most appropriate types of cash flows for the nature of the task and the asset being evaluated (pre-tax, after-tax cash flows, real or nominal total, etc.)
- Determine the most appropriate explicit cash flow forecasting period, if any
- Prepare cash flow forecasts for the period.
- Determining whether the final value is appropriate for the asset under evaluation at the end of the explicit forecast period (if any), then determining the final value appropriate to the nature of the asset
- Determine the appropriate discount rate
- Apply the discount rate to expected future cash flows, including the terminal value if any

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Saudi Asset Valuation Company

The fourth axis

Property information and description

Property Description

General Description	The property is a commercial building in Riyadh, Al Nakheel district, with an area of 9,091.00 m2.

Site Description	
The State	Kingdom of Saudi Arabia
Area	Riyadh
The city	Riyadh
The neighborhood	Al Nakheel
The Street	Northern Ring Road

Ownership Data	
Check number	410104003546
Date of the instrument	1428/6/10
Part Number	1617, 1618, 1619, 1620, 1624, 1625, 1626, 1627
Scheme number	2837
Block number	-

Nature of the property	☑ Flat	☐ Low	☐ High	☐ Burial	☐ Dabkha	Sandy	Rocky
Usage system	Commercial - Office						

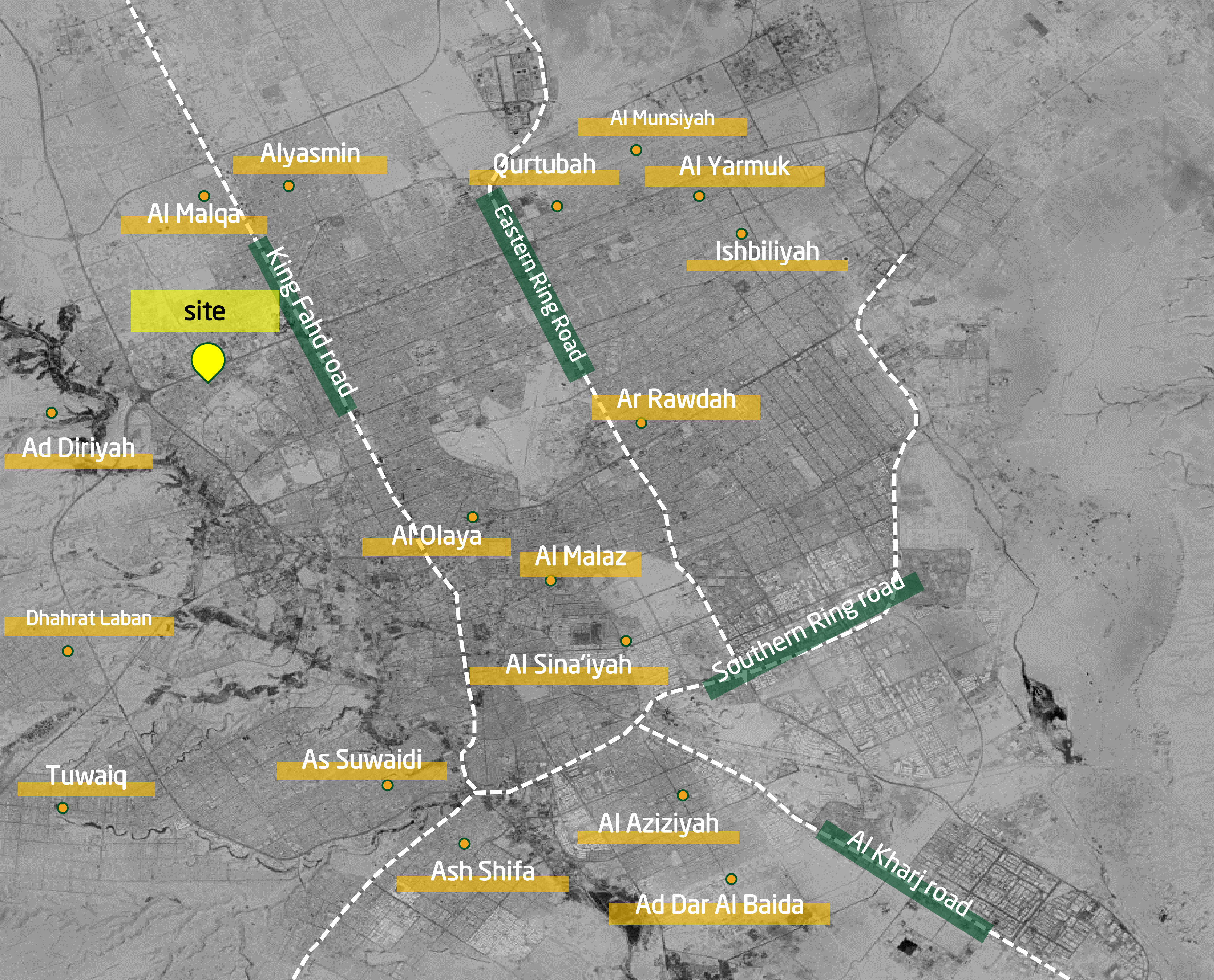
Property Description

Site borders and lengths				
Northern	North Ring Road 100 m	With a length	130.00	M
Southern	Street width 15 m	With a length	70.00	M
Eastern	Street width 15 m	With a length	130.00	M
Western	Plots No. 1621 and 1628	With a length	70.00	M

Services available at the site			
✔	Security Services	✔	Electricity
✔	Medical Centers	✔	Water
✔	Schools	✔	Illumination
✔	Shopping Centers	✔	Telephone
✔	Afforestation	✔	Asphalt Roads

Property Description

Important information about the property	
Property Name	Nakheel neighborhood hospitality
the site	Al Nakheel District / Riyadh City
Property Type	Commercial and office
Property age	About 7 years
Land area (m2)	9091
Building area	16673.5
Number of floors	Basement + mezzanine + ground floor + first floor and upper annexes
Property components	It consists of commercial showrooms and offices.
Benefit period	The benefit expires at the end of 2040.
Contract duration	Annual
Current occupancy rate (%)	100%
Total current annual income (SAR)	14,547,395
Annual utility rent (SAR)	5,500,000
Expected operating and maintenance expenses by the end of the year (SAR)	1,944,502
Expected net operating income by the end of the year (SAR)	7,102,893



The location of the property in the city of Riyadh

Riyadh is the capital of the Kingdom of Saudi Arabia, its largest city and the third largest Arab capital in terms of population. Riyadh is located in the middle of the Arabian Peninsula on the Najd plateau, at an altitude of 600 meters above sea level. It is the HQ of the Emirate of Riyadh, according to the administrative division of the Saudi regions. The city of Riyadh is inhabited by about 10.5 million people, according to statistics in 2021. The Saudi capital is considered one of the fastest expanding cities in the world. During half a century of its inception, the area of the small city expanded to 1,800 square kilometers, reaching 3,115 km2. in this time . Riyadh is the political and economic front of Saudi Arabia, as it contains the headquarters of the country's sovereign institutions. Urban planning divides the city of Riyadh administratively into 16 municipalities, comprising more than 167 residential neighborhoods, managed by the Riyadh Municipality and the Royal Commission for Riyadh City. It possesses tourist and cultural potentials from historical sites, museums and urban landmarks.

Property location
At the level of the Nakhil neighborhood

Al Nakheel district is located in the north of Riyadh, specifically Exit 2. The district's area is estimated at 9.51 square kilometers. The district is bordered to the east by King Fahd Road and Al Murooj district, to the south by Imam Saud bin Abdulaziz Road, Al Muhammadiyah district and King Saud University, to the west by King Khalid Road and Al Khazama district, and to the north by the Northern Ring Road and Hittin district. Al Nakheel district is considered one of the upscale and quiet residential districts in the north of Riyadh, and is one of the districts affiliated with Al Muather Municipality. The district is distinguished by its proximity to King Saud University and King Abdullah Financial Center, and is also distinguished by the availability of all required services.

Croquis and border image of the property location

"The property is located in Al Nakheel district and is bordered to the north by the Northern Ring Road 100 m, to the east by a 15 m wide street, to the south by a 15 m wide street, and to the west by plots No. 1621 and 1628."

Site Analysis | Photos Showing the Nature of the Property

Property image

Property image

Property image

Property image

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Saudi Asset Valuation Company

Fifth axis

Valuation result and recommendations

Evaluation Results | Trade Fair Comparison Map

Rental meter	Area	Deal Type	Comparison number
2,000	1981 AD	On display	1
1250	365 m	On display	2
2,166	120m	On display	3

Evaluation Results | Office Comparison Map

Rental meter	Area	Deal Type	Comparison number
1500	100 m	On display	1
1500	100 m	On display	2
1900	200 m	On display	3

Evaluation results | Comparison settlement (Showrooms)

- "After the field survey conducted by the work team to determine the rental value of Showrooms and showrooms similar to those in the property under evaluation, it became clear that the average rental value per square meter in the area ranges between 1,800 riyals and 2,000 riyals, depending on the location of the property, its age, the level of finishing, and other factors. Thus, the average rental value per square meter for Showrooms in the property is less than the prevailing rates in the market, and there is an opportunity to increase it in the future."

Comparison number	The property being compared	Compare 1	0% + -	Compare 2	0% + -	Compare 3	0% + -
Rental meter value		2,000		1,250		2,166	
Property location			-10.00%		10.00%		-20.00%
Assumed area (m2)	500	1,981	10.00%	365	0.00%	120	-10.00%
Property age	new	new	0.00%	new	0.00%	new	0.00%
Finishing level	distinct	distinct	0.00%	distinct	0.00%	distinct	0.00%
Property management	There is	There is	0.00%	There is	0.00%	There is	0.00%
Parking availability	Available	Available	0.00%	Available	0.00%	Available	0.00%
Guarding and security	Available	Available	0.00%	Available	0.00%	Available	0.00%
Support services			0.00%		0.00%		0.00%
Net Rating			0.00%		10.00%		-30.00%
net market price after settlement			2,000		1,375		1,516
Average market rental value per square meter	1,630						
Average rental value per square meter for Showrooms in the property	1,500						

Evaluation results | Comparison settlement (offices)

❖ "After the field survey conducted by the work team to determine the rental value of offices similar to those in the property under evaluation, it became clear that the average rental value per square meter in the area ranges between 1,500 riyals and 2,000 riyals, depending on the location of the property, its age, the level of finishing, and other factors. This rate is much lower than the average rental value according to the client's data, as there are two tenants who rent at an average price of more than 7,000 riyals, and the contract of the first ends in 2027 and the second in 2030. Without these two tenants, the average rental value per square meter reaches approximately 1,600, which is an average close to the prevailing rates in the market."

Comparison number	The property being compared	Compare 1	0% + -	Compare 2	0% + -	Compare 3	0% + -
Rental meter value		1,500		1,500		1,900	
Property location			0.00%		0.00%		0.00%
Assumed area (m2)	200	100	0.00%	100	0.00%	200	0.00%
Property age	new	new	0.00%	new	0.00%	new	0.00%
Finishing level	distinct	distinct	0.00%	distinct	0.00%	distinct	0.00%
Property management	There is	There is	0.00%	There is	0.00%	There is	0.00%
Parking availability	Available	Available	0.00%	Available	0.00%	Available	0.00%
Guarding and security	Available	Available	0.00%	Available	0.00%	Available	0.00%
Support services			0.00%		0.00%		0.00%
Net Rating			0.00%		0.00%		0.00%
net market price after settlement			1,500		1,500		1,900
Average market rental value per square meter	1,633						
Average rental value per square meter for offices in the property	1,230						

Evaluation Results | Cash Flows

Office revenues as per current situation	
Current office revenue	4,267,350
Rented space	3,161
Average expected rent per square meter	1,350
Total office revenue at full operation	4,267,350

To calculate the discount rate	
Government bond yield	4.0%
Inflation rate	2.5%
Market risk premium	1.0%
special risk premium	1.0%
Discount rate	8.5%

Showroom revenues according to the current situation	
Total Showroom area	9,277
Total rentable area	8,760
Vacant space in Showrooms	517
Total current rent	11,019,225
Average rent per square meter	1,500
Rent of the vacant part when it is in operation	776,070
Total revenue of Showrooms in full operation	11,795,295

	Cash flows															
	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	31-Dec-29	31-Dec-30	31-Dec-31	31-Dec-32	31-Dec-33	31-Dec-34	31-Dec-35	31-Dec-36	31-Dec-37	31-Dec-38	31-Dec-39	31-Mar-40
Total revenue of the Showrooms in full operation	11,795,295	11,795,295	11,795,295	11,795,295	11,795,295	11,795,295	11,795,295	11,795,295	11,795,295	11,795,295	11,795,295	11,795,295	11,795,295	11,795,295	11,795,295	2,908,429
Total office income at full operation	4,267,350	4,267,350	4,267,350	4,267,350	4,267,350	4,267,350	4,267,350	4,267,350	4,267,350	4,267,350	4,267,350	4,267,350	4,267,350	4,267,350	4,267,350	1,052,223
Annual growth rate	0.0%	10.0%	0.0%	0.0%	10.0%	0.0%	0.0%	10.0%	0.0%	0.0%	5.0%	0.0%	0.0%	5.0%	0.0%	0.0%
Total income after expected increase (exhibits)	11,795,295	12,974,825	12,974,825	12,974,825	14,272,307	14,272,307	14,272,307	15,699,538	15,699,538	15,699,538	16,484,515	16,484,515	16,484,515	17,308,740	17,308,740	4,267,909
Total income after expected increase (offices)	4,267,350	4,694,085	4,694,085	4,694,085	5,163,494	5,163,494	5,163,494	5,679,843	5,679,843	5,679,843	5,963,835	5,963,835	5,963,835	6,262,027	6,262,027	1,544,061
Expected Occupancy Rate (Showrooms)	100.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Expected occupancy rate (offices)	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Effective Income (Showrooms)	11,795,295	12,326,083	12,326,083	12,326,083	13,558,692	13,558,692	13,558,692	14,914,561	14,914,561	14,914,561	15,660,289	15,660,289	15,660,289	16,443,303	16,443,303	4,054,513
Effective Income (Offices)	4,053,983	4,459,381	4,459,381	4,459,381	4,905,319	4,905,319	4,905,319	5,395,851	5,395,851	5,395,851	5,665,643	5,665,643	5,665,643	5,948,925	5,948,925	1,466,858
Total effective income	15,849,278	16,785,464	16,785,464	16,785,464	18,464,010	18,464,010	18,464,010	20,310,411	20,310,411	20,310,411	21,325,932	21,325,932	21,325,932	22,392,229	22,392,229	5,521,371
Estimation of operating and maintenance expenses	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Expected operating and maintenance expenses	1,584,928	1,678,546	1,678,546	1,678,546	1,846,401	1,846,401	1,846,401	2,031,041	2,031,041	2,031,041	2,132,593	2,132,593	2,132,593	2,239,223	2,239,223	552,137
Rent the benefit according to the customer's data	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	7,000,000	7,000,000	7,000,000	1,726,027
Total expenses	7,084,928	7,178,546	7,178,546	7,178,546	7,346,401	7,346,401	7,346,401	7,531,041	7,531,041	7,531,041	7,632,593	7,632,593	9,132,593	9,239,223	9,239,223	2,278,165
net cash flow	8,764,350	9,606,918	9,606,918	9,606,918	11,117,609	11,117,609	11,117,609	12,779,370	12,779,370	12,779,370	13,693,339	13,693,339	12,193,339	13,153,006	13,153,006	3,243,207
Total net present value	101,490,826															
Total value approx.	101,491,000															

Evaluation results

Conclusion

Based on the standards and evaluation methods followed and according to the client's requirements, valuation experts believe that the market value of the property, according to the following information, for the property in the city of (**Riyadh**) in the (**Al Nakheel**) neighborhood, its total area is (**9,091.00**) M2 is as follows:

Total property value
Current net income (SAR)
7,102,893.37
Total benefit right until the end of 2040 (SAR)
101,491,000
Total Benefit (Writing)
One hundred and four million and ninety-one thousand saudi riyals

Notes

Recommendations

✓ By reviewing the above data and based on the market survey and similar sales, the experts of the Saudi Asset Valuation and Evaluation Company believe that the value reached is the most likely value and reflects the current market trend.

General Notes

- ❖ The value fluctuation margin is within + or - 10% depending on current market conditions.
- ❖ The property plot numbers in the building permit are 1628 and 1621, but according to the geographer, the plots are 1617, 1618, 1619, 1620, 1624, 1625, 1626, and 1627.
- ❖ The plan number in the building permit is 2837 while the geographer shows that the plan number is 2837/A.

CEO	PMO Manager
Abdullah Al Mahfouz	Dr. Mohammed BinDakhil
Basic Member (1210000273)	Affiliate Member (1210001216)

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VALUATION
الشركة السعودية لتقييم وتثمين الاصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
C.R.No. 1010206162 ، رقم السجل التجاري
Vat No. 300046706100003 ، رقم الضريبي

الشركة السعودية لتقييم وتثمين الأصول

Saudi Asset Valuation Company

Appendices

Building permit image

Clarification

The Valuation Company and its representatives, including evaluators and assistants, have conducted the valuation process without any bias, and they work objectively and are independent of the client, its subsidiaries or affiliated parties. The Company and its representatives have no current or prospective interest in the client, any of its subsidiaries or affiliated parties, and are not among those who are insiders to the client or those who have internal relationships or connections with the client, its subsidiaries or affiliated parties. The evaluator's fees for the valuation process are not conditional on the results he reaches or any other events. If the Company obtains significant assistance from a third party in relation to any important aspect of the valuation, the nature of such assistance, the extent of reliance on it, and then documenting it in the report, if any.

Real Estate Appraisal Report

Al Andalus Building

Report No.: 129033

Presented by

Middle East Financial Investment Company (MEFIC Capital)

الشركة السعودية لتقييم وتثمين الأصول

Saudi Asset Valuation Company

introduction

Gentlemen/ Middle East Financial Investment Company (MEFIC Capital),

Greetings,

We are honored to have you accept our offer to provide our professional services in the field of valuation of a property (**commercial building**). In the city of (**Jeddah**) in the (**Al-Hamra**) district , its area is (**2,500**) m². Accordingly , we inspected the property subject to the evaluation and determined the optimal method to reach the market value while adhering to the local and international standards and regulations in force in the field of evaluation, especially the international valuation standards (2022) approved by the Saudi Authority for Accredited Valuers, on the basis of which the data was collected and analyzed to reach the market value. Based on following the standards and evaluation methods followed and according to the client's requirements, valuation experts believe that the market value (of the commercial building) is equal to (**38,086,000**) Saudi riyals , as documented in this report.

CEO

Abdullah Al Mahfouz

Basic Member (1210000273)

Table of Contents

Executive Summary

Item	Statement	Item	Statement
Customer Name	Middle East Financial Investment Company (MEFIC Capital)	instrument number	393563000196
Beneficiaries of the evaluation	Middle East Financial Investment Company (MEFIC Capital)	Date of instrument	1446/3/13
Purpose of evaluation	Periodic evaluation of the assets of the Mefic REIT Fund	Part Number	4
Property Type	Commercial building	Scheme number	-
Property Address	Kingdom of Saudi Arabia - Jeddah - Al Hamra	Value basis	Market value
Property area	2,500m2	Evaluation criteria followed	International Evaluation Standards 2022
Nature of ownership	Mortgaged	Preview date	01/19/2025
Evaluation method used	Market approach (comparable transactions method) Cost method (substitution method) Income approach (income capitalization) Income Approach (Discounted Cash Flow Method)	Evaluation date	12/31/2024
		Report Release Date	02/16/2025
Market value of the property (SAR)		**38,086,000**	

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Saudi Asset Valuation Company

The first axis

General criteria

- These standards specify the requirements and requirements for carrying out valuation work, except for what is modified by the Assets Standard or Valuation Applications, and the purpose of these standards is to apply them to the valuation work of all assets and for any other evaluation purposes to which the Valuation Standards apply.
- This report has been prepared by the Saudi Company for Assets Evaluation and Valuation (License No. 1210000272 dated 18/04/1437H) and its work team, which enjoys the highest levels of efficiency and necessary impartiality, benefiting from the resources available to us, represented in the efficiency of our advisory team, which includes a selection of qualified consultants with high academic degrees and experiences in the field of evaluation Consultations, and what our company has of an information base that was built through its evaluation expertise and through the collection of data, information and statistics issued by official and non-official agencies, which gives the evaluators the capacity to carry out their tasks to the fullest, and the company is working to update its information base in a way Continuous.
- Our experience in evaluation and consulting work is more than 16 years, and we have submitted more than 35,000 evaluation reports during our work period.
- Tathmeen Company was honored to provide its services to governmental and semi-governmental agencies, to most of the banks located in the Kingdom, financial companies, real estate companies, industrial sectors, commercial companies and others.

General Standards | Scope of Work (Standard No. 101)

Nature of the assets being valued	
The city	Jeddah
The neighborhood	Al Hamra
Area	(2,500) m^2

Customer Information and Usage	
Customer Name	Middle East Financial Investment Company (MEFIC Capital)
Report owner	Middle East Financial Investment Company (MEFIC Capital)
Usage	internal

Scope of work	the details
Report Description	A report explaining the methodology and steps of the evaluation, the results of the evaluation, and photographs and borders of the assets subject to the evaluation, in accordance with Standard 1.2 on compliance with standards and research and investigation work, and Standard 1.3 on preparing reports. (International Valuation Standards 2022, from page 26 to page 31)
Purpose of evaluation	Periodic evaluation of the assets of the Mefic REIT Fund
Assumptions and special assumptions	○ Pictures of the instrument were received from the customer, but Tathmeen did not work to verify its validity. ○ The property has been mortgaged, along with any construction that has been or will be built on it, in favor of the Saudi First Bank for an amount of 400,000,000 riyals as a guarantee to fulfill part of the financial obligations and dues of Amar Real Estate Development and Investment Company.
Scope of research and investigation	We have studied the real estate market in the area of the targeted property within a radius of 5 km and used in the study the properties closest to the targeted property in terms of specifications and areas for each one and we have made every effort to ensure the accuracy of the information obtained as much as possible.
Nature and sources of information	Real estate offices in the targeted area, real estate dealers, the Ministry of Justice, and the database of the valuation company, which is constantly updated.
Currency used in the report	Saudi riyal.

General Standards | Scope of Work (Standard No. 101)

Scope of work	the details
Value basis (Value type)	**Market value:** It is the estimated amount for which assets or liabilities should be exchanged on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing where each party has acted knowledgeably and prudently without compulsion. Source: International Valuation Standards 2022 page 36, paragraph 3.1
State of uncertainty	It is the state resulting from the lack of evidence and indicators at a certain period of time that enables the valuator to perform the valuation process in the best way
Restrictions on usage Distribution or publication	This report is for the purpose for which it was prepared and shall not be used, circulated, quoted or otherwise referred to in any case for any other purpose. Accordingly, the Company or the valuator shall not be liable for any loss suffered by any party as a result of using the valuation report in violation of the provisions of this section. The evaluator reserves all rights to issue the valuation report. This report shall not be reproduced in any manner without an explicit consent of the Company. This report shall not be submitted to any party other than those referred to in it without the explicit consent of the Company. As a precaution, the Company and the valuator reserve the right to make any adjustments and to make any review of the valuation or support the result of the valuation under specific circumstances. The Company reserves the right, without any obligation, to review the valuation accounts and to amend and revise its findings in the light of information that existed at the date of the valuation but which was subsequently made clear.
Compliance with international valuation standards	The methodologies adopted by the company in the field of valuation, which are based on sound foundations and solid constants in line with local and international standards in force, especially the application of the International Valuation Standards 2022
Valuator's neutrality	Tathmen and its representatives, whether residents or assistants, carried out the valuation process without bias. They also work with objectivity and enjoy independence from the client and his subsidiaries or affiliates. Tathmen and its representatives have no current or potential interest with the client or any of his subsidiaries or affiliates. They are not also among those who know the insides of the client's affairs or though who have internal relations or links with the client, his subsidiaries or affiliates. Moreover, the valuator's fees for the valuation process are not conditional on the findings reached or any other events. In case the Company obtained a significant assistance from another party regarding an important aspect of the valuation, the nature of this assistance and the extent of reliance on it, if any, shall be mentioned and documented in the report

Scope of work / Stages of work (2-2)

01 Asset Preview

The title deed was received from the client, which shows that the property's area is 2,500 m2 in addition to a sketch showing the location of the property. After that, the property was identified and the information provided by the client was matched with reality.

02 Defining characteristics of Property

Through the inspection, it was found that the asset under evaluation is a (commercial building) in (Jeddah).

03 Data collection

Based on the type of property being evaluated, the scope of data collection was determined in the city (Jeddah) and (Al Hamra) district, especially the area surrounding the property.

04 Data Analysis

The data available in the real estate area, which was obtained from unofficial sources such as real estate offices operating in the real estate area, and from official sources represented in the indicators of the Ministry of Justice, was analyzed.

05 Application of Valuation Methods

After the experts assessed the current use in terms of the market and the available data, it was concluded that the comparable sales method, the cost method and the income method are the best for estimating the value of the property.

06 Value Appraisal

After reconciling the results of the evaluation methods, a value is weighted that corresponds to the scope of work described with the customer.

07 Value Review

Value review by an audit committee consisting of 3 other experts who reviews the information, analyzes and assumptions made by the valuer.

08 Report preparation

Work on preparing the report in accordance with Standard 101 for Report Description and Standard 103 for Reporting.

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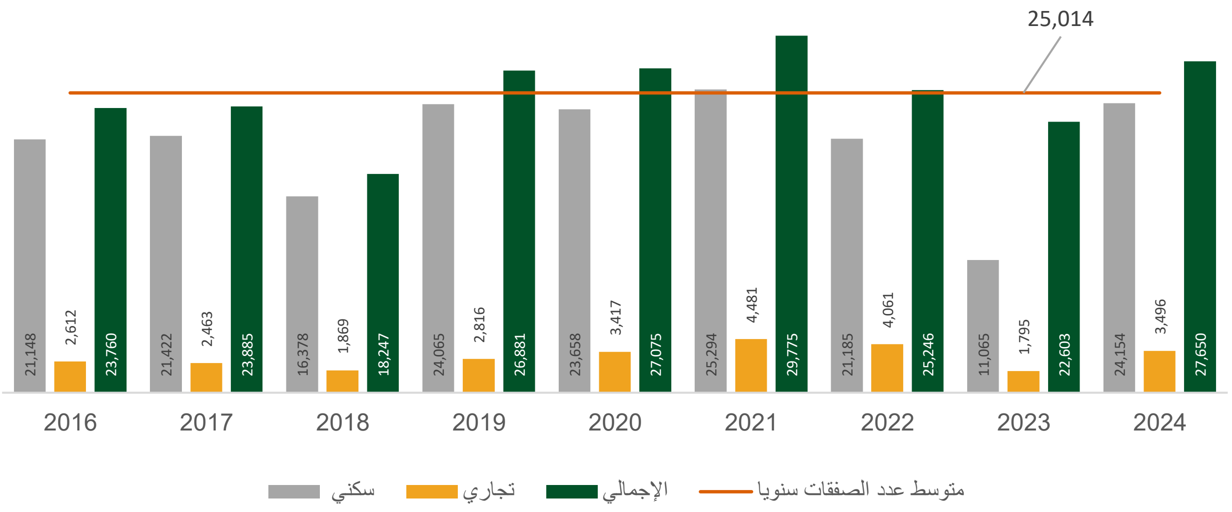
The second axis

Market Analysis

Analysis of real estate market indicators from Ministry of Justice data: 01

Number of transactions executed in Jeddah city by usage

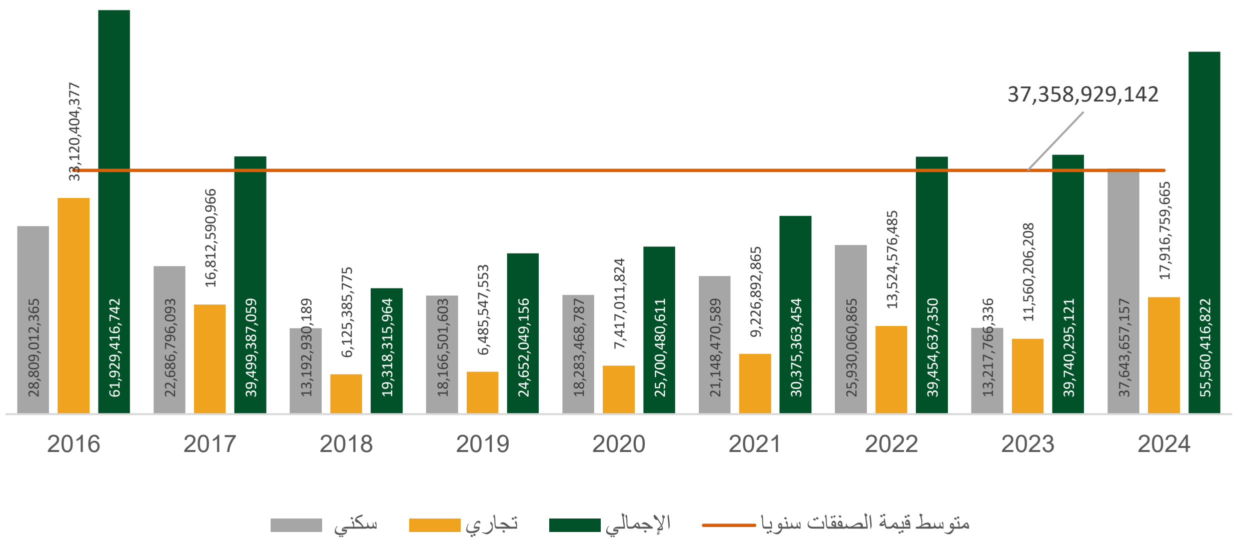


Total number of land deals executed in Jeddah❖

Total	commercial	residential	Year
23,760	2,612	21,148	2016
23,885	2,463	21,422	2017
18,247	1,869	16,378	2018
26,881	2,816	24,065	2019
27,075	3,417	23,658	2020
29,775	4,481	25,294	2021
25,246	4,061	21,185	2022
22,603	1,795	11,065	2023
27,650	3,496	24,154	2024

Analysis of real estate market indicators from Ministry of Justice data: 01

Value of transactions executed in Jeddah city by usage

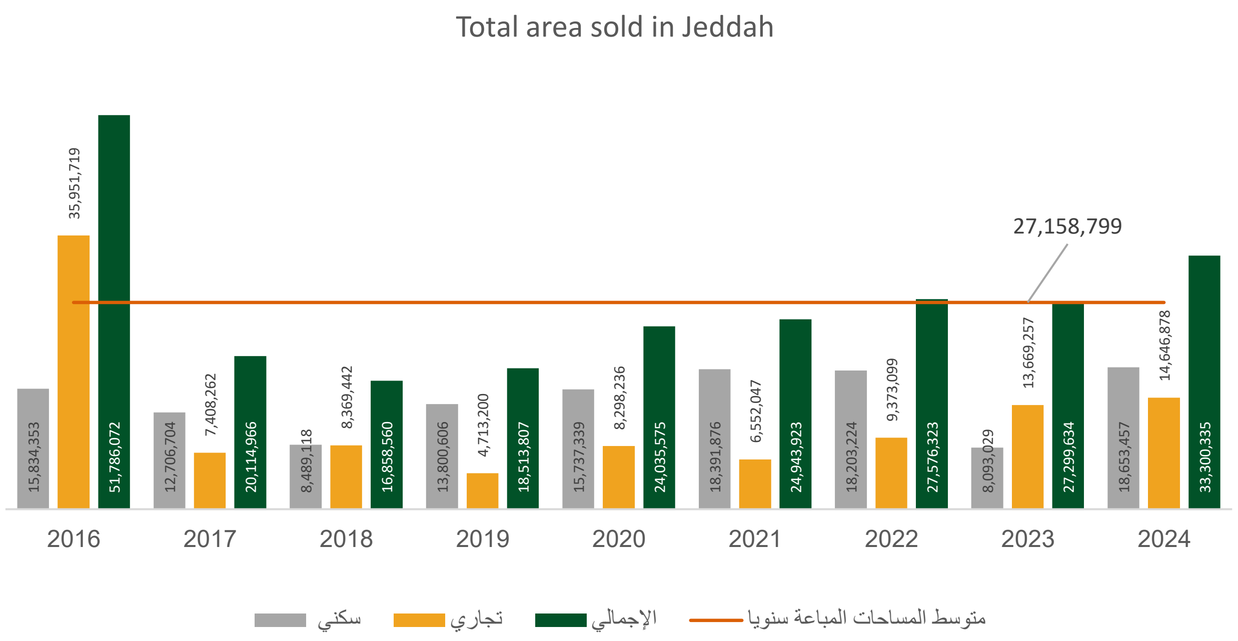


Total value of land deals executed in Jeddah❖

Total	commercial	residential	Year
61,929,416,742	33,120,404,377	28,809,012,365	2016
39,499,387,059	16,812,590,966	22,686,796,093	2017
19,318,315,964	6,125,385,775	13,192,930,189	2018
24,652,049,156	6,485,547,553	18,166,501,603	2019
25,700,480,611	7,417,011,824	18,283,468,787	2020
30,375,363,454	9,226,892,865	21,148,470,589	2021
39,454,637,350	13,524,576,485	25,930,060,865	2022
39,740,295,121	11,560,206,208	13,217,766,336	2023
55,560,416,822	17,916,759,665	37,643,657,157	2024

Analysis of real estate market indicators from Ministry of Justice data: 01

Total area sold in Jeddah



Total area sold in Jeddah❖

Total	commercial	residential	Year
51,786,072	35,951,719	15,834,353	2016
20,114,966	7,408,262	12,706,704	2017
16,858,560	8,369,442	8,489,118	2018
18,513,807	4,713,200	13,800,606	2019
24,035,575	8,298,236	15,737,339	2020
24,943,923	6,552,047	18,391,876	2021
27,576,323	9,373,099	18,203,224	2022
27,299,634	13,669,257	8,093,029	2023
33,300,335	14,646,878	18,653,457	2024

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The third axis

Evaluation methods

Evaluation methods

The income method (discounted cash flow method) has been adopted to reach the market value of the property under evaluation But we point out that there are several basic methods used in the evaluation, and these methods are based on the economic principles of price equilibrium or expectation of benefits or replacement and recommend the use of more than one method or method of evaluation, especially in the absence of data and data realistic and noticeable enough to ensure that the method of evaluation one to reach a reliable and reliable result.

Market method	• This method provides indicators of value by comparing the asset being valued with identical or similar assets whose price information is available. • According to this method, the first step is to study the transaction prices of identical or similar assets that have recently taken place in the market. If the transactions made are few, it is also best to study the prices of identical or similar assets listed or offered for sale, provided that this information is clear and objectively analyzed. The information regarding the prices of these transactions should be adjusted to reflect the differences in the terms and conditions of the actual transaction, the basis of value, and the assumptions that are adopted in the valuation process carried out. There may also be differences in the legal, economic and material characteristics of other transaction assets compared to the asset being valued.
Income method	• It provides an indicator of value by converting future cash flows into a single current capital value. • This method deals with the income generated by the asset during the productive life (the life span of the asset) and the value is estimated through the capitalization process, and capitalization means converting income into a capital amount using an appropriate discount rate. Income flows are handled under non-contractual contracts or arrangements, such as the expected profit from the use or retention of the asset. • And it includes the methods that fall within the income method • Income capitalization by applying the risk factor or total capitalization to one usual income period. • Present Value of Cash Flows where the discount rate is applied to a series of cash flows for future periods to reach the present value. • Pricing models with diverse options
Cost method	• Provide indicators of value using the economic principle that the buyer does not pay for the purchase of an asset more than the cost of obtaining an asset of the same benefit, whether through purchase or construction, and this method is based on the principle that the price that the buyer pays in the market against the asset subject of evaluation will not be more than the cost of buying or creating an equivalent asset unless there are factors such as inappropriate timing, inappropriateness, the presence of risks or factors. Other. The asset subject of valuation is often less attractive than an alternative that can be purchased or created due to the age or obsolescence of the asset. In this case, adjustments and adjustments in the cost of the replacement asset are needed according to the required value basis.

Evaluation methods

The following figure shows the appraisal methods adopted to reach the market value of the property in the evaluation of the property:

Income method	• Investment Method	Unused
	• Discounted cash flow method	Used
	• Residual value method	Unused
	• Earning method	Unused
	• Income capitalization method	Used
Market method	• Comparable transactions methods	Used
Cost method	• Contractor's Method - (Cost)	Used

Evaluation methods

Style	Income approach (income capitalization)	Used for	income generating properties

Definition of style

- Provides an indication of value by converting future cash flows into a single present capital value.

- This method deals with the income generated by the asset during its productive life (the expected life of the asset) and the value is estimated through the capitalization process, and capitalization means converting income into a capital amount using an appropriate discount rate. Income streams are generated under contracts or non-contractual arrangements such as the expected profit from using or keeping the asset

- The methods that fall within the income approach include (income capitalization) by applying the risk factor or total capitalization to a single regular income period.

methodology

- The focus of the method is on the expected net cash income from the asset, taking into account any capital costs required to ensure the realization or continuity of the expected income.
- The market researcher focuses on identifying the appropriate income indicators for the property and their degree of sustainability according to the expected future supply and demand forces, not the historical ones.
- If the asset has a stable income, capitalization is likely to be used instead of cash flows.
- Estimating the capitalization and discount factor is a constant challenge for the valuer due to the lack of market transparency.

Evaluation methods

Style	Income Approach (Discounted Cash Flow Method)	Used for	income generating properties

Definition of style

- In the discounted cash flow method, the cash flows are discounted to the valuation date, which results in the present value of the asset.
- may include a terminal value that represents the value of the asset at the end of the explicit forecast period. In other cases, the value of the asset may be calculated using only a terminal or terminal value without an explicit forecast period; this is sometimes referred to as the income capitalization method .

methodology

The main steps in the discounted cash flow method are as follows:

- Selecting the most appropriate types of cash flows for the nature of the task and the asset being valued (cash flows, or cash flows) (pre-tax, post-tax, gross, real or nominal, etc.)
- Determine the most appropriate explicit cash flow forecast period, if any.
- Prepare cash flow forecasts for that period.
- Determine whether the terminal value is appropriate for the asset being valued at the end of the explicit forecast period (if applicable), and then determine the terminal value appropriate for the nature of the asset.
- Determine the appropriate discount rate.
- Apply the discount rate to the expected future cash flows, including the terminal value if any.

Evaluation methods

Style	Market approach (comparable transactions method)	Used for	Lands

Definition of style

- The comparable transactions method, also known as the indicative transactions method, uses information about transactions for identical or similar assets to the asset being valued to arrive at an indication of value. Source (International Valuation Standards 2022, electronic version, page 48, paragraph 30.1)
- When the comparables being considered involve transactions for the underlying asset this method is sometimes referred to as the prior transactions method.
- According to this method, the first step is to study the transaction prices of identical or similar assets that have recently been in the market. If the transactions have been few, it is also preferable to study the prices of identical or similar assets listed or offered for sale, provided that this information is clear and has been analyzed objectively. The information on the prices of these transactions should be adjusted to reflect differences in the terms and conditions of the actual transaction, the basis of value, and the assumptions that are adopted in the valuation process being carried out. There may also be differences in the legal, economic and physical characteristics of the assets of other transactions compared to the asset being valued.

methodology

- Similar bids data was collected from the Ministry of Justice index and the market survey of the real estate area, and the data available in the Saudi Asset Valuation and Evaluation Company database was used, sorted, classified and the necessary adjustments were made to reach accurate results.

Application

- Identify the units of comparison used by relevant market participants.
- Identify relevant comparable transactions and calculate key valuation metrics for those transactions.
- Conduct a consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the asset being valued.
- Make the necessary adjustments, if any, to the valuation criteria to reflect the differences between the asset being valued and the comparative assets.
- Applying the modified valuation criteria to the asset being valued.
- Reconciliation between value indicators is done if more than one metric is used for evaluation.

Evaluation methods

Style	Cost method (substitution method)	Used for	Buildings

Definition of style

- The cost approach provides an indication of value using the economic principle that a buyer will not pay more for an asset than it would cost to acquire an asset of similar utility by purchase or construction unless time, inconvenience, risk or other factors are involved.
- The method provides an indication of value by calculating the current cost of replacing or reproducing the asset, and then deducting physical depreciation and all other forms of obsolescence.
- Replacement cost is the cost of determining the price that a participant would pay to obtain a similar benefit of the asset being valued rather than the exact physical characteristics of the asset. Source (International Valuation Standards 2022, electronic version, page 59, paragraph 70.2)

methodology

- Replacement cost is usually adjusted for physical deterioration and all related forms of obsolescence, and after these adjustments the replacement cost can be referred to as depreciated replacement cost.

Application

- Calculate all the costs incurred by a typical market participant to create or obtain an asset that provides similar utility.
- Identify any physical, functional or external depreciation or obsolescence of the asset being valued.
- Depreciation is deducted from the total costs to arrive at the value of the asset being evaluated.

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Saudi Asset Valuation Company

The fourth axis

Property information and description

Property Description

Important information about the property	
Property Name	Al Andalus Building
the site	Al Andalus district in Jeddah
Property Type	Commercial office building
Property age	About 40 years
Land area (m2)	2,500
Building area	9,663.75
Number of floors	Ground floor +6 repeated floors
value of lease contracts	Annual contracts
Exhibition occupancy rate (%)	90%
Office occupancy rate (%)	70%
Total current income (SAR)	3,092,187
Estimated operating and maintenance expenses (SAR)	25%
Estimated operating and maintenance expenses (SAR)	783,293
Net Operating Income (SAR)	2,308,894

Property Description

General Description	The property is a commercial building in Jeddah, Al Hamra district, with an area of 2,500 m2.

Site Description	
The State	Kingdom of Saudi Arabia
Area	Mecca
The city	Jeddah
The neighborhood	Al Hamra
The Street	Al Andalus

Ownership Data	
Check number	393563000196
Date of the instrument	1446/3/13
Part Number	4
Scheme number	-
Block number	-

Nature of the property	☑ Flat	☐ Low	☐ High	☐ Burial	☐ Dabkha	Sandy	Rocky
Usage system	Residential - Commercial - Office						

Property Description

Site borders and lengths				
Northern	Street width 20 m separated from Sheikh Mohammed Taweel	With a length	50.00	M
Southern	Bounded by property	With a length	50.00	M
Eastern	Bounded by property	With a length	50.00	M
Western	A street width of 10 m separates it from the property	With a length	50.00	M

Services available at the site					
✔	Security Services		✔	Electricity	
✔	Medical Centers		✔	Water	
✔	Schools		✔	Illumination	
✔	Shopping Centers		✔	Telephone	
✔	Afforestation		✔	Asphalt Roads	

Property location

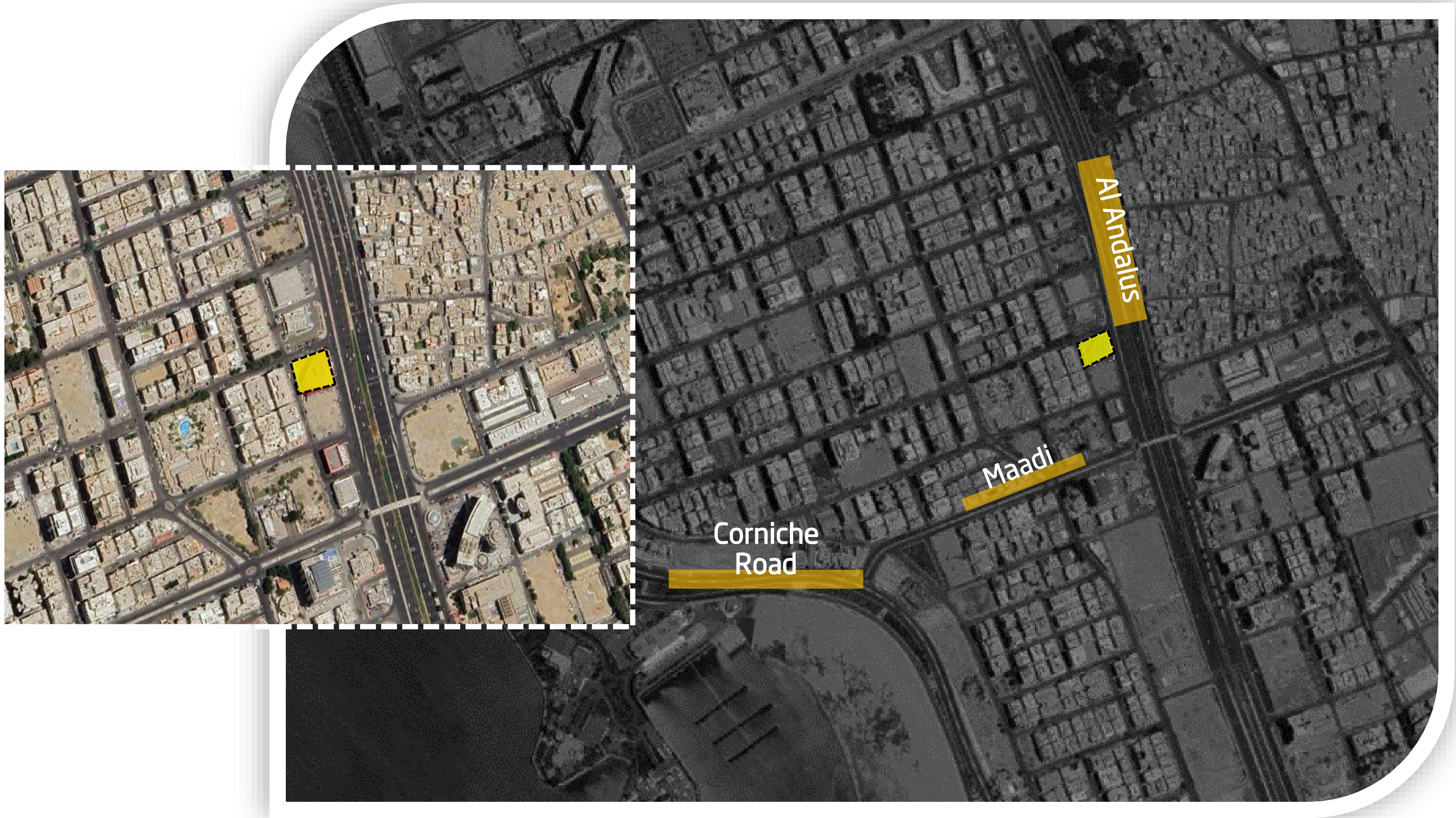
At the level of Jeddah city

Jeddah is the capital of Jeddah Governorate, one of the governorates of Makkah Al-Mukarramah Region. It is located in the west of the Kingdom of Saudi Arabia on the Al Hamra Sea coast. The city is 949 km from the capital, Riyadh, 79 km from Makkah Al-Mukarramah, and 420 km from Medina. It is the economic and tourist capital of the Kingdom of Saudi Arabia. It is the second largest city in the Kingdom of Saudi Arabia after the capital, Riyadh, and the largest city in the Makkah Al-Mukarramah Region. It is the gateway to the Two Holy Mosques, has the largest seaport on the Al Hamra Sea, and is a center for finance and business in the Kingdom of Saudi Arabia.

Property location
At the level of Al Hamra district

Al Hamra district is located north of the tourist capital, facing the Al Hamra Sea coast, which borders it on the west. It is also bordered on the north by Granada Road and on the east by Medina Road. Palestine Road is located on its southern border. King Fahd Road is located nearby, and Al Andalus Road intersects it from the inside. Al Hamra district in Jeddah is one of the most upscale residential and tourist districts in Jeddah, as it enjoys luxury in its architectural designs, internal divisions, and the extreme tranquility of its residents. The district is full of hotels, restaurants, and important tourist and service landmarks, which make it one of the best residential and tourist districts in Jeddah.

Croquis and border image of the property location



"The property is located in Al Hamra district and is bordered to the north by a 20 m wide street, to the east by the princely properties, to the south by the princely properties, and to the west by a 10 m wide street."

Site Analysis | Photos Showing the Nature of the Property

Property image

Property image

Property image

Property image

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Fifth axis

Valuation result and recommendations

Evaluation Results | Comparison Map

meter	Area	Deal Type	Comparison number
11000	2,731m	On display	1
14,000	6,891m	On display	2
10,500	2,080m	On display	3

Evaluation Results | Comparison Settlement

Settlements	The property under evaluation	Compare 1	0% + -	Compare 2	0% + -	Compare 3	0% + -
Price per square meter		11,000		14,000		10,500	
Settlement elements							
1- Financing terms		cash sale	0.0%	cash sale	0.0%	cash sale	0.0%
Value per meter after settling the financing terms		11,000		14,000		10,500	
2- Market conditions			0.0%		0.0%		0.0%
3- Property characteristics							
the site		Similar	0.0%		-15.0%		0.0%
Transaction history		January 2025	0.0%	January 2025	0.0%	December 2024	0.0%
Transaction type		On display	0.0%	On display	0.0%	On display	0.0%
Type of use	commercial	commercial	0.0%	commercial	0.0%	commercial	0.0%
Area (m2)	2,500.00	2,731	0.0%	6,891	15.0%	2,080	0.0%
Ease of access	Good	Good	0.0%	Good	0.0%	Good	0.0%
Number of streets	3 streets	Two streets	0.0%	Two streets	0.0%	Two streets	0.0%
proximity to main road	On the road to Al Andalus	On the road to Al Andalus	0.0%	On the road to Al Andalus	0.0%	King Fahd Road	10.0%
proximity to amenities	close	close	0.0%	close	0.0%	close	0.0%
Services availability	All services are available	All services are available	0.0%	All services are available	0.0%	All services are available	0.0%
regularity of the earth's shape	regular	regular	0.0%		0.0%		0.0%
margin of negotiation			0.0%		0.0%		0.0%
Other factors			0.0%		0.0%		0.0%
Total Settlements			0.0%		0.0%		10.0%
Net Market Price after Settlement (SAR)		11,000		14,000		11,550	
Weighted		30%		40%		30%	
Average price per square meter (SAR/m2)	12,365						
Price per meter after rounding	12,350						

Evaluation results | Substitution method

Cost method (substitution method)		
Repeated floor building surfaces	9,664	m2
Cost of construction per square meter/repeated floors (before other costs)	2,500	riyal
Other costs	**Value**	**% of construction costs**
Professional fees	5.0%	%
Utility network	5.0%	%
Management costs	10.0%	%
Contractor profit	15.0%	%
Average recurring floor build (after adding other costs)	3,375	riyal
Total value of buildings before depreciation	32,615,156	riyal
building life expectancy	50.0	year
remaining economic life	14.5	year
Effective age	36.0	year
Total depreciation rate	72.0%	%
Average recurring building after depreciation	945	riyal
Net construction costs after depreciation	9,132,244	riyal
Land area	2,500	m2
Land meter value	12,350	riyal
Total land value	30,875,000	riyal
Total property value	40,007,244	riyal
Property value (approx.)	40,007,000	riyal

Evaluation Results | Direct Capitalization

Income Capitalization Method (as per current situation)	
Item	Value
Current effective income (SAR)	3,092,187
Operating and maintenance expenses % (according to customer data)	25%
Operating and maintenance expenses (SAR)	783,293
Net income (SAR)	2,308,894
Capitalization rate %	8.0%
Property value (SAR)	28,861,174
Total property value approx. (SAR)	28,861,000

Evaluation Results | Cash Flows

To calculate the discount rate	
government bond yield rate	4.0%
Inflation rate	2.0%
Market risk premium	2.0%
special risk premium	3.0%
Discount rate	11.0%
To calculate the last (recovery) value	
Capitalization factor	8.5%
Growth rate	2.0%

Office revenue	
Total leasable area	4,726
Rented area	2,562
Vacant space	2,164
Total current revenue	1,053,570
Current occupancy rate	54%
Current average rental per square meter	411
Estimating the income of the vacant part in case of renting it	889,901
Total office revenue at full operation	1,943,471

Exhibition revenues	
Total leasable area	2,493
Rented area	1,958
Vacant space	535
Total current revenue	1,770,542
Current occupancy rate	79%
Average rent per square meter (showrooms)	904
Rent of the vacant part when it is in operation	483,779
Total revenue of exhibitions in full operation	2,254,321

	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	31-Dec-29	31-Dec-30
Total revenue of the exhibitions in full operation	2,254,321	2,254,321	2,254,321	2,254,321	2,254,321	2,254,321
Total office income at full operation	1,943,471	1,943,471	1,943,471	1,943,471	1,943,471	1,943,471
Annual growth rate	0.0%	5.0%	0.0%	0.0%	5.0%	0.0%
Total income after expected increase (exhibits)	2,254,321	2,367,037	2,367,037	2,367,037	2,485,389	2,485,389
Total income after expected increase (offices)	1,943,471	2,040,644	2,040,644	2,040,644	2,142,676	2,142,676
Expected Occupancy Rate (Exhibitions)	90%	95%	95.0%	95.0%	95.0%	95.0%
Expected occupancy rate (offices)	70.0%	75.0%	75.0%	75.0%	75.0%	75.0%
Effective Income (Exhibitions)	2,028,889	2,248,686	2,248,686	2,248,686	2,361,120	2,361,120
Effective Income (Offices)	1,360,429	1,530,483	1,530,483	1,530,483	1,607,007	1,607,007
Total effective income	3,389,319	3,779,169	3,779,169	3,779,169	3,968,127	3,968,127
Operating and maintenance expense ratio	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Expected operating and maintenance expenses	677,864	755,834	755,834	755,834	793,625	793,625
Net operating income	2,711,455	3,023,335	3,023,335	3,023,335	3,174,502	3,174,502
Last value (redemption value)						40,474,897
Annual net cash flow	2,711,455	3,023,335	3,023,335	3,023,335	3,174,502	43,649,398
Total property value	38,085,924					
Total value approx.	38,086,000					

Evaluation results

Conclusion

Based on the standards and evaluation methods followed and according to the client's requirements, valuation experts believe that the market value of the property, according to the following information, for the property in the city of **Jeddah** in the Al- **Hamra district** , its total area is (**2,500**) M2 is as follows:

Total property value
Current net income of the property (SAR)
2,308,893.96
Total property value (cash flow)
38,086,000
Total property value (in writing)
Thirty-eight million and eighty-six thousand saudi riyals

Notes

Recommendations

✓ By reviewing the above data and based on the market survey and similar sales, the experts of the Saudi Asset Valuation and Evaluation Company believe that the value reached is the most likely value and reflects the current market trend.

General Notes

❖ The value fluctuation margin is within + or - 10% depending on current market conditions.

❖ The property has been mortgaged, along with any construction that has been or will be built on it, in favor of the Saudi First Bank for an amount of 400,000,000 riyals as a guarantee to fulfill part of the financial obligations and dues of Amar Real Estate Development and Investment Company .

❖ It is stated in the deed that the property is bordered to the east by the princely properties, while the eastern border of the property, by nature, is Al Andalus Street.

CEO		PMO Manager
Abdullah Al Mahfouz		Dr. Mohammed BinDakhil
Basic Member (1210000273)		Affiliate Member (1210001216)

الشركة السعودية لتقييم وتثمين الاصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
C.R.No. 1010206162 ، رقم السجل التجاري
Vat No. 300046706100003 ، رقم الضريبي

الشركة السعودية لتقييم وتثمين الأصول
Saudi Asset Valuation Company

Appendices

Title Deed image

وثيقة تملك عقار

الرقم: 393563000196
التاريخ: 2024/09/16
1446/3/13

البيانات الأساسية

رقم الوثيقة	393563000196	تاريخ الوثيقة	1446/3/13
القيود	مرهون	الحالة	فعال
تاريخ الوثيقة السابقة	1446/2/24	المساحة	2,500
نوع العملية	صفقة بتمويل	رقم الوثيقة السابقة	460001438957

القيود

القيد	الجهة المرتهنة	رقم المنشأة	قيمة الرهن	تاريخ الاستحقاق
مرهون	البنك السعودي الأول	7000018668	ر.س 400,000,000	

الملاك

رقم الهوية	الاسم	نسبة التملك
7004304379	شركة امار للتطوير والاستثمار العقاري شركة شخص واحد	% 100

العقار

رقم الهوية العقارية	نوع العقار	مساحة العقار(م²)	نوع الاستخدام
لا يوجد	قطعة الارض	2,500	لا يوجد

البلك	المجاورة / الجزء
لا يوجد	لا يوجد

الموقع	نموذج العقار
لا يوجد	لا يوجد

رقم القطعة	رقم المخطط	الحي	المدينة
4		الحمراء	جدة

الحد	النوع	وصف الحد	الطول م	
شمالا	شارع	عرض 20م يفصلها عن ملك الشيخ محمد الطويل	50	خمسون متر
جنوبا	يحده	الاملاك الاميريه	50	خمسون متر
شرقا	يحده	الاملاك الاميريه	50	خمسون متر
غربا	شارع	عرض 10م يفصلها عن الاملاك الاميريه	50	خمسون متر

*العقار لا يقع في مخطط تنظيمي معتمد
صدرت هذه الوثيقة من منصة البورصة العقارية ويمكن التحقق من صحة هذه الوثيقة عبر خدمات وزارة العدل.
الصفحة 1 من 1

Clarification

The Valuation Company and its representatives, including evaluators and assistants, have conducted the valuation process without any bias, and they work objectively and are independent of the client, its subsidiaries or affiliated parties. The Company and its representatives have no current or prospective interest in the client, any of its subsidiaries or affiliated parties, and are not among those who are insiders to the client or those who have internal relationships or connections with the client, its subsidiaries or affiliated parties. The evaluator's fees for the valuation process are not conditional on the results he reaches or any other events. If the Company obtains significant assistance from a third party in relation to any important aspect of the valuation, the nature of such assistance, the extent of reliance on it, and then documenting it in the report, if any.

Real Estate Appraisal Report

Dranf Ajyad Hotel

Report No.: 129034

Presented by

Middle East Financial Investment Company (MEFIC Capital)

الشركة السعودية لتقييم وتثمين الأصول

Saudi Asset Valuation Company

introduction

Gentlemen/ Middle East Financial Investment Company (MEFIC Capital),

Greetings,

We are honored to accept your offer to provide our professional services in the field of valuation of a property (**hotel**). In the city of (**Makkah Al-Mukarramah**) in the (**Rai Bakhsh**) neighborhood, its total area is (**1,780.97**) m². Accordingly, we inspected the property subject to the evaluation and determined the optimal method to reach the market value while adhering to the local and international standards and regulations in force in the field of evaluation, especially the international valuation standards (2022) approved by the Saudi Authority for Accredited Valuers, on the basis of which the data was collected and analyzed to reach the market value. Based on following the standards and evaluation methods followed and according to the client's requirements, valuation experts believe that the market value (of the hotel) is equal to (**109,541,000)** Saudi riyals , as documented in this report.

CEO
Abdullah Al Mahfouz
Basic Member (1210000273)

Table of Contents

Executive Summary

Item	Statement	Item	Statement
Customer Name	Middle East Financial Investment Company (MEFIC Capital)	instrument number	281809000853 - 781809000851
Beneficiaries of the evaluation	Middle East Financial Investment Company (MEFIC Capital)	Date of instrument	1446/3/22
Purpose of evaluation	Periodic evaluation of the assets of the Mefic REIT Fund	Part Number	31 and 32
Property Type	hotel	Scheme number	18/8/1
Property Address	Kingdom of Saudi Arabia - Mecca - Ri'a Bakhsh	Value basis	Market value
Total property area	1,780.97 m2	Evaluation criteria followed	International Evaluation Standards 2022
Nature of ownership	Mortgaged	Preview date	01/19/2025
Evaluation method used	Income method (residual value)	Evaluation date	12/31/2024
		Report Release Date	02/16/2025
Market value of the property (SAR)		**109,541,000**	

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Saudi Asset Valuation Company

The first axis

General criteria

- These standards specify the requirements and requirements for carrying out valuation work, except for what is modified by the Assets Standard or Valuation Applications, and the purpose of these standards is to apply them to the valuation work of all assets and for any other evaluation purposes to which the Valuation Standards apply.
- This report has been prepared by the Saudi Company for Assets Evaluation and Valuation (License No. 1210000272 dated 18/04/1437H) and its work team, which enjoys the highest levels of efficiency and necessary impartiality, benefiting from the resources available to us, represented in the efficiency of our advisory team, which includes a selection of qualified consultants with high academic degrees and experiences in the field of evaluation Consultations, and what our company has of an information base that was built through its evaluation expertise and through the collection of data, information and statistics issued by official and non-official agencies, which gives the evaluators the capacity to carry out their tasks to the fullest, and the company is working to update its information base in a way Continuous.
- Our experience in evaluation and consulting work is more than 16 years, and we have submitted more than 35,000 evaluation reports during our work period.
- Tathmeen Company was honored to provide its services to governmental and semi-governmental agencies, to most of the banks located in the Kingdom, financial companies, real estate companies, industrial sectors, commercial companies and others.

General Standards | Scope of Work (Standard No. 101)

Nature of the assets being valued	
The city	Mecca
The neighborhood	Rai Bakhsh
Area	(1,780.97) m²

Customer Information and Usage	
Customer Name	Middle East Financial Investment Company (MEFIC Capital)
Report owner	Middle East Financial Investment Company (MEFIC Capital)
Usage	internal

Scope of work	the details
Report Description	A report explaining the methodology and steps of the evaluation, the results of the evaluation, and photographs and borders of the assets subject to the evaluation, in accordance with Standard 1.2 on compliance with standards and research and investigation work, and Standard 1.3 on preparing reports. (International Valuation Standards 2022, from page 26 to page 31)
Purpose of evaluation	Periodic evaluation of the assets of the Mefic REIT Fund
Assumptions and special assumptions	○ The property has been mortgaged, along with any construction that has been or will be built on it, in favor of the Saudi First Bank for an amount of 400,000,000 riyals as a guarantee to fulfill part of the financial obligations and dues of Amar Real Estate Development and Investment Company. ○ Pictures of the instrument were received from the customer, but Tathmeen did not work to verify its validity.
Scope of research and investigation	We have studied the real estate market in the area of the targeted property within a radius of 5 km and used in the study the properties closest to the targeted property in terms of specifications and areas for each one and we have made every effort to ensure the accuracy of the information obtained as much as possible.
Nature and sources of information	Real estate offices in the targeted area, real estate dealers, the Ministry of Justice, and the database of the valuation company, which is constantly updated.
Currency used in the report	Saudi riyal.

General Standards | Scope of Work (Standard No. 101)

Scope of work	the details
Value basis (Value type)	**Market value:** It is the estimated amount for which assets or liabilities should be exchanged on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing where each party has acted knowledgeably and prudently without compulsion. Source: International Valuation Standards 2022 page 36, paragraph 3.1
State of uncertainty	It is the state resulting from the lack of evidence and indicators at a certain period of time that enables the valuator to perform the valuation process in the best way
Restrictions on usage Distribution or publication	This report is for the purpose for which it was prepared and shall not be used, circulated, quoted or otherwise referred to in any case for any other purpose. Accordingly, the Company or the valuator shall not be liable for any loss suffered by any party as a result of using the valuation report in violation of the provisions of this section. The evaluator reserves all rights to issue the valuation report. This report shall not be reproduced in any manner without an explicit consent of the Company. This report shall not be submitted to any party other than those referred to in it without the explicit consent of the Company. As a precaution, the Company and the valuator reserve the right to make any adjustments and to make any review of the valuation or support the result of the valuation under specific circumstances. The Company reserves the right, without any obligation, to review the valuation accounts and to amend and revise its findings in the light of information that existed at the date of the valuation but which was subsequently made clear.
Compliance with international valuation standards	The methodologies adopted by the company in the field of valuation, which are based on sound foundations and solid constants in line with local and international standards in force, especially the application of the International Valuation Standards 2022
Valuator's neutrality	Tathmen and its representatives, whether residents or assistants, carried out the valuation process without bias. They also work with objectivity and enjoy independence from the client and his subsidiaries or affiliates. Tathmen and its representatives have no current or potential interest with the client or any of his subsidiaries or affiliates. They are not also among those who know the insides of the client's affairs or though who have internal relations or links with the client, his subsidiaries or affiliates. Moreover, the valuator's fees for the valuation process are not conditional on the findings reached or any other events. In case the Company obtained a significant assistance from another party regarding an important aspect of the valuation, the nature of this assistance and the extent of reliance on it, if any, shall be mentioned and documented in the report

Scope of work / Stages of work (2-2)

01 Asset Preview

The title deed was received from the client, which shows that the property's area is 1,780.97 m2 in addition to a sketch showing the location of the property. After that, the property was identified and the information provided by the client was matched with reality.

02 Defining characteristics of Property

Through the inspection, it was found that the asset under evaluation is a (Hotel) in (Makkah).

03 Data collection

Based on the type of property being evaluated, the scope of data collection was determined in the city (Makkah) and (Rai Bakhsh) district, especially the area surrounding the property.

04 Data Analysis

The data available in the real estate area, which was obtained from unofficial sources such as real estate offices operating in the real estate area, and from official sources represented in the indicators of the Ministry of Justice, was analyzed.

05 Application of Valuation Methods

After the experts estimated the current use in terms of the market and the available data about it, it was concluded that the income method is the best for estimating the value of the property.

06 Value Appraisal

After reconciling the results of the evaluation methods, a value is weighted that corresponds to the scope of work described with the customer.

07 Value Review

Value review by an audit committee consisting of 3 other experts who reviews the information, analyzes and assumptions made by the valuer.

08 Report preparation

Work on preparing the report in accordance with Standard 101 for Report Description and Standard 103 for Reporting.

تثمين

VALUATION

الشركة السعودية لتقييم وتثمين الأصول

Saudi Asset Valuation Company

The second axis

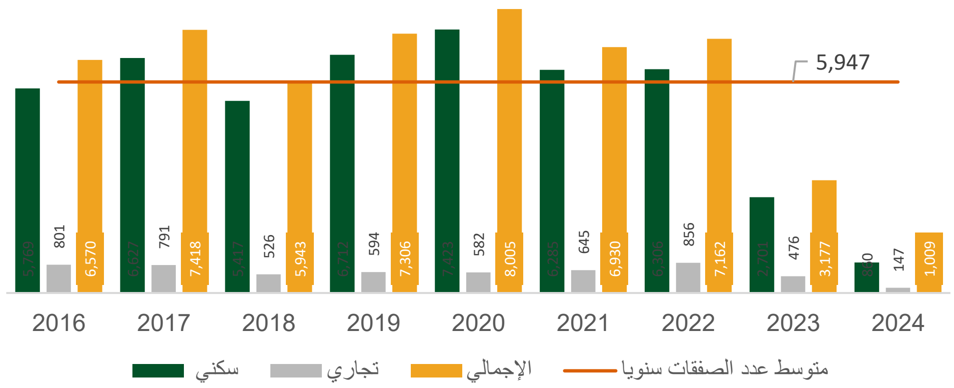
Market Analysis

Analysis of real estate market indicators from Ministry of Justice data: 01

Total number of land deals executed in Makkah❖

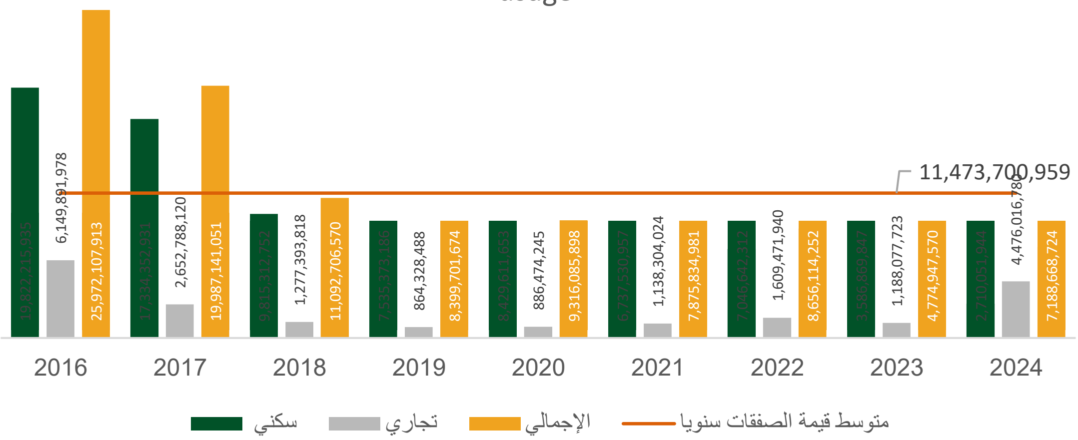
commercial	residential	Year
1,057	5,769	2016
802	6,627	2017
797	5,417	2018
527	6,712	2019
595	7,423	2020
601	6,285	2021
645	6,306	2022
856	2,701	2023
147	860	2024

Number of transactions executed in Makkah Al-Mukarramah by use



01 Analysis of real estate market indicators from Ministry of Justice data:

Value of transactions executed in Makkah Al-Mukarramah by usage



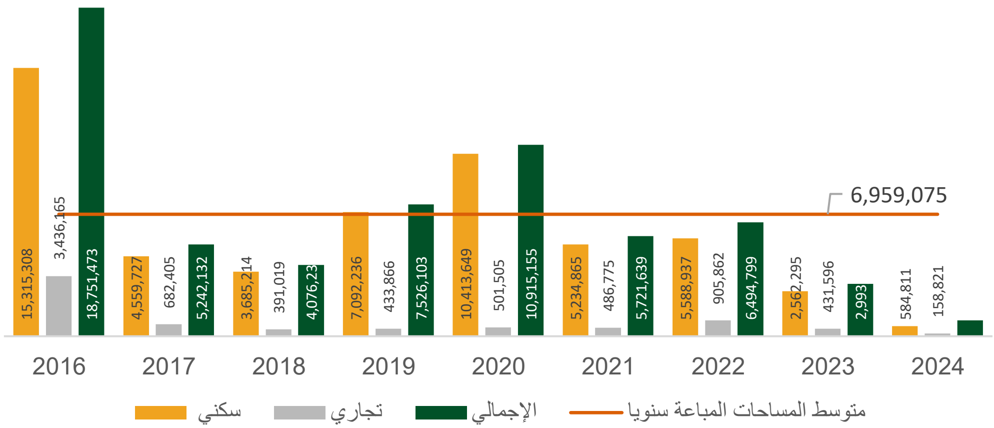
Total value of land deals executed in Makkah❖

commercial	residential	Year
6,149,891,978	19,822,215,935	2016
2,652,788,120	17,334,352,931	2017
1,277,393,818	9,815,312,752	2018
864,328,488	7,535,373,186	2019
886,474,245	8,429,611,653	2020
1,138,304,024	6,737,530,957	2021
1,609,471,940	7,046,642,312	2022
1,188,077,723	3,586,869,847	2023
4,476,016,780	2,710,051,944	2024

01 Analysis of real estate market indicators from Ministry of Justice data:

Total area sold in Makkah❖

Total area sold in Makkah



commercial	residential	Year
3,436,165	15,315,308	2016
682,405	4,559,727	2017
391,019	3,685,214	2018
433,866	7,092,236	2019
501,505	10,413,649	2020
486,775	5,234,865	2021
905,862	5,588,937	2022
431,596	2,562,295	2023
158,821	584,811	2024

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Saudi Asset Valuation Company

The third axis

Evaluation methods

Evaluation methods

The income method (discounted cash flow method) has been adopted to reach the market value of the property under evaluation But we point out that there are several basic methods used in the evaluation, and these methods are based on the economic principles of price equilibrium or expectation of benefits or replacement and recommend the use of more than one method or method of evaluation, especially in the absence of data and data realistic and noticeable enough to ensure that the method of evaluation one to reach a reliable and reliable result.

Market method

- This method provides indicators of value by comparing the asset being valued with identical or similar assets whose price information is available.
- According to this method, the first step is to study the transaction prices of identical or similar assets that have recently taken place in the market. If the transactions made are few, it is also best to study the prices of identical or similar assets listed or offered for sale, provided that this information is clear and objectively analyzed. The information regarding the prices of these transactions should be adjusted to reflect the differences in the terms and conditions of the actual transaction, the basis of value, and the assumptions that are adopted in the valuation process carried out. There may also be differences in the legal, economic and material characteristics of other transaction assets compared to the asset being valued.

Income method

- It provides an indicator of value by converting future cash flows into a single current capital value.
- This method deals with the income generated by the asset during the productive life (the life span of the asset) and the value is estimated through the capitalization process, and capitalization means converting income into a capital amount using an appropriate discount rate. Income flows are handled under non-contractual contracts or arrangements, such as the expected profit from the use or retention of the asset.
- And it includes the methods that fall within the income method
- Income capitalization by applying the risk factor or total capitalization to one usual income period.
- Present Value of Cash Flows where the discount rate is applied to a series of cash flows for future periods to reach the present value.
- Pricing models with diverse options

Cost method

- Provide indicators of value using the economic principle that the buyer does not pay for the purchase of an asset more than the cost of obtaining an asset of the same benefit, whether through purchase or construction, and this method is based on the principle that the price that the buyer pays in the market against the asset subject of evaluation will not be more than the cost of buying or creating an equivalent asset unless there are factors such as inappropriate timing, inappropriateness, the presence of risks or factors. Other. The asset subject of valuation is often less attractive than an alternative that can be purchased or created due to the age or obsolescence of the asset. In this case, adjustments and adjustments in the cost of the replacement asset are needed according to the required value basis.

Evaluation methods

The following figure shows the appraisal methods adopted to reach the market value of the property in the evaluation of the property:

Income method	• Investment Method	Unused
	• Discounted cash flow method	Unused
	• Residual value method	Used
	• Earning method	Unused
	• Income capitalization method	Unused
Market method	• Comparable transactions methods	Unused
Cost method	• Contractor's Method - (Cost)	Unused

Evaluation methods

Style	Income method (residual value method)	Used for	the earth

Definition of style

- This method is called by this name because it refers to the amount remaining after subtracting all known or expected costs required to complete the development from the expected value of the project upon completion, after taking into account the risks associated with completing the project, and the resulting value is called the residual value. Source (International Valuation Standards 2022, electronic version, page 125, paragraph 90.1)

methodology

- The first step requires an estimate of the value of the relevant interest in the property after the nominal completion of the development project, which should be developed in accordance with Standard 105 Valuation Methods and Approaches.
- The assessor must adopt one of the following two main assumptions regardless of: On the method used in the evaluation, whether it is the market or income method:
- The estimated market value at the time of project completion depends on the values existing at the date of evaluation assuming that the project has already been completed in accordance with For specific plans and specifications.
- The estimated value at the time of project completion is based on the assumption of completion. The project is in accordance with the plans and specifications specified on the expected completion date.

Application

1. The following basic elements are taken into account when applying the method to estimate the market value of development properties, and if another basis is required, alternative inputs may be required.
2. Value of completed properties.
3. Construction costs.
4. Consultants' fees.
5. Marketing costs.
6. Timeline.
7. Financing costs.
8. Development profits.
9. Discount rate

الشركة السعودية لتقييم وتثمين الأصول
Saudi Asset Valuation Company

The fourth axis

Property information and description

Property Description

Important information about the property	
Property Name	Drnef Ajyad Hotel
the site	Rai Bakhsh / Mecca
Property Type	4 star hotel
Property age	About 8 years
Land area (m2)	1780.97
Building area	9210.00
Number of floors	Basement + ground floor + 5 upper floors and upper annexes
Property components	It consists of 216 rooms.
Contract duration	No contracts
Current occupancy rate (%)	Depending on the season
Total current annual income (SAR)	-
Expected operating and maintenance expenses by the end of the year (SAR)	-
Expected net operating income by the end of the year (SAR)	-

Property Description

General Description	The property is a hotel in Makkah Al-Mukarramah in the Ri'a Bakhsh district, with an area of 1,780.97 m2.

Site Description	
The State	Kingdom of Saudi Arabia
Area	Mecca
The city	Mecca
The neighborhood	Rai Bakhsh
The Street	Ajyad Street

Ownership Data	
Check number	281809000853 - 781809000851
Date of the instrument	1446/3/22
Part Number	31 and 32
Scheme number	18/8/1
Block number	-

Nature of the property	☑ Flat	☐ Low	☐ High	☐ Burial	☐ Dabkha	Sandy	Rocky
Usage system	Residential - Commercial - Office						

Property Description

Site borders and lengths				
Northern	Street width 15 meters	With a length	26.00	M
Southern	mountain	With a length	25.50	M
Eastern	Plot No. 31	With a length	33.47	M
Western	Plot No. 33	With a length	35.96	M

Site borders and lengths				
Northern	Street width 15 meters	With a length	23.61	M
Southern	mountain	With a length	27.50	M
Eastern	mountain	With a length	37.00	M
Western	Plot No. 32	With a length	33.47	M

Services available at the site			
✔	Security Services	✔	Electricity
✔	Medical Centers	✔	Water
✔	Schools	✔	Illumination
✔	Shopping Centers	✔	Telephone
✔	Afforestation	✔	Asphalt Roads

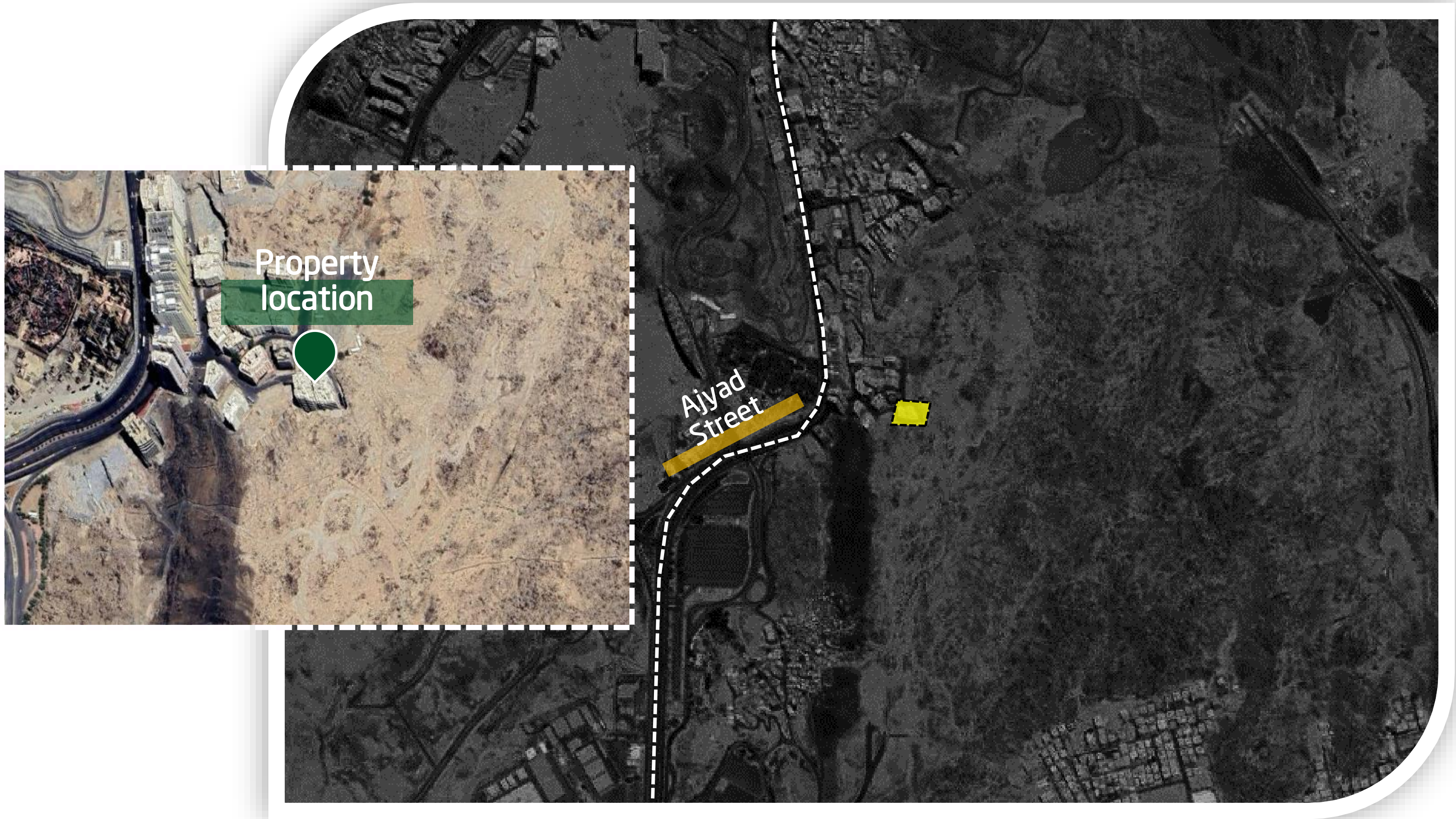
Property location in Makkah

Makkah Al-Mukarramah Region is one of the administrative regions of the Kingdom of Saudi Arabia, and its emirate is headquartered in the city of Makkah Al-Mukarramah. Makkah Al-Mukarramah Region is the second most densely populated region in the Kingdom after Riyadh Region, according to the Saudi census 2022. The total population of Makkah Al-Mukarramah Region is (8,021,463) people, of whom (4,153,723) people are Saudi citizens, and (3,867,740) people are non-Saudi residents, according to data issued by the General Authority for Statistics for the year (2022) AD

Property location At the level of the Kadi neighborhood

Kadi neighborhood is one of the old neighborhoods in the city of Mecca in the Kingdom of Saudi Arabia, and it is close to the Al-Masfalah area. This neighborhood is famous for having a large central market called the Mecca International Market, which has a large number of international shops, a number of restaurants, and family seating areas, but it has now been removed. Kadi neighborhood is also famous for having an area for filling Zamzam water, which is a project of the Custodian of the Two Holy Mosques to provide Zamzam water, as Zamzam water was drawn to it due to its small population and the spaciousness of its land, so that everyone can go there. It has a bus parking area to go to and from the Haram, especially during peak seasons such as Ramadan and the Hajj season, to avoid the congestion of small cars in the Haram area.

Croquis and border image of the property location



"The property is located in Ri'a Bakhsh and is bordered to the north by a 15m wide street, to the east by a mountain, to the south by a mountain, and to the west by plot No. 32."

Site Analysis | Photos Showing the Nature of the Property


Property image


Property image


Property image


Property image

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Fifth axis

Valuation result and recommendations

Evaluation Results | Residual Value

Project Description		
It is a 4 star hotel.		
1-Basic data about the project		
Area according to customer data	1,781	m2
Total building area by customer	8,044	m2
Room type	number	
One room with bathroom	216.00	
Two rooms	0.00	
3 rooms	0.00	
Total	216	

2-Development costs		
Parking lot areas	1,166	m2
Hotel building surfaces	8,044	m2
Cost of building a square meter for parking	2,500	riyal
Cost of building a hotel per square meter	5,000	riyal
Cost of building parking	2,914,025	riyal
Hotel construction cost	40,221,950	riyal
Total building cost	43,135,975	riyal
Additional expense ratio	2.5%	%
Additional expenses cost	1,078,399	riyal
Total project costs	44,214,374	riyal

Evaluation Results | Residual Value

3- Estimating project revenues				
1-3 Hotel / Hotel Apartments				
Property Type	4 star hotel			
Total building area	8,044.4	role		
Exploitation rate	80.0%	%		
Net leasable area of the hotel	6,436	m2		
	Allocated percentage	net built-up area	Average unit area	number
Model 1 (Single Room)	100.0%	6,436	30	216.0
				216.0
Income estimation by season	Hajj season	The first 20 days of Ramadan	Last 10 days of Ramadan	The rest of the year
Number of days	60	20	10	275
Occupancy rate	100.0%	65.0%	80.0%	35.0%
Average daily rent				
Model 1 (Single Room)	400.0	250.0	400.0	170.0
Effective income				
Model 1 (Single Room)	5,184,000.0	702,000.0	691,200.0	3,534,300.0
Income by season	5,184,000.0	702,000.0	691,200.0	3,534,300.0
Effective room income	10,111,500	riyal		
Total effective income	10,111,500	riyal		
Operating Expense Percentage of Rooms	35.0%	%		
Operating expenses for rooms	3,539,025	riyal		
Operating Expenses to Other Revenue Ratio	70.0%	%		
Total operating and maintenance expenses	3,539,025	riyal		
Hotel net operating income	6,572,475	riyal		
4- Property valuation				
Capitalization rate	6.0%	%		
Total project value	109,541,250	riyal		

Evaluation results

Conclusion

Based on the standards and evaluation methods followed and according to the client's requirements, valuation experts believe that the market value of the property, according to the following information, for the property in the city of (**Makkah Al-Mukarramah) in the (Ri' Bakhsh)** neighborhood, its total area is (**1,780.97**) M2 is as follows:

Total property value
Land area (m2)
1,780.97
Total property value (SAR)
109,541,250
Total property value (approx.) (SAR)
109,541,000
Total property value (in writing)
One hundred and nine million, five hundred and forty-one thousand saudi riyals.

Notes

Recommendations

- ✓ By reviewing the above data and based on the market survey and similar sales, the experts of the Saudi Asset Valuation and Evaluation Company believe that the value reached is the most likely value and reflects the current market trend.

General Notes

- ❖ The value fluctuation margin is within + or - 10% depending on current market conditions.
- ❖ The property has been mortgaged, along with any construction that has been or will be built on it, in favor of the Saudi First Bank for an amount of 400,000,000 riyals as a guarantee to fulfill part of the financial obligations and dues of Amar Real Estate Development and Investment Company.

CEO
Abdullah Al Mahfouz
Basic Member (1210000273)

الشركة السعودية لتقييم وتثمين الاصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
C.R.No. 1010206162 ، رقم السجل التجاري
Vat No. 300046706100003 ، رقم الضريبي

PMO Manager
Dr. Mohammed BinDakhil
Affiliate Member (1210001216)

الشركة السعودية لتقييم وتثمين الأصول

Saudi Asset Valuation Company

Appendices

Title Deed image

وثيقة تملك عقار

الرقم: 781809000851
التاريخ: 2024/09/25
1446/3/22

البيانات الأساسية

رقم الوثيقة	781809000851	تاريخ الوثيقة	1446/3/22
القيود	مرهون	الحالة	فعال
تاريخ الوثيقة السابقة	1446/2/24	المساحة	895.14
نوع العملية	صفقة بتمويل	رقم الوثيقة السابقة	960001438944

القيود

القيد	الجهة المرتهنة	رقم المنشأة	قيمة الرهن	تاريخ الاستحقاق
مرهون	البنك السعودي الأول	7000018668	400,000,000 ر.س	

الملاك

رقم الهوية	الاسم	نسبة التملك
7004304379	شركة امار للتطوير والاستثمار العقاري شركة شخص واحد	% 100

العقار

رقم الهوية العقارية	نوع العقار	مساحة العقار(م²)	نوع الاستخدام
لا يوجد	قطعة الارض	895.14	لا يوجد

البلك	المجاورة / الجزء
لا يوجد	لا يوجد

الموقع	نموذج العقار
لا يوجد	لا يوجد

رقم القطعة	رقم المخطط	الحي	المدينة
31	18 / 8 / 1	ربع بخش باجياد	مكة المكرمة

الحد	النوع	وصف الحد	الطول م	
شمالا	شارع	عرض 15م	23.61	ثلاثة و عشرون متر و واحد و ستون سنتمتر
جنوبا	جبل		27.5	سبعة و عشرون متر و خمسون سنتمتر
شرقا	جبل		37	سبعة و ثلاثون متر
غربا	القطعة	رقم 32	33.47	ثلاثة وثلاثون متر و سبعة و أربعون سنتمتر

صدرت هذه الوثيقة من منصة البورصة العقارية ويمكن التحقق من صحة هذه الوثيقة عبر خدمات وزارة العدل.
الصفحة 1 من 1

وثيقة تملك عقار

الرقم: 281809000853
التاريخ: 2024/09/25
1446/3/22

البيانات الأساسية

رقم الوثيقة	281809000853	تاريخ الوثيقة	1446/3/22
القيود	مرهون	الحالة	فعال
تاريخ الوثيقة السابقة	1446/2/24	المساحة	885.82
نوع العملية	صفقة بتمويل	رقم الوثيقة السابقة	860001438953

القيود

القيد	الجهة المرتهنة	رقم المنشأة	قيمة الرهن	تاريخ الاستحقاق
مرهون	البنك السعودي الأول	7000018668	400,000,000 ر.س	

الملاك

رقم الهوية	الاسم	نسبة التملك
7004304379	شركة امار للتطوير والاستثمار العقاري شركة شخص واحد	% 100

العقار

رقم الهوية العقارية	نوع العقار	مساحة العقار(م²)	نوع الاستخدام
لا يوجد	قطعة الارض	885.82	لا يوجد

البلك	المجاورة / الجزء
لا يوجد	لا يوجد

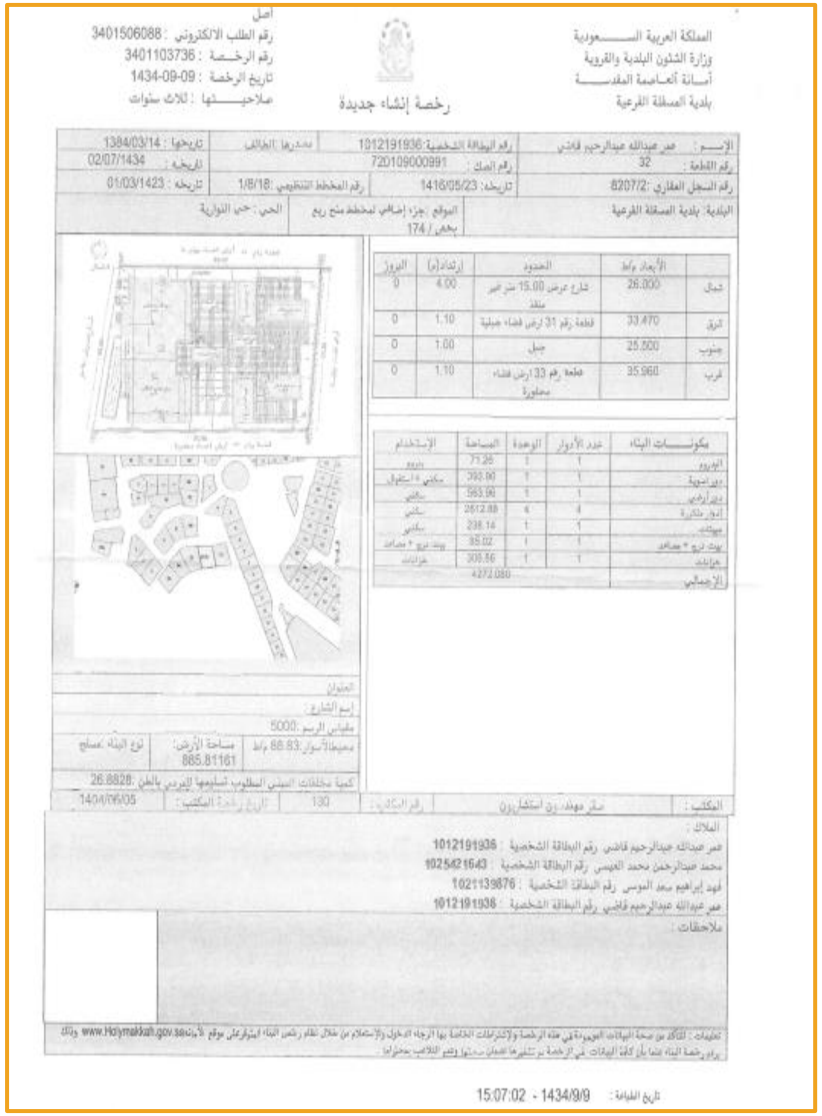
الموقع	نموذج العقار
لا يوجد	لا يوجد

رقم القطعة	رقم المخطط	الحي	المدينة
32	18 / 8 / 1	ربع بخش	مكة المكرمة

الحد	النوع	وصف الحد	الطول م	
شمالا	شارع	عرض 15م	26	ستة و عشرون متر
جنوبا	جبل		25.5	خمسة و عشرون متر و خمسون سنتمتر
شرقا	قطعة	رقم 31	33.47	ثلاثة وثلاثون متر و سبعة و أربعون سنتمتر
غربا	قطعة	رقم 33	35.96	خمسة و ثلاثون متر و ستة و تسعون سنتمتر

صدرت هذه الوثيقة من منصة البورصة العقارية ويمكن التحقق من صحة هذه الوثيقة عبر خدمات وزارة العدل.
الصفحة 1 من 1

Building permit image



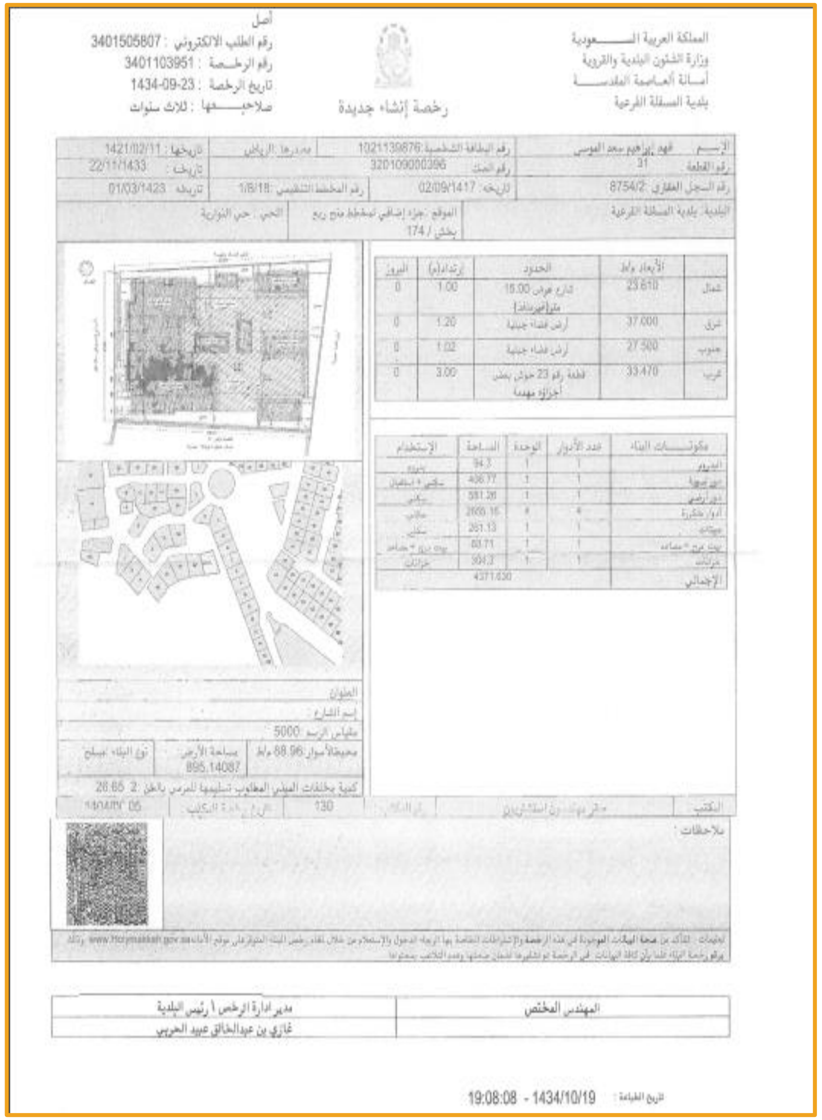
أصل
رقم الطلب الالكتروني : 3401506088
رقم الرخصة : 3401103736
تاريخ الرخصة : 1434-09-09
صلاحيتها : ثلاث سنوات

المملكة العربية السعودية
وزارة الشئون البلدية والقروية
أمانة العاصمة المقدسة
بلدية المسفلة الفرعية

رخصة إنشاء جديدة

الإسم : عمر عبدالله عبدالرحيم قاضي	رقم البطاقة الشخصية: 1012191936 / مصدرها: الطائف	تاريخها : 1384/03/14
رقم القطعة : 32	رقم الصك : 720109000991	تاريخه : 02/07/1434
رقم السجل العقاري : 8207/2	تاريخه: 1416/05/23 / رقم المخطط التنظيمي: 1/8/18	تاريخه : 01/03/1423
البلدية: بلدية المسفلة الفرعية	الموقع: جزء إضافي لمخطط منح ربع بحص / 174	الحي : حي النوارية

تاريخ الطباعة : 1434/9/9 - 15:07:02



أصل
رقم الطلب الالكتروني : 3401505807
رقم الرخصة : 3401103951
تاريخ الرخصة : 1434-09-23
صلاحيتها : ثلاث سنوات

المملكة العربية السعودية
وزارة الشئون البلدية والقروية
أمانة العاصمة المقدسة
بلدية المسفلة الفرعية

رخصة إنشاء جديدة

الإسم : فهد إبراهيم سعد الموسى	رقم البطاقة الشخصية: 1021139876 / مصدرها: الرياض	تاريخها : 1421/02/11
رقم القطعة : 31	رقم الصك : 320109000396	تاريخه : 22/11/1433
رقم السجل العقاري : 8754/2	تاريخه: 02/09/1417 / رقم المخطط التنظيمي: 1/8/18	تاريخه : 01/03/1423
البلدية: بلدية المسفلة الفرعية	الموقع: جزء إضافي لمخطط منح ربع بحش / 174	الحي : حي النوارية

المهندس المختص
مدير إدارة الرخص / رئيس البلدية
غازي بن عبدالخالق عبيد الحربي

تاريخ الطباعة : 1434/10/19 - 19:08:08

Clarification

The Valuation Company and its representatives, including evaluators and assistants, have conducted the valuation process without any bias, and they work objectively and are independent of the client, its subsidiaries or affiliated parties. The Company and its representatives have no current or prospective interest in the client, any of its subsidiaries or affiliated parties, and are not among those who are insiders to the client or those who have internal relationships or connections with the client, its subsidiaries or affiliated parties. The evaluator's fees for the valuation process are not conditional on the results he reaches or any other events. If the Company obtains significant assistance from a third party in relation to any important aspect of the valuation, the nature of such assistance, the extent of reliance on it, and then documenting it in the report, if any.

Real Estate Appraisal Report

Dranf Kudi Hotel

Report No.: 129035

Presented by

Middle East Financial Investment Company (MEFIC Capital)

الشركة السعودية لتقييم وتثمين الأصول

Saudi Asset Valuation Company

introduction

Gentlemen/ Middle East Financial Investment Company (MEFIC Capital),

Greetings,

We are honored to accept your offer to provide our professional services in the field of valuation of a property (**hotel**). In the city of (**Makkah Al-Mukarramah**) in the (**Kadi**) neighborhood , its area is (**750**) m². Accordingly, we inspected the property subject to the evaluation and determined the optimal method to reach the market value while adhering to the local and international standards and regulations in force in the field of evaluation, especially the international valuation standards (2022) approved by the Saudi Authority for Accredited Valuers, on the basis of which the data was collected and analyzed to reach the market value. Based on following the standards and evaluation methods followed and according to the client's requirements, valuation experts believe that the market value (of the hotel) is equal to (**53,360,000**) Saudi riyals , as documented in this report.

CEO
Abdullah Al Mahfouz
Basic Member (1210000273)

Table of Contents

Executive Summary

Item	Statement	Item	Statement
Customer Name	Middle East Financial Investment Company (MEFIC Capital)	instrument number	481809000852
Beneficiaries of the evaluation	Middle East Financial Investment Company (MEFIC Capital)	Date of instrument	1446/3/22
Purpose of evaluation	Periodic evaluation of the assets of the Mefic REIT Fund	Part Number	16
Property Type	hotel	Scheme number	52/7/1
Property Address	Kingdom of Saudi Arabia - Mecca - Kadi	Value basis	Market value
Property area	750m2	Evaluation criteria followed	International Evaluation Standards 2022
Nature of ownership	Mortgaged	Preview date	01/19/2025
Evaluation method used	Income method (residual value)	Evaluation date	12/31/2024
		Report Release Date	02/16/2025
Market value of the property (SAR)		**53,360,000**	

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Saudi Asset Valuation Company

The first axis

General criteria

- These standards specify the requirements and requirements for carrying out valuation work, except for what is modified by the Assets Standard or Valuation Applications, and the purpose of these standards is to apply them to the valuation work of all assets and for any other evaluation purposes to which the Valuation Standards apply.
- This report has been prepared by the Saudi Company for Assets Evaluation and Valuation (License No. 1210000272 dated 18/04/1437H) and its work team, which enjoys the highest levels of efficiency and necessary impartiality, benefiting from the resources available to us, represented in the efficiency of our advisory team, which includes a selection of qualified consultants with high academic degrees and experiences in the field of evaluation Consultations, and what our company has of an information base that was built through its evaluation expertise and through the collection of data, information and statistics issued by official and non-official agencies, which gives the evaluators the capacity to carry out their tasks to the fullest, and the company is working to update its information base in a way Continuous.
- Our experience in evaluation and consulting work is more than 16 years, and we have submitted more than 35,000 evaluation reports during our work period.
- Tathmeen Company was honored to provide its services to governmental and semi-governmental agencies, to most of the banks located in the Kingdom, financial companies, real estate companies, industrial sectors, commercial companies and others.

General Standards | Scope of Work (Standard No. 101)

Nature of the assets being valued	
The city	Mecca
The neighborhood	Kadi
Area	(750) m²

Customer Information and Usage	
Customer Name	Middle East Financial Investment Company (MEFIC Capital)
Report owner	Middle East Financial Investment Company (MEFIC Capital)
Usage	internal

Scope of work	the details
Report Description	A report explaining the methodology and steps of the evaluation, the results of the evaluation, and photographs and borders of the assets subject to the evaluation, in accordance with Standard 1.2 on compliance with standards and research and investigation work, and Standard 1.3 on preparing reports. (International Valuation Standards 2022, from page 26 to page 31)
Purpose of evaluation	Periodic evaluation of the assets of the Mefic REIT Fund
Assumptions and special assumptions	○ Images of the instrument were received from the customer, but Tathmeen did not verify its validity. ○ The property has been mortgaged, along with any construction that has been or will be built on it, in favor of the Saudi First Bank for an amount of 400,000,000 riyals as a guarantee to fulfill part of the financial obligations and dues of Amar Real Estate Development and Investment Company.
Scope of research and investigation	We have studied the real estate market in the area of the targeted property within a radius of 5 km and used in the study the properties closest to the targeted property in terms of specifications and areas for each one and we have made every effort to ensure the accuracy of the information obtained as much as possible.
Nature and sources of information	Real estate offices in the targeted area, real estate dealers, the Ministry of Justice, and the database of the valuation company, which is constantly updated.
Currency used in the report	Saudi riyal.

General Standards | Scope of Work (Standard No. 101)

Scope of work	the details
Value basis (Value type)	**Market value:** It is the estimated amount for which assets or liabilities should be exchanged on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing where each party has acted knowledgeably and prudently without compulsion. Source: International Valuation Standards 2022 page 36, paragraph 3.1
State of uncertainty	It is the state resulting from the lack of evidence and indicators at a certain period of time that enables the valuator to perform the valuation process in the best way
Restrictions on usage Distribution or publication	This report is for the purpose for which it was prepared and shall not be used, circulated, quoted or otherwise referred to in any case for any other purpose. Accordingly, the Company or the valuator shall not be liable for any loss suffered by any party as a result of using the valuation report in violation of the provisions of this section. The evaluator reserves all rights to issue the valuation report. This report shall not be reproduced in any manner without an explicit consent of the Company. This report shall not be submitted to any party other than those referred to in it without the explicit consent of the Company. As a precaution, the Company and the valuator reserve the right to make any adjustments and to make any review of the valuation or support the result of the valuation under specific circumstances. The Company reserves the right, without any obligation, to review the valuation accounts and to amend and revise its findings in the light of information that existed at the date of the valuation but which was subsequently made clear.
Compliance with international valuation standards	The methodologies adopted by the company in the field of valuation, which are based on sound foundations and solid constants in line with local and international standards in force, especially the application of the International Valuation Standards 2022
Valuator's neutrality	Tathmen and its representatives, whether residents or assistants, carried out the valuation process without bias. They also work with objectivity and enjoy independence from the client and his subsidiaries or affiliates. Tathmen and its representatives have no current or potential interest with the client or any of his subsidiaries or affiliates. They are not also among those who know the insides of the client's affairs or though who have internal relations or links with the client, his subsidiaries or affiliates. Moreover, the valuator's fees for the valuation process are not conditional on the findings reached or any other events. In case the Company obtained a significant assistance from another party regarding an important aspect of the valuation, the nature of this assistance and the extent of reliance on it, if any, shall be mentioned and documented in the report

Scope of work / Stages of work (2-2)

01 Asset Preview

The title deed was received from the client, which shows that the property's area is 750 m2 in addition to a sketch showing the location of the property. After that, the property was identified and the information provided by the client was matched with reality.

02 Defining characteristics of Property

Through the inspection, it was found that the asset under evaluation is a (Hotel) in (Makkah).

03 Data collection

Based on the type of property being evaluated, the scope of data collection was determined in the city (Makkah) and (Kadi) district, especially the area surrounding the property.

04 Data Analysis

The data available in the real estate area, which was obtained from unofficial sources such as real estate offices operating in the real estate area, and from official sources represented in the indicators of the Ministry of Justice, was analyzed.

05 Application of Valuation Methods

After the experts estimated the current use in terms of the market and the available data about it, it was concluded that the income method is the best for estimating the value of the property.

06 Value Appraisal

After reconciling the results of the evaluation methods, a value is weighted that corresponds to the scope of work described with the customer.

07 Value Review

Value review by an audit committee consisting of 3 other experts who reviews the information, analyzes and assumptions made by the valuer.

08 Report preparation

Work on preparing the report in accordance with Standard 101 for Report Description and Standard 103 for Reporting.

الشركة السعودية لتقييم وتثمين الأصول

Saudi Asset Valuation Company

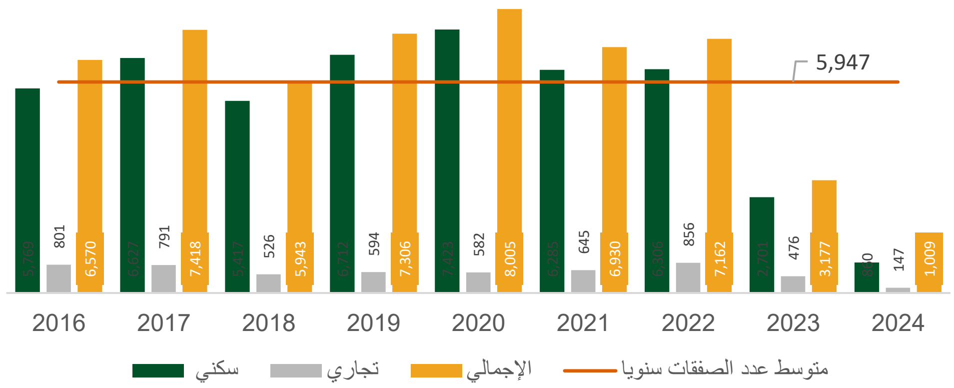
The second axis

Market Analysis

Analysis of real estate market indicators from Ministry of Justice data: 01

Total number of land deals executed in Makkah❖

Number of transactions executed in Makkah Al-Mukarramah by use

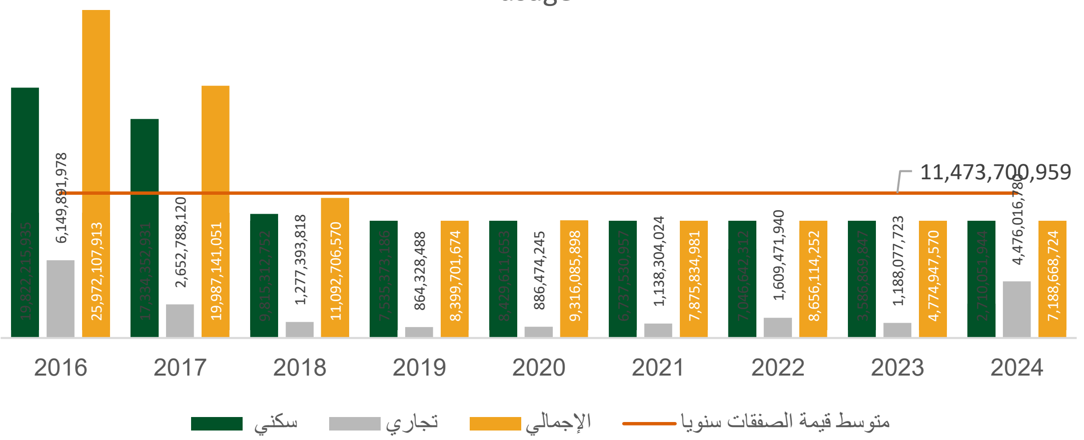


commercial	residential	Year
1,057	5,769	2016
802	6,627	2017
797	5,417	2018
527	6,712	2019
595	7,423	2020
601	6,285	2021
645	6,306	2022
856	2,701	2023
147	860	2024

Analysis of real estate market indicators from Ministry of Justice data: 01

Total value of land deals executed in Makkah❖

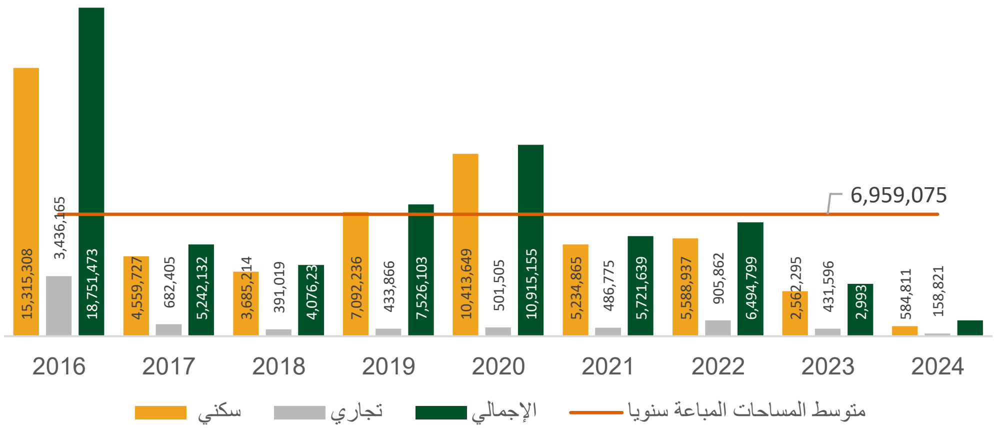
Value of transactions executed in Makkah Al-Mukarramah by usage



commercial	residential	Year
6,149,891,978	19,822,215,935	2016
2,652,788,120	17,334,352,931	2017
1,277,393,818	9,815,312,752	2018
864,328,488	7,535,373,186	2019
886,474,245	8,429,611,653	2020
1,138,304,024	6,737,530,957	2021
1,609,471,940	7,046,642,312	2022
1,188,077,723	3,586,869,847	2023
4,476,016,780	2,710,051,944	2024

Analysis of real estate market indicators from Ministry of Justice data: 01

Total area sold in Makkah



❖ Total area sold in Makkah

commercial	residential	Year
3,436,165	15,315,308	2016
682,405	4,559,727	2017
391,019	3,685,214	2018
433,866	7,092,236	2019
501,505	10,413,649	2020
486,775	5,234,865	2021
905,862	5,588,937	2022
431,596	2,562,295	2023
158,821	584,811	2024

الشركة السعودية لتقييم وتثمين الأصول

Saudi Asset Valuation Company

The third axis

Evaluation methods

Evaluation methods

The income method (discounted cash flow method) has been adopted to reach the market value of the property under evaluation But we point out that there are several basic methods used in the evaluation, and these methods are based on the economic principles of price equilibrium or expectation of benefits or replacement and recommend the use of more than one method or method of evaluation, especially in the absence of data and data realistic and noticeable enough to ensure that the method of evaluation one to reach a reliable and reliable result.

Market method

- This method provides indicators of value by comparing the asset being valued with identical or similar assets whose price information is available.
- According to this method, the first step is to study the transaction prices of identical or similar assets that have recently taken place in the market. If the transactions made are few, it is also best to study the prices of identical or similar assets listed or offered for sale, provided that this information is clear and objectively analyzed. The information regarding the prices of these transactions should be adjusted to reflect the differences in the terms and conditions of the actual transaction, the basis of value, and the assumptions that are adopted in the valuation process carried out. There may also be differences in the legal, economic and material characteristics of other transaction assets compared to the asset being valued.

Income method

- It provides an indicator of value by converting future cash flows into a single current capital value.
- This method deals with the income generated by the asset during the productive life (the life span of the asset) and the value is estimated through the capitalization process, and capitalization means converting income into a capital amount using an appropriate discount rate. Income flows are handled under non-contractual contracts or arrangements, such as the expected profit from the use or retention of the asset.
- And it includes the methods that fall within the income method
- Income capitalization by applying the risk factor or total capitalization to one usual income period.
- Present Value of Cash Flows where the discount rate is applied to a series of cash flows for future periods to reach the present value.
- Pricing models with diverse options

Cost method

- Provide indicators of value using the economic principle that the buyer does not pay for the purchase of an asset more than the cost of obtaining an asset of the same benefit, whether through purchase or construction, and this method is based on the principle that the price that the buyer pays in the market against the asset subject of evaluation will not be more than the cost of buying or creating an equivalent asset unless there are factors such as inappropriate timing, inappropriateness, the presence of risks or factors. Other. The asset subject of valuation is often less attractive than an alternative that can be purchased or created due to the age or obsolescence of the asset. In this case, adjustments and adjustments in the cost of the replacement asset are needed according to the required value basis.

Evaluation methods

The following figure shows the appraisal methods adopted to reach the market value of the property in the evaluation of the property:

Income method	• Investment Method	Unused
	• Discounted cash flow method	Unused
	• Residual value method	Used
	• Earning method	Unused
	• Income capitalization method	Unused
Market method	• Comparable transactions methods	Unused
Cost method	• Contractor's Method - (Cost)	Unused

Evaluation methods

Style	Income method (residual value method)	Used for	the earth

Definition of style

- This method is called by this name because it refers to the amount remaining after subtracting all known or expected costs required to complete the development from the expected value of the project upon completion, after taking into account the risks associated with completing the project, and the resulting value is called the residual value. Source (International Valuation Standards 2022, electronic version, page 125, paragraph 90.1)

methodology

- The first step requires an estimate of the value of the relevant interest in the property after the nominal completion of the development project, which should be developed in accordance with Standard 105 Valuation Methods and Approaches.
- The assessor must adopt one of the following two main assumptions regardless of: On the method used in the evaluation, whether it is the market or income method:
- The estimated market value at the time of project completion depends on the values existing at the date of evaluation assuming that the project has already been completed in accordance with For specific plans and specifications.
- The estimated value at the time of project completion is based on the assumption of completion. The project is in accordance with the plans and specifications specified on the expected completion date.

Application

1. The following basic elements are taken into account when applying the method to estimate the market value of development properties, and if another basis is required, alternative inputs may be required.
2. Value of completed properties.
3. Construction costs.
4. Consultants' fees.
5. Marketing costs.
6. Timeline.
7. Financing costs.
8. Development profits.
9. Discount rate

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The fourth axis

Property information and description

Property Description

Important information about the property	
Property Name	Drnef Kadi Hotel
the site	Kadi / Mecca
Property Type	4 star hotel
Property age	About 8 years
Land area (m2)	750.00
Building area	5885.72
Number of floors	Basement + 1 and 2 mezzanines, restaurant floor, kitchen, 7 repeated floors and annex
Property components	It consists of 86 rooms.
Contract duration	No contracts
Current occupancy rate (%)	Depending on the season
Total current annual income (SAR)	-
Expected operating and maintenance expenses by the end of the year (SAR)	-
Expected net operating income by the end of the year (SAR)	-

Property Description

General Description	The property is a hotel in Makkah Al-Mukarramah in the Kadi district, with an area of 750 m2.

Site Description	
The State	Kingdom of Saudi Arabia
Area	Mecca
The city	Mecca
The neighborhood	Kadi
The Street	Third Ring Road

Ownership Data	
Check number	481809000852
Date of the instrument	1446/3/22
Part Number	16
Scheme number	52/7/1
Block number	-

Nature of the property	☑ Flat	☐ Low	☐ High	☐ Burial	☐ Dabkha	Sandy	Rocky
Usage system	Residential - Commercial - Office						

Property Description

Site borders and lengths				
Northern	Street width 15 m	With a length	25.00	M
Southern	Parking with a width of 13 meters	With a length	25.00	M
Eastern	Plot No. 14	With a length	30.00	M
Western	Plot No. 18	With a length	30.00	M

Services available at the site			
✔	Security Services	✔	Electricity
✔	Medical Centers	✔	Water
✔	Schools	✔	Illumination
✔	Shopping Centers	✔	Telephone
✔	Afforestation	✔	Asphalt Roads

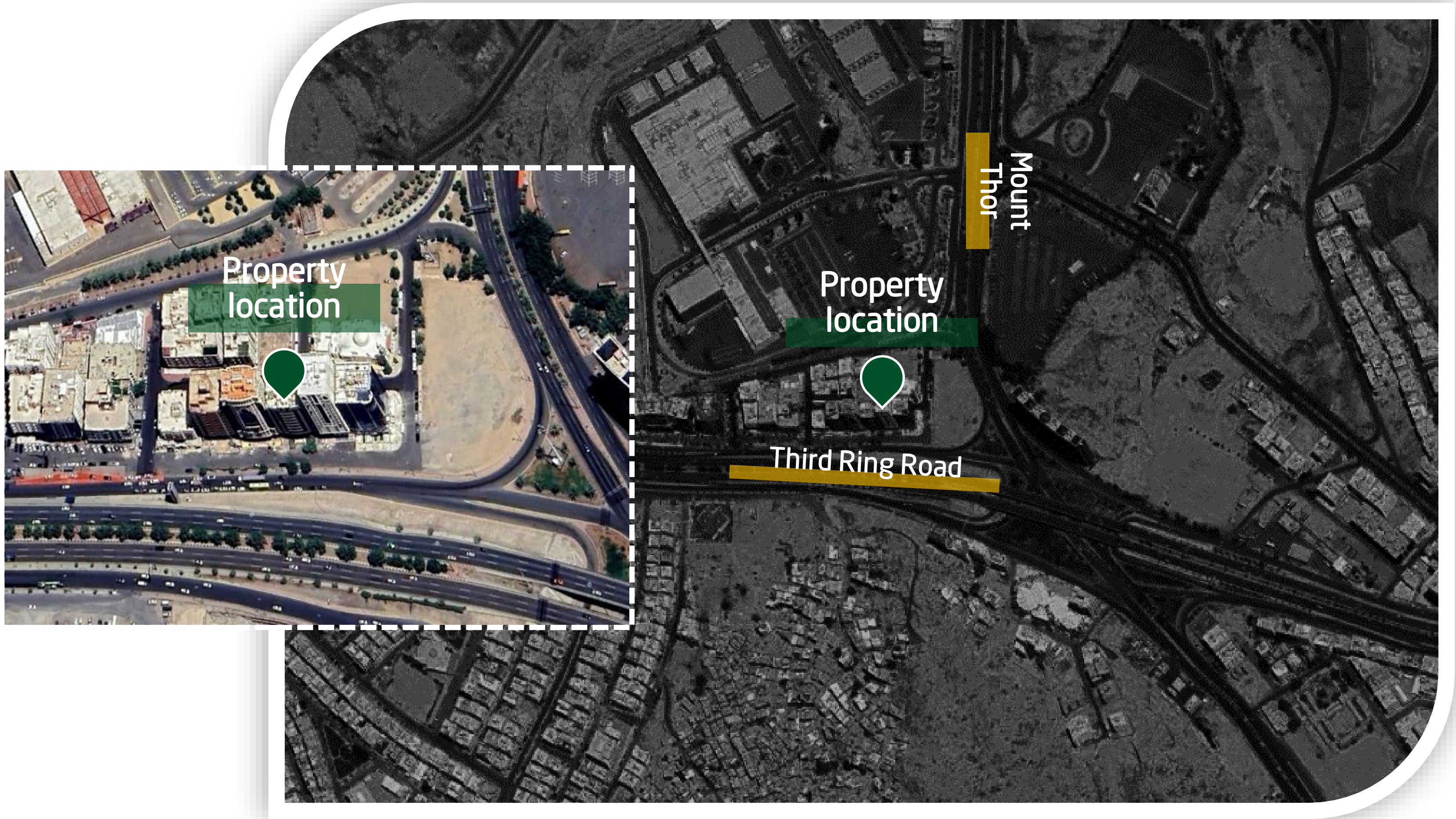
Property location in Makkah

Makkah Al-Mukarramah Region is one of the administrative regions of the Kingdom of Saudi Arabia, and its emirate is headquartered in the city of Makkah Al-Mukarramah. Makkah Al-Mukarramah Region is the second most densely populated region in the Kingdom after Riyadh Region, according to the Saudi census 2022. The total population of Makkah Al-Mukarramah Region is (8,021,463) people, of whom (4,153,723) people are Saudi citizens, and (3,867,740) people are non-Saudi residents, according to data issued by the General Authority for Statistics for the year (2022) AD

Property location
At the level of the Kadi neighborhood

Kadi neighborhood is one of the old neighborhoods in the city of Mecca in the Kingdom of Saudi Arabia, and it is close to the Al-Masfalah area. This neighborhood is famous for having a large central market called the Mecca International Market, which has a large number of international shops, a number of restaurants, and family seating areas, but it has now been removed. Kadi neighborhood is also famous for having an area for filling Zamzam water, which is a project of the Custodian of the Two Holy Mosques to provide Zamzam water, as Zamzam water was drawn to it due to its small population and the spaciousness of its land, so that everyone can go there. It has a bus parking area to go to and from the Haram, especially during peak seasons such as Ramadan and the Hajj season, to avoid the congestion of small cars in the Haram area.

Croquis and border image of the property location



"The property is located in Kadi district and is bordered to the north by a 15m wide street, to the east by plot No. 14, to the south by a 13m wide parking lot, and to the west by plot No. 18."

Site Analysis | Photos Showing the Nature of the Property


Property image


Property image


Property image


Property image

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Saudi Asset Valuation Company

Fifth axis

Valuation result and recommendations

Evaluation Results | Residual Value

Project Description		
It is a 4 star hotel.		
1-Basic data about the project		
Area according to customer data	750	m2
Total building area by customer	4,479	m2
Room type	number	
One room with bathroom	86.00	
Total	86	

2-Development costs		
Parking lot areas	1,406	m2
Hotel building surfaces	4,479	m2
Cost of building a square meter for parking	2,500	riyal
Cost of building a hotel per square meter	5,000	riyal
Cost of building parking	3,516,100	riyal
Hotel construction cost	22,396,400	riyal
Total building cost	25,912,500	riyal
Additional expense ratio	2.5%	%
Cost of additional expenses	647,813	riyal
Total project costs	26,560,313	riyal

Evaluation Results | Residual Value

3- Estimating project revenues				
1-3 Hotel / Hotel Apartments				
Property Type	4 star hotel			
Total building area	4,479.3	role		
Exploitation rate	70.0%	%		
Net leasable area of the hotel	3,135	m2		
	Allocated percentage	net built-up area	Average unit area	number
Model 1 (Single Room)	100.0%	3,135	37	86.0
				86.0
Income estimation by season	Hajj season	The first 20 days of Ramadan	Last 10 days of Ramadan	The rest of the year
Number of days	60	20	10	275
Occupancy rate	100.0%	70.0%	90.0%	40.0%
Average daily rent				
Model 1 (Single Room)	400.0	300.0	500.0	180.0
Effective income				
Model 1 (Single Room)	2,064,000.0	361,200.0	387,000.0	1,702,800.0
Income by season	2,064,000.0	361,200.0	387,000.0	1,702,800.0
Effective room income	4,515,000	riyal		
Total effective income	4,515,000	riyal		
Operating Expense Percentage of Rooms	35.0%	%		
Operating expenses for rooms	1,580,250	riyal		
Operating Expenses to Other Revenue Ratio	70.0%	%		
Total operating and maintenance expenses	1,580,250.0	riyal		
Hotel net operating income	2,934,750.0	riyal		
4- Property valuation				
Capitalization rate	5.5%	%		
Total project value	53,360,000	riyal		

Evaluation results

Conclusion

Based on the standards and evaluation methods followed and according to the client's requirements, valuation experts believe that the market value of the property, according to the following information, for the property in the city of (**Makkah Al-Mukarramah**) in the (**Kadi**) neighborhood, its total area is (**750**) M2 is as follows:

Total property value
Land area (m2)
750.00
Total property value (SAR)
53,360,000
Total property value (approx.) (SAR)
53,360,000
Total property value (in writing)
Fifty-three million, three hundred and sixty thousand saudi riyals.

Notes

Recommendations

✓ By reviewing the above data and based on the market survey and similar sales, the experts of the Saudi Asset Valuation and Evaluation Company believe that the value reached is the most likely value and reflects the current market trend.

General Notes

❖ The value fluctuation margin is within + or - 10% depending on current market conditions.

❖ The property has been mortgaged, along with any construction that has been or will be built on it, in favor of the Saudi First Bank for an amount of 400,000,000 riyals as a guarantee to fulfill part of the financial obligations and dues of Amar Real Estate Development and Investment Company.

CEO	PMO Manager
Abdullah Al Mahfouz	Dr. Mohammed BinDakhil
Basic Member (1210000273)	Affiliate Member (1210001216)

الشركة السعودية لتقييم وتثمين الاصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
C.R.No. 1010206162 ، رقم السجل التجاري
Vat No. 300046706100003 ، رقم الضريبي

الشركة السعودية لتقييم وتثمين الأصول
Saudi Asset Valuation Company

Appendices

Title Deed image

الرقم: 481809000852
التاريخ: 2024/09/25
1446/3/22

وثيقة تملك عقار

البيانات الأساسية

رقم الوثيقة	481809000852	تاريخ الوثيقة	1446/3/22
القيود	مرهون	الحالة	فعال
تاريخ الوثيقة السابقة	1446/2/24	المساحة	750
نوع العملية	صفقة بتمويل	رقم الوثيقة السابقة	360001438976

القيود

القيد	الجهة المرتهنة	رقم المنشأة	قيمة الرهن	تاريخ الاستحقاق
مرهون	البنك السعودي الأول	7000018668	400,000,000 ر.س	

الملاك

رقم الهوية	الاسم	نسبة التملك
7004304379	شركة امار للتطوير والاستثمار العقاري شركة شخص واحد	% 100

العقار

رقم الهوية العقارية	نوع العقار	مساحة العقار(م²)	نوع الاستخدام
لا يوجد	قطعة الارض	750	لا يوجد

البلك	المجاورة / الجزء
لا يوجد	لا يوجد

الموقع	نموذج العقار
لا يوجد	لا يوجد

رقم القطعة	رقم المخطط	الحي	المدينة
16	52 / 7 / 1	مخطط البدر بكدى	مكة المكرمة

الحد	النوع	وصف الحد	الطول م	
شمالا	شارع	عرض 15م	25	خمسة و عشرون متر
جنوبا	مواقف	سيارات بعرض 13م	25	خمسة و عشرون متر
شرقا	قطعة	رقم 14	30	ثلاثون متر
غربا	قطعة	رقم 18	30	ثلاثون متر

صدرت هذه الوثيقة من منصة البورصة العقارية ويمكن التحقق من صحة هذه الوثيقة عبر خدمات وزارة العدل

الصفحة 1 من 1

Building permit image

المملكة العربية السعودية
وزارة الشئون البلدية والقروية
أمانة العاصمة المقدسة
إدارة رخص البناء

اضافة ادوار/مساحة

أصل
رقم الطلب الالكتروني : 3319500822
رقم الرخصة : 332010300025
تاريخ الرخصة : 0/01/1/33
صلاحيتها : ثلاث سنوات

الإسم : فهد بن إبراهيم بن سعد الموسى	رقم البطاقة الشخصية : 1021139876	مصدرها : الرياض	تاريخها : 1421/02/11
رقم القطعة : 00016	رقم الصك : 742/180/5		تاريخه : 1412/09/12
رقم السجل العقاري : 10021/33	تاريخه : 1433/01/03	رقم المخطط التنظيمي : 673	تاريخه : 1423/03/01

	الأبعاد والأطوال	الحدود	إرتداد(م)	البروز
شمال	25.00 / 25.00	شارع 15.00م / شارع عرض 15.00م	3	0
شرق	29.99 / 30.00	قطعة 14 / القطعة رقم 14 فضاء	1	0
جنوب	25.00 / 25.00	مواقف سيارات عرض 13.00م / مواقف سيارات عرض 13.00م يليه الطريق الدائري الثالث	5	0
غرب	30.00 / 30.00	قطعة 18 / القطعة رقم 18 فضاء	1	0

مكونات البناء	الوحدة	المساحة	الإستخدام	عدد الأدوار
البدروم	4	1406.44	بدروم	4
دور تسوية	1	311.64	إستقبال	1
دور أرضي	3	360.9	سكني	1
دور الميزانين	1	359.24	إستقبال	1
دور خدمات	1	516.83	خدمات	1
دور أخير	1	54.63	سكني	1
دور مواقف	1	480	مواقف سيارات	1
خزانات	1	294.07	خزانات	1
أدوار متكررة	16	2363.4	سكني	6
بيت درج + مصاعد	1	82.63	بيت درج + مصاعد	1
الإجمالي		6262.780		

المكتب	[illegible]	رقم المكتب	130	تاريخ الرخصة	1404/06/05

ملاحظات :
الملاك : فهد بن إبراهيم بن سعد الموسى رقم البطاقة الشخصية : 1021139876
عبدالمحسن بن صالح بن محمد العبدالقادر رقم البطاقة الشخصية : 1037059662

تعليمات : للتأكد من صحة البيانات الموجودة في هذه الرخصة والإشتراطات الخاصة بها الرجاء الدخول والإستعلام من خلال نظام رخص البناء المتوفر على موقع الأمانة www.Holymakkah.gov.sa وذلك برقم رخصة البناء علما بأن كافة البيانات في الرخصة تم تدقيقها لضمان صحتها وعدم التلاعب بمحتواها

Clarification

The Valuation Company and its representatives, including evaluators and assistants, have conducted the valuation process without any bias, and they work objectively and are independent of the client, its subsidiaries or affiliated parties. The Company and its representatives have no current or prospective interest in the client, any of its subsidiaries or affiliated parties, and are not among those who are insiders to the client or those who have internal relationships or connections with the client, its subsidiaries or affiliated parties. The evaluator's fees for the valuation process are not conditional on the results he reaches or any other events. If the Company obtains significant assistance from a third party in relation to any important aspect of the valuation, the nature of such assistance, the extent of reliance on it, and then documenting it in the report, if any.

الشركة السعودية لتقييم وتثمين الأصول

Saudi Asset Valuation Company

End of report