Alkhabeer Capital

Press Release

For Immediate Distribution

Alkhabeer Capital Announces the Results of Coverage Ratio which Exceeded 307% in the Second Additional Offering of Alkhabeer REIT Fund Units

- **The coverage ratio exceeded 307%, with total number of subscribers for the second additional offering of Alkhabeer REIT Fund exceeding 83,000 subscribers, and the total value of SAR 436.75 million**
- **Proceeds will be used to acquire educational and logistical assets in Jeddah, Vision Colleges for Education and Akun Warehouses**

Jeddah, Saudi Arabia – 23 June 2021: Alkhabeer Capital, the asset manager specializing in Shari'a-compliant investments and financial services, announced the successful conclusion of the second additional offering subscription period of Alkhabeer REIT Fund.

The second additional offering of the Fund has attracted 83,705 individual and institutional investors, with a total subscription value of SAR 436,755,183.90 million where the coverage ratio exceeded 307% of the cash subscription value, which is estimated at SAR 138,797,504. The proceeds of the required offering will be used, within the efforts made, to expand the asset portfolio of the Fund through two acquisitions, one in the educational sector and the other in the logistical sectors, namely: Vision Colleges and Akun Warehouses, both in Jeddah.

Ahmed Ghouth, CEO of Alkhabeer Capital, said: *"I am pleased to announce the success of the second additional offering of Alkhabeer REIT Fund with a coverage ratio of 307%, which reflects the trust that investors place in the Fund. The new subscriptions increased the total value of the Fund's assets to SAR 2,062,727,909 for the total number of the Fund's units to reach 141,008,848 units. The increase in the volume of assets by acquiring two additional real estate assets will contribute to achieving the Fund's long-term strategy, which focuses on achieving continuous cash flows by investing in income-generating assets."*

According to the Fund's Terms and Conditions, the units will be allocated to subscribers and the surplus will be refunded within 15 business days from the end of the offering period, no later than 08 July 2021 corresponding to 28 Dhu Al-Qadah 1442. Furthermore, the period for the acquisition process, the transfer of ownership of assets and the listing of the Fund's units on Tadawul is within 60 business days from the end of the offering period, no later than 09 September 2021 corresponding to 02 Safar 1443.

The subscription period extended for 15 business days, from 30 May 2021 until 17 June 2021. The additional shares were priced at SAR 9.03, inclusive of subscription fees and VAT on the subscription fees. Saudi citizens, residents as well as qualified individuals and institutions were able to subscribe through the receiving entities, in addition to the subscription system on the website of Alkhabeer Capital.

Alkhabeer REIT Fund is a publicly offered, closed-ended, Shari'a-compliant real estate investment traded fund created in accordance with applicable Saudi laws and regulations and is subject to Capital Market Authority (CMA) regulations. It was listed on the Saudi Exchange on 20 March 2019 corresponding to 13 Rajab 1440. The real estate portfolio of the

Fund includes assets diversified across the retail and logistical sectors, as well as in offices, residential and educational properties, located at strategic sites in Jeddah, Riyadh and Tabuk.

Alkhabeer Capital, headquartered in the Kingdom of Saudi Arabia, is an asset manager specialized in Shari'a-compliant investments and financial services. It is authorized by the Capital Market Authority (CMA), license number 07074-37.

– Ends –

About Alkhabeer REIT

Alkhabeer REIT Fund is a closed-end real estate investment traded fund that aims to achieve continuous rental returns and periodic cash dividends. The duration of the fund is 99 years and the total value of its assets after the second additional offering is 2,062 million Saudi riyals. This document does not represent an offer of purchase, subscription or participation in any way in Alkhabeer REIT Fund. The document (or any part thereof) does not constitute basis and should not be relied upon to do the foregoing or an incentive to enter into any contract of any kind. All potential investors should carefully read Alkhabeer REIT Fund's Terms and Conditions, including what is stated about investment risks, and its other documents before making a decision, through Alkhabeer Capital's website: www.alkhabeer.com. This investment is not a cash deposit with a local bank. The investment's value and any other verified income may rise or fall. All investors who want to invest, must reach their decision by consulting with their financial and legal advisers, as well as assess all risks that are involved in the investment. The targeted and expected results cannot be guaranteed that they will be achieved. In addition, past performance does not guarantee future results for the Fund. An investor's investment in the Fund is an acknowledgment that he or she is informed and has accepted the Terms and Conditions of the Fund. Investment in the Fund is subject to fees as mentioned in the Terms and Conditions.

About Alkhabeer Capital

Alkhabeer Capital is regulated by the Capital Market Authority (CMA) and is licensed for the following activities of: Dealing, Custody, Managing Investments and Operating Funds, Arranging, and Advising with license no. 07074-37 and CR No: 4030177445, Headquartered in An Nuzhah District, Madinah Road, P.O Box 128289, Jeddah 21362. It provides innovative world-class investment Shari'a-compliant products and solutions to institutions, family groups and individual investors.

For more details on Alkhabeer Capital, please visit www.alkhabeer.com

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