Alkhabeer Capital

Press Release

For Immediate Distribution

Alkhabeer REIT Expands its Asset Portfolio by Acquiring New Educational and Industrial Assets in Jeddah

- **Subscriptions commenced on Sunday, 30 May 2021, and will end on Thursday, 17 June 2021.**
- **The additional shares are priced at SAR 9.03, inclusive of subscription fees and VAT on the subscription fees.**
- **The two acquisitions will target the education and industrial sectors in Jeddah.**

Jeddah, Saudi Arabia – 7 June 2021: Alkhabeer Capital, the asset manager specializing in Shari'a compliant investments and financial services, has stated that its Alkhabeer REIT, a publicly offered closed-ended Shari'a-compliant real estate investment traded fund, will use proceeds from the second additional offering to expand its asset portfolio through two key acquisitions in the educational and industrial sectors.

The new assets are a part of Alkhabeer REIT's long-term strategy, which focuses on achieving stable cash flows for investors by investing in income-generating assets, while also providing a diversified asset base. These assets include:

- **Vision Colleges in Jeddah:** A 13-story building with a total area of 13,785 square meters, leased by an educational company (Specified in providing Dentistry, Nursing and Medicine majors). The 25-year binding leasing contract is valued at SAR 7,500,000 annually.
- **Akun Warehouses in Jeddah:** 12,889 square meters of cold storage facilities with a 5-year, binding leasing contract valued at SAR 16,000,000 annually.

Subscriptions for the second additional offering commenced on Sunday, 30 May 2021, and will end on Thursday, 17 June 2021. The additional shares are priced at SAR 9.03, inclusive of subscription fees and VAT on the subscription fees. Citizens, residents and qualified individuals and institutions can subscribe to the additional offering through Al Rajhi Bank, Al Jazira Capital and Saudi National Bank, in addition to the subscription system on the website of Alkhabeer Capital, the Fund Manager, for clients of other banks.

Our second additional offering of Alkhabeer REIT will contribute to realizing its investment objectives, which is focused on achieving periodic returns through investing in a diversified portfolio of income-generating assets. The Fund will acquire two high-quality properties, namely Vision Colleges and Akun Warehouses immediately after the end of the subscription period at less than their estimated value of SAR 313.4 million against the average estimated value of the two properties of SAR 316.3 million, according to the latest evaluation reports.

The second additional offering of Alkhabeer REIT follows last year's successful conclusion of the Fund's first additional offering, which recorded 104% oversubscription and saw its assets under management increase by 70% to more than SAR 1.7 billion.

Alkhabeer REIT is a Sharia-compliant, closed-ended publicly traded real estate investment fund. It was listed on the "Tadawul" financial market on 20 March 2019 corresponding to 13 Rajab 1440. The Fund's real estate portfolio includes assets diversified across the retail and industrial sectors, as well as in offices, residential and educational properties, located in strategic locations 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 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. Alkhabeer Capital invests in 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.

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